



March 30, 2018

To Whom It May Concern

Company Name: OUTSOURCING Inc.
Representative: Haruhiko Doi
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(First Section of TSE, Securities Code 2427)
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Notice Regarding Acquisition of Shares of OTTO Holding B.V., the Netherlands

OUTSOURCING Inc. (hereinafter the "Company") hereby announces that the Board of Directors, at its meeting held on March 30, 2018, passed a resolution to acquire 56% of the shares outstanding in OTTO Holding B.V. (hereinafter "OTTO"), making it a subsidiary, as follows.

Particulars

1. Purpose of the Acquisition of Shares

The OUTSOURCING Group (hereinafter the "OS Group") provides human resource services for mainly engineering and manufacturing in the Japanese domestic market, and domestic human resource services are currently extremely brisk, however, the Company believes the factors driving this are temporary special demand from the paradigm shift for the automobile industry and revisions in Japan's labor laws, and that current strength will not last over the long-term. Separately, the Company has determined that going forward, significant growth over the long-term is no longer achievable from human resource services that increase staff to grow the top line in the domestic market where the population has begun to decline. At the same time, while consensus estimates expect the world population to increase from 7 billion to 10 billion people, supply/demand imbalances are emerging between countries which require technology and workforce, and conversely countries which have an abundance of each, and the Company sees major potential for creating cross-border global workforce mobility undertaken with the Company's know-how, which creates benefits for both companies which utilize workers and the workers themselves, currently searching for the right strategies.

Under these circumstances, in Asia, the OS Group through its business model for training workers from countries with an abundance of workers in language, culture, customs, and mobilizing human resources for countries which have brisk workforce demand, is achieving favorable progress in earnings growth.

Under the backdrop of the EU's characteristics of free movement of people, goods, capital and services, OTTO has carved out a certain niche position in the field of cross-border employment services mainly in the Netherlands and Poland.

Ranked 8th in the industry by net sales in the Netherlands and 6th in Poland, OTTO supplies workforce to the Netherlands and Germany through its recruitment network in Central and Eastern European countries, and has also created a channel for supplying workforce from the Ukraine and Moldova to Poland through concluding labor agreements.

The OS Group entered the German market in January 2017 and is mainly engaged in dispatching business

of skilled workers for manufacturing. Through synergies with the OTTO Group's roughly 40 companies, the Company is establishing an human resource recruitment network in Europe, and through promoting cross-border mobility of human resources, is accelerating business expansion not only in Europe but on a global scale.

2. Outline of a transferring subsidiary (OTTO)

(1)	Company Name	OTTO Holding B.V.		
(2)	Head Office	Keizersveld 51, 5803 AP, Venray, the Netherlands		
(3)	Name and Title of Representative	van Gool, Franciscus Wilhelmus Antonius Titus Maria, Managing Director		
(4)	Major Business	Holding company		
(5)	Shared Capital	EUR 90,760		
(6)	Established	March 5, 1999		
(7)	Major Shareholders, % owned	STICHTING ADMINISTRATIEKANTOOR OTTO HOLDING 100%		
(8)	Relationship between the Company and OTTO	Capital Relationship	None	
		Personal Relationship	None	
		Business Relationship	None	
(9)	Consolidated Financial Results and Financial Status for the Past Three Fiscal Years (Unit: 000 EUR)			
	Fiscal Year	December 2015	December 2016	December 2017 (unaudited)
	Net Assets	6,457	8,721	13,046
	Total Assets	64,614	71,673	82,718
	Net Assets Per Share	3.22	4.36	6.52
	Net Sales	244,831	262,027	281,999
	Operating Income	4,646	8,284	13,118
	Income Before Income Taxes	3,978	7,691	13,290
	Net Income	2,890	6,272	9,898
	Net Income Per Share	1.44	3.13	4.94
	Dividends Per Share	-	2.00	2.75

3. Outline of major Sub-subsidiaries of OTTO

1) OTTO Nederland B.V.

(1)	Company Name	OTTO Nederland B.V.		
(2)	Head Office	Keizersveld 51, 5803AP Venray, the Netherlands		
(3)	Name and Title of Representative	OTTO Holding B.V. (a corporate entity ^{*1}), Managing Director		
(4)	Major Business	Holding company		
(5)	Shared Capital	EUR 18,100		
(6)	Established	June 9, 2010		
(7)	Major Shareholders, % owned	OTTO Holding B.V. 100%		
(8)	Relationship between	Capital	None	

the Company and OTTO Nederland B.V.	Relationship	
	Personal Relationship	None
	Business Relationship	None

*1 Under laws in the Netherlands, a corporation can be appointed as director (with representative authority)

2) OTTO Work Force B.V.

(1)	Company Name	OTTO Work Force B.V.	
(2)	Head Office	Keizersveld 51, 5803AP Venray, the Netherlands	
(3)	Name and Title of Representative	OTTO Nederland B.V. (a corporate entity ^{*1}), Managing Director	
(4)	Major Business	Staffing solution	
(5)	Shared Capital	EUR 31,000	
(6)	Established	November 4, 2003	
(7)	Major Shareholders, % owned	OTTO Nederland B.V.	100%
(8)	Relationship between the Company and OTTO Work Force B.V.	Capital Relationship	None
		Personal Relationship	None
		Business Relationship	None

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3) OTTO Germany B.V.

(1)	Company Name	OTTO Germany B.V.	
(2)	Head Office	Keizersveld 51, 5803AP Venray, the Netherlands	
(3)	Name and Title of Representative	OTTO Holding B.V. (a corporate entity ^{*1}), Managing Director	
(4)	Major Business	Holding Company	
(5)	Shared Capital	EUR 18,000	
(6)	Established	December 8, 2009	
(7)	Major Shareholders, % owned	OTTO Holding B.V.	100%
(8)	Relationship between the Company and OTTO Germany B.V.	Capital Relationship	None
		Personal Relationship	None
		Business Relationship	None

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4) Olympia PDL Deutschland GmbH

(1)	Company Name	Olympia PDL Deutschland GmbH
(2)	Head Office	Europa-Ring 98, 47652 Weeze, Germany

(3)	Name and Title of Representative	van Gool, Franciscus Wilhelmus Antonius Titus Maria, Managing Director	
(4)	Major Business	Staffing solution	
(5)	Shared Capital	EUR 26,300	
(6)	Established	December 16, 1987	
(7)	Major Shareholders, % owned	OTTO Germany B.V. 100%	
(8)	Relationship between the Company and Olympia PDL Deutschland GmbH	Capital Relationship	None
		Personal Relationship	None
		Business Relationship	None

5) OTTO Work Force Polska Sp. Z o.o.

(1)	Company Name	OTTO Work Force Polska Sp. Z o.o.	
(2)	Head Office	Ul. Szwedzka 5, 55-040 Bielany Wroclawskie, Poland	
(3)	Name and Title of Representative	van Gool, Franciscus Wilhelmus Antonius Titus Maria, Managing Director	
(4)	Major Business	Staffing solution	
(5)	Shared Capital	PLN 825,000 (EUR 195,270)	
(6)	Established	February 15, 2006	
(7)	Major Shareholders, % owned	OTTO Holding B.V. 99.6% van Gool, Franciscus Wilhelmus Antonius Titus Maria 0.4%	
(8)	Relationship between the Company and OTTO Work Force Polska Sp. Z o.o.	Capital Relationship	None
		Personal Relationship	None
		Business Relationship	None

6) OTTO Work Force Solutions Sp. Z o.o.

(1)	Company Name	OTTO Work Force Solutions Sp. Z o.o.	
(2)	Head Office	Ul. Szwedzka 5, 55-040 Bielany Wroclawskie, Poland	
(3)	Name and Title of Representative	van Gool, Franciscus Wilhelmus Antonius Titus Maria, Managing Director	
(4)	Major Business	Staffing solution	
(5)	Shared Capital	PLN 1,955,000 (EUR 462,732)	
(6)	Established	November 9, 2001	
(7)	Major Shareholders, % owned	OTTO Work Force Polska Sp. Z o.o. 100%	
(8)	Relationship between the Company and OTTO Work Force Solutions Sp. Z o.o.	Capital Relationship	None
		Personal Relationship	None
		Business Relationship	None

	Relationship	
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4. Outline of a seller of the shares

(1)	Company Name	STICHTING ADMINISTRATIEKANTOOR OTTO HOLDING	
(2)	Head Office	Keizersveld 51, 5803 AP, Venray, the Netherlands	
(3)	Name and Title of Representative	van Gool, Franciscus Wilhelmus Antonius Titus Maria, Managing Director	
(4)	Major Business	Holding company of OTTO Holding B.V.	
(5)	Shared Capital	Not applicable under the Dutch law	
(6)	Established	December 31, 2004	
(7)	Net Assets	Not applicable under the Dutch law	
(8)	Total Assets	Not applicable under the Dutch law	
(9)	Major Shareholders, % owned	F. van Gool Beheer B.V.	95.0%
		Erbave B.V.	5.0%
(10)	Relationship between the Company and STICHTING ADMINISTRATIEKANTOOR OTTO HOLDING	Capital Relationship	None
		Personal Relationship	None
		Business Relationship	None
		Related Party Relationship	None

5. Number of Shares to be Acquired, Acquisition Price and Ownership Before and After the Acquisition

(1)	Number of Shares Owned Before Acquisition	OTTO Holding B.V.	0	(Ratio of voting right owned 0%)
(2)	Number of Shares to be acquired	OTTO Holding B.V.	1,120	(Ratio of voting right owned 56.0%)
(3)	Acquisition Price	Acquisition Price (estimated amount)	JPY 8,866 million	(EUR 66.4 million)
		Advisory fee and others (estimated amount)	JPY 300 million	(EUR 2.2 million)
		TOTAL (estimated amount)	JPY 9,166 million	(EUR 68.7 million)
(4)	Number of Shares Owned After Acquisition	OTTO Holding B.V.	1,120	(Ratio of voting right owned 56.0%)

Note: Conversion rate is EUR 1 = JPY 133.46 (February 2018 average TTM applied)

6. Schedule

(1)	Date of Board of Directors Resolution	March 30, 2018
(2)	Date of Agreement	March 30, 2018
(3)	Date of Share transfer	May 2, 2018 (scheduled)

Note: This transaction is estimated to be executed by May 2, 2018 whereas it is subjected to the completion of Antitrust fillings in Germany and other countries which is needed.

7. Future Outlook

The Company is currently examining the impact from this transaction on consolidated earnings for fiscal year ending December 31, 2018, and we will make prompt disclosure once the examination has been completed.

In addition, the Company is considering whether to establish a holding company in the Netherlands, to acquire OTTO shares through said subsidiary. In the event we decide to establish the holding company, we will make prompt disclosure.