May 15, 2026

Recruit Holdings Co., Ltd. (TSE 6098)
Consolidated Financial Results for the Year Ended March 31, 2026 (IFRS, Unaudited)

Tokyo, May 15, 2026 — Recruit Holdings Co., Ltd. announced today its consolidated financial results for the year ended March 31, 2026 (April 1, 2025 to March 31, 2026).

Consolidated Operating Results

(In billions of yen, unless otherwise stated)	FY2024	FY2025	% change
Revenue	3,557.4	3,697.3	3.9%
EBITDA+S	678.8	794.3	17.0%
Operating income	490.5	630.5	28.5%
% of revenue	13.8%	17.1%	-
Profit before tax	527.1	644.6	22.3%
Return on assets (%)	17.8%	23.2%	-
Profit attributable to owners of the parent	408.5	496.9	21.6%
% of total equity attributable to owners of the parent	22.6%	31.0%	-
Total comprehensive income	383.1	616.9	61.0%
Basic EPS (yen)	271.44	349.78	-
Diluted EPS (yen)	268.32	347.59	-

Reference: Share of profit (loss) of associates and joint ventures was (10.1) billion yen in FY2025 and (8.8) billion yen in FY2024.
Adjusted EBITDA has been renamed to EBITDA+S from the fiscal year ended March 31, 2026. There is no change in the items of the calculation. EBITDA+S = operating income + depreciation and amortization (excluding depreciation of right-of-use assets) + share-based payment expenses ± other operating income/expenses

Consolidated Financial Position

(In billions of yen, unless otherwise stated)	As of March 31, 2025	As of March 31, 2026
Total assets	2,772.2	2,789.0
Total equity	1,627.3	1,594.5
Equity attributable to owners of the parent	1,617.5	1,583.3
Ratio of equity attributable to owners of the parent (%)	58.3%	56.8%
Equity attributable to owners of the parent per share (yen)	1,102.86	1,134.01

Consolidated Cash Flows

(In billions of yen, unless otherwise stated)	FY2024	FY2025
Net cash flows from operating activities	610.3	669.4
Net cash flows from investing activities	(61.0)	(49.7)
Net cash flows from financing activities	(880.4)	(743.4)
Cash and cash equivalents at the end of the year	808.6	725.5

Dividends

(In yen, unless otherwise stated)	FY2024	FY2025	FY2026 Guidance
At the end of Q1	-	-	-
At the end of Q2	12.00	12.50	13.00
At the end of Q3	-	-	-
At the end of Q4	12.00	12.50	13.00
Total	24.00	25.00	26.00
Total amount of dividend payment (in billions of yen)	37.0	36.4	-
Payout ratio (consolidated, %)	8.8	7.1	5.8
Ratio of dividends to total equity attributable to owners of the parent (%)	2.0	4.5	-

Consolidated Financial Guidance for FY2026

(In billions of yen, unless otherwise stated)	FY2026 Full-year Guidance	% change
Revenue	4,030.0	9.0%
Gross Profit	2,424.0	10.8%
EBITDA+S	949.0	19.5%
Operating income	787.0	24.8%
Profit attributable to owners of the parent	623.0	25.4%
Basic EPS (yen)	447.00	27.8%

Please refer to page 7, Qualitative Information on Consolidated Financial Guidance for more details.

Significant changes in the scope of consolidation during the period

Indeed Recruit Partners Co., Ltd. was included, and RGF Staffing UK Limited was excluded from this reporting period.

Changes in Accounting Policies and Changes in Accounting Estimates

There has been no change in: (1) accounting policies required by IFRS, (2) accounting policies other than the foregoing item (1), and (3) accounting estimates.

Number of Issued Shares - Common Stock

	As of March 31, 2025	As of March 31, 2026
Number of issued shares including treasury stock	1,563,912,149	1,472,504,149
Number of treasury stock[1]	97,196,562	76,290,824

	FY2024	FY2025
Average number of shares during the period	1,504,932,604	1,420,625,622

[1] The number of treasury stock 76,290,824 as of March 31, 2026 includes treasury stock held by the Company (28,856,988 shares) and the Company's stock held in the trust account of the Board Incentive Plan ("BIP") trust and the Employee Stock Ownership Plan ("ESOP") trust (47,433,836 shares).

Definition of the Abbreviation

Abbreviation	Definition
Recruit Holdings, the Holding Company	Recruit Holdings Co., Ltd. on a standalone basis
the Company, Recruit Group, We, Our	Recruit Holdings Co., Ltd. and its consolidated subsidiaries
SBU	Strategic Business Unit
Q1	Three-month period from April 1 to June 30
Q2	Three-month period from July 1 to September 30
Q3	Three-month period from October 1 to December 31
Q4	Three-month period from January 1 to March 31
FY2024	Fiscal year from April 1, 2024 to March 31, 2025
FY2025	Fiscal year from April 1, 2025 to March 31, 2026
FY2026	Fiscal year from April 1, 2026 to March 31, 2027

Supplementary Information

- All comparisons in this report are year over year unless otherwise stated.

Average exchange rate during the period

	FY2024				FY2025			
(In yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
US dollar	155.85	149.71	152.37	152.55	144.48	147.47	154.07	156.92
Euro	167.85	164.28	162.58	160.55	163.91	172.38	179.36	183.61
Australian dollar	102.71	100.18	99.49	95.72	92.57	96.48	101.16	108.96

Reference: Outline of Non-consolidated Financial Results

Non-consolidated Operating Results

(In billions of yen, unless otherwise stated)	FY2024	FY2025	% change
Revenue	615.7	705.2	14.5%
Operating profit	605.1	693.5	14.6%
Recurring profit	603.6	687.4	13.9%
Net income	604.6	681.3	12.7%
Basic EPS (yen)	401.76	479.59	-
Diluted EPS (yen)	397.13	476.58	-

Non-consolidated Financial Position

(In billions of yen, unless otherwise stated)	As of March 31, 2025	As of March 31, 2026
Total assets	1,654.3	1,607.0
Net assets	693.3	735.5
Equity ratio (%)	41.7%	45.5%
Net assets per share (yen)	470.02	523.42

Reference: Equity was 689.3 billion yen as of March 31, 2025 and 730.7 billion yen as of March 31, 2026.

Earnings releases are not subject to review by a certified public accountant nor an independent auditor.

Forward-Looking Statements

This document contains forward-looking statements, which reflect the Company's assumptions and outlook for the future and estimates based on information available to the Company and the Company's plans and expectations as of the date of this document or other date indicated. There can be no assurance that the relevant forecasts and other forward-looking statements will be achieved. Please note that significant differences between the forecasts and other forward-looking statements and actual results may arise due to various factors, many of which are outside the Company's control, including changes in economic conditions, changes in individual users' preferences and business clients' needs, competition, changes in the legal and regulatory environment including changes in laws and regulations or guidance, interpretation, enforcement or practice relating to laws and regulations, fluctuations in foreign exchange rates, climate change or other changes in the natural environment, the occurrence of large-scale natural disasters, and other factors. Accordingly, readers are cautioned against placing undue reliance on any such forward-looking statements. The Company has no obligation to update or revise any information contained in this document based on any subsequent developments except as required by applicable law or stock exchange rules and regulations.

Note Regarding Reference Translation

This document has been translated from the Japanese language original for reference purposes only and may not be used or disclosed for any other purpose without the Company's prior written consent. In the event of any conflict or discrepancy between this translated document and the Japanese language original, the Japanese language original shall prevail in all respects. The Company makes no representations regarding the accuracy or completeness of this translation and assumes no responsibility for any losses or damages arising from the use of this translation.

Third-Party Information

This document includes information derived from or based on third-party sources, including information about the markets in which we operate. These statements are based on statistics and other information from third-party sources as cited herein, and the Company has not independently verified and cannot assure the accuracy or completeness of any information derived from or based on third-party sources.

U.S. Disclaimer – Unsponsored American Depositary Receipt ("ADR")

The Company does not support or encourage, and has not consented to, the creation of any unsponsored ADR facilities in respect of its securities and in any event disclaims any liability in connection with an unsponsored ADR. The Company does not represent to any depositary institution, bank or anyone nor should any such entity rely on a belief that the Web site of the Company includes all published information in English, currently, and on an ongoing basis, required to claim an exemption under U.S. Exchange Act Rule 12g3-2(b).

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1. Management's Discussion and Analysis

Consolidated Results of Operations

Consolidated revenue for FY2025 increased 3.9% year over year to 3,697.3 billion yen. Consolidated revenue increased in all three segments: HR Technology, Staffing, and Marketing Matching Technologies.

Operating income increased 28.5% year over year to 630.5 billion yen. Profit before tax increased 22.3% to 644.6 billion yen, profit for the period increased 21.7% to 496.6 billion yen, profit attributable to owners of the parent increased 21.6% to 496.9 billion yen, and basic EPS increased 28.9% to 349.78 yen.

For FY2025, EBITDA+S margin was 21.5%, and EBITDA+S increased 17.0% year over year to 794.3 billion yen.

Results of Operations by Segment

Matching & Solutions changed its name to Marketing Matching Technologies in FY2025. HR Solutions of the former Matching & Solutions was transferred to HR Technology Japan at the beginning of FY2025.

In the following, the results for FY2025 are compared with those for the previous fiscal year assuming that the above transfer had taken place in the previous fiscal year.

HR Technology

Revenue for FY2025 increased 6.3% to 1,458.4 billion yen, and on a US dollar basis, revenue increased 7.6% to 9.67 billion US dollars.

Revenue in the US increased 7.6% to 801.6 billion yen, and on a US dollar basis, revenue increased 8.8% to 5.31 billion US dollars, as monetization improvements led to a 17% year over year rise in the US Average Revenue per Job Posting on Indeed, or US ARPJ[1], despite stagnant hiring demand.

Revenue in Europe and Others increased 17.8% to 308.5 billion yen, and on a US dollar basis, revenue increased 19.2% to 2.04 billion US dollars.

Revenue in Japan decreased 4.6% to 348.2 billion yen, and on a US dollar basis, revenue decreased 3.2% to 2.31 billion US dollars.

EBITDA+S margin for FY2025 was 37.7%, primarily driven by improved operational efficiency, including a decrease in personnel expenses. EBITDA+S increased 21.5% to 549.9 billion yen.

[1] The US Average Revenue per Job Posting on Indeed, or US ARPJ, is calculated by dividing US revenue by the average daily total number of job postings on Indeed in the US, as measured by the Indeed Hiring Lab, the economic research arm of Indeed.

Staffing

Revenue for FY2025 increased 2.2% to 1,703.4 billion yen.

Revenue in Japan increased 5.2% to 846.8 billion yen, and revenue in Europe, US, and Australia decreased 0.6% to 856.5 billion yen.

EBITDA+S margin for FY2025 was 5.9%. EBITDA+S increased 2.4% to 99.7 billion yen.

Marketing Matching Technologies

Revenue for FY2025 increased 4.7% to 564.6 billion yen, driven by the Lifestyle subsegment[1] including Beauty.

Revenue in the Lifestyle subsegment increased 6.6% to 293.8 billion yen. Revenue in the Housing & Real Estate subsegment increased 4.5% to 156.9 billion yen, and revenue in the Others subsegment increased 0.2% to 113.8 billion yen.

EBITDA+S margin for FY2025 was 27.4%. EBITDA+S increased 13.0% to 154.9 billion yen.

[1] Lifestyle subsegment consists of the total of Beauty, Travel, Dining, and SaaS solutions including Air BusinessTools.

Capital Resources and Liquidity

Analysis of Consolidated Financial Position

The maximum amount of borrowings under overdraft agreements was 113.0 billion yen as of March 31, 2026, and the entire amount remained unused. In addition, committed credit facilities with a total maximum borrowing amount of 200.0 billion yen, for which the Company entered into an agreement on September 29, 2023, remained unused as of March 31, 2026.

Also, the Company has registered a maximum 200.0 billion yen worth of corporate bonds for potential issuances in Japan, the full amount of which is unissued as of March 31, 2026.

Analysis of Consolidated Cash Flows

Payments for the purchase of treasury stock in the fiscal year ended March 31, 2026 amounted to 678.7 billion yen.

2. Consolidated Financial Guidance for FY2026

The consolidated financial guidance for FY2026 is based on the assumption that there will be no significant changes in the economic environment.

The foreign exchange rate assumptions for FY2026 are 154 yen per US dollar, 182 yen per Euro and 110 yen per Australian dollar.

For FY2026, the total amount of share-based payment expenses for consolidated financial results are expected to be 79.2 billion yen, and the total amount of share-based payment expenses for HR Technology are expected to be approximately 490 million US dollars.

Based on these assumptions, the full-year consolidated financial guidance and outlook of each segment for FY2026 are as follows.

Consolidated Guidance

(In billions of yen)	FY2025 Actual	FY2026 Guidance	% change
Revenue	3,697.3	4,030.0	9.0%
Gross Profit	2,188.1	2,424.0	10.8%
EBITDA+S	794.3	949.0	19.5%
Operating income	630.5	787.0	24.8%
Profit attributable to owners of the parent	496.9	623.0	25.4%
Basic EPS (yen)	349.78	447.00	27.8%

HR Technology

	FY2025 Actual	FY2026 Outlook	% change
Revenue (in millions of US dollars)			
US	5,314	6,035	13.6%
Europe and Others	2,045	2,395	17.1%
Japan	2,314	2,308	-0.2%
Total	9,674	10,738	11.0%
Revenue (in billions of yen)			
US	801.6	929.3	15.9%
Europe and Others	308.5	368.8	19.5%
Japan	348.2	355.5	2.1%
Total	1,458.4	1,653.7	13.4%
EBITDA+S	549.9	677.4	23.2%
EBITDA+S margin	37.7%	41.0%	-

Staffing

	FY2025 Actual	FY2026 Outlook	% change
Revenue			
Japan	846.8	873.0	3.1%
Europe, US, and Australia	856.5	929.5	8.5%
Total	1,703.4	1,802.5	5.8%
EBITDA+S	99.7	100.5	0.8%
EBITDA+S margin	5.9%	5.6%	

Marketing Matching Technologies

	FY2025 Actual	FY2026 Outlook	% change
Revenue	564.6	605.0	7.1%
EBITDA+S	154.9	181.5	17.1%
EBITDA+S margin	27.4%	30.0%	-

3. Management Philosophy and Strategies

Management Philosophy

Recruit Group Management Philosophy is defined by its Basic Principle, Vision, Mission and Values as follows:

Basic Principle	We are focused on creating new value for our society to contribute to a brighter world where all individuals can live life to the fullest.
Vision	Follow Your Heart We envision a world where individuals and businesses can focus on what really matters. The more people are free to pursue their passions, the better our future becomes.
Mission	Opportunities for Life. Faster, simpler and closer to you. Since our foundation, we have connected individuals and businesses offering both a multitude of choices. In this era of search where information has become available anytime anywhere, we need to focus more on proposing the optimal choice. We seek to provide “Opportunities for Life” much faster, surprisingly simpler and closer than ever before.
Values	

Wow the World	Bet on Passion	Prioritize Social Value
What we do isn’t a job. We enjoy exploring what is possible for our future. We question the status quo, fail well and overcome with resilience. We are a force for change.	We are a team of people fueled by curiosity. We respect and capitalize on each other’s differences. We know that one person’s crazy idea, when backed by data and research, can become the best bet.	We, as global citizens, strive to contribute to a sustainable society through all of our corporate activities. Each one of us is committed to seeking out the needs of society and taking action for a better future.

The Company has aligned its management philosophy through its two-sided marketplace business model, which facilitates the best possible matches for the mutual benefit of both individual users and business clients.

In recent years, the Company has improved matching efficiency, providing better matching outcomes for individual users and improving operational efficiencies for business clients with AI developed based on the expertise cultivated within the Recruit Group.

Target Management Key Performance Indicators (KPIs)

The Company aims to invest in new businesses, research and development, and mergers and acquisitions (M&A) in order to achieve profitable growth over the long-term, and maximize enterprise value as well as shareholder value. Therefore, the Company has set EBITDA+S as target management KPIs. Executive officers’ compensation is linked to the achievement level of EBITDA+S, to align with shareholder interests.

Business Strategies

Recruit Group is committed to maximizing enterprise and shareholder value by quickly identifying needs and business opportunities in the global market and making swift decisions in response to the rapidly evolving business environment driven by technological advancements.

Through HR Technology and Staffing in the global HR Matching market as well as through Marketing Matching Technologies for Japan, the Company aims not only to provide online advertising businesses, but also to be a solutions provider that utilizes AI and technology to improve the performance and productivity of clients’ businesses.

In an environment of significant uncertainty, the Company is committed to making a positive impact on society and the planet, which is essential to achieving sustainable growth. The Company aims to prosper together with all stakeholders by conducting all corporate activities with a sound governance foundation. Therefore, as part of the Company’s corporate strategy, the Company has set specific targets for environmental, social and governance matters which will be monitored by the Board of Directors. The Company will advance these initiatives through ongoing dialogue with its stakeholders.

The Company's business strategies are as follows:

Simplify Hiring - ***Make it easier and faster for people to get jobs***

The HR Matching market includes job advertising & talent sourcing tools, direct hire, retained search, internal recruitment automation, and temporary staffing. The Company is committed to making it easier and faster for people to get jobs, while reducing the cost and time to hire for employers across the HR Matching market.

To achieve the goal of Simplify Hiring, the Company believes it is essential to further strengthen the collaboration between all HR related businesses across Recruit Group and operate them in a unified manner, while targeting the entire HR Matching market. Through Indeed PLUS and continuing with the placement business, the Company believes that operating these businesses as one will improve hiring efficiency and accelerate the ability to effectively address the global HR Matching market.

The Recruit Group is dedicated to automating many of the steps in the hiring process and to enhancing the quality and speed of matching in all HR Matching markets it operates in. The Company aims to leverage the vast amount of data available in each service combined with AI and machine learning technology to simplify the hiring process and deliver greater value to job seekers and employers. The Company's long term vision is to more quickly, effectively and fairly connect job seekers and employers at the push of a button[1].

At the center of this strategy, the HR Technology SBU operates a global two-sided talent marketplace that includes the world's leading online matching and hiring platforms[2], Indeed and Glassdoor, and the job distribution platform Indeed PLUS. Every day, millions of job seekers connect with millions of employers of all sizes, from small businesses to large enterprises and staffing agencies, directly on Indeed, Indeed PLUS and Glassdoor.

Job seekers can access more than 20 million jobs[3] that have been aggregated from public sources, posted via integrations with ATS or posted directly by employers to HR Technology's online matching and hiring platforms. Job seekers are provided with a suite of tools and resources that make getting a job simple, fast and more human, including job search and recommendations, profile creation and resume posting, career advice, and scheduling and conducting video and phone interviews.

For employers, HR Technology's online matching and hiring platforms offer AI based solutions to recruit and hire qualified talent in a simpler, faster and more human way. Employers can post and advertise jobs and build their company's employment brand, reaching a broad job seeker audience. Indeed offers a range of products for employers to source, screen, interact with, and interview candidates providing an efficient source of candidates through pay-for-performance and subscription pricing models.

The scale of the two-sided talent marketplace created by Indeed is evidenced by the 3.5 million employers[4] that use Indeed each year to hire, the over 665 million verified job seeker profiles[5] created on Indeed.

Improving the matching process between job seekers and employers is vital to enhance the efficiency and effectiveness of the two-sided talent marketplace. This involves continuously refining the accuracy and timeliness of the information the Company uses including through the use of predictive AI and machine learning technology, which analyze historical and real-time signals to forecast likely job seeker and employer behavior, to provide the most suitable job recommendations and the most qualified candidate pool available. Additionally, an essential element of this effort is to increase engagement with job seekers and employers in the Company's talent marketplace, including through generative AI tools, which leverage large language models to provide new experiences, such as explaining the rationale behind recommendations.

By logging in and creating a profile, job seekers provide the Company with a better understanding of their skills and preferences, enabling it to offer more personalized job recommendations that are highly relevant to them. This not only provides a superior user experience but also helps job seekers find suitable opportunities more efficiently.

Furthermore, the Company also believes that it is crucial to understand the factors that drive successful and unsuccessful outcomes for job seekers and employers. The Company's talent marketplace facilitates interactions between job seekers and employers, such as messaging, calls, application submissions, interview requests and RSVPs, offers, and more. Additionally, by expanding integrations with ATSs, the Company aims to improve matching by bringing outcome data from external ATSs into the Indeed platform. By tracking these interactions in the Company's marketplace throughout the hiring process, it gains valuable insights into why job seekers and employers progress from one step to the next.

The Company considers the measured average number of hires per minute[6] to be a Key Performance Indicator (KPI) that demonstrates its success in simplifying the hiring process. The Company believes this KPI indicates a successful engagement between job seekers and employers, which represents improvements in matching and automation, as well as improvements in employer engagement that help the Company measure more hires. In calendar 2025, based on internal measurement, an average of 31 job seekers were hired on Indeed every minute.

The Company believes that by fully utilizing the Recruit Group's business client relationships, offline and online data, combined with AI technologies, the Recruit Group's matching engine can be improved significantly, helping to simplify the process for job seekers and make recruiting more efficient across all of Recruit's HR related businesses.

As an example, Indeed PLUS, a job distribution platform available throughout Japan, efficiently matches job seekers and employers by combining the power of the Company's online matching and hiring platforms with the data and insights of its various Japan-based job boards like TOWNWORK and Rikunabi NEXT. All of the job boards in Japan, with the exception of Rikunabi, are now linked to Indeed PLUS, allowing job seekers to choose from a wider range of jobs, and employers to expect to hire the most suitable talent more quickly and efficiently, from a larger pool of candidates.

Additionally, RECRUIT AGENT, the placement service, utilizes the Recruit Group's matching engine to streamline processes like screening resumes, a previously manual process. By combining Indeed's technology, data and scale with more than 60 years of HR matching expertise in the Japanese market, the Company aims to accelerate its Simplify Hiring strategy in Japan.

The Staffing SBU is focused on leveraging the technology developed within the Recruit Group, such as its unparalleled matching engine, to provide superior experiences for both business clients and temporary workers by applying data and automation to the traditional temporary staffing business. The Company aims to improve the speed and quality of matching, and increase retention of temporary workers and automate manual processes with the ultimate goal of becoming the leading, most innovative platform in the temporary staffing market.

In 2025, the Company believes the size of the HR Matching market was roughly 302 billion US dollars[7], slightly lower compared to the Company's estimate for 2024. The decrease was driven by the continued decline of the Temporary Staffing market, while the other markets were roughly flat. Please reference the footnotes for details of the updates.

The Direct Hire and Retained Search markets, as well as the internal recruitment processes that underlie the Internal Recruitment Automation market have historically been characterized as business processes and methods that are highly dependent on manual processes in order to source and screen candidates, schedule interviews, and dispose of candidates. The Company is currently aiming to develop highly efficient solutions for recruiters, hiring managers, and business owners at lower prices compared to the industry average, using data and automation to make getting a job and hiring an employee simpler and faster. As a result, the Company aims to further grow the number of employers it serves and increase the share of employers' recruiting budgets that it can capture.

HR Matching addressable markets (estimated)

(in billions of US dollars)	2024	2025
Job Advertising and Talent Sourcing [8, 9]	33	34
Direct Hire [10, 11]	72	71
Retained Search [10, 11]	24	24
Temporary Staffing [12, 13]	111	105
Internal Recruitment Automation [14, 15]	70	68
Total Addressable Market ("TAM") [16]	**310**	**302**

Job Advertising and Talent Sourcing: The global job advertising and talent sourcing market is estimated by Staffing Industry Analysts ("SIA") to have been roughly 34 billion US dollars[9] in terms of annual revenue in 2025.

Direct Hire: The direct hire market, where companies are paid fees for placing permanent workers at employers, is estimated by the Company to have been roughly 71 billion US dollars[11] in terms of annual revenue globally in 2025 and has historically been dominated by traditional relationship-based business models.

Retained Search: The retained search market, where companies are paid to search for employees to fill specific roles, commonly executive roles, is estimated by the Company to have been roughly 24 billion US dollars[11] in terms of annual revenue globally in 2025 and is similarly dominated by traditional relationship-based models.

Temporary Staffing: The temporary staffing market, where companies are paid to find and employ, or facilitate employment of, workers for a temporary period, is estimated by the Company to have been roughly 522 billion US dollars[13] in annual revenue globally in 2025. The total gross profit for all staffing companies, which is calculated by subtracting the amount of salary for temporary staff and related costs from the total revenue, is estimated by the Company to have been roughly 94 billion US dollars[13] in 2025. Additionally, the Company's definition of this market includes the estimated annual revenue globally in 2025 for each of the Talent Platforms[17], Staffing Platforms[18] and Vendor/Freelancer Management Systems ("VMS/FMS")[19] markets, and an estimated annual spending by employers on Managed Service Provider ("MSP")[20] and Recruitment Process Outsourcing ("RPO")[21] services that can be reasonably automated and monetized by third parties (including an estimated reduction from historical spending due to cost savings achieved through automation). Given the related nature of these markets and the frequency with which service providers offer some or all of these services, the Company believes that it is appropriate to combine these markets as part of the temporary staffing market. Including these markets, the Company estimates that the temporary staffing market was roughly 105 billion[13] US dollars globally in 2025.

Internal Recruitment Automation: The potential internal recruitment automation market, which the Company has begun to address, is estimated by the Company to have been roughly 68 billion US dollars[15] in 2025. The size of this market is estimated based on the historical estimated spending by employers on internal talent acquisition resources, and then estimating how much of this spending can be reasonably automated and monetized by third parties (including an estimated reduction from historical spending due to cost savings achieved through automation). Additionally, in order to comprehensively capture the automation tools that are currently used by employers in the recruitment process, the Company's definition of this market includes the estimated annual revenue globally in 2025 for ATS[22] and an estimated annual internal spending by employees on Background Checks[23] that can be reasonably automated and monetized by third parties.

[1] The Company is aware there may be legal restrictions in this area and so will endeavor that the Company's work meets those requirements.
[2] Source: comScore, Total Visits, March 2026
[3] Internal data, based on the last 12 months daily average number of jobs searchable on Indeed as of December 2025, worldwide
[4] Internal data, based on the last 12 months of activity as of March 2026, worldwide
[5] Internal data, cumulative number of verified job seeker accounts on Indeed through March 31, 2026, worldwide. Job seeker accounts that have a unique, verified email address.

[6] Internal data, hires per minute is a calculation of hired signals per year on Indeed and Glassdoor, divided by minutes per year. A hired signal refers to the event when a specific job seeker is hired for a specific job on a specific date. Hired signals are counted either when an employer or job seeker explicitly communicates a hire occurred (e.g., via survey or web form) or when there is other clear evidence from Indeed and Glassdoor data that a hire occurred (e.g., from a resume or an Indeed message) and may not represent all hires facilitated by Indeed and Glassdoor.

[7] Sum of the estimated size of addressable markets for the job advertising & talent sourcing tools market, the direct hire market and the retained search market in terms of annual revenue, the estimated size of the addressable market for the internal recruitment automation market in terms of the amount of current expenses of employers for internal talent acquisition resources that could be reasonably automated and monetized plus the estimated size of the addressable market for the ATS market and the Background Checks market, and the addressable markets for the temporary staffing market in terms of annual gross profit plus the estimated size of the addressable markets for the Talent Platforms, Staffing Platforms, VMS/FMS, MSP, and RPO markets, in each case based on the Company's estimates and third party market data as described in the notes below.

[8] Source for 2024: SIA, The Evolution of Recruiting: 2025 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2025 Update.

[9] Source for 2025: SIA, The Evolution of Recruiting: 2026 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2026 Update.

[10] Source for 2024: SIA, Global Staffing Market Estimates & Forecasts November 2024. Placement & Search market is derived by applying 15.2%, which was Placement & Search's share of 2023 Global Staffing Revenue, to the sum product (a) of -9% growth rate from SIA, America's Staffing Market Forecast November 2024 applied to 229 billion US dollars, which was America's Total Staffing market in 2023, (b) of -2% growth rate applied to 263 billion US dollars, which was EMEA Total Staffing market in 2023, and (c) of 7% growth rate applied to 159 billion US dollars, which was APAC Total Staffing market in 2023, all from SIA, Global Staffing Market Estimates & Forecasts November 2024. Direct Hire market is defined as a segment of Placement & Search market, which in turn is a segment of Global Staffing Industry Market. Direct Hire Market segment was derived by applying SIA's Global Staffing Industry Market figure to country-by-country ratios of the relative proportion attributable to this segment within the total market based on proprietary third party market data. Retained Search Market is defined as the portion of Placement & Search Market not attributable to the Direct Hire Market and derived as the difference between these two segments.

[11] Source for 2025:SIA, Global Staffing Market Estimates & Forecasts 2025-2030 Update: November 2025.Placement & Search market is derived by applying 15.5%, which was Placement & Search's share of 2024 Global Staffing Revenue, to the sum product (a) of -2% growth rate from SIA, Americas Staffing Market Estimates & Forecasts November 2025 applied to 202 billion US dollars, which was Americas Total Staffing market in 2024, (b) of -2% growth rate applied to 257 billion US dollars, which was EMEA Total Staffing market in 2024, and (c) of 6% growth rate applied to 159 billion US dollars, which was APAC Total Staffing market in 2024, all from SIA, Global Staffing Market Estimates & Forecasts 2025-2030 Update: November 2025. Direct Hire Market is defined as a segment of Placement & Search Market, which in turn is a segment of Global Staffing Industry Market. Direct Hire Market segment was derived by applying SIA's Global Staffing Industry Market figure to country-by-country ratios of the relative proportion attributable to this segment within the total market based on proprietary third party market data. Retained Search Market is defined as the portion of Placement & Search Market not attributable to the Direct Hire Market and derived as the difference between these two segments.

[12] Source for 2024: derived by applying a gross profit margin of 18.72%, which was calculated based on the weighted average of the top 3 publicly traded global staffing companies in terms of revenue in 2024, to 536 billion US dollars, which was the estimated revenue of the temporary staffing market in 2024. 536 billion US dollars is a sum product (a) of -9% growth rate of the Total Staffing market from SIA, America's Staffing Market Forecast November 2024 applied to 206 billion US dollars, which was America's Temporary Staffing market in 2023, (b) of -2% growth rate of the Total Staffing market applied to 225 billion US dollars, which was EMEA Temporary Staffing market in 2023, and (c) of 7% growth rate of the Total Staffing market applied to 120 billion US dollars, which was APAC Temporary Staffing market in 2023, all from SIA, Global Staffing Market Estimates & Forecasts November 2024.

[13] Source for 2025: derived by applying a gross profit margin of 18.17%, which was calculated based on the weighted average of the top 3 publicly traded global staffing companies in terms of revenue in 2025, to 522 billion US dollars, which was the estimated revenue of the temporary staffing market in 2025. 522 billion US dollars is a sum product of (a) -2% growth rate from SIA, Americas Staffing Market Estimates & Forecasts November 2025 applied to 181 billion US dollars, which was Americas temporary staffing market in 2024, of (b) -2% growth rate applied to 222 billion US dollars, which was EMEA temporary staffing market in 2024, and of 6% growth rate applied to 120 billion US dollars, which was APAC temporary staffing market in 2024, all from SIA, Global Staffing Market Estimates & Forecasts 2025-2030 Update: November 2025.

[14] Source for 2024: SIA, The Evolution of Recruiting: 2025 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2025 Update. SIA's estimates are based on the assumption that 46% of historical spending on internal talent acquisition resources could be reasonably captured by current technology and that technology would result in 37% cost savings from historical spending. In the report, SIA notes given the challenges in making global estimates with incomplete information, and in estimating potential automation and savings, SIA advises readers to think of the estimated market size as a midpoint in a range with a 20% spread. This market estimate includes the addition of the ATS market and the Background Checks market.

[15] Source for 2025: SIA, The Evolution of Recruiting: 2026 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2026 Update. SIA's estimates are based on the assumption that 43% of historical spending on internal talent acquisition resources could be reasonably captured by current technology and that technology would result in 37% cost savings from historical spending. In the report, SIA notes given the challenges in making global estimates with incomplete information, and in estimating potential automation and savings, SIA advises readers to think of the estimated market size as a midpoint in a range with a 20% spread. This market estimate includes the addition of the ATS market and the Background Checks market

[16] As described above, the estimates of the Job Advertising & Talent Sourcing tools market, the Direct Hire market, the Retained Search market, the Internal Recruitment Automation market and the Temporary Staffing market are based on internal estimates and independent market research in addition to third party market data. Accordingly, the estimates described above may differ materially from the actual size of such markets.

[17] The Talent Platforms market, where companies manage marketplaces that facilitate direct contingent work arrangements that enable a legal relationship between companies and workers, is estimated by the Company to have been roughly 2 billion US dollars in 2024 and 2025 in terms of annual revenue globally based on SIA, The Evolution of Recruiting: 2025 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2025 Update and SIA, The Evolution of Recruiting: 2026 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by

Indeed): January 2026 Update, respectively.

[18] The Staffing Platforms market, where companies manage marketplaces that facilitate automated match of candidates with relevant temporary assignments, is estimated by the Company to have been roughly 3 billion US dollars in 2024 and 2025 in terms of annual revenue globally based on SIA, The Evolution of Recruiting: 2025 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2025 Update and SIA, The Evolution of Recruiting: 2026 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2026 Update, respectively.

[19] The Vendor/Freelancer Management Systems ("VMS/FMS") market, where companies provide technology used to manage a company's contingent workforce program, is estimated by the Company to have been roughly 3 billion US dollars in 2024 and 2025 in terms of annual revenue globally based on SIA, The Evolution of Recruiting: 2025 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2025 Update and SIA, The Evolution of Recruiting: 2026 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2026 Update, respectively.

[20] The Managed Service Provider ("MSP") market, where companies provide services associated with management of all or part of a client's contingent workforce program through the use of automation, is estimated by the Company to have been roughly 1 billion US dollars in 2024 and 2025 in terms of annual spending by employers that can be reasonably automated and monetized by third parties based on SIA, The Evolution of Recruiting: 2025 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2025 Update and SIA, The Evolution of Recruiting: 2026 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2026 Update, respectively.

[21] The automated Recruitment Process Outsourcing ("RPO") market, where companies perform the partial or full internal recruitment function for a third party, from sourcing to onboarding through the use of automation, is estimated by the Company to have been roughly 3 billion US dollars in 2024 and 2 billion US dollars in 2025 in terms of annual spending by employers that can be reasonably automated and monetized by third parties based on SIA, The Evolution of Recruiting: 2025 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2025 Update and SIA, The Evolution of Recruiting: 2026 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2026 Update, respectively.

[22] The ATS market, where companies provide software and other tools to facilitate the tracking of applicants through different stages of the recruitment process, is estimated by the Company to have been roughly 3 billion US dollars in terms of annual revenue globally in 2024 and 2025 based on SIA, The Evolution of Recruiting: 2025 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2025 Update and SIA, The Evolution of Recruiting: 2026 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2026 Update, respectively.

[23] The Background Checks market, where companies use digitized methods to verify and vet applicants' background and credentials, is estimated by the Company to have been roughly 1 billion US dollars in terms of annual internal spending by employers that can be reasonably automated and monetized by third parties in 2024 and 2025 based on SIA, The Evolution of Recruiting: 2025 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2025 Update and SIA, The Evolution of Recruiting: 2026 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2026 Update, respectively.

Help Businesses Work Smarter - ***Improve performance and productivity for business clients in Japan***

Help Businesses Work Smarter aims to contribute to improving productivity and profitability of the Company's business clients in Japan. Led by Marketing Matching Technologies (MMT), this strategy focuses on achieving sustainable growth for these clients, which in turn drives the mid- to long-term revenue growth of the Company.

MMT provides vertical-specific matching platforms and associated business support SaaS solutions, as well as business support SaaS solutions called Air BusinessTools, which work across all verticals. The Help Businesses Work Smarter strategy will be achieved by consolidating business clients' operations within a single ecosystem, integrating and completing all business processes related to their economic activities.

MMT's matching platforms facilitate massive and timely matching between individual users, supported by a base of 98.65 million[1] RECRUIT IDs, and approximately 980,000 business clients[2]. Matching is achieved through actions taken by individual users with a RECRUIT ID, such as booking reservations for hair salons or requesting information for new condominiums, enabled by real-time booking availability and service and product information synced by business clients through SaaS solutions. For the small-to-medium-sized business clients who make up the majority of MMT's client base, the platforms serve as essential infrastructure for digital transformation, enabling them to efficiently manage and execute their business operations, from customer attraction to inquiries, reservation management, and payments.

Additionally, the Company provides suggestions for improving service content and pricing using AI-based technology. This is achieved by utilizing not only booking and payment data accumulated through matching platforms and SaaS solutions, but also proprietary offline data such as service history from face-to-face interactions.

Individual users register for a RECRUIT ID and earn RECRUIT POINTS based on their actions on matching platforms. By encouraging the use of this point program, the Company creates synergies across multiple verticals. The cross-use rate[3], which measures the proportion of individual users using multiple vertical platforms, exceeds three-fourths, driving actions based on a strong user base.

As a result, the total number of annual individual user actions[4] increased from approximately 190 million in FY2017 to approximately 400 million in FY2025 (excluding cancellations). Moving forward, by utilizing action data and matching technology, the Company aims to improve the value and convenience of its matching platforms and increase the number of actions.

By combining AI-based suggestions utilizing proprietary data accumulated through the matching platforms with user actions generated from the individual user base with a RECRUIT ID, the Company achieves the maximization of business clients' Gross Merchandise

Value (GMV), which is the total value of transactions resulting from matches on the matching platforms.

In many verticals, the Company currently offers business clients "Expected Action-Tiered Plans," which provide monthly fixed pricing options structured around a combination of the number of expected user actions and customer acquisition costs. Moving forward, starting with Beauty, the Company will gradually introduce a "GMV-Linked Model" across multiple verticals, where the Company receives fees based on the business client's GMV. By combining the evolution of the revenue models with the expansion of GMV through AI, the Company aims to leverage the advancement of AI into a key driver of mid- to long-term growth for both business clients and the Company.

The Company will evolve the business model for each vertical by responding to changes in the business environment of each field, the diversifying needs of individual users, and shifts in information gathering and comparison behaviors driven by the widespread use of AI, as well as changes in the value provided to business clients. Through these initiatives, the Company will promote the strategy, Help Businesses Work Smarter, and aim to increase its revenue by enhancing the earning power of business clients all across Japan.

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[1] The total number of RECRUIT IDs (as of March 2026)
[2] The cumulative number of listed stores and business locations as of March, 2026, in Beauty, Travel, Dining, Housing and Real Estate, Automobile, Bridal, and Education verticals, combined with the total number of stores and business locations using SaaS solutions(if a single store uses multiple services, it is counted for each service).
[3] Calculated for the period from March 2025 to February 2026 by dividing the number of RECRUIT IDs with a login record on two or more platforms or online services within the applicable verticals by the total number of RECRUIT IDs with a login record on the Company's matching platforms or online services in the Beauty, Travel, Dining, Housing and Real Estate, Automobile, Bridal, Education, and other verticals.
[4] The annual aggregate total number of user actions such as reservations at salons, restaurants, or accommodations, etc., or making inquiries or requests for materials regarding listings, services, etc.(excluding cancellations), in the Beauty, Travel, Dining, Housing and Real Estate, Automobile, Bridal, and Education verticals.

Prosper Together - ***Seek sustainable growth shared by all stakeholders***

The Company believes that its corporate activities can make a positive impact on society, and that in doing so, it can prosper alongside its stakeholders and take a vital step toward long-term, sustainable growth. In an environment of heightened uncertainty, the Company is further integrating its business strategy and sustainability initiatives, while advancing efforts tailored to region-specific business environments and social issues. The progress made in FY2025[1] toward the environmental, social, and governance goals for FY2030 is outlined below.

Environment
The Company anticipates achieving its short-term goal of carbon neutrality across all business activities in FY2025, as it has in each of the past four fiscal years[2,3]. Its long-term goal is to achieve carbon neutrality across its entire value chain by FY2030[2].To reach this target, the Company is advancing initiatives to reduce greenhouse gas (GHG) emissions based on its SBTi Near-Term Target[2 4], and expects to exceed its target for FY2025 by a substantial margin.

Scope 3 emissions account for more than 95%[5] of the Company's GHG emissions, and the Company is working with partners to improve the accuracy of their measurement. In Japan, for example, for system development projects, Recruit Co., Ltd. worked with partners to calculate GHG emissions on a project basis, and third-party assurance was obtained for those calculations[6]. Going forward, the Company plans to expand this model case to major partners, improving measurement accuracy across the value chain and advancing emissions reduction efforts.

For the third consecutive year, the Company was recognized as an "A" list company by CDP[7] — the international nonprofit organization — in 2025, in acknowledgment of its leadership in climate change performance and corporate disclosure transparency.

Social
As a leader in the global HR Matching Market, the Company has set two key goals by FY2030 to drive meaningful social impact, centered around its core business area: work. Work is an indispensable foundation for people's lives, and the Company is therefore dedicated to opening up access to employment opportunities for all and reducing the time to get hired.

To achieve the first goal of reducing the time it takes for job seekers to get hired by half by FY2030, the Company uses Time to Hire (TTH) on Indeed as a progress metric and is working to reduce that time In FY2025 updated its measurement methodology from the mean to the median, in line with international best practices[8]. TTH stood at 30 days as of December 2025, up 6 days from December 2024[8]. This increase is presumed to be at least partially attributable to the macroeconomic environment in the United States.

At the same time, the Company's research continues to indicate that certain paid solutions and product innovations can help reduce TTH, even amid a challenging macroeconomic environment. For example, in the U.S., jobs posted directly on Indeed using Premium Sponsored Jobs achieved a 50% faster TTH than non-sponsored jobs[9 10].

To further reduce TTH, the Company is taking targeted actions, including leveraging AI-powered products and other technologies to improve efficiency, enhance matching, and streamline communication between employers and job seekers. For example, the Company offers Indeed Smart Screening, a screening solution that uses employer-defined criteria to help employers identify candidates who meet those requirements earlier in the hiring process. This helps employers focus their evaluation on the most relevant applications, saving time while retaining full control over hiring decisions. Based on early testing in the U.S., employers using this feature on Indeed saw a 20% average reduction in TTH[11]

Through these efforts, the Company aims to make the entire process of getting hired faster, simpler, and more accessible, thereby contributing to society through improved matching between job seekers and employers and supporting the Company's sustainable business growth.

At the same time, labor markets continue to present many barriers that cannot be solved by improving the speed and accuracy of job matching alone. In response, the Company set a second goal of helping 30 million job seekers facing barriers get hired by FY2030. To achieve this, the Company has been working to break down six common barriers that affect job seekers globally, including those related to education and disabilities. In particular, the Company is advancing Skills-First Hiring[12] — an approach that evaluates candidates based on skills gained through work, training, and other experience, rather than relying solely on traditional formal qualifications such as educational background.

The Company offers AI-powered tools, such as Job Description Generator and Indeed Smart Sourcing, to support better matching between job seekers and employers based on skills and experience. To supplement these efforts, Indeed partners with organizations globally, including Opportunity@Work, the International Organization for Migration (part of the United Nations), and Hidden Disabilities Sunflower, among others.

Through these efforts, the Company successfully helped a cumulative total of approximately 18.8 million job seekers facing barriers get hired[13] [14] by FY2025, and remains committed to reducing barriers in the job market by continuing to promote inclusive and Skills-First Hiring practices.

Since its founding, the Company has valued the individuality of each employee. Betting on the passion and ideas of employees has long been the Company's competitive advantage, and one that has driven the creation of new businesses and services across the Group. Building on this belief, the Company is working toward its goal of achieving gender parity in senior executive positions, managerial positions, and total employees across the Group by FY2030[15].

The Company believes that initiatives tailored to region-specific challenges are key to achieving this Group-wide goal. Recruit Co., Ltd., which primarily operates in Japan where the gender gap is notably wide, is expanding its pool of managerial candidates by clarifying the requirements for management positions, and has rolled out a coaching-based human capital development program. As a result, the proportion of women in managerial positions has continued to increase[16].

Governance

The Company views a well-balanced Board, comprising members with varied skills, experiences, and backgrounds, as critical to transparent, sound governance, and high-quality decision-making.

Recruit Holdings aspires to achieve gender parity among the members of the Board of Directors and Audit and Supervisory Board by FY2030, and continues to consider candidates for the Board of Directors based on the skills and backgrounds needed to realize its medium- and long-term strategies.

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[1] In this document, the term "FY" refers to Recruit Holdings' Fiscal Year. "FY" refers to the 12-month period commencing April 1 of the year indicated, ending on March 31 of the following year.

[2] GHG emissions throughout the Company's business activities are the sum of direct emissions from the use of fuels in owned or controlled sources and are referred to as Scope 1. Indirect emissions from the use of purchased electricity, heat, or steam in owned or controlled sources are referred to as Scope 2. GHG emissions from the value chain are referred to as Scope 3, and comprise indirect emissions other than Scopes 1 and 2. The entire value chain represents the sum of Scopes 1, 2, and 3 GHG emissions. The Company aims to achieve carbon neutrality upon completion of the following steps: measurement of GHG emissions, obtaining an accredited third-party assurance on the amount of GHG emissions, and offsetting of those emissions.

[3] All GHG emission figures are approximate numbers calculated based on the GHG Protocol. Additionally, independent third-party assurances have been obtained from SOCOTEC Certification Japan for GHG emissions.

[4] The Company aims to reduce Scope 1 and 2 GHG emissions by 46.2% by FY2030, using FY2019 as the base year, and to reduce Scope 3 GHG emissions by 30% by FY2030, using FY2019 as the base year.

[5] Based on the emissions of FY2024.

[6] See the joint press release dated April 24, 2026, issued by NTT DATA Group Corporation, NTT DATA Corporation, and Recruit Co., Ltd., regarding the calculation of the carbon footprint of system engineering service contracts and third-party assurance.

[7] CDP is a charity-controlled non-profit organization (NPO) established in 2000. It owns one of the world's largest environmental databases, working with large global financial institutions to disclose the environmental impact of companies in the areas of climate change, forests and water security.

[8] "Time to Hire" refers to the number of days from the creation of a job posting on Indeed to the reporting of the first hire for that posting. Beginning in FY2025, the methodology was revised to use the median instead of the mean. Both the 30 days as of December 2025 and the 24 days as of December 2024 are based on medians recalculated using the same methodology.

[9] U.S. data from Jan 2026 - Mar 2026, for jobs hosted on the Indeed platform using median.

[10] Premium Sponsored Jobs are sponsored job listings on Indeed that include additional features such as matching tools, candidate outreach functions, and job branding features.

[11] Based on a sample of 1,095 U.S. job postings with Smart Screening enabled, compared with a comparable group of U.S. job postings without Smart Screening, from May through December 2025.

[12] A method of selecting job candidates based on their skillset at an early stage of the hiring process. Unlike the traditional selection method, which first 'screens out' candidates based on their academic background, skills-first hiring 'screens in' candidates first by evaluating their skills. The aim is to allow employers to hire people with the right skills and abilities to perform their jobs, all in a shorter period of time.

[13] Represents number of hires made on Indeed reported through the Hired Signal measurement, from May 1, 2021 - March 31, 2026, globally for job seekers who faced at least one of the following common job market barriers: education, criminal record, military experience, disability, refugee background or lack of work essentials such as a computer or Internet access.

[14] Beginning in September 2025, the method for identifying job seekers was standardized based on profile information, and the lookback period for hiring signals was revised from 30 days to two years, in order to improve measurement accuracy and ensure consistency in

ongoing aggregation.

[15] Senior executive positions are defined as Senior Vice Presidents and Corporate Professional Officers of Recruit Holdings and Marketing Matching Technologies SBU, and CEOs of the Company's major subsidiaries and heads of key functions in the HR Technology and Staffing SBUs. The respective percentages of women in managerial positions and total employees are calculated from Recruit Holdings, SBU Headquarters and the primary operating companies of each SBU. Managerial positions mean those that have subordinate employees.

[16] Compared to FY2024, the percentage of women managers at Recruit Co., Ltd., rose from 33.9% to 35.0%, and the percentage of women in senior executive positions remained at 33.3%.

[16] The Board of Directors members are defined as Directors and Audit and Supervisory Board members.

Capital Allocation Policy

The Company's capital allocation policy has the following priorities:

- Investment in product development and marketing expense for existing businesses for future growth
- Continuous payment of stable per-share dividends
- Strategic M&A mainly focused on HR Technology in the HR Matching Market
- Share repurchases, depending on the capital markets environment and the outlook of the Company's financial position

The Company focuses on achieving capital efficiency by focusing on ROE and applying a hurdle rate exceeding the cost of capital when evaluating each investment opportunity. ROE in FY2025 was 31.0%[1].

[1] ROE = Profit attributable to owners of the parent / average net asset for the fiscal year

4. Basic Rationale for Selection of Accounting Standards

The Company has been actively expanding its business globally, and in order to further accelerate global expansion in the future, the Company believes it is necessary to reinforce the infrastructure of the Company's operational management and to improve the ease of financial information comparisons for participants in global capital markets. Therefore, the Company adopted IFRS in place of Japanese GAAP at the start of FY2017.

5. Consolidated Financial Statements and Primary Notes

Consolidated Statement of Financial Position

(In millions of yen)	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and cash equivalents	808,625	725,578
Trade and other receivables	565,069	639,268
Other financial assets	18,697	75,697
Other assets	77,985	114,627
Total current assets	1,470,378	1,555,172
Non-current assets		
Property and equipment	54,897	57,178
Right-of-use assets	154,572	135,188
Goodwill	508,133	553,304
Intangible assets	174,977	163,291
Investments in associates and joint ventures	17,476	2,372
Other financial assets	163,102	135,323
Deferred tax assets	217,020	173,174
Other assets	11,693	14,011
Total non-current assets	1,301,874	1,233,845
Total assets	2,772,252	2,789,018

(In millions of yen)	As of March 31, 2025	As of March 31, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	377,543	425,541
Lease liabilities	44,453	44,020
Other financial liabilities	5,011	1,868
Income tax payables	53,235	66,472
Provisions	15,437	20,091
Other liabilities	306,503	317,320
Total current liabilities	802,185	875,314
Non-current liabilities		
Borrowings	1,011	645
Lease liabilities	163,476	141,610
Other financial liabilities	945	583
Provisions	15,289	19,554
Net liability for retirement benefits	63,408	62,716
Deferred tax liabilities	90,465	85,559
Other liabilities	8,108	8,474
Total non-current liabilities	342,706	319,145
Total liabilities	1,144,892	1,194,459
Equity		
Equity attributable to owners of the parent		
Common stock	40,000	40,000
Retained earnings	1,606,348	1,371,067
Treasury stock	(515,363)	(414,455)
Other components of equity	486,596	586,709
Total equity attributable to owners of the parent	1,617,582	1,583,321
Non-controlling interests	9,777	11,236
Total equity	1,627,360	1,594,558
Total liabilities and equity	2,772,252	2,789,018

Consolidated Statement of Profit or Loss

(In millions of yen, unless otherwise stated)	For the Year Ended March 31, 2025	2026
Revenue	3,557,478	3,697,351
Cost of sales	1,471,834	1,509,156
Gross profit	2,085,644	2,188,195
Selling, general and administrative expenses	1,558,654	1,527,672
Other operating income	3,387	13,117
Other operating expenses	39,834	43,073
Operating income	490,542	630,567
Share of profit (loss) of associates and joint ventures	(8,810)	(10,135)
Finance income	56,037	34,708
Finance costs	10,625	10,521
Profit before tax	527,143	644,618
Income tax expense	118,983	147,938
Profit for the year	408,159	496,680
Profit attributable to:		
Owners of the parent	408,504	496,912
Non-controlling interests	(344)	(231)
Profit for the year	408,159	496,680
Earnings per share attributable to owners of the parent		
Basic earnings per share (yen)	271.44	349.78
Diluted earnings per share (yen)	268.32	347.59

Consolidated Statement of Comprehensive Income

(In millions of yen)	For the Year Ended March 31, 2025	2026
Profit for the year	408,159	496,680
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Net change in equity instruments measured at fair value through other comprehensive income	(17,350)	2,197
Remeasurements of defined retirement benefit plans	2,063	(374)
Share of other comprehensive income of associates and joint ventures	(2,310)	(2,398)
Subtotal	(17,598)	(576)
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	(7,418)	120,887
Effective portion of changes in fair value of cash flow hedges	-	18
Net change in debt instruments measured at fair value through other comprehensive income	(9)	(18)
Subtotal	(7,427)	120,887
Other comprehensive income (loss) for the year, net of tax	(25,025)	120,311
Comprehensive income for the year	383,134	616,991
Comprehensive income attributable to:		
Owners of the parent	383,161	617,095
Non-controlling interests	(27)	(103)
Total comprehensive income	383,134	616,991

Consolidated Statement of Changes in Equity

For the Year Ended March 31, 2025

	Equity attributable to owners of the parent						
						Other components of equity	
(In millions of yen)	Common stock	Share premium	Retained earnings	Treasury stock	Share-based payments	Exchange differences on translation of foreign operations	Effective portion of changes in fair value of cash flow hedges
Balance as of April 1, 2024	40,000	-	1,884,258	(407,049)	88,242	395,471	-
Profit (loss) for the year			408,504				
Other comprehensive income						(7,484)	-
Comprehensive income for the year	-	-	408,504	-	-	(7,484)	-
Purchase of treasury stock		(563)		(823,674)			
Disposal of treasury stock		28,347		54,655	(82,228)		
Retirement of treasury stock		(660,705)		660,705			
Dividends			(35,642)				
Share-based payments					92,605		
Equity transactions with non-controlling interests							
Transfer from retained earnings to share premium		632,921	(632,921)				
Transfer from other components of equity to retained earnings			(17,849)				
Transactions with owners - total	-	-	(686,413)	(108,313)	10,376	-	-
Balance as of March 31, 2025	40,000	-	1,606,348	(515,363)	98,619	387,986	-

(In millions of yen)	Equity attributable to owners of the parent					Non-controlling interests	Total equity
	Other components of equity						
	Net change in debt instruments measured at fair value through other comprehen-sive income	Net change in equity instruments measured at fair value through other comprehen-sive income	Remeasure-ments of defined retirement benefit plans	Total	Total		
Balance as of April 1, 2024	-	-	-	483,714	2,000,922	7,977	2,008,900
Profit (loss) for the year				-	408,504	(344)	408,159
Other comprehensive income	(9)	(19,912)	2,063	(25,343)	(25,343)	317	(25,025)
Comprehensive income for the year	(9)	(19,912)	2,063	(25,343)	383,161	(27)	383,134
Purchase of treasury stock				-	(824,238)		(824,238)
Disposal of treasury stock				(82,228)	774		774
Retirement of treasury stock				-	-		-
Dividends				-	(35,642)		(35,642)
Share-based payments				92,605	92,605		92,605
Equity transactions with non-controlling interests				-	-	1,826	1,826
Transfer from retained earnings to share premium				-	-		-
Transfer from other components of equity to retained earnings		19,912	(2,063)	17,849	-		-
Transactions with owners - total	-	19,912	(2,063)	28,225	(766,500)	1,826	(764,674)
Balance as of March 31, 2025	(9)	-	-	486,596	1,617,582	9,777	1,627,360

For the Year Ended March 31, 2026

	Equity attributable to owners of the parent						
						Other components of equity	
(In millions of yen)	Common stock	Share premium	Retained earnings	Treasury stock	Share-based payments	Exchange differences on translation of foreign operations	Effective portion of changes in fair value of cash flow hedges
Balance as of April 1, 2025	40,000	-	1,606,348	(515,363)	98,619	387,986	-
Profit (loss) for the year			496,912				
Other comprehensive income						120,896	18
Comprehensive income for the year	-	-	496,912	-	-	120,896	18
Purchase of treasury stock		(579)		(677,943)			
Disposal of treasury stock		29,234		54,069	(83,537)		
Retirement of treasury stock		(724,781)		724,781			
Dividends			(35,355)				
Share-based payments					62,772		
Equity transactions with non-controlling interests							
Transfer from retained earnings to share premium		696,125	(696,125)				
Transfer from other components of equity to retained earnings			(712)				
Transfer to non-financial assets							(18)
Transactions with owners - total	-	-	(732,193)	100,907	(20,765)	-	(18)
Balance as of March 31, 2026	40,000	-	1,371,067	(414,455)	77,854	508,883	-

(In millions of yen)	Equity attributable to owners of the parent					Non-controlling interests	Total equity
	Other components of equity						
	Net change in debt instruments measured at fair value through other comprehen-sive income	Net change in equity instruments measured at fair value through other comprehen-sive income	Remeasure-ments of defined retirement benefit plans	Total	Total		
Balance as of April 1, 2025	(9)	-	-	486,596	1,617,582	9,777	1,627,360
Profit (loss) for the year				-	496,912	(231)	496,680
Other comprehensive income	(18)	(337)	(374)	120,183	120,183	127	120,311
Comprehensive income for the year	(18)	(337)	(374)	120,183	617,095	(103)	616,991
Purchase of treasury stock				-	(678,522)		(678,522)
Disposal of treasury stock				(83,537)	(233)		(233)
Retirement of treasury stock				-	-		-
Dividends				-	(35,355)	(130)	(35,485)
Share-based payments				62,772	62,772		62,772
Equity transactions with non-controlling interests				-	-	1,693	1,693
Transfer from retained earnings to share premium				-	-		-
Transfer from other components of equity to retained earnings		337	374	712	-		-
Transfer to non-financial assets				(18)	(18)		(18)
Transactions with owners - total	-	337	374	(20,070)	(651,356)	1,562	(649,793)
Balance as of March 31, 2026	(27)	-	-	586,709	1,583,321	11,236	1,594,558

Consolidated Statement of Cash Flows

(In millions of yen)	For the Year Ended March 31, 2025	2026
Cash flows from operating activities		
Profit before tax	527,143	644,618
Depreciation and amortization	109,237	107,077
Share-based payment expenses	80,429	63,839
Interest and dividend income	(33,044)	(16,587)
(Increase) decrease in trade and other receivables	(15,784)	(46,474)
Increase (decrease) in trade and other payables	18,963	35,940
Other	7,904	(5,817)
Subtotal	694,849	782,596
Interest and dividends received	34,676	15,924
Interest paid	(5,362)	(6,005)
Income taxes paid	(113,800)	(123,084)
Net cash provided by operating activities	610,363	669,431
Cash flows from investing activities		
Payment for purchase of property and equipment	(7,951)	(10,702)
Payment for purchase of intangible assets	(57,306)	(51,589)
Payment for purchase of investments	(16,360)	(94,236)
Proceeds from sale and redemption of investments	26,708	95,412
Other	(6,145)	11,373
Net cash used in investing activities	(61,054)	(49,742)
Cash flows from financing activities		
Repayments of lease liabilities	(44,547)	(47,174)
Payment for purchase of treasury stock	(824,465)	(678,754)
Dividends paid	(35,644)	(35,351)
Proceeds from settlement of derivatives	22,096	13,483
Other	2,080	4,319
Net cash used in financing activities	(880,480)	(743,478)
Effect of exchange rate changes on cash and cash equivalents	2,938	40,742
Net increase (decrease) in cash and cash equivalents	(328,233)	(83,046)
Cash and cash equivalents at the beginning of the year	1,136,858	808,625
Cash and cash equivalents at the end of the year	808,625	725,578

Going Concern Assumption

Not applicable.

Notes to Consolidated Financial Statements

1. Operating Segments

(1) Overview of Reportable Segments

The Company's operating segments are components of the Company for which discrete financial information is available and whose operating results are reviewed regularly by the Board of Directors to decide on the allocation of operating resources and to assess business performance. The Company has three operating segments by type of business, HR Technology, Staffing, and Marketing Matching Technologies, which are also the reportable segments.

HR Technology consists of three operations, the *US*, *Europe* and *Others,* and *Japan*. Staffing consists of two operations, *Japan*, and *Europe*, *US and Australia.* Marketing Matching Technologies consists of three operations, Lifestyle, Housing & Real Estate, and Others.

Due to a change in the governance structure, the Company has transferred its HR Solutions business, previously included in Matching & Solutions, into HR Technology, effective April 1, 2025. Furthermore, from the current fiscal year, the segment name of Matching & Solutions has been changed to Marketing Matching Technologies. Segment information for the previous fiscal year has been prepared based on the changed reportable segments.

(2) Information on Reportable Segments

Segment profit (loss) denotes EBITDA+S (operating income + depreciation and amortization (excluding depreciation of right-of-use assets) + share-based payment expenses ± other operating income/expenses).The previously disclosed adjusted EBITDA has been renamed to EBITDA+S starting from the current fiscal year. The calculation formula for EBITDA+S is the same as that for adjusted EBITDA.

Revenue from external customers in Adjustments includes revenue that is not allocated to a specific reportable segment, and segment profit (loss) in Adjustments includes corporate expenses not allocated to any reportable segments. Corporate expenses consist primarily of general and administrative expenses that are not allocable to the segments. Intersegment revenue or transfers are calculated based on a price used in similar transactions with third parties. Segment assets and liabilities are not stated as they are not subject to review for the purpose of deciding on the allocation of operating resources and assessing business performance.

For the Year Ended March 31, 2025

(In millions of yen)	Reportable Segment				Adjustments	Consolidated
	HR Technology	Staffing	Marketing Matching Technologies	Total		
Revenue						
Revenue from external customers	1,368,902	1,641,385	538,662	3,548,949	8,528	3,557,478
Intersegment revenues or transfers	3,350	25,608	856	29,815	(29,815)	-
Total	1,372,252	1,666,994	539,518	3,578,765	(21,287)	3,557,478
Segment profit (loss)	452,818	97,422	137,180	687,421	(8,532)	678,889
Depreciation and amortization (Note)						71,470
Share-based payment expenses						80,429
Other operating income						3,387
Other operating expenses						39,834
Operating income						490,542
Share of profit (loss) of associates and joint ventures						(8,810)
Finance income						56,037
Finance costs						10,625
Profit before tax						527,143

Note: Depreciation and amortization exclude depreciation of right-of-use assets.

For the Year Ended March 31, 2026

(In millions of yen)	Reportable Segment				Adjustments	Consolidated
	HR Technology	Staffing	Marketing Matching Technologies	Total		
Revenue						
Revenue from external customers	1,454,440	1,679,327	563,584	3,697,351	-	3,697,351
Intersegment revenues or transfers	3,979	24,108	1,078	29,166	(29,166)	-
Total	1,458,419	1,703,436	564,662	3,726,518	(29,166)	3,697,351
Segment profit (loss)	549,995	99,744	154,976	804,716	(10,326)	794,390
Depreciation and amortization (Note)						70,027
Share-based payment expenses						63,839
Other operating income						13,117
Other operating expenses						43,073
Operating income						630,567
Share of profit (loss) of associates and joint ventures						(10,135)
Finance income						34,708
Finance costs						10,521
Profit before tax						644,618

Note: Depreciation and amortization exclude depreciation of right-of-use assets.

2.Treasury Stock

Treasury stock recognized in the Consolidated Statement of Financial Position includes Recruit Holdings' shares held by the BIP trust and the ESOP trust.

The breakdown of treasury stock is as follows:

(In millions of yen, unless otherwise stated)	FY2024		FY2025	
	Number of shares (shares)	Carrying amount	Number of shares (shares)	Carrying amount
Treasury stock directly held by Recruit Holdings	36,408,381	280,932	28,856,988	228,809
Recruit Holdings' shares held by the BIP trust and the ESOP trust	60,788,181	234,430	47,433,836	185,646
Total	97,196,562	515,363	76,290,824	414,455

Note: Changes in the number of shares of treasury stock directly held by Recruit Holdings for FY2025 resulted mainly from the increase of 83,996,800 shares from the purchase of treasury stock and the decrease of 91,408,000 shares from the retirement of treasury stock. Changes in the number of Recruit Holdings' shares held by the BIP trust and the ESOP trust for FY2025 resulted from the increase of 464,500 shares from the purchase of Recruit Holdings' shares by such trusts and the decrease of 13,818,845 shares from the sale and delivery of Recruit Holdings' shares by such trusts.

3. Per Share Information

(1) The amount of basic earnings per share and the basis for its calculation are as follows:

(In millions of yen, unless otherwise stated)	For the Year Ended March 31,	
	2025	2026
Basic earnings per share (yen)	271.44	349.78
Basis for calculation:		
Profit attributable to owners of the parent	408,504	496,912
Amount not attributable to common shareholders of the parent	-	-
Profit used in the calculation of basic earnings per share	408,504	496,912
Weighted average number of shares of common stock outstanding (thousand shares)	1,504,932	1,420,625

(2) The amount of diluted earnings per share and the basis for its calculation are as follows:

(In millions of yen, unless otherwise stated)	For the Year Ended March 31, 2025	2026
Diluted earnings per share (yen)	268.32	347.59
Basis for calculation:		
Profit used in the calculation of diluted earnings per share		
Profit used in the calculation of basic earnings per share	408,504	496,912
Adjustment on profit	-	-
Profit used in the calculation of diluted earnings per share	408,504	496,912
Weighted average number of shares of common stock outstanding used in the calculation of diluted earnings per share		
Weighted average number of shares of common stock outstanding used in the calculation of basic earnings per share (thousand shares)	1,504,932	1,420,625
Effect of dilutive potential common stock (thousand shares)		
Stock options	1,765	1,479
Board Incentive Plan (“BIP”) trust	2,848	2,918
Employee Stock Ownership Plan (“ESOP”) trust	12,913	4,571
Weighted average number of shares of common stock outstanding used in the calculation of diluted earnings per share (thousand shares)	1,522,460	1,429,594

4.Significant Subsequent Events

Share Repurchase

On March 31, 2026, the Company’s Board of Directors resolved to conduct share repurchases of its common stock (the “Purchases”), pursuant to the provisions of Article 156 of the Companies Act as applied by replacing certain terms pursuant to the provisions of Article 165, Paragraph 3 of the said Act, and has conducted the Purchases as follows.

(1) Reasons for the Purchases

The Company’s primary use of capital is to invest in its long-term business strategy in order to achieve sustainable profit growth and increase enterprise value.

After considering several factors including the ability to make strategic business investments, the current stock price, market conditions, and the forecast of our financial position, the Company has determined that acquiring its own shares is the best way to further improve capital efficiency and to maximize shareholder returns. This approach is in line with the Company’s existing capital allocation policy.

The shares acquired through the Purchases may be used in the future for the delivery of shares upon the exercise of stock acquisition rights, for equity compensation using the Company’s common stock for employees of the Company, or for strategic M&A with the Company’s common stock as consideration, as well as may be retired.

(2) *Details of the Resolution by the Board of Directors on March 31, 2026*

(i) Type of shares to be repurchased	Shares of common stock of Recruit Holdings
(ii) Total number of shares to be repurchased	64,000,000 shares (Maximum)
(iii) Total purchase price	350,000 million yen (Maximum)
(iv) Repurchase period	From April 1, 2026, to the earlier of the following: (1) November 30, 2026 (2) The date on which either the "total number of shares to be repurchased" or the "total purchase price" mentioned above reaches its maximum.
(v) Method of repurchases	(1) Market purchases on Tokyo Stock Exchange, Inc. through an appointed securities dealer with transaction discretion (2) Purchases through Off-Auction Own Share Repurchase Trading System (ToSTNeT-3)

(3) *Status of Repurchase as of April 30, 2026 (Delivery Date Basis)*

(i) Type of shares repurchased:	Shares of common stock of Recruit Holdings
(ii) Total number of shares repurchased:	5,004,200 shares
(iii) Total purchase price:	36,314 million yen