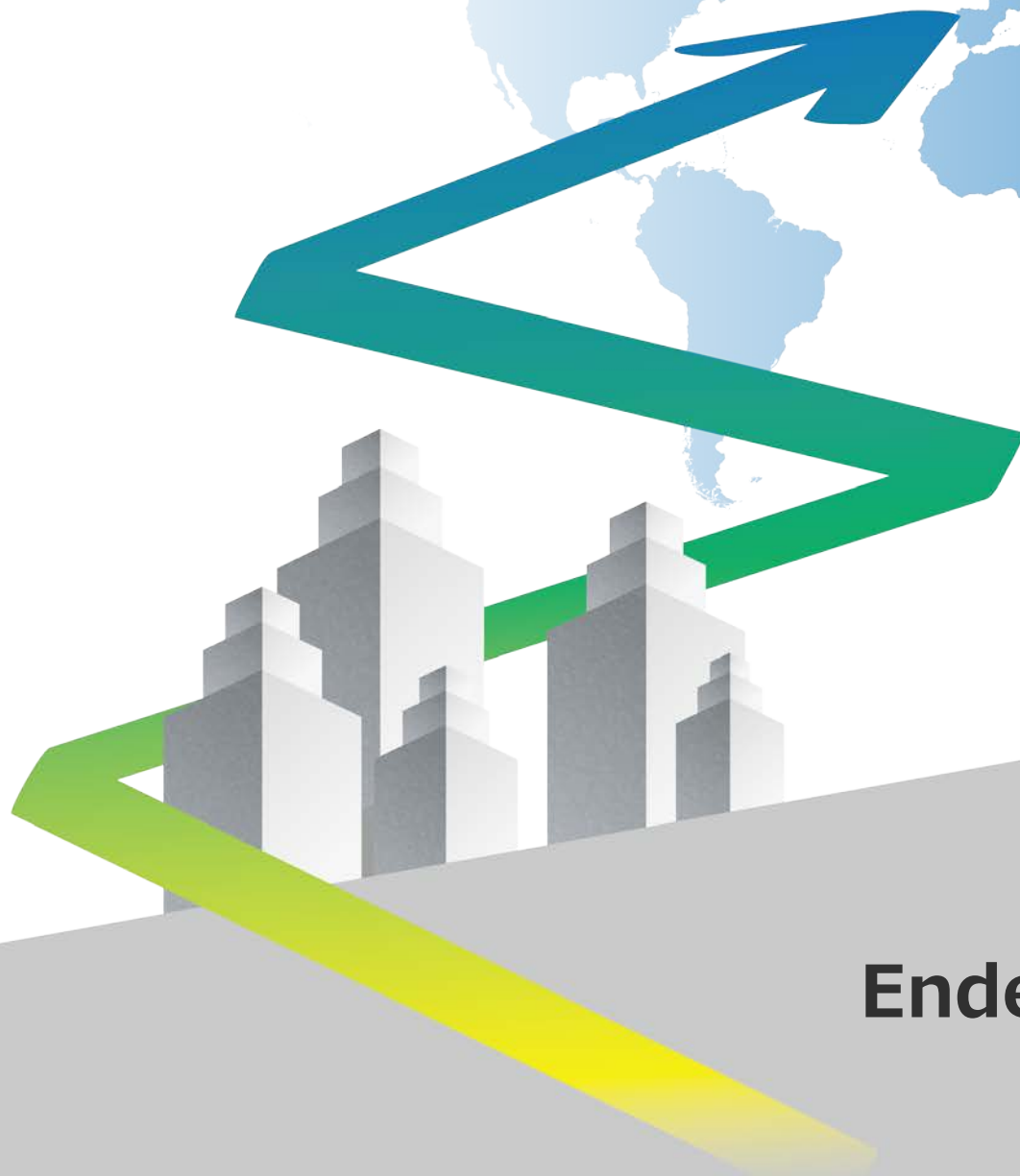


OUTSOURCING Inc.
(Securities Code: 2427/TSE 1st Section)



Financial Results for the Fiscal Year Ended December 31, 2014

February 2015

Contents

- P 2 Consolidated Financial Results for FY12/14
- P 10 FY2015-2017 Medium-Term Management Plan
Vision 2017: Vector to the New Paradigm
- P 30 Consolidated Financial Forecasts for FY12/15
- P 37 References

Consolidated Financial Results for FY12/14



Consolidated Financial Results for FY12/14

Consolidated Financial Results Summary (Annual and Semi-Annual Trends)

(¥ million)	FY12/13 Actual				FY12/14 Actual				YoY Changes	
	1H Amount	2H Amount	Full-Year Amount	Composition Ratio	1H Amount	2H Amount	Full-Year Amount	Composition Ratio	Amount	Ratio
Net sales	21,433	25,951	47,384	100.0%	28,070	31,351	59,421	100.0%	12,037	25.4%
Cost of sales	17,497	20,605	38,102	80.4%	22,549	24,908	47,457	79.9%	9,355	24.6%
Gross profit	3,935	5,345	9,281	19.6%	5,521	6,442	11,963	20.1%	2,681	28.9%
SG&A expenses	3,934	4,144	8,078	17.0%	4,807	5,145	9,953	16.8%	1,874	23.2%
Operating income	1	1,201	1,202	2.5%	713	1,297	2,010	3.4%	807	67.1%
Non-operating income	350	349	700	1.5%	288	373	661	1.1%	(38)	-5.5%
Non-operating expenses	313	232	546	1.2%	241	233	474	0.8%	(71)	-13.0%
Ordinary income	38	1,318	1,357	2.9%	759	1,437	2,197	3.7%	840	61.9%
Extraordinary income	93	139	232	0.5%	58	55	113	0.2%	(118)	-51.0%
Extraordinary losses	–	–	–	–	5	186	192	0.3%	192	–
Net income	29	1,092	1,122	2.4%	375	941	1,316	2.2%	194	17.3%

Consolidated Financial Results for FY12/14

- Financial Results Highlights for FY12/14 ※red: negative factors, black: positive factors

Net Sales **¥59,421 million (+25.4% YoY)**

- Overseas Business fell significantly short due to coup in Thailand and demonstrations in Hong Kong and Vietnam, etc.
- Engineering Outsourcing Business achieved better-than-expected results in IT- and civil engineering and construction-related sectors
- Manufacturing Outsourcing Business was largely in line

Operating Income **¥2,010 million (+67.1% YoY)**

- Posted goodwill amortization of ¥518.908mn caused by acquisitions of overseas and IT-related outsourcing firms
- Accrued one-time costs including FA contract fees for M&A
- Operating income margin was up thanks to a diluted SG&A expensed ratio resulted from sales growth

Ordinary Income **¥2,197 million (+61.9% YoY)**

- Forex exchange gains contributed positively

Net Income **¥1,316 million (+17.3% YoY)**

- Corporate tax benefits for employee salary hikes
- Reflects better performance at Group firms with losses carried forward

Record highs in net sales, operating income, ordinary income and net income

Consolidated Financial Results for FY12/14

Consolidated Financial Results (Quarterly Trends)

(¥ million)	FY12/13 Actual				FY12/14 Actual			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	10,415	11,017	12,176	13,774	13,788	14,281	15,232	16,118
Gross profit	1,759	2,176	2,436	2,908	2,646	2,874	3,070	3,372
Gross profit margin	16.9%	19.8%	20.0%	21.1%	19.2%	20.1%	20.2%	20.9%
SG&A expenses	1,948	1,986	2,036	2,107	2,337	2,470	2,537	2,607
SG&A expenses ratio	18.7%	18.0%	16.7%	15.3%	17.0%	17.3%	16.7%	16.2%
Operating income	(188)	189	400	801	309	404	532	764
Operating income margin	-1.8%	1.7%	3.3%	5.8%	2.2%	2.8%	3.5%	4.7%
Ordinary income	(191)	230	435	882	329	430	589	847
Ordinary income margin	-1.8%	2.1%	3.6%	6.4%	2.4%	3.0%	3.9%	5.3%
Net income	(121)	151	303	788	193	181	412	529
Net income margin	-1.2%	1.4%	2.5%	5.7%	1.4%	1.3%	2.7%	3.3%

QoQ Changes	FY12/13 Actual				FY12/14 Actual			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	-5.0%	5.8%	10.5%	13.1%	0.1%	3.6%	6.7%	5.8%
Gross profit	-23.6%	23.7%	12.0%	19.4%	-9.0%	8.6%	6.8%	9.8%
SG&A expenses	5.9%	1.9%	2.5%	3.5%	10.9%	5.7%	2.7%	2.8%
Operating income	—	—	110.9%	100.2%	-61.4%	30.6%	31.9%	43.4%
Ordinary income	—	—	89.3%	102.7%	-62.7%	30.7%	36.9%	43.8%
Net income	—	—	100.8%	159.4%	-75.5%	-6.0%	126.8%	28.3%

Consolidated Financial Results for FY12/14

Financial Results by Operating Segment and Net Sales by Region (Annual and Semi-Annual Trends)

(¥ million)		FY12/13				FY12/14			
		Actual				Actual			
		1H	2H	Full-Year		1H	2H	Full-Year	
		Amount	Amount	Amount	Composition Ratio	Amount	Amount	Amount	Composition Ratio
Manufacturing Outsourcing Business	Net sales	9,867	11,945	21,812	46.0%	12,049	13,428	25,478	42.9%
	Operating income	(155)	693	538	44.7%	195	389	584	29.1%
	No. of worksite employees at year-end	5,969	6,351	6,351	–	6,213	6,732	6,732	–
Engineering Outsourcing Business	Net sales	7,767	9,312	17,079	36.0%	10,381	11,655	22,036	37.1%
	Operating income	167	574	742	61.7%	494	928	1,423	70.8%
	No. of worksite employees at year-end	2,282	2,600	2,600	–	2,893	3,271	3,271	–
Administrative Outsourcing Business	Net sales	319	284	603	1.3%	289	312	601	1.0%
	Operating income	82	56	139	11.6%	41	50	92	4.6%
	No. of outsourcing administrative workers at year-end	2,179	2,344	2,344	–	2,018	2,092	2,092	–
Recruitment and Placement Business	Net sales	137	339	477	1.0%	370	409	779	1.3%
	Operating income	27	102	129	10.8%	167	186	354	17.6%
	No. of placed workers	806	1,410	2,216	–	1,455	1,427	2,882	–
Overseas Business	Net sales	3,248	3,972	7,220	15.2%	4,879	5,466	10,346	17.4%
	Operating income	39	(17)	22	1.8%	34	52	87	4.3%
	No. of worksite employees at year-end (Production Outsourcing Business)	5,122	4,829	4,829	–	7,545	7,554	7,554	–
	No. of worksite employees at year-end (Other Business)	1,834	1,733	1,733	–	2,543	2,871	2,871	–
Other Business	Net sales	93	96	190	0.4%	99	78	178	0.3%
	Operating income	4	0	5	0.4%	4	1	6	0.3%
Adjustments	Operating income	(165)	(209)	(374)	-31.1%	(225)	(311)	(537)	-26.7%
Total	Net sales	21,433	25,951	47,384	100.0%	28,070	31,351	59,421	100.0%
	Operating income	1	1,201	1,202	100.0%	713	1,297	2,010	100.0%

(¥ million)		FY12/13				FY12/14			
		Actual				Actual			
		1H	2H	Full-Year		1H	2H	Full-Year	
		Amount	Amount	Amount	Composition Ratio	Amount	Amount	Amount	Composition Ratio
Japan		18,184	21,978	40,163	84.8%	23,190	25,884	49,074	82.6%
Asia/Oceania (excl. Japan)		3,248	3,972	7,220	15.2%	4,879	5,466	10,346	17.4%
Total		21,433	25,951	47,384	100.0%	28,070	31,351	59,421	100.0%

Note: Net sales by region for Asia/Oceania (excl. Japan) eliminate internal transfers from Overseas Business segment net sales.

Consolidated Financial Results for FY12/14

Financial Results by Operating Segment and Net Sales by Region (Quarterly Trends)

(¥ million)		FY12/13 Actual				FY12/14 Actual			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Manufacturing Outsourcing Business	Net sales	4,834	5,033	5,598	6,346	5,967	6,081	6,500	6,928
	Operating income	(255)	100	137	555	52	143	103	285
	No. of worksite employees at year-end	5,313	5,969	6,442	6,351	6,197	6,213	6,607	6,732
Engineering Outsourcing Business	Net sales	3,850	3,917	4,451	4,861	5,095	5,285	5,696	5,958
	Operating income	112	55	280	294	293	201	455	473
	No. of worksite employees at year-end	2,097	2,282	2,441	2,600	2,688	2,893	2,954	3,271
Administrative Outsourcing Business	Net sales	164	154	146	137	147	142	151	160
	Operating income	45	36	41	15	10	30	18	31
	No. of outsourcing administrative workers at year-end	2,317	2,179	2,325	2,344	2,102	2,018	2,140	2,092
Recruitment and Placement Business	Net sales	36	101	156	182	159	210	188	221
	Operating income	15	11	37	65	77	90	96	89
	No. of placed workers	261	545	755	655	690	765	744	683
Overseas Business	Net sales	1,482	1,766	1,767	2,204	2,353	2,526	2,658	2,808
	Operating income	(18)	57	40	(58)	(7)	42	18	34
	No. of worksite employees at year-end (Production Outsourcing Business)	4,177	5,122	4,758	4,829	6,924	7,545	8,412	7,554
	No. of worksite employees at year-end (Other Business)	1,719	1,834	1,763	1,733	2,222	2,543	2,694	2,871
Other Business	Net sales	48	45	54	41	63	36	36	41
	Operating income	5	0	(1)	2	6	(2)	0	1
Adjustments	Operating income	(93)	(71)	(135)	(73)	(123)	(102)	(159)	(151)
Total	Net sales	10,415	11,017	12,176	13,774	13,788	14,281	15,232	16,118
	Operating income	(188)	189	400	801	309	404	532	764

Net Sales by Region (¥ million)		FY12/13 Actual				FY12/14 Actual			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Japan		8,933	9,251	10,408	11,569	11,434	11,755	12,573	13,310
Asia/Oceania (excl. Japan)		1,482	1,766	1,767	2,204	2,353	2,526	2,658	2,808
Total		10,415	11,017	12,176	13,774	13,788	14,281	15,232	16,118

Note: Net sales by region for Asia/Oceania (excl. Japan) eliminate internal transfers from Overseas Business segment net sales.

Consolidated Financial Results for FY12/14

Summary of Consolidated Balance Sheet

(¥ million)	FY12/13 End		FY12/14 End		YoY Changes
	Amount	Composition Ratio	Amount	Composition Ratio	Amount
Current assets	14,119	69.4%	17,065	70.7%	2,945
(Cash and deposits)	6,032	29.7%	6,671	27.6%	638
(Notes and accounts receivable - trade)	6,529	32.1%	8,257	34.2%	1,728
(Inventories)	578	2.8%	823	3.4%	244
Non-current assets	6,223	30.6%	7,067	29.3%	844
Property, plant and equipment	1,953	9.6%	2,415	10.0%	462
Intangible assets	1,827	9.0%	2,294	9.5%	466
Investments and other assets	2,442	12.0%	2,358	9.8%	(84)
Total assets	20,343	100.0%	24,132	100.0%	3,789
Current liabilities	10,003	49.2%	12,967	53.7%	2,963
(Notes and accounts payable - trade)	609	3.0%	752	3.1%	142
(Short-term loans payable)	3,550	17.5%	3,886	16.1%	336
(Accounts payable - other)	2,905	14.3%	3,800	15.7%	894
Non-current liabilities	4,423	21.7%	3,596	14.9%	(827)
(Bonds payable)	50	0.2%	30	0.1%	(20)
(Long-term loans payable)	2,578	12.7%	1,763	7.3%	(815)
Total liabilities	14,427	70.9%	16,563	68.6%	2,135
Shareholders' equity	4,945	24.3%	6,219	25.8%	1,274
Capital stock	514	2.5%	613	2.5%	98
Capital surplus	910	4.5%	1,009	4.2%	98
Retained earnings	3,910	19.2%	4,988	20.7%	1,077
Treasury shares	(391)	-1.9%	(391)	-1.6%	-
Accumulated other comprehensive income	382	1.9%	663	2.7%	280
Subscription rights to shares	100	0.5%	43	0.2%	(57)
Minority interests	486	2.4%	643	2.7%	156
Net assets	5,915	29.1%	7,569	31.4%	1,654
Total liabilities and net assets	20,343	100.0%	24,132	100.0%	3,789

(Notes and accounts receivable - trade)
Increased due to acquisitions of subsidiaries' share and business expansion

(Intangible assets)
Larger goodwill on acquiring subsidiaries' share

(Accounts payable - other)
Increased due to acquisitions of subsidiaries' share and business expansion

(Long-term loans payable)
Reduced through repayments, etc.

(Retained earnings)
Reflects a net income increase and dividend payments, etc.

Consolidated Financial Results for FY12/14

□ Summary of Consolidated Statements of Cash Flows

(¥ million)	FY12/13	FY12/14	YoY
	Full-Year	Full-Year	Changes
	Amount	Amount	Amount
Income (loss) before income taxes	1,589	2,119	529
Depreciation	348	344	(4)
Gain on bargain purchase	(203)	-	-
Amortization of goodwill	371	518	147
Amortization of negative goodwill	(138)	(46)	92
Decrease (increase) in notes and accounts receivable - trade	(82)	(1,299)	(1,217)
Increase (decrease) in notes and accounts payable - trade	(349)	516	865
Other, net	(237)	131	369
Net cash provided by (used in) operating activities	1,298	2,284	985
Net cash provided by (used in) investing activities	(1,982)	(1,351)	631
Increase (decrease) in loans payable	2,000	(837)	(2,838)
Cash dividends paid	(187)	(232)	(45)
Other, net	(12)	139	152
Net cash provided by (used in) financing activities	1,800	(930)	(2,730)
Cash and cash equivalents at end of period	4,520	4,671	151

Increased due to a rise in income before income taxes and changes in notes and accounts payable/receivable, etc.

Increased by decreased acquisition expenses for subsidiaries' share

Reduced through repayments, etc.

FY2015-2017 Medium-Term Management Plan

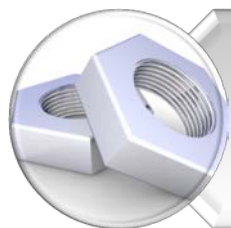
Vision 2017:

Vector to the New Paradigm



Vision 2017 Net Sales Target
for the Final Fiscal Year (FY2017)

¥ 130bn



Manufacturing Outsourcing Business

31% of Net Sales

¥ 40.3bn



Engineering Outsourcing Business

37% of Net Sales

¥ 48.1bn



Overseas Business

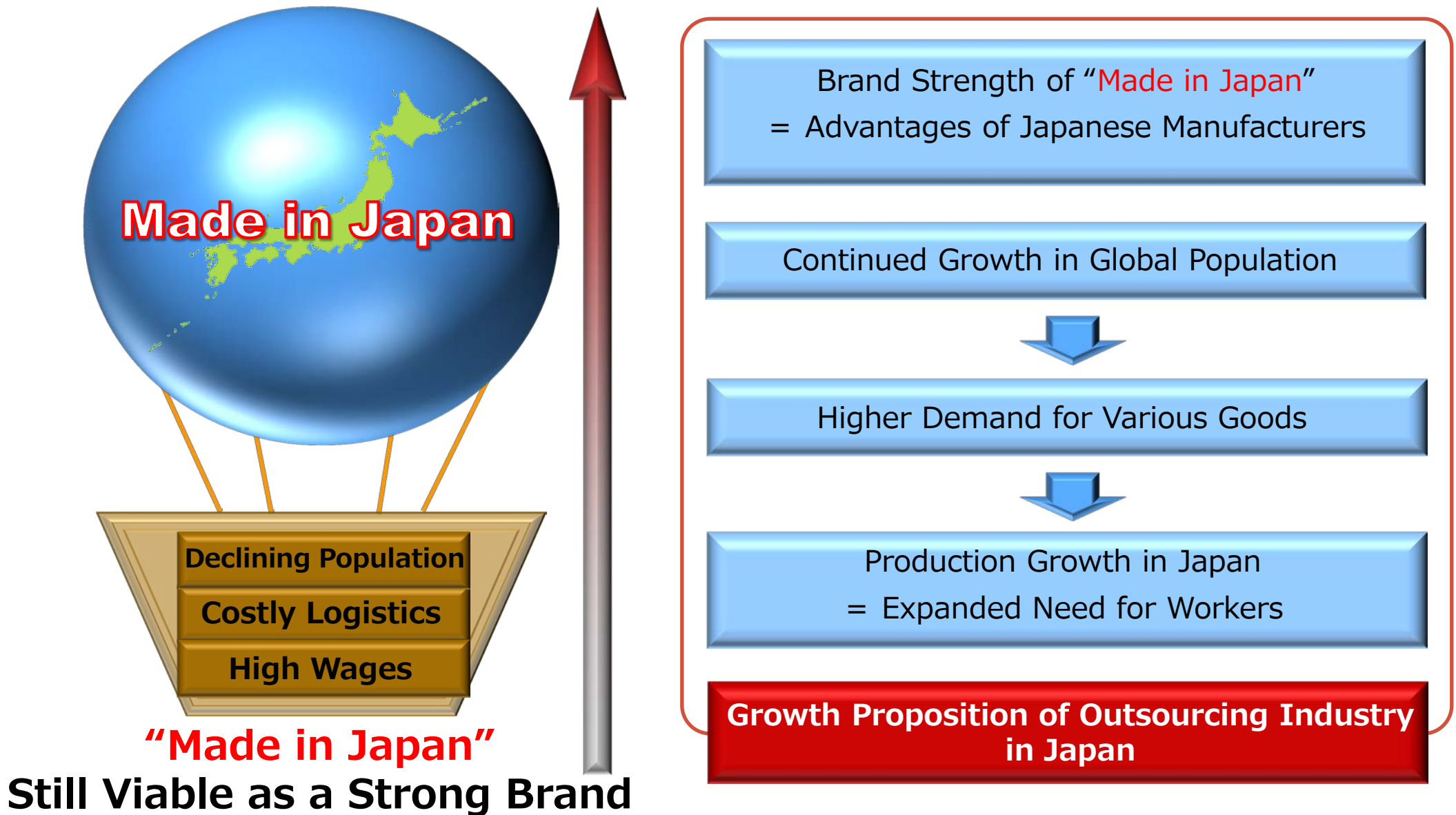
32% of Net Sales

¥ 41.6bn

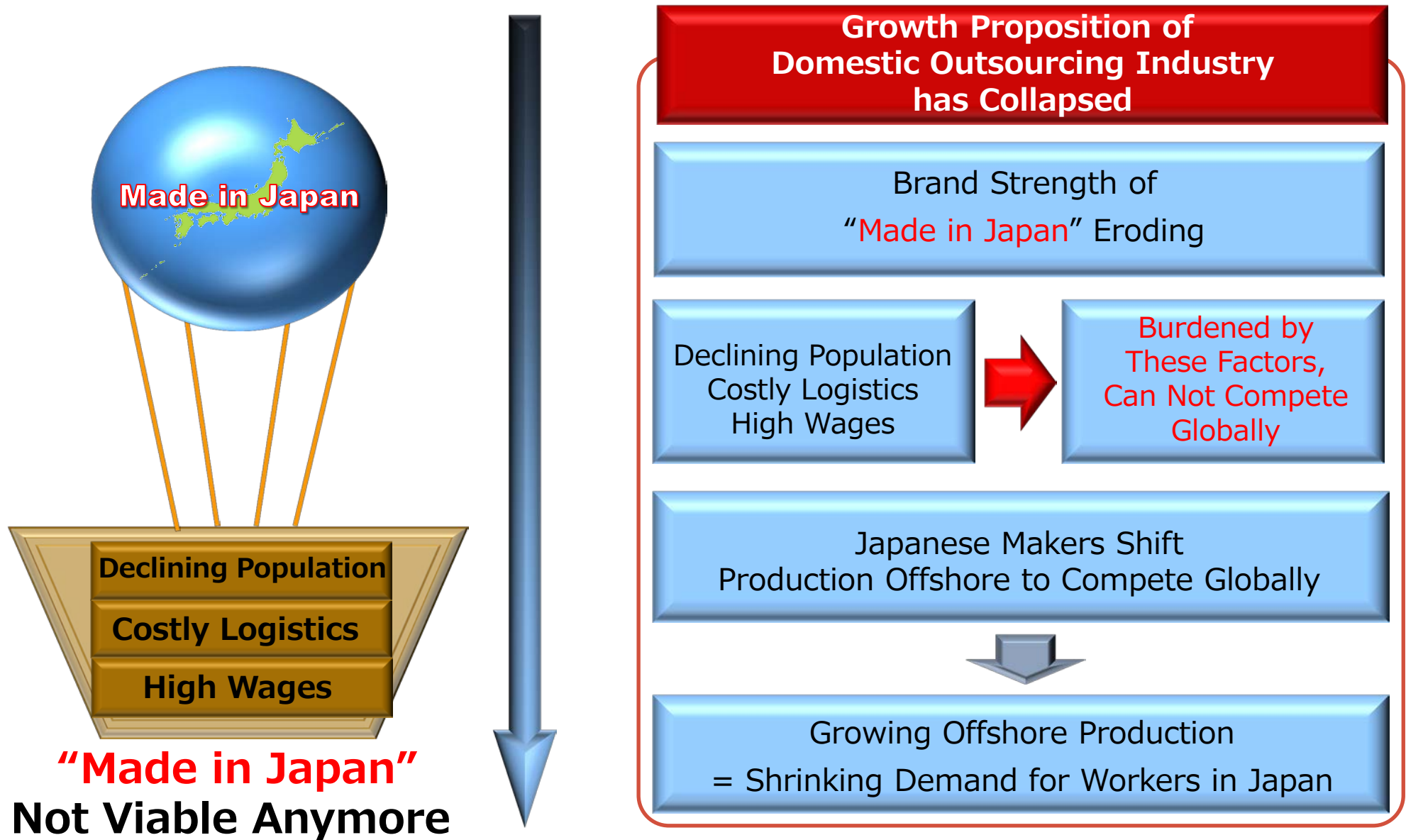
Operating Income Margin : 6.5%

¥ 8.5bn

Operating Environment: Japan's Manufacturing in the 20th Century



Operating Environment: Japan's Manufacturing in the 21st Century

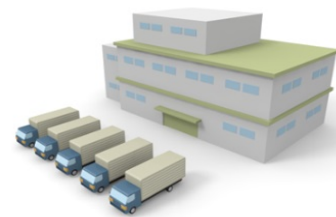


Operating Environment: Prospects of Japan's Manufacturing Outsourcing Business

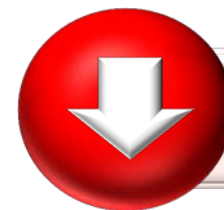
"Manufacturers Shifting to Offshore Production"

Production Retained in Japan

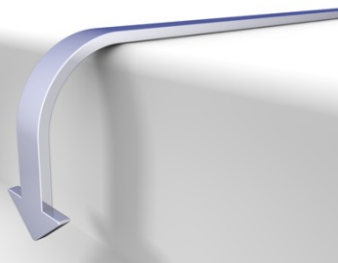
- Auto Industry with Sustainable Added Value
- Products for Domestic Demand



Contracting Manufacturing Sector in Japan



Smaller Population



Shrinking Manufacturing Outsourcing Markets

Medium-Term Management Plan Vision2017: Vector to the New Paradigm

Operating Environment: Overseas Temporary Placement Markets

[FY2012 : Global Sales for Temporary Placement] **€299.3bn**

Japan's Global Share: **16.6%**

US Share: **28.9%**; Europe Share: **36.5%**



[Population Growth] (estimated change between 2013-2050) Japan: **-23.6%**

U.S. and Europe: **+20.8%**

[Total Temporary Placement Workforce] Japan: **2.5mn**

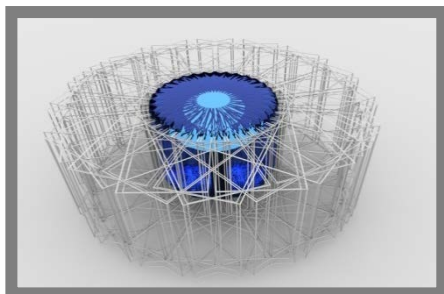
U.S.: **11.5mn** Europe: **8.3mn**

**Overseas markets are not only vastly larger than Japan's,
but promise sustainable growth**

*Note: Figures, values etc. researched by OUTSOURCING Inc.

Medium-Term Management Plan Vision2017: Vector to the New Paradigm

Operating Environment: Transforming Japan's Major Industries Strong Prospects for IT Industry



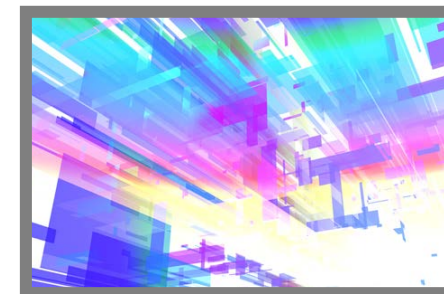
Backbone Systems Upgrades at Megabanks

- Acquiring specialist SIers, etc.



Systems Upgrades & Cloud Platform Transition at Leading Firms (¥600bn domestic market in 2015)

- Develop/operate proprietary cloud services



IT Usage Acceleration among SME/ Consumers Wearable Devices (2015: 1.03mn ⇒2020: 5.56mn/Japan)

- Develop mobile apps, and hardware and related software of wearable devices



IoT (Internet of Things) Taking Off (2019: ¥16.4tn/Japan)

- Design/develop apps for information appliances
- R&D Businesses for AI robots and robotics



Entering Business Analytics Market using Big Data (2017: ¥ 1.14tn/Japan)

- Develop middleware/systems supporting both synergy of existing systems and big data

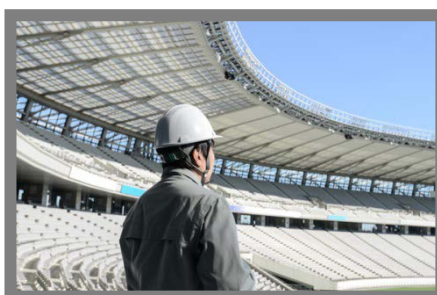
*Note: Figures, values etc. researched by OUTSOURCING Inc.

Medium-Term Management Plan Vision2017: Vector to the New Paradigm

Operating Environment: Transforming Japan's Major Industries Strong Prospects for Civil Engineering and Construction Industry



**Rebuild/Restore Houses
for Urban Renewal
(FY2015 budget: ¥1.3tn)**



**2020 Olympics/Paralympics
(¥450bn just for facilities)
(Follow-on effects: ¥3.5tn)**



**Renovation Demand for Social
Infrastructure (Highways) in 2020
(for some 90% of 3 Tokyo
metropolitan beltways)**



**Front-loaded Hokkaido
Shinkansen Project
(Some ¥1.67tn)**



**Linear Shinkansen Project
(Total construction cost: ¥5.43tn)**



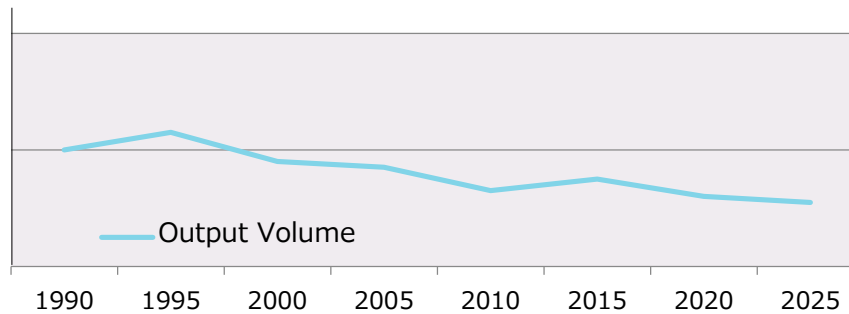
**National Resilience Initiative
(FY2015 budget: ¥3.79tn)**

*Note: Figures, values etc. researched by OUTSOURCING Inc.

Medium-Term Management Plan Vision2017: Vector to the New Paradigm

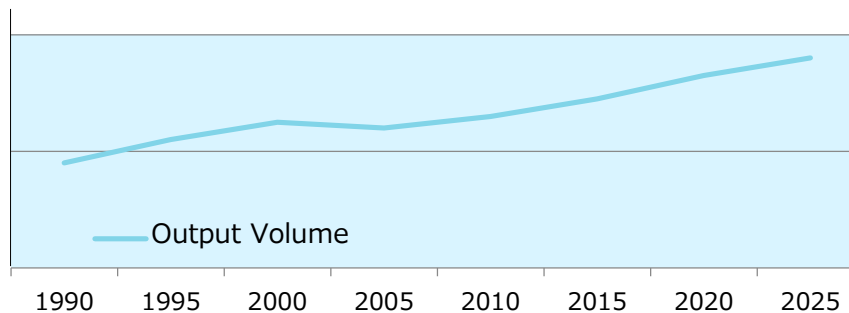
Operating Environment: Trend Prospects in Japan's Major Industries

Mining and Manufacturing Sectors



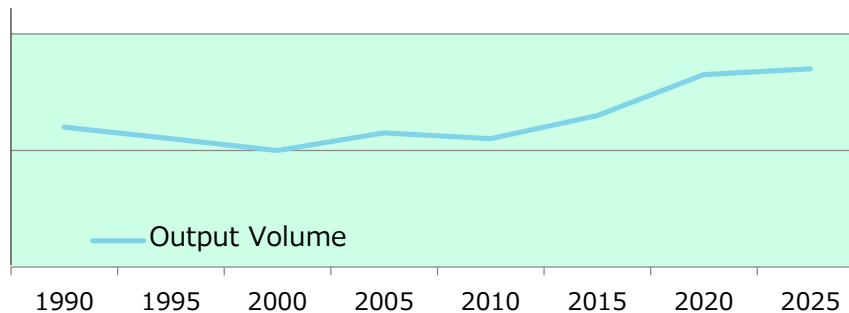
Long-term decline but with occasional surges

IT Sector



Strong long-term growth

Civil Engineering and Construction Sector



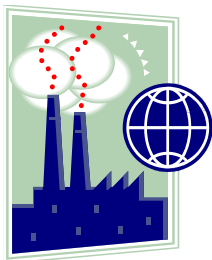
Strong medium-term growth due to Olympics and 3/11 mega-quake reconstruction, followed by moderate growth backed by national resilience initiatives, etc.

(*Charts are images)

Operating Environment

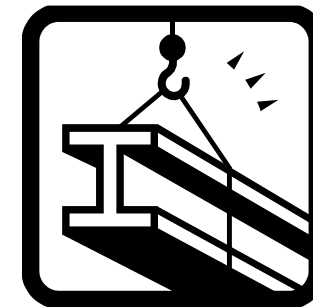
Paradigm Shifts in Japan's Leading Industries

Mining and
Manufacturing
Industry



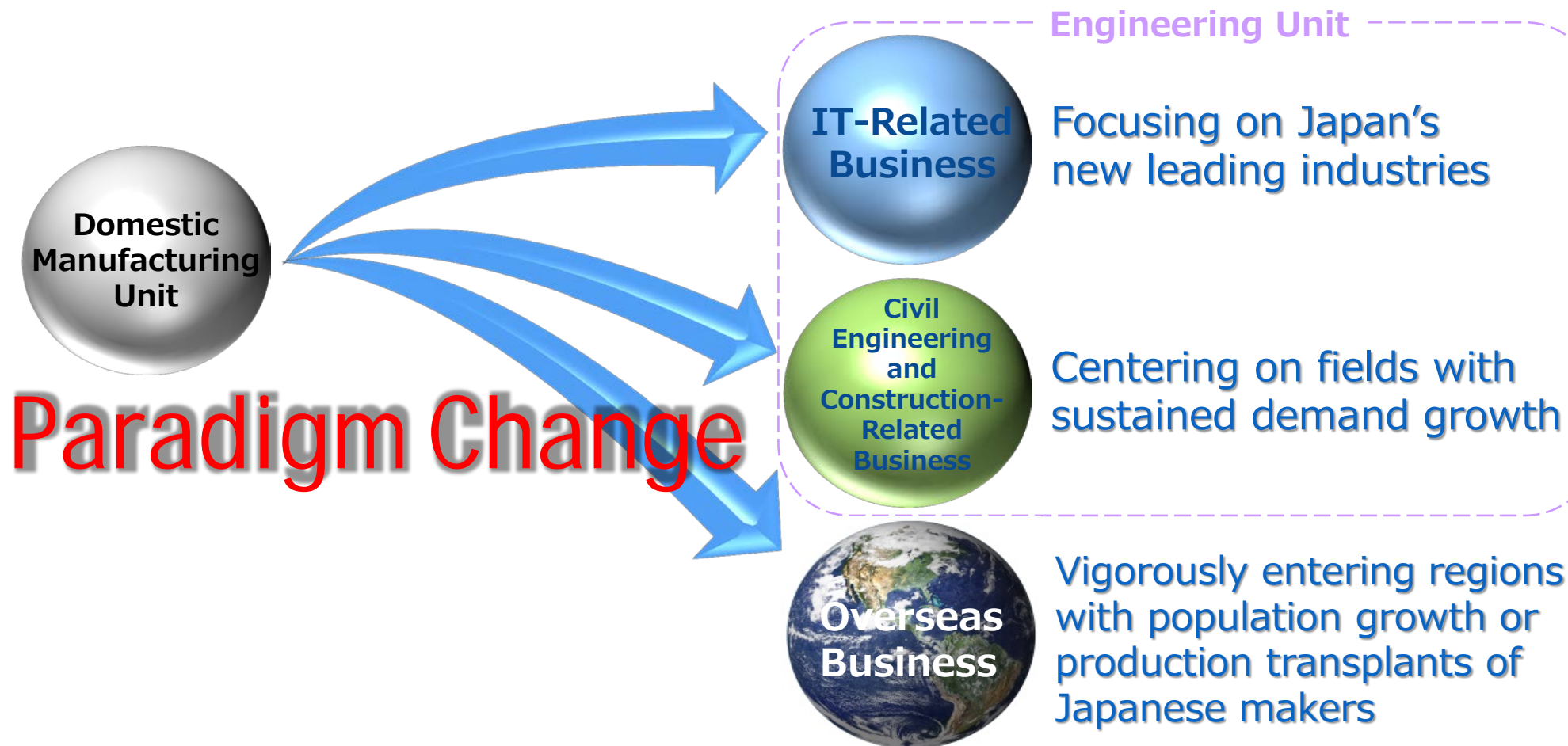
IT Industry

Civil Engineering
and Construction
Industry



Medium-Term Management Plan Vision2017: Vector to the New Paradigm

Strategies: Matching Business Structures with Changing Environments



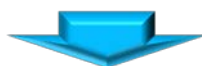
Initiative 1: Focus on Growth in Japan's Shrinking Manufacturing Outsourcing Markets (i)

Expanding Outsourcing Needs of Manufacturers

More diversified/sophisticated demand for results/productivity gains



Still...



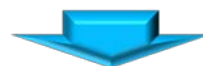
Sustained Growth is Not Viable for OUTSOURCING, a Non-Manufacturer



Restructuring of Manufacturing Outsourcing Industry

Shakeout of players unable to adapt to legal changes or diversified/sophisticated client needs

Still...



Overall Market Size Remains Unchanged




Our Strategy

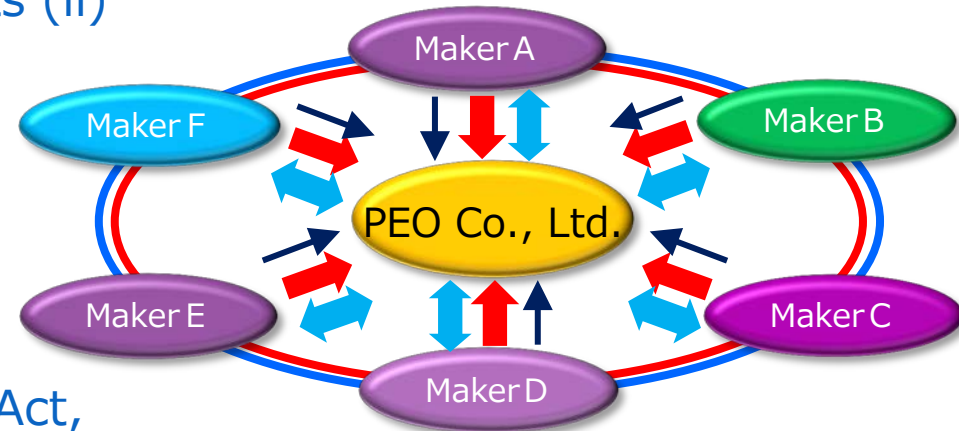
◆ Fence in manufacturers through PEO Scheme unmatched by competitors

Medium-Term Management Plan Vision2017: Vector to the New Paradigm

Initiative 1: Focus on Growth in Japan's Shrinking Manufacturing Outsourcing Markets (ii)

[Steps and Flow of the PEO Scheme]

-  Makers become member of PEO Association established by PEO Co., Ltd.
-  PEO takes on seasonal workers recruited by the maker as full-time Employees of PEO Co., Ltd.
-  Employees are "leased backed" through cross-sectional rotating assignments according to maker production volume swings.



As a result of the amended Worker Dispatching Act, manufacturers are willing to accept the Scheme to exploit cost advantages rather than directly recruit seasonal workers

[Fiscal Year-End Worker Forecasts at PEO Co., Ltd. for the Medium-Term Management Plan]

PEO Co., Ltd. at end-FY2014	PEO Co., Ltd. at end-FY2015*	PEO Co., Ltd. at end-FY2016*	PEO Co., Ltd. at end-FY2017*
No. of Member-Makers: 87	Member-Makers: 150	Member-Makers: 215	Member-Makers : 335
Recruited Workers: 1,127	Workers at Sites: 2,700	Workers at Sites: 5,500	Workers at Sites: 10,000

Still, number of seasonal workers capped by makers' directly-employed workers = Needs are limited

(*Projected images)

Initiative 2: Securing Engineers on Growing Needs for IT-Related Outsourcing Business

Boosting New Graduates and Mid-Career Recruitment Schemes

- New graduates
- Young adults
- Women during pregnancy/childcare
- Foreign engineers
- Rehiring/seniors
- Staff in our Group

Recruiting via SNS, upgraded career support programs

Tapping 390,000 NEETs/part-timers

Job creation for the 1.16mn unemployed due to unfavorable working conditions

Hiring/staffing local college students/engineers at offshore group companies

Tapping restructured early-retirees/ex-engineers

Transfers to other units, including manufacturing outsourcing

*Note: Figures, values etc. researched by OUTSOURCING Inc.

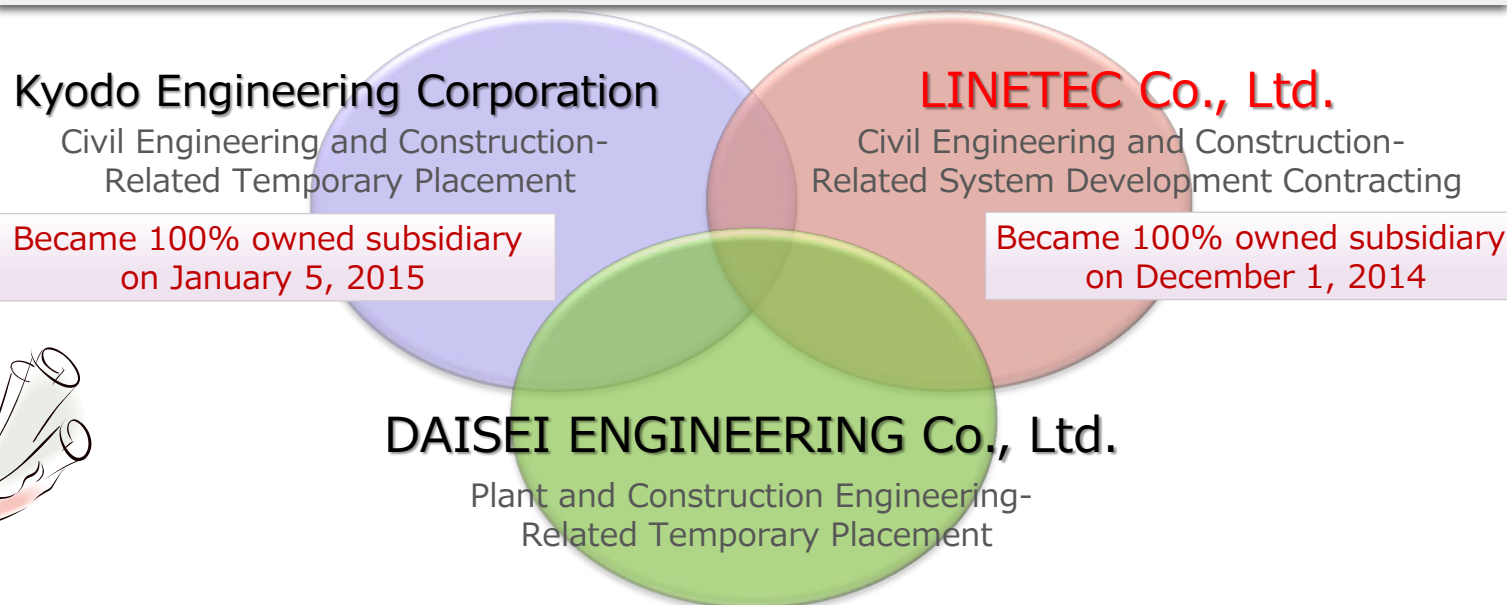
Training Candidates at Group's IT Schools

Employ IT School Graduates as Engineers

*Note: Our IT school have trained more than 50,000 graduates

Initiative 3: Securing Engineers on Growing Needs for Civil Engineering and Construction Outsourcing Businesses

Restructuring Our Group's M&A-Acquired Civil Engineering and Construction Outsourcing Companies

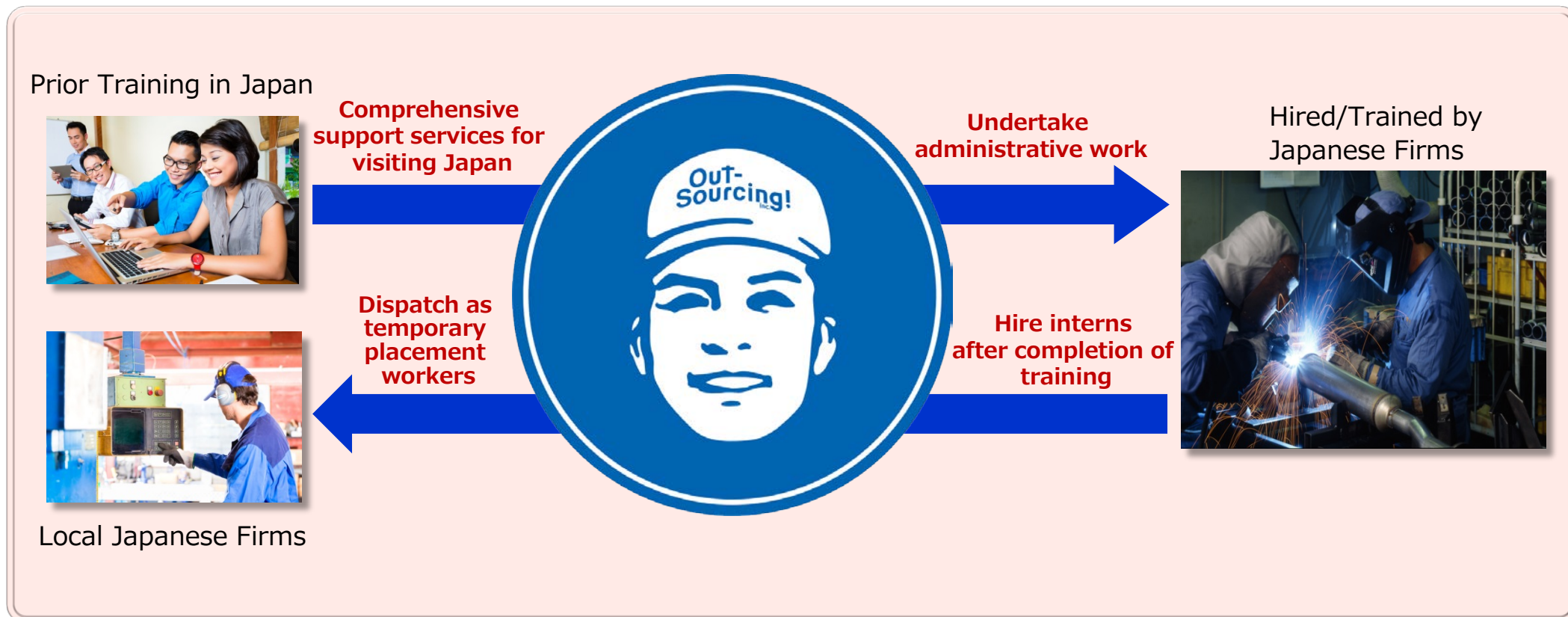


We Aim to Become the #1 Outsourcing Provider in the Civil Engineering and Construction Field!!

- ◆ Increase recruitment of new university graduates (from both Japan and abroad)
- ◆ Secure engineers through M&As, etc.
- ◆ Boost use of technical intern trainees
- ◆ Intra-Group transfers of capable staff

Medium-Term Management Plan Vision2017: Vector to the New Paradigm

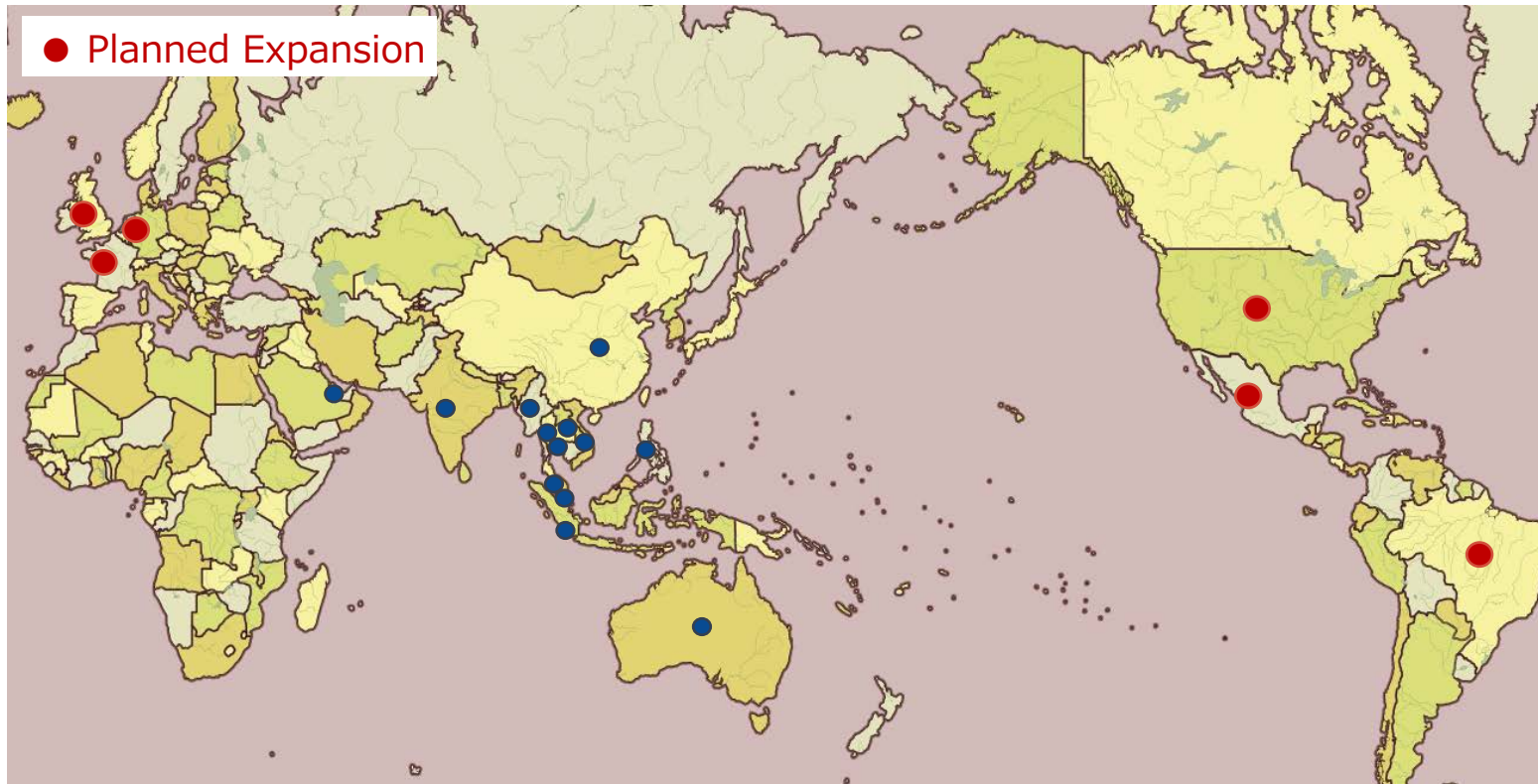
Initiative 4: Fortifying Global Staffing Network through Our Intern Training Program



Projected Intern Seconding in Medium-Term Management Plan (at each fiscal-year end)

■ FY2015: 800 ■ FY2016: 2,400 ■ FY2017: 5,000

Initiative 5: Overseas Operations Covering the Americas and Europe



● Existing Locations

- China
- Philippines
- Vietnam
- Laos
- Thailand
- Malaysia
- Myanmar
- Singapore
- Indonesia
- Cambodia
- India
- UAE
- Australia

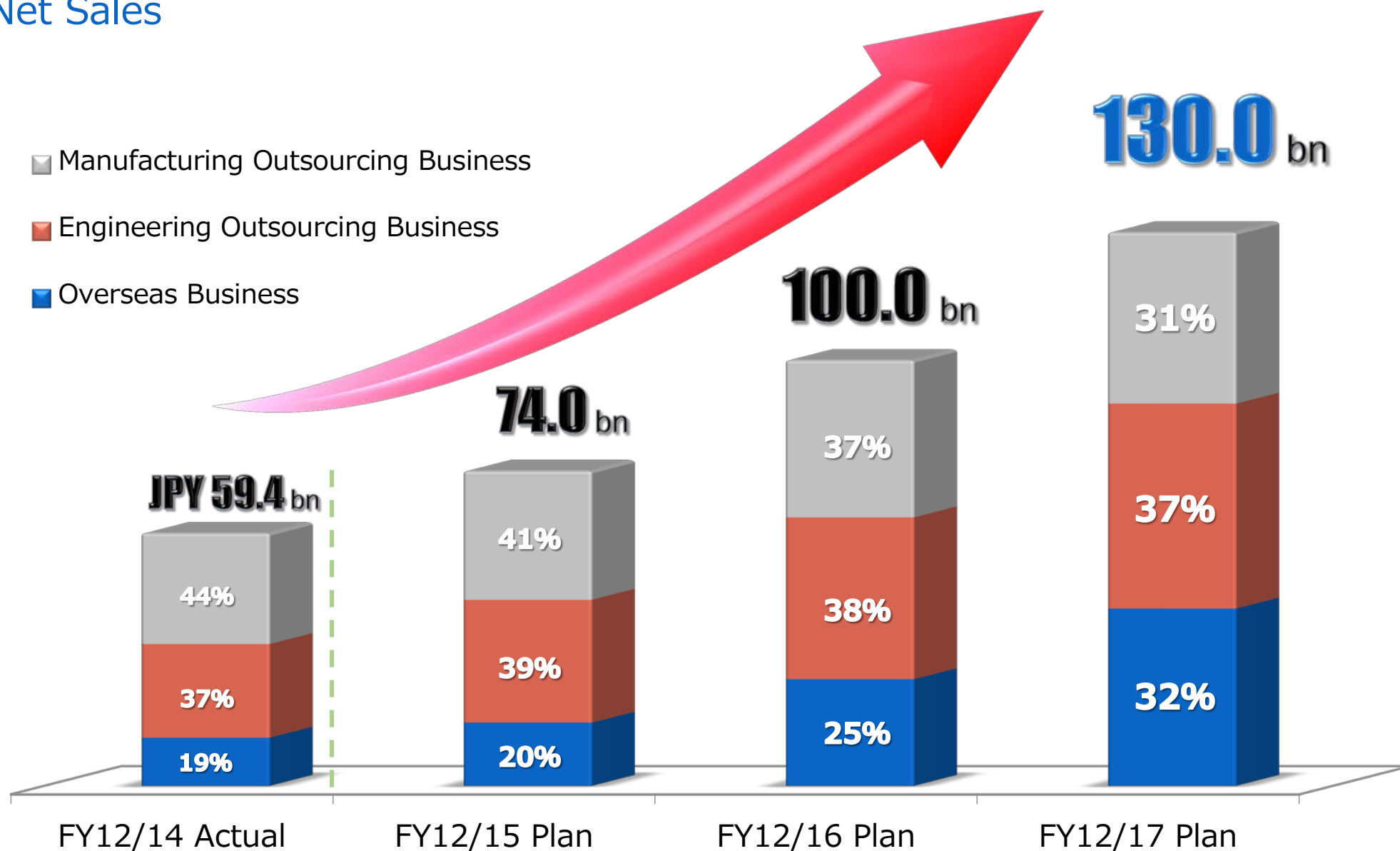
● New Entries Planned

USA Mexico Brazil UK Germany France

Medium-Term Management Plan Vision2017: Vector to the New Paradigm

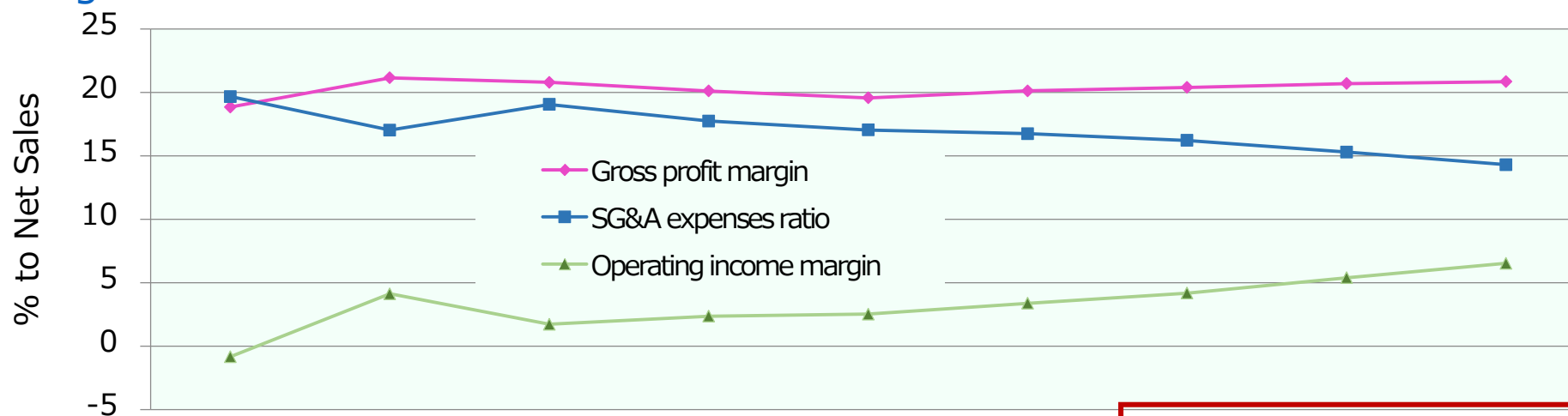
Net Sales

- Manufacturing Outsourcing Business
- Engineering Outsourcing Business
- Overseas Business



Medium-Term Management Plan Vision2017: Vector to the New Paradigm

Earnings Structure



(¥ billion)

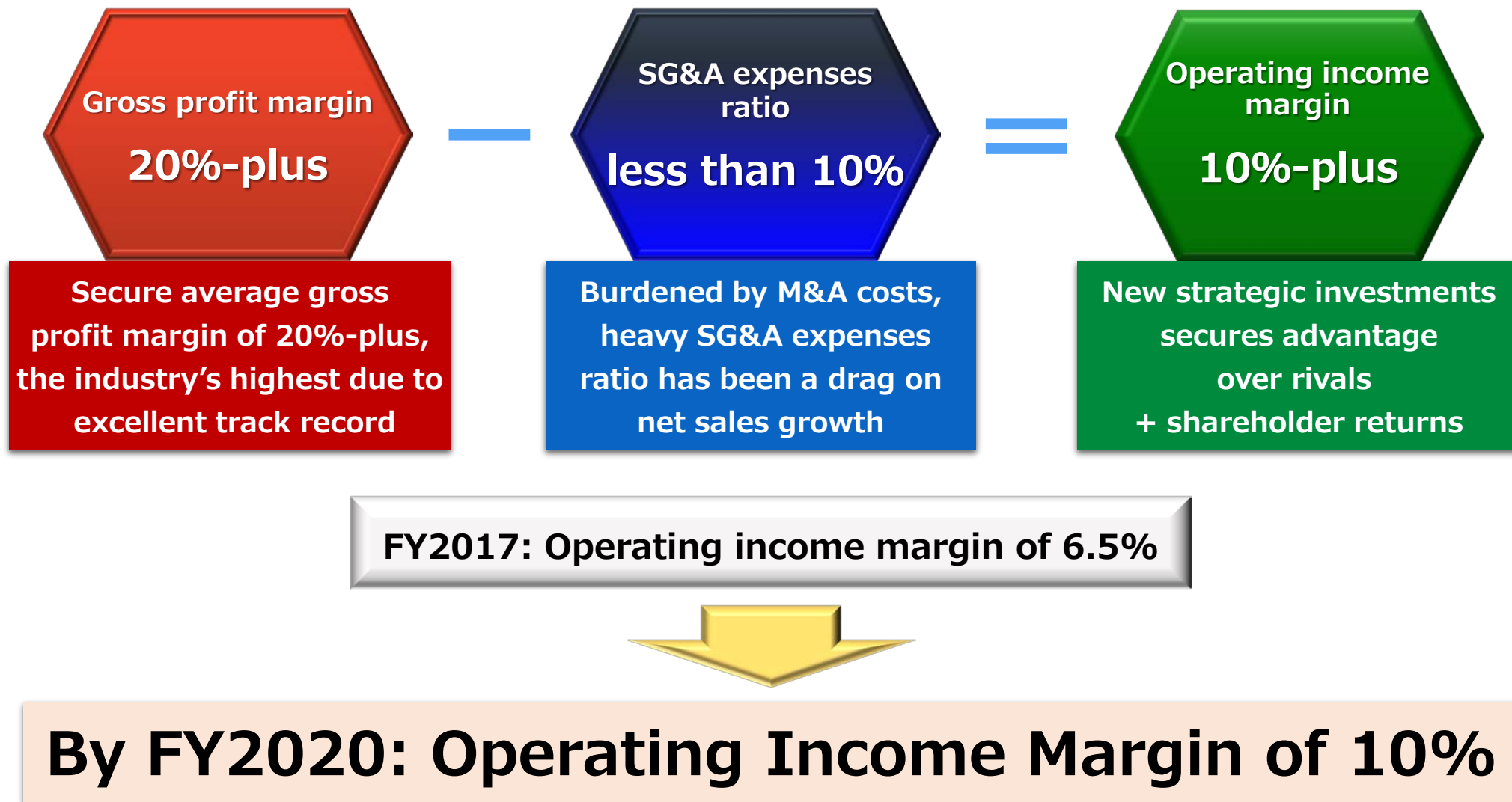
	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 Plan	FY2016 Plan	FY2017 Plan
Net Sales	17.9	28.3	32.3	42.0	47.3	59.4	74.0	100.0	130.0
Gross Profit	3.3	6.0	6.7	8.4	9.2	11.9	15.1	20.7	27.1
%Net Sales	18.85	21.16	20.80	20.12	19.58	20.13	20.40	20.70	20.85
SG&A	3.5	4.8	6.1	7.4	8.0	9.9	12.0	15.3	18.6
%Net Sales	19.68	17.03	19.06	17.75	17.04	16.75	16.22	15.30	14.31
Oper Inc	(0.1)	1.1	0.5	1.0	1.2	2.0	3.1	5.4	8.5
%Net Sales	(0.83)	4.13	1.73	2.37	2.53	3.38	4.19	5.40	6.54

Creating basis to earn 20%-plus by focusing on gross profit margin as a proof of added-value

Burdened by M&A costs, heavy SG&A expenses ratio has been a drag on net sales growth

Operating income margin is on an upward trend

Creating More Corporate Value



Consolidated Financial Forecasts for FY12/15



Consolidated Financial Forecasts for FY12/15

Annual and Semi-Annual Trends

(¥ million)	FY12/14 Actual				FY12/15 Forecast				YoY Changes	
	1H	2H	Full-Year		1H	2H	Full-Year		Amount	Ratio
	Amount	Amount	Amount	Composition Ratio	Amount	Amount	Amount	Composition Ratio		
Net sales	28,070	31,351	59,421	100.0%	35,700	38,300	74,000	100.0%	14,578	24.5%
Cost of sales	22,549	24,908	47,457	79.9%	-	-	-	-	-	-
Gross profit	5,521	6,442	11,963	20.1%	-	-	-	-	-	-
SG&A expenses	4,807	5,145	9,953	16.8%	-	-	-	-	-	-
Operating income	713	1,297	2,010	3.4%	830	2,270	3,100	4.2%	1,089	54.2%
Non-operating income	288	373	661	1.1%	-	-	-	-	-	-
Non-operating expenses	241	233	474	0.8%	-	-	-	-	-	-
Ordinary income	759	1,437	2,197	3.7%	800	2,200	3,000	4.1%	802	36.5%
Extraordinary income	58	55	113	0.2%	-	-	-	-	-	-
Extraordinary losses	5	186	192	0.3%	-	-	-	-	-	-
Net income	375	941	1,316	2.2%	430	1,190	1,620	2.2%	303	23.1%

Consolidated Financial Forecasts for FY12/15

□ Highlights of Financial Forecasts

Net Sales **¥74,000mn (+24.5% YoY)**

- Overseas Business to grow rapidly by focusing on existing regions and expanding into new regions
- Engineering Outsourcing Business expects growth driven by IT- and civil engineering and construction-related sectors
- Manufacturing Outsourcing Business anticipates the PEO Scheme to grow

Operating Income **¥3,100mn (+54.2% YoY)**

- Healthy net sales growth and improving SG&A expenses ratio should combine to boost both operating income and its margin to net sales

Net Income **¥1,620mn (+23.1% YoY)**

- Expected to grow nicely on robust net sales growth

Consolidated Financial Forecasts for FY12/15

Financial Forecasts by Operating Segment (Annual and Semi-Annual Trends)

(¥ million)		FY12/14 Actual				FY12/15 Forecast			
		1H Amount	2H Amount	Full-Year Amount	Composition Ratio	1H Amount	2H Amount	Full-Year Amount	Composition Ratio
Manufacturing Outsourcing Business	Net sales	12,049	13,428	25,478	42.9%	14,049	14,350	28,399	38.4%
	Operating income	195	389	584	29.1%	107	606	713	23.0%
	No. of worksite employees at year-end	6,213	6,732	6,732	–	7,601	7,891	7,891	–
Engineering Outsourcing Business	Net sales	10,381	11,655	22,036	37.1%	13,991	14,577	28,568	38.6%
	Operating income	494	928	1,423	70.8%	678	1,287	1,965	63.4%
	No. of worksite employees at year-end	2,893	3,271	3,271	–	4,147	4,367	4,367	–
Administrative Outsourcing Business	Net sales	289	312	601	1.0%	282	338	620	0.8%
	Operating income	41	50	92	4.6%	18	41	59	1.9%
	No. of outsourcing administrative workers at year-end	2,018	2,092	2,092	–	2,294	2,791	2,791	–
Recruitment and Placement Business	Net sales	370	409	779	1.3%	375	408	783	1.1%
	Operating income	167	186	354	17.6%	115	122	237	7.6%
	No. of placed workers	1,455	1,427	2,882	–	1,339	1,528	2,867	–
Overseas Business	Net sales	4,879	5,466	10,346	17.4%	6,860	8,396	15,256	20.6%
	Operating income	34	52	87	4.3%	95	402	497	16.0%
	No. of worksite employees at year-end (Production Outsourcing Business)	7,545	7,554	7,554	–	10,052	12,671	12,671	–
	No. of worksite employees at year-end (Other Business)	2,543	2,871	2,871	–	2,818	2,894	2,894	–
Other Business	Net sales	99	78	178	0.3%	143	231	374	0.5%
	Operating income	4	1	6	0.3%	8	1	9	0.3%
Adjustments	Operating income	(225)	(311)	(537)	-26.7%	(191)	(189)	(380)	-12.3%
Total	Net sales	28,070	31,351	59,421	100.0%	35,700	38,300	74,000	100.0%
	Operating income	713	1,297	2,010	100.0%	830	2,270	3,100	100.0%

Consolidated Financial Forecasts for FY12/15

Financial Forecasts by Operating Segment (Quarterly Trends)

(¥ million)		FY12/14 Actual				FY12/15 Forecast			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Manufacturing Outsourcing Business	Net sales	5,967	6,081	6,500	6,928	6,877	7,172	7,102	7,248
	Operating income	52	143	103	285	0	107	271	335
	No. of worksite employees at year-end	6,197	6,213	6,607	6,732	7,169	7,601	7,856	7,891
Engineering Outsourcing Business	Net sales	5,095	5,285	5,696	5,958	6,824	7,167	7,216	7,361
	Operating income	293	201	455	473	264	414	506	781
	No. of worksite employees at year-end	2,688	2,893	2,954	3,271	3,700	4,147	4,212	4,367
Administrative Outsourcing Business	Net sales	147	142	151	160	136	146	160	178
	Operating income	10	30	18	31	9	9	17	24
	No. of outsourcing administrative workers at year-end	2,102	2,018	2,140	2,092	2,397	2,294	2,716	2,791
Recruitment and Placement Business	Net sales	159	210	188	221	178	197	213	195
	Operating income	77	90	96	89	58	57	67	55
	No. of placed workers	690	765	744	683	609	730	800	728
Overseas Business	Net sales	2,353	2,526	2,658	2,808	3,239	3,621	4,039	4,357
	Operating income	(7)	42	18	34	(13)	108	182	220
	No. of worksite employees at year-end (Production Outsourcing Business)	6,924	7,545	8,412	7,554	8,727	10,052	12,185	12,671
	No. of worksite employees at year-end (Other Business)	2,222	2,543	2,694	2,871	2,757	2,818	2,883	2,894
Other Business	Net sales	63	36	36	41	60	83	104	127
	Operating income	6	(2)	0	1	6	2	2	(1)
Adjustments	Operating income	(123)	(102)	(159)	(151)	(93)	(98)	(98)	(91)
Total	Net sales	13,788	14,281	15,232	16,118	17,314	18,386	18,834	19,466
	Operating income	309	404	532	764	231	599	947	1,323

Domestic Recruitment Plan for FY12/15

Annual and Semi-Annual Trends

		FY12/14 Actual			FY12/15 Plan		
		1H	2H	Full-Year	1H	2H	Full-Year
Temporary Placement and Outsourced Contracting	No. of Workers Recruited	2,892	3,357	6,249	3,364	3,263	6,627
	Recruitment unit price (¥/worker)	73,276	64,406	68,511	82,393	61,932	72,318
Engineering and Others	No. of Workers Recruited	545	738	1,283	882	610	1,492
	Recruitment unit price (¥/worker)	241,758	187,367	210,472	220,156	268,982	240,119
Recruitment and Placement	No. of Workers Recruited	1,412	1,427	2,839	1,339	1,528	2,867
	Recruitment unit price (¥/worker)	116,930	116,166	116,546	145,009	109,720	126,201

Quarterly Trends

		FY12/14 Actual				FY12/15 Plan			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Temporary Placement and Outsourced Contracting	No. of Workers Recruited	1,270	1,622	1,838	1,519	1,516	1,848	1,731	1,532
	Recruitment unit price (¥/worker)	75,486	71,546	66,892	61,398	92,569	74,044	64,635	58,877
Engineering and Others	No. of Workers Recruited	164	381	312	426	267	615	339	271
	Recruitment unit price (¥/worker)	324,323	206,218	199,247	178,667	430,809	128,702	246,841	296,679
Recruitment and Placement	No. of Workers Recruited	651	761	744	683	609	730	800	728
	Recruitment unit price (¥/worker)	133,644	102,632	113,849	118,689	154,112	137,414	115,275	103,615

Shareholder Returns

Up to FY12/13: A large part of incomes needed to finance big investments for higher market share



From FY12/14: Aiming to enrich shareholder returns and enhance holder base as we have gained solid footing for robust future growth

From FY12/14 on: Consolidated payout ratio essentially hiked from 10% to 30%

	Dividend per Share		
	At the End of Second Quarter	At the End of Fiscal Year	Total
Fiscal 2013 Actual.	※1 ¥5.00	¥8.00	¥13.00
Fiscal 2014 Actual	※2 ¥8.00	※3 ¥27.00	¥35.00
Fiscal 2015 Forecasts	¥0.00	¥35.00	¥35.00

※1 Commemorative dividend for listing on theTSE1st ※2 Commemorative dividend for 10-year anniversary of listing

※3 Fiscal year-end dividend for Fiscal 2014 was raised to ¥27 per share, reflecting better-than-expected net income, or ¥5 more than initially announced ¥22 on June 14, 2014, the calculated amount on original net income forecast and payout ratio of 30%.

References



Net Sales Breakdown by Industry for FY12/14

Annual and Semi-Annual Trends

(¥million)	FY12/13 Actual			FY12/14 Actual		
	1H	2H	Full-Year	1H	2H	Full-Year
Manufacturing Outsourcing Business	9,867	11,945	21,812	12,049	13,428	25,478
Foods	753	862	1,615	793	928	1,721
Electrical & Electronics	2,015	2,143	4,158	3,075	3,699	6,774
Transport Equipment	2,888	3,670	6,558	3,962	4,717	8,680
Pharm. & Chemicals	1,786	1,915	3,701	1,947	1,924	3,872
Metals & Construction Materials	1,318	1,248	2,566	1,083	1,021	2,104
Others	1,106	2,105	3,211	1,187	1,137	2,324
Engineering Outsourcing Business	7,767	9,312	17,079	10,381	11,655	22,036
Electrical & Electronics	1,084	1,215	2,299	1,449	1,592	3,042
Transport Equipment	2,301	2,824	5,126	3,187	3,759	6,946
Pharm. & Chemicals	408	422	830	423	531	954
Metals & Construction Materials	4	8	13	46	53	100
IT-related	2,639	3,035	5,674	3,880	4,454	8,335
Construction & Plant-related	165	275	441	279	297	576
After-sales Maintenance	86	162	249	160	72	233
Others	1,075	1,368	2,444	953	893	1,846
Overseas Business	3,248	3,972	7,220	4,879	5,466	10,346

Net Sales Breakdown by Industry for FY12/14

Quarterly Trends

(¥million)	FY12/13 Actual				FY12/14 Actual			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Manufacturing Outsourcing Business	4,834	5,033	5,598	6,346	5,967	6,081	6,500	6,928
Foods	378	375	405	457	394	399	465	462
Electrical & Electronics	1,049	965	1,056	1,087	1,407	1,667	1,793	1,905
Transport Equipment	1,355	1,532	1,730	1,940	2,015	1,946	2,193	2,524
Pharm. & Chemicals	897	888	934	980	948	998	989	935
Metals & Construction Materials	675	642	629	618	521	561	518	502
Others	478	628	843	1,261	680	507	541	596
Engineering Outsourcing Business	3,850	3,917	4,451	4,861	5,095	5,285	5,696	5,958
Electrical & Electronics	532	552	576	638	684	765	776	815
Transport Equipment	1,126	1,174	1,332	1,492	1,544	1,642	1,868	1,890
Pharm. & Chemicals	213	195	215	206	211	211	237	294
Metals & Construction Materials	1	3	3	4	16	29	32	21
IT-related	1,344	1,295	1,432	1,602	1,913	1,967	2,199	2,255
Construction & Plant-related	72	93	129	146	141	138	136	161
After-sales Maintenance	34	51	96	65	87	73	37	35
Others	525	550	665	703	497	456	408	484
Overseas Business	1,482	1,766	1,767	2,204	2,353	2,526	2,658	2,808

Net Sales Ratio by Industry for FY12/14

Annual and Semi-Annual Trends

	FY12/13 Actual			FY12/14 Actual		
	1H	2H	Full-Year	1H	2H	Full-Year
Manufacturing Outsourcing Business	46.0%	46.0%	46.0%	42.9%	42.8%	42.9%
Foods	3.5%	3.3%	3.4%	2.8%	3.0%	2.9%
Electrical & Electronics	9.4%	8.3%	8.8%	11.0%	11.8%	11.4%
Transport Equipment	13.5%	14.1%	13.8%	14.1%	15.0%	14.6%
Pharm. & Chemicals	8.3%	7.4%	7.8%	6.9%	6.1%	6.5%
Metals & Construction Materials	6.2%	4.8%	5.4%	3.9%	3.3%	3.6%
Others	5.1%	8.1%	6.8%	4.2%	3.6%	3.9%
Engineering Outsourcing Business	36.2%	35.9%	36.1%	37.0%	37.2%	37.1%
Electrical & Electronics	5.1%	4.7%	4.9%	5.2%	5.1%	5.1%
Transport Equipment	10.7%	10.9%	10.8%	11.3%	12.0%	11.7%
Pharm. & Chemicals	1.9%	1.6%	1.8%	1.5%	1.7%	1.6%
Metals & Construction Materials	0.0%	0.0%	0.0%	0.2%	0.2%	0.2%
IT-related	12.3%	11.7%	12.0%	13.8%	14.2%	14.0%
Construction & Plant-related	0.8%	1.1%	0.9%	1.0%	0.9%	1.0%
After-sales Maintenance	0.4%	0.6%	0.5%	0.6%	0.2%	0.4%
Others	5.0%	5.3%	5.2%	3.4%	2.8%	3.1%
Overseas Business	15.2%	15.3%	15.2%	17.4%	17.4%	17.4%

Net Sales Ratio by Industry for FY12/14

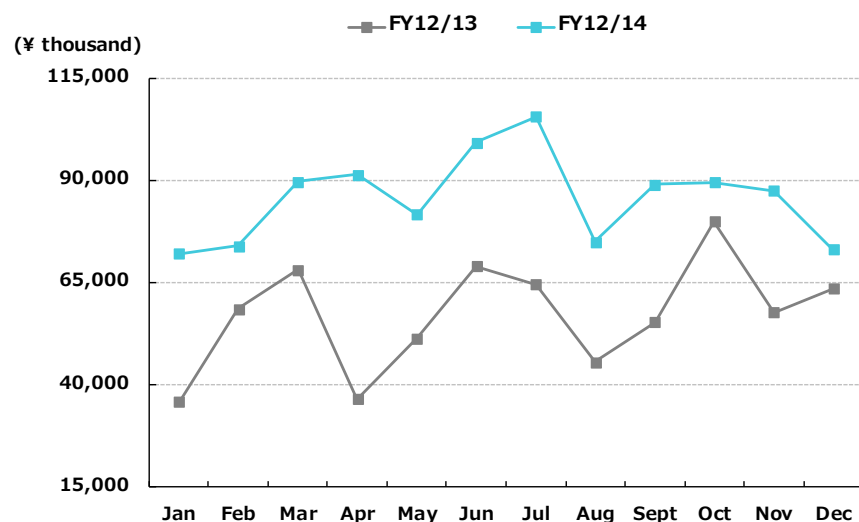
Quarterly Trends

	FY12/13 Actual				FY12/14 Actual			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Manufacturing Outsourcing Business	46.4%	45.7%	46.0%	46.1%	43.3%	42.6%	42.7%	43.0%
Foods	3.6%	3.4%	3.3%	3.3%	2.9%	2.8%	3.1%	2.9%
Electrical & Electronics	10.1%	8.8%	8.7%	7.9%	10.2%	11.7%	11.8%	11.8%
Transport Equipment	13.0%	13.9%	14.2%	14.1%	14.6%	13.6%	14.4%	15.7%
Pharm. & Chemicals	8.6%	8.1%	7.7%	7.1%	6.9%	7.0%	6.5%	5.8%
Metals & Construction Materials	6.5%	5.8%	5.2%	4.5%	3.8%	3.9%	3.4%	3.1%
Others	4.6%	5.7%	6.9%	9.2%	4.9%	3.6%	3.6%	3.7%
Engineering Outsourcing Business	37.0%	35.6%	36.6%	35.3%	36.9%	37.0%	37.4%	37.0%
Electrical & Electronics	5.1%	5.0%	4.7%	4.6%	5.0%	5.4%	5.1%	5.1%
Transport Equipment	10.8%	10.7%	10.9%	10.8%	11.2%	11.5%	12.3%	11.7%
Pharm. & Chemicals	2.1%	1.8%	1.8%	1.5%	1.5%	1.5%	1.6%	1.8%
Metals & Construction Materials	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%	0.2%	0.1%
IT-related	12.9%	11.8%	11.8%	11.6%	13.9%	13.8%	14.4%	14.0%
Construction & Plant-related	0.7%	0.8%	1.1%	1.1%	1.0%	1.0%	0.9%	1.0%
After-sales Maintenance	0.3%	0.5%	0.8%	0.5%	0.6%	0.5%	0.2%	0.2%
Others	5.1%	5.0%	5.5%	5.1%	3.6%	3.2%	2.7%	3.0%
Overseas Business	14.2%	16.0%	14.5%	16.0%	17.1%	17.7%	17.5%	17.4%

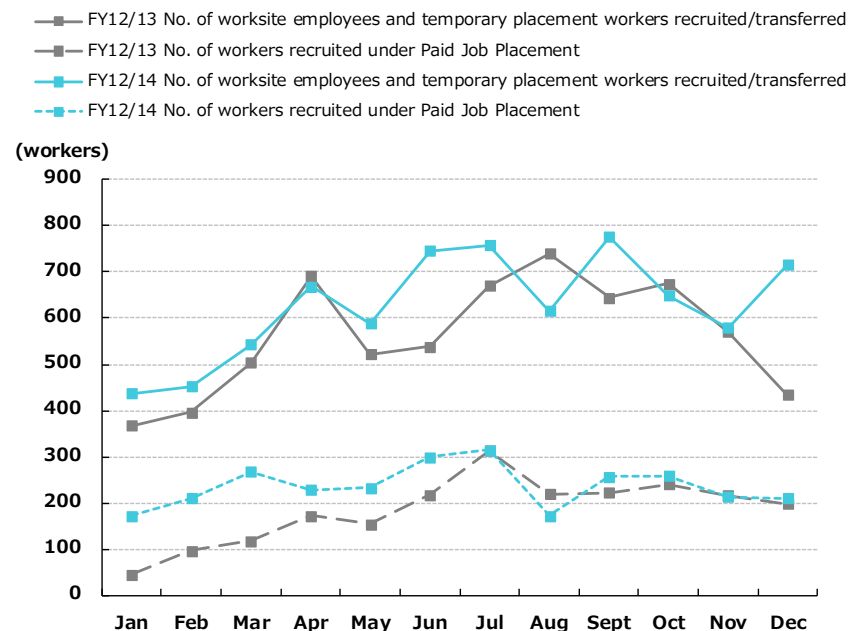
Trends in Recruited Number of Workers and Recruitment Expenses

Monthly Trends in Recruited Number of Workers and Recruitment Expenses in Japan (Consolidated)

Monthly Recruitment Expenses



No. of Worksite Employees and Temporary Placement Workers Recruited/transferred



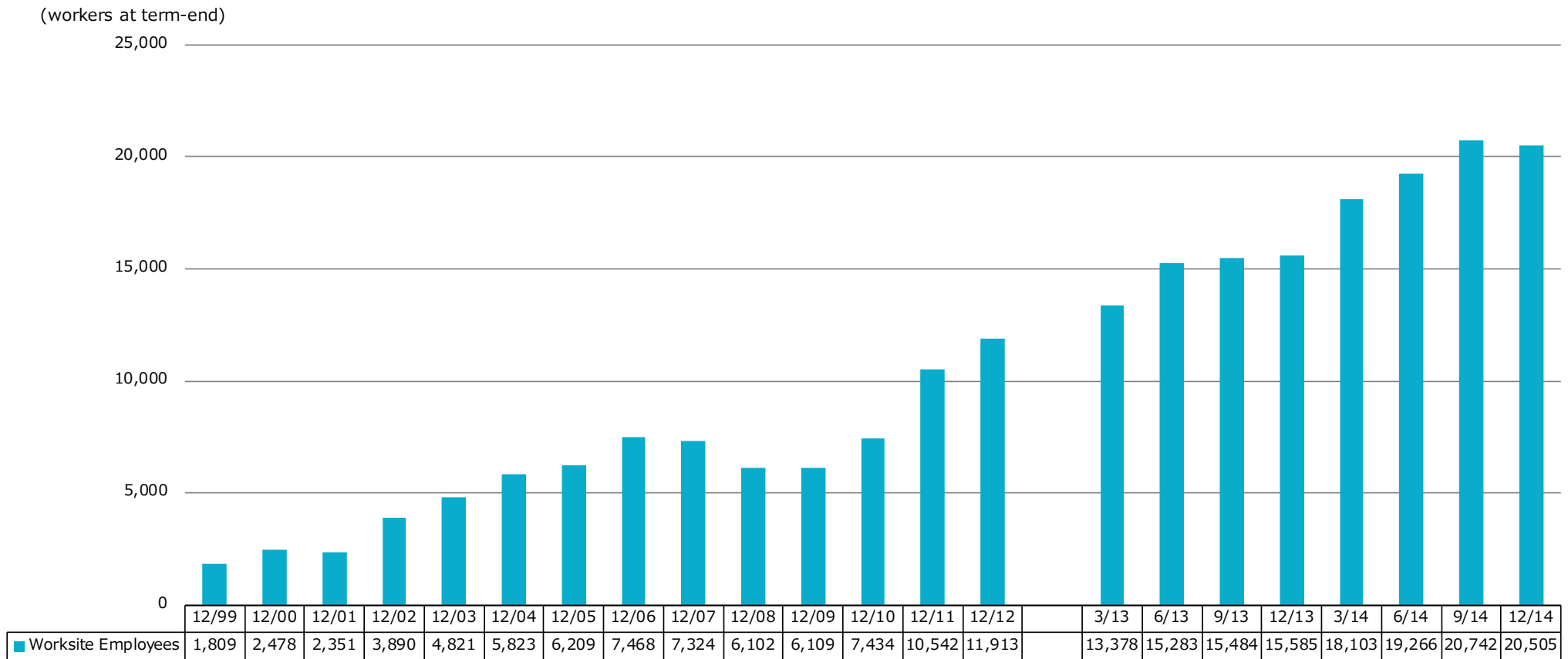
FY12/13		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
■	No. of worksite employees and temporary placement workers recruited/transferred	368	397	504	692	522	538	670	739	644	675	571	434
■	No. of workers recruited under Paid Job Placement	45	97	119	173	154	218	314	219	222	241	216	198
■	Recruitment expenses (¥ thousand)	35,872	58,662	68,226	36,554	51,512	69,048	64,612	45,576	55,471	80,074	57,834	63,681
FY12/14		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
■	No. of worksite employees and temporary placement workers recruited/transferred	438	453	543	668	589	746	758	616	776	649	580	716
■	No. of workers recruited under Paid Job Placement	173	210	268	229	233	299	315	172	257	259	214	210
■	Recruitment expenses (¥ thousand)	72,093	74,093	89,872	91,575	81,711	99,433	105,639	75,051	89,126	89,672	87,611	73,157

*Total number of recruited workers and recruitment expenses in Japan (Temporary Placement and Outsourced Contracting, Recruitment and Placement, and Engineering)

Changes in Number of Worksite Employees and Temporary Placement Workers

Quarterly Changes in Number of Worksite Employees and Temporary Placement Workers (Consolidated)

- Up to FY12/12: Annual trend
- From FY12/13: Quarterly trend



*Worksite employees are those working at client manufacturers' worksites, including currently active temporary placement workers.

A cautionary note on forward-looking statements:

This material contains forward-looking statements about the Company's future plans and forecasts, which are based on the Company's assumptions and beliefs judged from the information currently available and are subject to a number of risks and uncertainties. This may cause actual results to differ materially from those projected.

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