February 12, 2016

To Whom It May Concern

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Notice Regarding Transfer to a Company with an Audit and Supervisory Committee and Partial Amendments to the Articles of Incorporation

OUTSOURCING Inc. (hereinafter the "Company") hereby announces that the Board of Directors, at its meeting held today, resolved to transfer to a company with an Audit and Supervisory Committee established under the Act for Partial Revision of the Companies Act (Act No. 90 of 2014), which came into force on May 1, 2015, and to propose "Partial Amendments to the Articles of Incorporation" as an agenda for the 19th Ordinary General Meeting of Shareholders to be held on March 25, 2016.

Particulars

1. Transfer to a Company with an Audit and Supervisory Committee

(1) Purpose of Transfer

By transferring to a company with an Audit and Supervisory Committee, executive members performing audits will become Directors with voting rights. The Company thereby aims to enhance further its Board of Director's audit and supervisory function and its corporate governance system.

(2) Schedule of the Transfer

The Company plans to obtain approval for the necessary amendments to the Articles of Incorporation from shareholders, and then transfer to a company with an Audit and Supervisory Committee at the 19th Ordinary General Meeting of Shareholders to be held on March 25, 2016.

2. Partial Amendments to the Articles of Incorporation

(1) Reasons for Amendments

① The Company has resolved to transfer to a company with an Audit and Supervisory Committee, a new organizational body under the Act for Partial Revision of the Companies Act (Act No. 90 of 2014), which came into force on May 1, 2015. To become a company with an Audit and Supervisory Committee, the Company will make necessary changes to its Articles of

Incorporation, including the addition of provisions related to the Audit and Supervisory Committee and the Directors who are members of the Audit and Supervisory Committee, the deletion of provisions related to the Auditors and the Board of Auditors, and the revision to provisions related to the Directors and the Board of Directors.

② The Company will establish new provisions that it may enter into agreements with Directors (other than Executive Directors, etc.) that limit liabilities in order that this company shall prepare for an environment in which Directors will be able to exercise their expected roles satisfactorily and the Company will continue to be able to invite capable personnel.

The Company has agreed with each Auditor on the aforementioned changes.

③ The Company will make other necessary changes, including changes in wording and changes in article numbers associated with the addition and deletion of provisions. The amendments to the Articles of Incorporation shall take effect with the end of the 19th Ordinary General Meeting of Shareholders.

(2) Details of the Amendments

Details of the amendments are specified in the appendix.

(3) Schedule

Date of the Ordinary General Meeting of Shareholders to amend the Articles of Incorporation: March 25, 2016 (planned)

Effective date of the amendments to the Articles of Incorporation: March 25, 2016 (planned)

Appendix

Details of the Amendments (Amended parts are underlined)

Current Articles of Incorporation	Proposed Amendments
Chapter 1 General Provisions	Chapter 1 General Provisions
Article 1 to Article 4 (Omitted)	Article 1 to Article 4 (Unchanged)
Chapter 2 Shares	Chapter 2 Shares
Article 5 to Article 10 (Omitted)	Article 5 to Article 10 (Unchanged)
Chapter 3 General Meeting of Shareholders	Chapter 3 General Meeting of Shareholders
Article 11 to Article 17 (Omitted)	Article 11 to Article 17 (Unchanged)
Chapter 4 Directors and the Board of Directors	Chapter 4 Directors and the Board of Directors
Article 18 (Omitted)	Article 18 (Unchanged)
(Number of directors) Article 19 This company shall have not more than ten (10) directors.	(Number of directors) Article 19 This company shall have not more than ten (10) directors (other than directors who are Audit and Supervisory Committee Members).
(Newly established)	2. This company shall have not more than five (5) directors who are Audit and Supervisory Committee Members.
(Method for selecting directors) Article 20 Directors shall be selected by a resolution at a general meeting of shareholders.	(Method for selecting directors) Article 20 Directors who are not Audit and Supervisory Committee Members and directors who are Audit and Supervisory Committee Members shall be selected by separate resolutions at a general meeting of shareholders.
2. (Omitted)	2. (Unchanged)
3. (Omitted)	3. (Unchanged)
(Term of directors) Article 21 The term of directors shall terminate at the end of the ordinary general meeting of shareholders for the last fiscal year that ends within two (2) years after the appointment of the said director.	(Term of directors) Article 21 The term of directors (other than directors who are Audit and Supervisory Committee Members) shall terminate at the end of the ordinary general meeting of shareholders for the last fiscal year that ends within one (1) year after the appointments of the said directors.
2. The term of directors who have been selected to fill a vacancy or to increase the number of directors shall terminate when the term of the other existing directors expires.	(Deleted)
(Newly established)	2. The term of directors who are Audit and Supervisory Committee Members shall terminate at the end of the ordinary general meeting of shareholders for the last fiscal year that ends within two (2) years after the appointment of the said directors.

Current Articles of Incorporation	Proposed Amendments
(Newly established)	3. The term of directors who are Audit and Supervisory Committee Members and who have been selected to fill vacancies shall terminate when the term of the retired directors who are Audit and Supervisory Committee Members expires.
(Representative directors and executive directors) Article 22 This company shall select representative directors by a resolution of the board of directors.	(Representative directors and executive directors) Article 22 This company shall select representative directors from among the directors (other than directors who are Audit and Supervisory Committee Members) by a resolution of the board of directors.
2. This company may, by a resolution of the board of directors, select one director and chairperson, one director and president, one or more directors and vice presidents, senior managing directors, and managing directors.	2. This company may, by a resolution of the board of directors, select one director and chairperson, one director and president, one or more directors and vice presidents, senior managing directors, and managing directors from among the directors (other than directors who are Audit and Supervisory Committee Members).
Article 23 (Omitted)	Article 23 (Unchanged)
(Procedures for convening a meeting of the board of directors) Article 24 The convocation notices for a meeting of the board of directors shall be sent to all directors and auditors at least three (3) days prior to the date set for the meeting. In the case of emergency, the said notices may be sent less than three (3) days prior to the date set for the meeting. 2. If there is a consensus among all directors and auditors, a meeting of the board of directors may be held without completing the convocation procedures.	(Procedures for convening a meeting of the board of directors) Article 24 The convocation notices for a meeting of the board of directors shall be sent to all directors at least three (3) days prior to the date set for the meeting. In the case of emergency, the said notices may be sent less than three (3) days prior to the date set for the meeting. 2. If there is a consensus among all directors, a meeting of the board of directors may be held without completing the convocation procedures.
(Newly established)	(Delegation of decisions on execution of important operations to directors) Article 25 Pursuant to the provisions of Article 399-13, Paragraph 6 of the Companies Act, this company may delegate to directors all or part of decisions on execution of important operations, other than matters provided in the items of Article 399-13, Paragraph 5 of the Companies Act, by a resolution of the board of directors.
Article 25 to Article 26 (Omitted)	Article 26 to Article 27 (Unchanged)
(Remuneration, etc. for directors) Article 27 Remuneration and other benefits for directors received from this company for the performance of the said directors (hereinafter referred to as “remuneration, etc.”) shall be determined by a resolution at a general meeting of shareholders.	(Remuneration, etc. for directors) Article 28 Remuneration and other benefits received from this company by directors who are not Audit and Supervisory Committee Members and directors who are Audit and Supervisory Committee Members for the performance of the said directors (hereinafter referred to as “remuneration, etc.”) shall be

Current Articles of Incorporation	Proposed Amendments
	determined by separate resolutions at a general meeting of shareholders.
(Exemption from liabilities of directors) Article 28 With regard to the liabilities of directors (including former directors) mentioned in Article 423, Paragraph 1 of the Companies Act, if the requirements provided by law are fulfilled, this company may exempt the said directors from the liabilities for up to the amount obtained by subtracting the minimum liability amount provided by law from the total liability amount, by a resolution of the board of directors. (Newly established)	(Exemption from liabilities of directors) Article 29 With regard to the liabilities of directors (including former directors) mentioned in Article 423, Paragraph 1 of the Companies Act, if the requirements provided by law are fulfilled, this company may exempt the said directors from the liabilities for up to the amount obtained by subtracting the minimum liability amount provided by law from the total liability amount, by a resolution of the board of directors. 2. This company may enter into agreements with directors (other than executive directors, etc.) that limit liabilities provided in Article 423, Paragraph 1 of the Companies Act, provided, however, that the limit of the liabilities under such agreements shall be the total of the amounts provided in the items of Article 425, Paragraph 1 of the Companies Act.
Chapter 5 Auditors and the Board of Auditors	(Deleted)
(Auditors and the establishment of the board of auditors) Article 29 This company shall have auditors and establish the board of auditors.	(Deleted)
(Number of auditors) Article 30 This company shall have not more than five (5) auditors.	(Deleted)
(Selection of auditors) Article 31 Auditors shall be selected by a resolution at a general meeting of shareholders. 2. A resolution for selecting an auditor shall be adopted by a majority of the voting rights of attending shareholders, when the said meeting is attended by shareholders who hold not less than one third (1/3) of all voting rights.	(Deleted)
(Substitute auditors) Article 32 In case the number of auditors becomes less than the one provided by law, this company may select substitute auditors in advance at an ordinary general meeting of shareholders. 2. The selection of substitute auditors shall remain effective until the start of the ordinary general meeting of shareholders for the fiscal year that comes first after the selection. 3. Substitute auditors shall take up posts, when the number of auditors becomes less than the one provided by law.	(Deleted)

Current Articles of Incorporation	Proposed Amendments
(Term of auditors) Article 33 The term of auditors shall terminate at the end of the ordinary general meeting of shareholders for the last fiscal year ending within four (4) years after the appointment of the said auditor. 2. The term of auditors who have been appointed as a substitute for the auditor who resigned before the expiration of the term thereof shall terminate when the term of the auditor who resigned expires.	(Deleted)
(Full-time auditors) Article 34 The board of auditors shall select full-time auditors by a resolution.	(Deleted)
(Convocation notices for meetings of the board of auditors) Article 35 The convocation notices for a meeting of the board of auditors shall be sent to all auditors at least three (3) days prior to the date set for the meeting. In the case of an emergency, the said convocation notices may be sent less than three (3) days before the date set for the meeting. 2. If there is a consensus among all auditors, a meeting of the board of auditors may be held without completing the convocation procedures.	(Deleted)
(Regulations for the board of auditors) Article 36 The items regarding the board of auditors shall be governed by law, these articles of incorporation, and the regulations for the board of auditors provided by the board of auditors.	(Deleted)
(Remuneration, etc. for auditors) Article 37 Remuneration, etc. for auditors shall be determined by a resolution at a general meeting of shareholders.	(Deleted)
(Exemption from liabilities of auditors) Article 38 With regard to the liabilities of auditors (including former auditors) mentioned in Article 423, Paragraph 1 of the Companies Act, if the requirements provided by law are fulfilled, this company may exempt the said auditors from the liabilities for up to the minimum liability amount provided by law within the total liability amount, by a resolution of the board of directors.	(Deleted)
(Newly established)	Chapter 5 Audit and Supervisory Committee
(Newly established)	(Establishment of an Audit and Supervisory Committee) Article 30 This company shall have an Audit and Supervisory Committee

Current Articles of Incorporation	Proposed Amendments
(Newly established)	(Procedures for convening a meeting of the Audit and Supervisory Committee) Article 31 The convocation notices for a meeting of the Audit and Supervisory Committee shall be sent to all members of the committee at least three (3) days prior to the date set for the said meeting. In the case of emergency, the said notices may be sent less than three (3) days prior to the date set for the said meeting. 2. If there is a consensus among all Audit and Supervisory Committee members, a meeting of the committee may be held without completing the convocation procedures.
(Newly established)	(Full-time Audit and Supervisory Committee members) Article 32 The Audit and Supervisory Committee may select full-time Audit and Supervisory Committee members by a resolution.
(Newly established)	(Regulations for the Audit and Supervisory Committee) Article 33 The items regarding the Audit and Supervisory Committee shall be governed by law, these articles of incorporation, and the regulations for the Audit and Supervisory Committee provided by the Audit and Supervisory Committee.
Chapter 6 Accounting Auditors	Chapter 6 Accounting Auditors
Article 39 to Article 42 (Omitted)	Article 34 to Article 37 (Unchanged)
(Remuneration, etc. for accounting auditors) Article 43 Remuneration, etc. of each accounting auditor shall be determined by a representative director after obtaining consent of the board of auditors.	(Remuneration, etc. for accounting auditors) Article 38 Remuneration, etc. of each accounting auditor shall be determined by a representative director after obtaining consent of the Audit and Supervisory Committee.
Article 44 (Omitted)	Article 39 (Unchanged)
Chapter 7 Calculation	Chapter 7 Calculation
Article 45 to Article 47 (Omitted)	Article 40 to Article 42 (Unchanged)
(Newly established)	Supplementary Provision
(Newly established)	(Transitional measure regarding exemption from liabilities of auditors) With regard to liabilities of auditors (including former auditors) mentioned in Article 423, Paragraph 1 of the Companies Act, if the requirements provided by law are fulfilled, this company may exempt the said

Current Articles of Incorporation	Proposed Amendments
	auditors from the liabilities for this company associated with their acts prior to the end of the 19th Ordinary General Meeting of Shareholders for up to the amount obtained by subtracting the minimum liability amount provided by law from the total liability amount, by a resolution of the board of directors.