**This is an edited version of the English translation of the Q3 FY2025 earnings call which was conducted in Japanese. Please note there are differences between the simultaneous English audio translation during the Q&A session and this version. The Q&A session was translated from Japanese using an AI tool and subsequently edited for clarity.**

**Recruit Holdings Q3 FY2025 Earnings Call and Update on Marketing Matching Technologies SBU**
**February 9, 2026**

*This transcript is provided for the convenience of investors only and this is a translated version of the Japanese call.*

**Recruit Holdings Q3 FY2025 Earnings Call**

**Slide 01**

**Shen:** This call is a simultaneous translation of the original call held in Japanese, provided solely for the convenience of investors.

Thank you for joining the Recruit Holdings FY2025 Q3 earnings call. I'm Mizuho Shen.

Today, Junichi Arai, Executive Vice President and Chief Financial Officer, will give a presentation on results and guidance.

Then, Keiichi Ushida, who is in charge of Marketing Matching Technologies, will give a presentation on the business, followed by a discussion between Arai and Ushida.

After the session, Jun will take questions.

Please note that today's session, including the Q&A, will be posted on our IR website after the event.

The English transcript we release is an adjusted version for clarity and readability, not the live simultaneous interpretation. It will be available within a few hours after the call, and you can access the file directly via this QR code.

Starting this fiscal year, we have integrated HR Solutions from Matching & Solutions into HR Technology. Accordingly, the year-on-year comparison of segment results in this fiscal year's financial presentation is based on "FY2024 pro forma" figures, which assume that this integration had been effective as of April 1, 2024.

Unless otherwise stated, comparisons will be made year over year.

Lastly, please note that all references to "dollars" in this presentation refer to US dollars.

**Slide 02**

**Jun:** I will discuss the highlights.

In HR Technology, revenue for the second half, particularly in the US, has exceeded the outlook we announced last November, with both Q3 actuals and the latest Q4 outlook coming in stronger than expected.

In addition, due to the Japanese yen's continued depreciation beyond our prior assumptions, we have decided to upwardly revise the full-year consolidated financial guidance again.

While the adjustment is minor following the previous revision, we are increasing the revenue outlook by 66.1 billion yen to 3 trillion 664.7 billion yen, and EBITDA+S by 30.2 billion yen to 763.8 billion yen.

We have revised our basic EPS guidance upward by 22 yen to 335 yen.

We expect the full-year consolidated revenue, EBITDA, EBITDA+S, profit attributable to owners of the parent, and basic EPS to all reach new record highs.

Net cash as of December 31, 2025 was 648.2 billion yen.

**Slide 03**

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*2*

Let me discuss US revenue in HR Technology in more detail.

This is an update to the slide we presented last November.

The green line represents the Indeed Hiring Lab US Job Postings Index, the indexed trend in the total number of US job postings on Indeed from February 2020 to the present.

The blue bars show the quarterly US revenue trend for HR Technology.

In HR Technology, US revenue for Q3 was 1.3 billion dollars, exceeding the outlook of 1.27 billion dollars we disclosed in November, up 10.1% year over year.

The primary driver was the US ARPJ growth rate of plus 18%, supported by the continued growth of Premium Sponsored Jobs, even as total job postings on Indeed in the US declined approximately 7% year over year.

For Q4, we expect revenue to be 1.33 billion dollars, above our November outlook of 1.29 billion dollars. We anticipate a year-over-year increase of 12.4%, with a US ARPJ growth rate of plus 19%, exceeding our November outlook.

We are currently in the process of formulating our earnings outlook for the next fiscal year. For the US market, our baseline assumption is that hiring demand will remain relatively stable throughout the year, maintaining consistency with trends expected exiting March. Under this scenario, we aim to maintain the US ARPJ growth rate in the 10% range on a full-year basis, though we expect quarterly variability. However, we recognize that the broader business environment could change over the next quarter, and we will update our projections as needed.

We will explain this in more detail in May, together with our financial guidance for the next fiscal year.

**Slide 04**

Driven by HR Technology outperforming our November outlook, not just in the US but in the segment, consolidated EBITDA+S for both Q3 results and our latest Q4 outlook are ahead of our November assumptions.

We are raising our second half EBITDA+S outlook from the 339.0 billion yen projected in the November 6 revision to 369.2 billion yen.

**Slide 05**

Accordingly, we are once again upgrading our full-year guidance, to revenue of 3 trillion 664.7 billion yen, EBITDA+S of 763.8 billion yen with a margin of 20.8%, and Basic EPS of 335 yen, up 23.4% year over year.

**Slide 06**

The 250 billion yen share buyback program launched last October was completed on February 4, 2026.

The total payout ratio is expected to be 148.1%, a high level following the 210.3% recorded last year. We expect net cash to be around 700.0 billion yen at the end of the fiscal year.

Before I dive into the Q3 results and Q4 outlook for each segment,

**Slide 07**

I'd like to revisit our TAM to illustrate the scale of the global HR Matching market, and also share the breakdown of Indeed's paid job advertising revenue by occupation in the US.

At our full-year earnings announcement in May, Deko plans to discuss our upcoming initiatives for the global market — particularly the US. Ahead of that, I believe it is important for you to understand the current market size and our position within it.

**Slide 08**

HR Technology operates in over 60 countries. To give you a sense of scale regarding the labor force population in our major markets, the US has 170 million, Japan 70 million, Germany 44 million, the UK 36 million, and Canada 22 million[1].

We estimate the global HR Matching market, which connects job seekers and employers, to be approximately 310 billion dollars as of 2024.

This figure represents the total amount business clients spend on recruitment activities.

Of this total, approximately 200 billion dollars is attributed to fees for Job Advertising & Talent Sourcing, Direct Hire, Retained Search, and Internal Recruitment Automation, while the remaining approximately 110 billion dollars represents Temporary Staffing. Internal Recruitment Automation represents internal hiring costs that could potentially be automated and monetized by third parties.

In HR Technology, we are continuously delivering higher value-added services to develop our monetization and drive revenue growth. We are expanding our reach into this broader addressable market by automating the hiring process, targeting not only job advertising but also the spend associated with placement and internal recruitment functions. To address the placement market specifically, we are pursuing a hybrid evolution that effectively integrates our technology with high-touch human support.

We also believe we can realize "Simplify Hiring" in Temporary Staffing—a massive TAM with numerous players — by evolving to better match the demands of our business clients.

The US market remains the largest globally. We estimate it reached approximately 89 billion dollars[2] in 2024, representing roughly 30% of the global market.

Within this, the US Job Advertising and Talent Sourcing Tools market—Indeed's largest by revenue—is estimated to be approximately 13 billion dollars[3], which accounts for roughly 40% of the 33 billion dollar global market.

**Slide 09**

Centered on Indeed, our long-term strategy is "Simplify Hiring."

We have built a two-sided talent marketplace that aggregates practically every job available online. By leveraging data, technology, and automation, we are constantly evolving to connect job seekers and business clients faster and more easily.

We host over 645 million job seeker profiles on Indeed and over 235 million on Glassdoor globally. Additionally, approximately 3.3 million business clients utilize Indeed annually for their hiring.

**Slide 10**

Given the growing interest in how AI will impact our business, I'd like to provide some context on Indeed's US paid job advertising revenue.

It is important to note that while Indeed aggregates practically all jobs online and serves job seekers of every kind, we see strong demand for our services from employers hiring for roles in the 'In-Person Economy'. These are roles that are not easily disrupted by AI because they rely on physical presence, skills, or specific certifications.

Breaking down US revenue from paid job ads by occupation for Q1 through Q3 of FY2025, Healthcare is our single largest source of revenue. When combined with other essential on-site and field-based roles, these job categories collectively represent over two-thirds of our total US paid job advertising revenue[5]. This encompasses a broad spectrum of occupations—including Repair, Maintenance & Installation, Transportation, and Food & Beverage—among many others[4].

Conversely, the occupations regarded as being exposed to generative AI[6], such as Technology, Marketing, Finance & Accounting, Legal and Administrative & Customer Support[7], each represent only a small fraction of our revenue, typically in the low single-digits, and even when combined, these occupations represent approximately 15% of the total[5].

At the World Economic Forum in Davos last month, our CEO, Deko, and the Chief Economist of Indeed Hiring Lab, Svejna Gudell, participated as speakers in panel discussions hosted by the Wall Street Journal. During the sessions, they received many questions about how AI will impact the labor market.

Deko discussed how job seekers can now easily generate hundreds of AI-optimized job applications, which has become a challenge for employers. As a result, Indeed's value proposition—simplifying the hiring process for employers—has become more important than ever.

Svenja noted that AI will certainly change jobs, but according to analysis by Indeed Hiring Lab, out of approximately 3,000 job-related skills in the US, only about 30 could potentially be fully replaced by current generative AI[8] technology.

For further details, please scan the QR codes on the slide to watch the videos.

**Slide 11**

Now, I will discuss the Q3 results and Q4 outlook for each segment.

**Slide 13**

Regarding HR Technology revenue by region, in the US, revenue on a US dollar basis for both Q3 actuals and our Q4 outlook is exceeding the outlook we disclosed in November.

Q3 revenue was 1.3 billion dollars, up 10.1% year over year.

The primary driver was the US ARPJ growth rate of plus 18%, supported by the continued growth of Premium Sponsored Jobs, even as total job postings on Indeed in the US declined approximately 7% year over year.

For Q4, driven by monetization development, including continued growth of Premium Sponsored Jobs, we expect revenue of 1.33 billion dollars, up 12.4% year over year, while total job postings on Indeed are expected to decline approximately 6% year over year. The US ARPJ growth rate is expected to be 19%.

In Europe & Others, including Canada, revenue on a US dollar basis remains largely in line with our outlook assumptions from November based on Q3 results and current Q4 trends.

Q3 revenue was 507 million dollars, up 19.6% year over year, including a positive impact from foreign exchange rate fluctuations.

The UK, Canada, and Germany together accounted for about two-thirds of Indeed revenue for Europe & Others on a US dollar basis.

Specifically, driven by monetization developments, including the continued adoption of Premium Sponsored Jobs, revenue in the UK grew approximately 16% and in Canada approximately 12% on a local currency basis.

For Q4, we expect revenue in Europe & Others of 518 million dollars, up 21.7% year over year, reflecting ongoing developments in monetization.

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In Japan, revenue on a Japanese yen basis remains largely in line with our outlook assumptions from November based on Q3 results and current Q4 trends.

Q3 revenue was 81.6 billion yen, down 4.6% year over year. On a US dollar basis, revenue was 531 million dollars, down 5.4%.

For Q4, we expect revenue of 87.0 billion yen, down 7.8% year over year. On a US dollar basis, we expect 568 million dollars, down 8.1%.

Consistent with the outlook we shared in November, we continue to expect the recovery in placement services to materialize in the first half of the next fiscal year.

Q3 segment revenue on a US dollar basis was 2.3 billion dollars, up 7.9% year over year.

For Q4, we expect revenue of 2.4 billion dollars, up 8.5% year over year.

**Slide 14**

Q3 EBITDA margin was 35.4% and EBITDA+S margin was 39.1%.

EBITDA and EBITDA+S increased mainly due to revenue growth and reduced employee benefit expenses.

Regarding Q4 segment EBITDA margin, while we continue to drive efficiency in the US and Europe & Others, we are increasing marketing expenses in Japan to prepare for the upcoming fiscal year and beyond. As a result, we expect segment EBITDA margin to decrease sequentially from Q3 to 30.8% and EBITDA+S to be 34.6%.

In Japan, as we have shared, we launched a new organizational structure this fiscal year. Amidst the transition and resulting uncertainties, we had been controlling investments, particularly marketing expenses.

However, entering Q4, we are making progress in correcting earlier misjudgments in our placement services. Therefore, we are now deploying marketing spend — specifically for placement services — to drive revenue recovery and growth starting next fiscal year.

We view this as an investment that will contribute to further margin expansion in the full fiscal year ahead.

**Slide 15**

As a result, we expect full-year segment revenue of 9.5 billion dollars, up 6.1% year over year, and 1 trillion 428.3 billion yen on a Japanese yen basis, up 4.1% year over year.

**Slide 16**

We expect the full-year segment EBITDA margin of 32.3% and EBITDA+S margin of 36.6%.

As for Staffing and MMT, performance is tracking largely in line with the outlook revised on November 6, so we are making only minor adjustments to the outlook.

**Slide 22**

Our capital allocation measures, I would like to cover this topic last.

**Slide 23**

We completed the share buyback program announced in October on February 4, 2026, repurchasing the maximum authorized amount of 250.0 billion yen.

From the beginning of this fiscal year through the completion date, we have acquired shares for 677.9 billion yen.

**Slide 24**
Shareholder returns over the past two years will amount to a total of 1 trillion 571 billion yen. Based on our latest consolidated guidance, this corresponds to a total payout ratio of 176.7%.

Consolidated net cash and cash equivalents as of the end of December was 648.2 billion yen.

In May 2024, we announced our plan to adjust net cash from 1 trillion 135.4 billion yen as of March 2024 to a level of around 600 billion yen over the two-year period ending March 2026. We already reached this level in the first half. However, reflecting the upward revision to our second half guidance, we now expect net cash to be around 700 billion yen at the end of this fiscal year.

We plan to share our thoughts and specific measures regarding capital allocation for the next fiscal year in May.

That is all from me.

Next, Ushida will present an update on the MMT SBU, followed by a discussion with me and Ushida.

[1]    International Labour Organization (ILO), ILOSTAT, "Labour force by sex and age (thousands) - Quarterly". Data represents the total population aged 15+. The reference period is April-June 2025 for the United States and July-September 2025 for others.

[2]    Company estimates. This figure is calculated by aggregating the US portion of each component market within the "HR Matching Market" as defined by the Company (refer to "Business Strategies" in FY2024 Annual Report, p.18 et seq.). These markets include Job Advertising and Talent Sourcing tools,Direct Hire, Retained Search, Temporary Staffing, and Internal Recruitment Automation.

[3]    The country-level 2024 Job Advertising and Talent Sourcing (JATS) estimates were derived by applying the Company's country-specific growth rates, estimated by multiplying real GDP growth from the International Monetary Fund , wage growth from the Economic Research Institute, and (1 - internet penetration rate from the World Bank) , to the 2023 JATS market size for all countries. The sum of these initial country-level 2024 JATS estimates was then adjusted using a uniform pro-rata base across all countries to ensure the sum of FY24 JATS estimates by country summed up to the global FY24 JATS estimate of 33 billion US dollars, which was the Global 2024 JATS market from SIA, The Evolution of Recruiting: 2025 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2025 Update, yielding the Company's final country-level 2024 JATS estimates, including the US 2024 JATS. The 2023 JATS market was calculated as the sum of (a) 2023 HR Technology revenue, (b) the Company's estimates of revenue for competing job advertising boards in the Company's target operating markets in 2023 based on third-party reports and internal research, (c) the Company's estimates of the 2023 annual revenue of LinkedIn's talent solutions business in the Company's target operating markets based on publicly available information, sell-side analyst models, and internal research, and (d) the estimated size of the global offline job advertising market derived from the proportion of online to offline spending (excluding TV, cinema, and radio advertising) in the overall 2023 advertising market based on third-party reports and the estimated size of the global online job advertising and talent sourcing tools market. For 2024 and forward, the Company has determined that, given the small and declining size of the global offline job advertising market, it is no longer useful to disclose its size.

[4]    Includes Healthcare, Repair, Maintenance & Installation, Transportation, and Food & Beverage, along with Sales & Retail Occupations, Community & Human Services, Manufacturing & Utilities, Supply Chain & Logistics, Construction & Extraction, Cleaning & Grounds Maintenance, and Protective & Security occupations. These categories are based on our proprietary definitions used to classify job postings on Indeed US.

[5]    Company estimate. Calculated based on the paid job advertising revenue contribution by occupational category of paid job advertising on Indeed US from Q1 to Q3 FY2025, using Indeed's proprietary definitions.

[6]    Source:
Indeed Hiring Lab, "AI at Work Report 2025: How GenAI is Rewiring the DNA of Jobs" (September 23,

2025)
https://www.hiringlab.org/2025/09/23/ai-at-work-report-2025-how-genai-is-rewiring-the-dna-of-jobs/
McKinsey Global Institute, "Agents, robots, and us: Skill partnerships in the age of AI" (November 25, 2025)
https://www.mckinsey.com/mgi/our-research/agents-robots-and-us-skill-partnerships-in-the-age-of-ai
World Economic Forum, "The Future of Jobs Report 2025" (May 2025)
https://www.weforum.org/publications/the-future-of-jobs-report-2025/digest/

[7] Includes Technology Occupations, Marketing, Advertising & Public Relations Occupations, Finance & Accounting Occupations, Legal Occupations, Administrative Assistance and Customer Service , along with Business Operations & Management Occupations and IT Occupations. These categories are based on our proprietary definitions used to classify job postings on Indeed US.

[8] Source: Indeed Hiring Lab, "AI at Work Report 2025: How GenAI is Rewiring the DNA of Jobs" (September 23, 2025).
https://www.hiringlab.org/2025/09/23/ai-at-work-report-2025-how-genai-is-rewiring-the-dna-of-jobs/

**Update on Marketing Matching Technologies SBU**

**Slide 33**

**Ushida:** I'm Ushida, Head of Marketing Matching Technologies, or MMT, since April of last year.

Today, I'd like to share an update on the evolution of our business model in MMT. Building on our "Help Businesses Work Smarter" strategy in Japan, we are focused on driving growth alongside our business clients.

By integrating this strategic evolution with AI, we aim to deliver revenue growth and expand EBITDA+S margins across MMT.

Later in the presentation, I will dive into the specifics of our recent initiatives in Beauty and discuss how we plan to extend this approach to other subsegments and verticals.

**Slide 35**

Recruit Holdings was founded in 1960, starting with a new graduate recruitment advertising business in Japan.

As we expanded our HR businesses, we entered Housing & Real Estate in 1976, which marked the beginning of our Marketing Solutions business, now known as Marketing Matching Technologies (MMT).

We subsequently expanded our print media business into Travel, Automobile, and Bridal. In each vertical, we established unique brands aimed at enriching the lives of individual users while driving growth for our business clients.

Recognizing the unique characteristics of each vertical, we have always focused on building and refining business models designed to address mismatches found in each market.

Starting in the early 1990s, we transitioned from print to online advertising media, eventually evolving into matching platforms that today are integrated with SaaS solutions to support business operations.

**Slide 36**

Regarding our business model: aside from Travel, which adopted a transaction fee model upon shifting online, our other subsegments and verticals initially operated with a traditional "Advertising-Based Model."

We later shifted many of these to "Expected Action-Tiered Plans," which offer pricing options structured around the number of expected user actions and customer acquisition costs.

Looking toward FY2025 and beyond, we are taking the next step by introducing a "Gross Merchandise Value (GMV)-Linked Model."

Our business model constantly evolves and grows to adapt to changes in the business environment, user needs, and the value we deliver to our business clients.

**Slide 37**

MMT operates matching platforms under unique brands across a diverse range of verticals.

These are organized into the Lifestyle subsegment, comprising Beauty, Travel, Dining, and SaaS solutions, along with Housing & Real Estate, and Others, which covers Automobile, Bridal, Education, and others.

In each of these verticals, we hold one of the largest individual user bases in the industry, and have maintained a leading market position in Japan for many years.

In terms of revenue, Housing & Real Estate is our largest subsegment, followed by Beauty. These are also the businesses that generate the highest EBITDA+S margins.

The Lifestyle subsegment, which includes Beauty, accounts for approximately 52% of the revenue of MMT. Until last fiscal year, this was Marketing Solutions of the former Matching & Solutions.

Starting this fiscal year, however, we are reporting results and disclosing guidance for MMT as one of Recruit Holdings' three core business segments.

**Slide 38**

For the full-year outlook, revenue in MMT is expected to be 566.8 billion yen, an increase of 5.1% year over year.

EBITDA+S margin is expected to be 27.1%, reflecting our progress in improving efficiency.

Our strategy is to concentrate resources on high-growth areas while driving efficiency across the entire segment. This will enable us to expand both revenue and EBITDA+S margins.

Looking ahead, we aim to raise the EBITDA+S margin to 30% next fiscal year, and we are targeting 35% by FY2028.

**Slide 40**

Now I would like to further explain our matching platforms and their evolution.

Thanks to the dedication and ingenuity of our team, we have established platforms that facilitate massive and timely matching between approximately 65 million individual users[1] and 970,000 business clients[2] annually.

Business clients sync real-time booking availability, service and product information through our SaaS solutions, and individual users with a RECRUIT ID take actions like booking reservations, sending inquiries, or requesting information.

Currently, we offer "Expected Action-Tiered Plans" in many verticals.

Moving forward, we plan to introduce a "GMV-Linked Model." By combining this with new AI initiatives to further drive business client revenue, we aim to increase revenue in MMT as well.

Under the "GMV-Linked Model," we receive fees based on the business client's GMV, or Gross Merchandise Value, which is the total value of transactions resulting from matches on our platform.

**Slide 41**

For individual users, RECRUIT ID drives synergies across our verticals and supports integration and operational efficiency across MMT. It serves as one of the foundations supporting our mid- to long-term growth.

Individual users register for a RECRUIT ID and earn RECRUIT POINTS based on their actions. They can then use these points across multiple vertical platforms, which encourages cross-use of our services.

As of December 31, 2025, the total number of RECRUIT ID accounts reached 97 million.

By age group, 93% of the Japanese population in their 20s and 80% in their 30s are active users who log in with their RECRUIT ID at least once a year.

We believe these users will continue to utilize our platforms over the mid- to long-term, using Lifestyle subsegment services for their daily lives, and services such as Housing & Real Estate and Automobile, as they progress through different life stages.

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**Slide 42**

For business clients, "Air BusinessTools" is the suite of SaaS solutions for business and management support. We offer cross-vertical services such as AirREGI, a point of sale (POS) system for sales management and AirPAY for payments.

We also offer vertical SaaS solutions, such as SALON BOARD in Beauty, which is integrated with AirREGI, and RESTAURANT BOARD in Dining.

These solutions enable business clients to centralize data management, consolidating information that previously had to be handled across multiple disparate tools, and to visualize key management metrics.

By improving operational efficiency and reducing operating expenses, business clients can create an environment where they can focus on planning and executing strategies to drive their own revenue growth.

Crucially, this unique data regarding reservations, payments, and sales is securely synchronized with our systems, enabling us to leverage it to deliver targeted business improvements and management support to our business clients.

**Slide 43**

Backed by the broader increase in online activity in Japan, we have seen a continued virtuous cycle of growth in both the number of business clients and individual users.

As a result, the total number of annual actions on MMT platforms increased from approximately 190 million in FY2017 to approximately 370 million in FY2024 (excluding cancellations).

**Slide 44**

Building on this, we will promote cross-use across multiple vertical platforms by individual users with RECRUIT IDs.

In addition, we will leverage the reservation, payment, and sales data accumulated on our platforms by using AI to propose improvements in services and pricing to business clients. We believe we can increase the number of user actions and matches, thereby driving the growth of our business clients' GMV in each vertical.

We plan to progressively implement the "GMV-Linked Model" in verticals where our contributions have successfully driven revenue growth for our business clients. Through this approach, we will share in the value we help to create and aim to achieve revenue growth for MMT.

**Slide 45**

I would like to explain in more detail, using our recent initiatives in Beauty as an example.

**Slide 46**

In Beauty, we operate HOT PEPPER Beauty, the leading search and booking matching platform. The number of bookings has grown from approximately 2.9 million[3] in FY2011 to approximately 160 million[3] in FY2024 (excluding cancellations).

Several factors have driven this growth. First, we adopted a strategy to sequentially expand our coverage nationwide through local sales activities. We provided hands-on support, accompanying salons through the initial operational setup and launch.

This led to an increase in the number of business clients, which in turn enhanced choices and convenience for individual users, creating a "virtuous cycle" of user growth.

Furthermore, our specialized vertical SaaS solution, SALON BOARD, serves as the foundation supporting this virtuous cycle by enabling real-time online reservations.

We believe that our uniqueness and strength lie in our integrated offering of customer attraction platforms for individual users and operational support SaaS solutions for business clients.

**Slide 47**

HOT PEPPER Beauty is our comprehensive beauty matching platform for search and booking covering hair, nail, eyelash, esthetics, and relaxation salons, as well as aesthetic medical clinics.

On this platform, individual users can seamlessly manage their entire journey: search for salons and specific styles, make real-time online reservations, and complete payments via our mobile app or website.

Currently, it serves more than 12 million monthly average active users[4].

**Slide 48**

SALON BOARD is our dedicated SaaS solution for beauty industry business support that allows business clients to centrally manage everything from reservation availability to accounting and sales.

It is equipped with the functions of AirREGI, enabling wide-ranging support for business clients' back-office operations, from sales management to analysis. Through SALON BOARD, business clients can also manage their availability and set prices on HOT PEPPER Beauty.

The image you see now is the SALON BOARD interface that business clients use in their daily operations. On the sales management page, business clients can understand daily sales figures and customer numbers at a glance. By simply switching tabs, they can easily check various business-related items, such as reservation status and marketing content posted on HOT PEPPER Beauty.

This data is securely shared with us via our systems and is utilized to propose actionable operational improvements and management support to business clients.

**Slide 49**

The estimated market size of the beauty industry in Japan is approximately 2.7 trillion yen in terms of total business revenue.

Meanwhile, the GMV generated through HOT PEPPER Beauty expanded to approximately 1.1 trillion yen last fiscal year. This growth was driven by an increase in reservation volume and higher unit prices resulting from users opting for high-value-added services. The 5-year CAGR from FY2019 to FY2024 was 14.2%.

We define our TAM for Beauty as the total online and offline promotion and advertising expenses in the Japanese beauty market. While policies vary by salon, these expenses are generally estimated to range from 5% to 10% of their revenue.

Based on our revenue outlook of 126.6 billion yen for this fiscal year, we believe we have already established a leading position in the online market.

We recognize that some in the capital markets may be concerned that the future upside for Beauty is limited.

However, I believe that by contributing to the revenue growth of our business clients, their budgets for promotion and advertising, our TAM, will effectively expand. This, in turn, will enable further revenue growth in Beauty.

**Slide 50**

Under the "Expected Action-Tiered Plan," revenue in Beauty grew at a 5-year CAGR of 7.4% from FY2019 to FY2024. This growth was driven by the expansion of user reservations, which led business clients to upgrade to higher-priced plans.

However, because our revenue was not linked to GMV, this growth lagged behind the GMV CAGR of 14.2% over the same period. Consequently, the ratio of revenue to GMV dropped from nearly 20% in FY2016 to just over 10% today.

Our approach is not to simply raise fees unilaterally. Instead, we aim to contribute to the growth of GMV by continuing to provide high-value-added solutions, and in return, receive a portion of that created value as fees.

Based on this philosophy, in Beauty, we launched the "GMV-Linked Model" in January this year, in addition to the existing tiered plans. The rate is set at 1% of GMV.

We expect the introduction of the "GMV-Linked Model" to deliver an incremental revenue impact for Beauty of approximately 12 billion yen in the next fiscal year.

From FY2027 onwards, we aim to accelerate the growth of Beauty by continuing to contribute to the sales growth of our business clients.

**Slide 51**

I would also like to highlight specific measures that we expect will significantly contribute to GMV growth.
As announced during the Q2 earnings call,

we explained that, in addition to our typical concentrated investment in the second half, we would increase promotion expenses exceeding initial projections.

We allocated approximately 5 billion yen, which represents the majority of this additional budget, to a major campaign in Beauty this month. This event offers 50% points back for the first 1 million reservations.

February is typically a slow season for the Japanese beauty market. By injecting additional marketing resources during this specific period, we aim to stimulate significant latent demand among individual users.

Moving forward, we plan to continue deploying promotion expenses at strategic moments to drive growth in user actions.

**Slide 52**

Another key initiative is the integration of AI capabilities into SALON BOARD.
Some of our business clients are already leveraging this feature to optimize pricing and design targeted promotional campaigns.

As shown here, business clients access the "AI Business Advisor" within SALON BOARD.

With a single click, they sync the sales and reservation data they register daily.

For example, if a business client asks, "How can I increase the average unit price?", the AI analyzes the salon's actual data and immediately provides specific, actionable proposals to achieve that goal.

Currently, this is offered as a beta version with limited availability. However, we plan to roll this out to the majority of our business clients as soon as possible.

**Slide 53**

We believe that introducing the "GMV-Linked Model" in Beauty aligns with our MMT strategy, "Help Businesses Work Smarter," and will lead to enhancing the earning power of business clients all across Japan.

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This business model enables us to boost profitability and productivity for our business clients, and we receive fees for our contribution. As we thoroughly validate this model in Beauty, we plan to expand it to other subsegments and verticals.

In fact, in Travel, we have utilized a transaction fee model since the launch of our online platform. In Dining and Housing & Real Estate, we have already begun introducing the ”GMV-Linked Model” in select services.

Moving forward, as the "GMV-Linked Model" expands across MMT, combined with leveraging internal use of AI to advance operational efficiency, we believe we can achieve higher EBITDA+S margins.

Even with the declining population in Japan, the introduction of the "GMV-Linked Model" unlocks significant growth potential for both our business clients and MMT.

We look forward to demonstrating this continued growth through our performance and results.

[1]    Total number of unique users who performed a specific action, such as making a reservation or inquiry (excluding cancellations), in Beauty, Travel, Dining, Housing & Real Estate, Automobile, Bridal, and Education verticals from January to December 2025.

[2]    The cumulative number of listed stores and business locations as of December 1, 2025, in Beauty, Travel, Dining, Housing & Real Estate, Automobile, Bridal, and Education verticals, combined with the total number of stores and business locations using MMT's SaaS solutions (if a single store uses multiple services, it is counted for each service).

[3]    Number of completed bookings (excluding cancellations) on HOT PEPPER Beauty.

[4]    Monthly average number of users who made bookings (excluding cancellations) on HOT PEPPER Beauty from January to December 2025.

*This transcript is provided for the convenience of investors only and this is a translated version of the Japanese call.*

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**Discussion on Marketing Matching Technologies SBU**

**Jun:** Thank you for the presentation, Ushida-san. I have a few questions.

First of all, regarding the "GMV-Linked Model" introduced in Beauty, is our understanding correct that a 1% transaction fee based on GMV has been added to the existing "Expected Action-Tiered Plan"?

Furthermore, why was it not possible to introduce this model in Beauty until now, and what is the rationale for not transitioning fully to a transaction fee model?

**Ushida:** Yes, that is correct. We are not simply replacing our existing models with a "GMV-Linked Model." Instead, we are introducing a transaction fee of 1% of GMV as an add-on to our current plans.

This evolution has been well-received by our business clients.

Historically, MMT has focused on driving revenue for our business clients by increasing mainly the number of bookings. Recently, however, as the adoption of our AI solutions accelerates and unit prices increase in an inflationary environment, we have seen more opportunities to directly contribute to improving unit prices as well.

This is precisely why we believe now is the right time to begin incorporating a model linked to our business clients' revenue, or GMV.

At the same time, you may wonder why we aren't moving fully to a transaction fee model. In Beauty, for instance, repeat bookings depend not only on the power of our platform but also significantly on the stylist's skill and hospitality. We believe that charging for the entire outcome would not align with our business clients' sense of fairness.

Therefore, we have now intentionally chosen a hybrid model that combines fixed and variable components.

**Jun:** Ushida-san, regarding our new initiatives and future outlook for Beauty, please share your perspective on two areas. First, what exactly should our business clients expect in terms of value? And second, what kind of changes or benefits will individual users experience on their end?

**Ushida:** First, for our business clients, we believe we can significantly expand the scope of support we can offer.

By incorporating GMV-Linked variable fees, we will be able to sharpen our focus on maximizing revenue for our business clients.

Specifically, we will drive revenue growth through optimization utilizing AI and strategic demand generation initiatives, such as our 'Bibibi-festival', which aims to stimulate demand by investing in promotion expenses.

For example, business clients can leverage AI to analyze daily salon data to design service menus tailored to a stylist's specific strengths, including expertise in short cuts or Korean-style looks. This approach helps increase both unit prices and the number of customers, which leads to higher overall revenue and improved compensation for the stylists.

Furthermore, we aim to drive revenue growth for salons by providing strategic recommendations to level out occupancy across the week. We are also designing pricing models optimized for repeat bookings based on the concept of LTV, or Lifetime Value.

From the perspective of individual users, while we will continue to provide a platform where it is easy to make bookings, we believe the primary benefit lies in the ability to discover their ideal salon or stylist. Our goal is to ensure they can enjoy these services at the optimal timing and price, and we strive to deliver this enhanced, personalized experience moving forward.

**Jun:** You deliver a good result for both sides. In today's presentation, it was mentioned that the average promotion and advertising expenses ratio for businesses in the Japanese beauty market is generally said to be around 5% to 10% of revenue.

On the other hand, as you noted, our revenue in this vertical historically accounted for nearly 20% of GMV, and even with recent declines, it remains slightly above 10%. How should we interpret these figures?

Furthermore, are you considering any future changes to the 1% fee rate for the newly introduced "GMV-Linked Model" in Beauty?

**Ushida:** The market average typically includes a wide range of salons, including those that do not actively invest in advertising.

In contrast, our platform is primarily utilized by actively investing business clients, such as newly opened salons focused on building their initial customer base or those who proactively allocate promotion and advertising expenses as a strategic investment for expansion.

Consequently, their promotion and advertising as a share of revenue typically exceeds the market average.

Ultimately, we believe our current revenue level has been sustained because our business clients are satisfied with the tangible customer acquisition results and the overall ROI provided by our plans.

Regarding your question about future changes to the GMV-Linked fee rate, our primary focus is to ensure the continued satisfaction of our business clients. Our objective is not to unilaterally increase the fee rate.

The true strategic intent behind introducing the "GMV-Linked Model" is to create a framework where we grow together with our business clients.

Our priority is not simply 'raising the rate,' but rather demonstrating how much we can expand our business clients' revenue (GMV) through our AI and strategic demand generation initiatives.

We will continue to seek the optimal balance by evaluating the value we provide alongside the evolving needs of our business clients.

**Jun:** That's interesting. Could you share your blueprint for evolution in other subsegments and verticals? Are Dining and Housing & Real Estate the specific areas where you expect significant progress moving forward?

**Ushida:** Rather than pre-selecting specific verticals to target, we are prioritizing tests in areas where data synchronization is most advanced and where we can clearly contribute to increasing revenue for our business clients through actionable improvement proposals.

In fact, we are already in the testing phase across multiple verticals, including Dining, Housing & Real Estate, and Automobile, while sharing the knowledge and insights gained in Beauty.

Naturally, the pace of digitalization varies across verticals, resulting in different timelines for growth in each area.

However, our blueprint is to deploy our winning playbook across all verticals. This involves leveraging our unique strength of combining promotion capabilities with data captured through our SaaS solutions to drive more matches. By further integrating AI, we aim to maximize GMV as part of this cross-vertical expansion strategy.

The members of our MMT team are all highly ambitious and talented, and I look forward to seeing new possibilities unfold across various verticals.

**Jun:** It sounds very exciting. Next, this is a relatively general question, individual user behavior online is shifting toward using AI applications as the primary entry point. How do you view the potential impact of this shift on MMT?

**Ushida:** As you pointed out, we see a growing trend of users utilizing conversational AI as an entry point for gathering information and making decisions, a shift that is particularly prominent among younger generations.

While this has not yet resulted in a full-scale replacement of traditional search, we recognize this as a critical structural change that could transform user touchpoints.

However, regardless of how the entry point evolves, the core of our value proposition remains the same, as we continue to focus on refining the experience for individual users and increasing the accuracy of matching with our business clients.

Therefore, to provide a seamless experience from discovery to booking and final conversion, we are prioritizing the optimization of the user journey in the AI era.

**Jun:** Thank you. In Japan, is there any collaboration or synergy between MMT and HR Technology?

**Ushida:** Yes, we do see significant synergies.

In Japan, the ability to utilize the RECRUIT ID across both MMT and HR Technology generates powerful synergies.

In fact, we are seeing clear examples of cross-use. For instance, younger users who first register for a RECRUIT ID through HOT PEPPER Beauty expand their usage to our HR Technology services, such as creating resumes or using our part-time job platforms.

Moving forward, we will continue to enhance the user experience by optimizing our services through this unified ID infrastructure.

**Jun:** Lastly, I have a question regarding the overall MMT.

The plan is to continue evolving, with a target EBITDA+S margin of 30% for next fiscal year and 35% by FY2028.

Based on our discussion today, can we look forward to the margin potentially exceeding these figures by a significant amount as revenue continues to grow?

Considering your comments on AI integration, if you can increase revenue through higher GMV for business clients while improving operational efficiency, would that expectation be realistic?

**Ushida:** First, we are focused on steadily achieving our EBITDA+S margin targets of 30% for the next fiscal year and 35% by FY2028.

As we discussed today, the expansion of our "GMV-Linked Model" and the integration of AI do create room to simultaneously drive revenue growth and operational efficiency. In the mid to long term, we believe these factors will act as a tailwind for margin improvement.

At the same time, we will not simply let all efficiency gains drop to the bottom line. If we identify opportunities to expand the GMV of our business clients, such as through demand generation or product enhancements, we will invest flexibly and decisively. Therefore, depending on the timing of these investments, there may be periods where the EBITDA+S margin fluctuates in the short term.

Our priority is to execute our strategy toward our targets and demonstrate our progress through results.

To all our capital market participants, we invite you to look forward not only to our HR Technology , which already carries high expectations, but also to the future growth and potential of MMT.

**Jun:** Thank you very much.

I am certain that today's presentation by Ushida-san has significantly increased the interest of all capital market participants in MMT. I expect we will see a sudden surge in requests for meetings with him.

**Q&A session**

**Shen:** Now we would like to proceed to the Q&A session.

If anybody has a question, please click on the Zoom raise hand button. Please unmute before asking your question. First, Yamamura-san from J.P. Morgan Securities, please go ahead.

**Yamamura:** This is Yamamura from J.P. Morgan Securities.

Since it's limited to one question, I'd like to confirm some numbers and ask about the figures and their background, specifically regarding the situation of the HR Technology business in the US.

Previously, I believe the unit price outlook for the second half was an increase of 16%, but this time it has been revised upward to 19%. Also, my understanding is that the expected decline in volume for the second half has improved from a 7% decrease to a 6% decrease in Q4.

Over the past three months, what factors exceeded your initial assumptions? Was it due to price increases for premium services that performed particularly well? Or is it that the positive momentum from various service initiatives has continued since the change in CEO in June? Could you please start by explaining this point?

**Jun:** Rather than an increase in the price itself, we believe it's because more customers are using these services, in other words, penetration is increasing. More customers are adopting and utilizing them.

So it's not that we are adjusting prices; it's that the number of users is increasing. We expect this trend to continue into Q4. Furthermore, as I briefly mentioned, we are also considering how much further this can grow in the next fiscal year.

In addition, we are thinking about various other initiatives, so there may be things that begin to bear fruit next year and the year after. As we have explained before, the US ARPJ growth rate is a metric intended to show how much growth we are achieving through our own efforts, after neutralizing improvements or deteriorations in the market environment. We started discussing this from the previous quarter, and at this point, we believe it is progressing steadily.

**Yamamura:** As a quick follow-up, regarding the outlook for the US next fiscal year that you just mentioned: I believe you said around 10% for the full year. Is that referring to revenue, or to volume?

If volumes have bottomed out and unit prices continue to rise, it seems to me that revenue could grow more than that.

**Jun:** When I say "around 10%," I am referring to the ARPJ growth rate.

**Yamamura:** I see. Understood.

So in terms of the top line, depending on the combination of factors, there could still be room for further growth, correct?

**Jun:** For example, speaking in terms of ARPJ: when the market environment was flat, and revenue grew by 10%, the US ARPJ growth rate would be 10%.

On the other hand, if the market were declining but revenue still increased, that increase would be additive.

Conversely, if the market improves and the number of job postings increases, say the market contributes plus 5%, and our revenue also increases by 5%, then US ARPJ growth would be 0%. In that case, it would be less about our own efforts and more about riding the wave of the market.

That's how we think about this metric.

**Yamamura:** That makes sense. Thank you very much.

**Shen:** Thank you very much. Next, Nagao-san from BofA Securities, please go ahead.

**Nagao:** This is Nagao from BofA Securities. I'd like to direct my question to Ushida-san, if possible.

In today's explanation, I noticed that Housing & Real Estate was not discussed in particular. I don't think that's because it's weak, but rather that it may be performing solidly even without explicit mention. With that in mind, could you explain again what role Housing & Real Estate, specifically SUUMO, plays within MMT?

It is a highly competitive field, but SUUMO has been able to maintain its competitive advantage over the long term. Could you share your view on the factors behind that sustained advantage, and how you are thinking about driving profit growth in this area going forward? Thank you.

**Jun:** Thank you very much. Since I'm the only one handling the Q&A today, I apologize for that.

With regard to your question, I was hoping to address this in more detail in May, at the time of our earnings outlook, but as shown in the pie chart, Housing & Real Estate is the largest category within the segment. As mentioned before, Housing & Real Estate and Beauty are the two businesses with the highest profits margins among our various subsegments. In that sense, these two major pillars are driving the performance of MMT.

In addition, with various new transformations underway, particularly in the Lifestyle subsegment, we are seeing new offerings being launched and are expanding new initiatives. That is the overall picture or direction of how the business is evolving.

Historically, we have not really gone into much detail about the inner workings of the Housing & Real Estate business with the capital markets, even though quite some time has passed since our listing. Within Housing & Real Estate, there are multiple subcategories, each showing different dynamics.

The business is shaped by the environment, by the behavior of our business clients, and by the behavior of individual users who observe and respond to those dynamics. Today, Ushida-san focused on transformation and new trials within Beauty which is taking the lead. However, within Housing & Real Estate, while not across the board, there are already some new initiatives underway as well, and we are considering various initiatives to drive further development going forward.

So, to answer your question directly: SUUMO is one of the most important businesses within MMT, both in terms of scale and profitability, and that has not changed from what we have said previously.

Of course, there is a competitive environment, but we believe we are in a strong position within it, and without becoming complacent, we intend to continue evolving and making changes going forward.

So please allow me to make this a topic to be discussed in more detail in May.

**Nagao:** Understood. Thank you very much.

As a follow-up, from your perspective as CFO, how do you position Air BusinessTools, like AirPAY, AirREGI, and SALON BOARD? Is it a profit-generating business, or more of a strategic investment?

How do you view their positioning in terms of consolidated profit and loss?

**Jun:** Currently, we account for the group of products known as Air BusinessTools as part of the Lifestyle subsegment.

While revenue has been growing, it is still not particularly large compared to each of our established verticals.

Many of these tools are offered to business clients on a freemium basis. As Ushida-san mentioned earlier, the idea is to let these tools handle cumbersome tasks, so that business clients can spend more time on their core business, such as developing new menus or thinking about how to delight their customers.

The majority of the revenue comes from transaction fees associated with AirPAY. So if you look at Air BusinessTools on a standalone basis, the revenue itself is actually not that large.

However, as Ushida-san explained today, the existence of tools like AirREGI and AirPAY enables new pricing models, such as the GMV-Linked Model we introduced today. In that sense, Air BusinessTools has become one of our foundational pillars, and because they increase the overall success of our business clients, they are a core backbone that supports our ability to launch new initiatives and transform our business. With Air BusinessTools, GMV increases through payment, or prepayment, via AirPAY, and our revenue increases. That is certainly desirable.

That said, we are not pursuing this simply for the sake of monetization. Rather, it is a business model in which, for example in the Beauty subsegment, our customers' sales increase as a result of these tools, and we receive a small share of that upside. So while Air BusinessTools is indispensable, it is not something we view as a core business for aggressively driving profits on its own.

**Nagao:** That's very clear. Thank you very much.

**Shen:** Next, Munakata-san from Goldman Sachs, please go ahead.

**Munakata:** This is Munakata from Goldman Sachs. Thank you very much for the presentation.

Since it's limited to one question, I'd like to ask about HR Technology. In addition to the strength of the top line, the margin level really stands out to me this quarter.

I believe margins have increased from the second quarter to the third quarter. Could you explain the background behind this improvement?

Also, looking ahead to next fiscal year, if US ARPJ continues to grow in the 10% range as you expect, is it reasonable to think that operating leverage from revenue growth will result in year-over-year margin expansion? I'd appreciate it if you could confirm that point as well.

**Jun:** Let me start with your second question. We are currently in the process of finalizing the numbers, so there's still some back-and-forth internally, but as you pointed out, if revenue continues to grow, and we maintain the kind of disciplined operations we are currently practicing, while further refining them, then our goal is indeed to increase margins.

Put another way, we are aiming to grow EBITDA to a higher level than the prior year. While we are still working on how the exact percentage will be in the next fiscal year, we believe that margins can improve in line with revenue growth.

Going back to your first question, as we have discussed previously, we continue to push forward with efficiency improvements. Cost reductions and workforce efficiency initiatives are ongoing, including a number of smaller measures that are still being implemented. We believe these efforts are now starting to show results across the organization.

We also expect similar effects to gradually materialize in the Japan business. Returning again to your second question, we believe that further efficiency improvements across the entire HR Technology are achievable not only next year, but also the year after.

**Munakata:** Thank you. One follow-up question, if I may. This may have already been touched on earlier, but I'd like to ask about the assumption behind US ARPJ growth in the 10% range.

I assume you have run various scenarios to arrive at this figure. Among those scenarios, what do you see as the main drivers of US ARPJ growth at this point? For example, you mentioned earlier that the number of companies using Premium Sponsored Jobs is increasing. Do you expect this trend to continue and be the primary driver?

Or are you seeing more traction in acquiring large enterprise clients, new services, or other contributing factors? Is it a mix of these elements? Any insight you could share would be greatly appreciated.

**Jun:** Historically, our business has grown by enabling small and medium-sized businesses to post jobs on our platform, driving user traffic and applications, and generating revenue from that activity. This has been a consistent theme we've talked about since the pandemic.

On the other hand, many of you listening today probably work in large office buildings, perhaps on one floor where the HR department is located, with large recruiting teams of 100 or 200 people. When I speak with investors, I often find that this is the image they have in mind when they think of our business clients.

But going back to our roots, our original value proposition was about discovery, helping people find jobs they didn't even know existed nearby. If they hadn't come to our platform, they wouldn't have found those opportunities. That uniqueness is how we developed our business.

For example, the kind of large, well-known companies with sizable HR departments often receive a steady flow of applications even without advertising on Indeed. They don't necessarily need to spend money to attract candidates, because applications come in regardless. For those customers, our traditional advertising-based offering wasn't particularly compelling, and from our side, it was also difficult to sell anything beyond that advertising function.

However, as we move into a world where candidates, supported by technology, can apply to many more jobs with ease, and even generate high-quality applications at scale, we believe a new challenge will emerge. As Deko noted at Davos, employers may soon find themselves receiving an overwhelming number of applications and struggling to evaluate and process them effectively. In that environment, the new offerings we are developing, including some of our premium services and AI-driven features, could become highly relevant even for business clients who previously had little interaction with our traditional business model.

In other words, there may be new commercial opportunities in areas such as recruiting automation, some of which you may have seen briefly on the TAM slides, focused on how to screen, select, and manage candidates more efficiently.

Premium services will of course continue to expand through broader adoption among both hosted and indexed clients. At the same time, if we can extend these capabilities to larger enterprise clients who previously did not engage much with our services, US ARPJ growth could accelerate further.

This is not about short-term monetization or simply trying to boost earnings quickly. It's about building a sustainable, medium-to-long-term growth model. Some initiatives may start to bear fruit next year, while others may require more groundwork and pay off the year after.

These are strategic decisions, and the teams led by Deko are working hard to determine the best path forward. But if these efforts materialize as we expect, we believe US ARPJ growth rate could trend higher over time.

That said, whether these benefits will fully emerge next year or later is something we are still carefully considering. As I mentioned earlier, once we get to May, I'll be able to share a clearer picture of what we expect for FY2026 and what we aim to achieve.

For today, I'll stop at this introductory level and leave it as groundwork for that future discussion.

**Munakata:** Thank you very much. I look forward to May.

**Jun:** Thank you. We appreciate it.

**Shen:** We're a bit past the one-hour mark, but we still have many hands raised, so we'd like to extend the session slightly and continue. Next, Oum-san from Nomura Securities, please go ahead.

**Oum:** This is Oum from Nomura Securities.

Arai-san, thank you for the disclosure on paid job advertisements by job category.

Recently, about two-thirds are what you would call "in-person" roles, which is very encouraging. My question is about how the composition ratio has changed over time. If there are any interesting trends, I'd love to hear about them.

For example, how did this look several years ago, how has it evolved to the current state, and whether demand in these areas is strong enough that the "more than two-thirds" level is likely to continue. If you have any perspective on that, that would be my first question.

As a follow-up, I'd also like to ask about the penetration of premium services within these in-person roles. Among small and medium-sized businesses hiring for in-person jobs, how widely adopted are these premium offerings, and what "inning" would you say we are currently in? Any hints would be greatly appreciated.

**Jun:** Ideally, I'd love to answer this with a matrix showing precise percentages here and there, which would make everything very clear, but we do not have it now.

Of course, the popularity of job categories rises and falls over time, so the internal composition does change.

By May, we're thinking of showing something like a pie chart for the full fiscal year 2025, with a follow-up explanation along the lines of "these are the figures for the year." That's what we're currently considering.

I don't have exact figures at hand to immediately say what things looked like five years ago, but for example, healthcare, which holds the largest share, has consistently required a lot of workers. Turnover is high, people leave, and then companies hire again. These are jobs where you can find work almost anywhere, which naturally leads to frequent job changes.

Because of that, business clients need to secure talent and work hard to recruit and are willing to invest in Indeed to do so. As a result, over the four to five years we've been discussing this, familiar job categories such as healthcare and truck drivers have consistently ranked at the top.

For other categories, demand naturally fluctuates depending on how the economy and specific industries perform, but overall the picture tends to be fairly similar.

As we've explained before, the current HR Technology business model at Indeed does not charge based on how much job seekers earn or on a per-hire basis. Because of that, our revenue tends to be higher in areas where worker turnover is high or demand is particularly strong.

In addition, sectors where people frequently change jobs or move across industries also tend to generate larger revenue for us.

So whether this in-person share is two-thirds, 75%, 66%, or 60% may change over time. But broadly speaking, the types of jobs on our platform today tend to fall into these categories. That's what I wanted to convey today.

If there's an opportunity in the future to share historical trends or a more detailed breakdown, I'd certainly like to do so. But today, given the many discussions around whether automation will significantly impact these roles, we wanted to focus on a more targeted explanation, so I'll leave it at that for now.

**Oum:** That suggests premium adoption should be quite high in these in-person roles where hiring is particularly difficult, correct?

**Jun:** I don't have data with me right now on where Premium Sponsored Jobs are most prevalent or less prevalent, but as you said, the stronger the demand to hire good people quickly, the higher the likelihood and frequency that these premium services will be used. That point is absolutely correct.

**Oum:** Thank you very much.

**Jun:** Thank you.

**Shen:** We will now take the final question. Yoneshima-san from Citigroup Securities, please go ahead.

**Yoneshima:** Thank you. This is Yoneshima from Citigroup Securities. I'd also like to ask a question about MMT.

Regarding the introduction of the GMV-Linked Model, you mentioned this time that it has already been discussed for Beauty. Looking ahead, what is the rollout schedule, how and when will this be introduced sequentially to other areas, including SUUMO and the broader Lifestyle subsegment?

Also, Arai-san, in the Q&A you mentioned margins. From what I understand, the current target is around 35% by 2028. From your perspective as CFO, I got the impression that you might be expecting something even higher.

For MMT, what do you see as the upper limit, so to speak? HR Technology once reached margins of around 40%. Do you think MMT could eventually reach a similar level, exceed it, or is that unlikely? I'd appreciate your perspective.

**Jun:** Thank you.

Regarding your first question, I believe we partially addressed this during Ushida-san's presentation and also in the Q&A between Ushida-san and myself. Our approach is to proceed while carefully choosing the right timing.

As we monitor business clients' reactions in Beauty, we are being careful not to introduce changes in a way that could be detrimental. That is something we have emphasized.

If we have the opportunity, I'd like to talk more about this in May. That said, there are already verticals, such as certain areas of Dining and even some parts of Housing & Real Estate, where this business model has already been adopted, although not across the entire vertical.

So while it's not applied everywhere, we do have areas where it is already in place. We would like to share updates on progress and the uniqueness of these initiatives at the May earnings announcement, if time allows. And if, like Beauty this time, there are new initiatives to highlight, we would like to bring Ushida-san back to explain them in detail.

As for your second question, from my position, of course my instinct is to say, "Please take it higher and higher." Each vertical and each subsegment has its own characteristics, upside potential, and challenges, so it would be overly simplistic to talk about MMT as a single, uniform entity.

That said, the current management team, led by Ushida-san, has made it clear that they will focus sharply on areas that deserve focus.

Rather than talking about MMT as a whole, I think from May onward we'll be able to say things like, "This area and that area will be grown aggressively," or "We will push forward in this way here." I believe we'll be able to share a story that many of you will find exciting and engaging.

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So please look forward to that.

**Yoneshima:** Thank you very much.

As a brief follow-up, what kind of revenue growth rate are you currently assuming for MMT over the next several years?

**Jun:** Rather than looking at MMT's overall revenue growth rate as a single number, my recommendation would be to think about each component individually, how Beauty will perform, how Housing & Real Estate will perform, and so on, and then add them up to see where that gets you.

From a business and strategic perspective, that approach is probably more accurate than asking us to lift MMT as a whole by a certain percentage. A more realistic way to think about it is to grow the good businesses as much as possible, one by one.

**Yoneshima:** Understood.

**Shen:** Thank you everyone. With that, we will conclude today's session. Thank you very much for your participation.

**Jun:** Thank you very much. We appreciate your continued support.

**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, including changes in economic conditions, changes in individual users' preferences and business clients' needs, competition, changes in the legal and regulatory environment, fluctuations in foreign exchange rates, climate change or other changes in the natural environment, the occurrence of large-scale natural disasters, and other factors.

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