April 1, 2016

To Whom It May Concern

Company Name: OUTSOURCING Inc.
Representative: Haruhiko Doi
Chairman and CEO
(First Section of TSE, Securities Code 2427)
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Notice of Regarding Acquisition of Shares and Interests of Beddison Group, Australia

OUTSOURCING Inc. (hereinafter the "Company") hereby announces that the Board of Directors, at its meeting held on April 1, 2016, resolved to acquire roughly 80% of the issued shares of the five (5) subsidiaries of Beddison Group (hereinafter "Beddison Group") and a controlling interest in the four (4) unit trusts, making the Beddison Group a subsidiary of the Company.

Particulars

1. Purpose of the Acquisition of Shares

   The primary growth driver of OUTSOURCING Group (hereinafter the "Group") has been its core business of production outsourcing to boost the production efficiency of manufacturers. In the domestic market, production by leading manufacturers—the Group's core clients—has been on an upswing, while recent revisions to the Worker Dispatching Act have eased regulations on makers that utilize dispatched workers, spurring greater demand for production outsourcing service providers. However, because such demand is susceptible to makers' business climate, reflexively responding to additional workforce requirements pose the risk of undergoing a contraction in those same needs at times of production cutbacks.

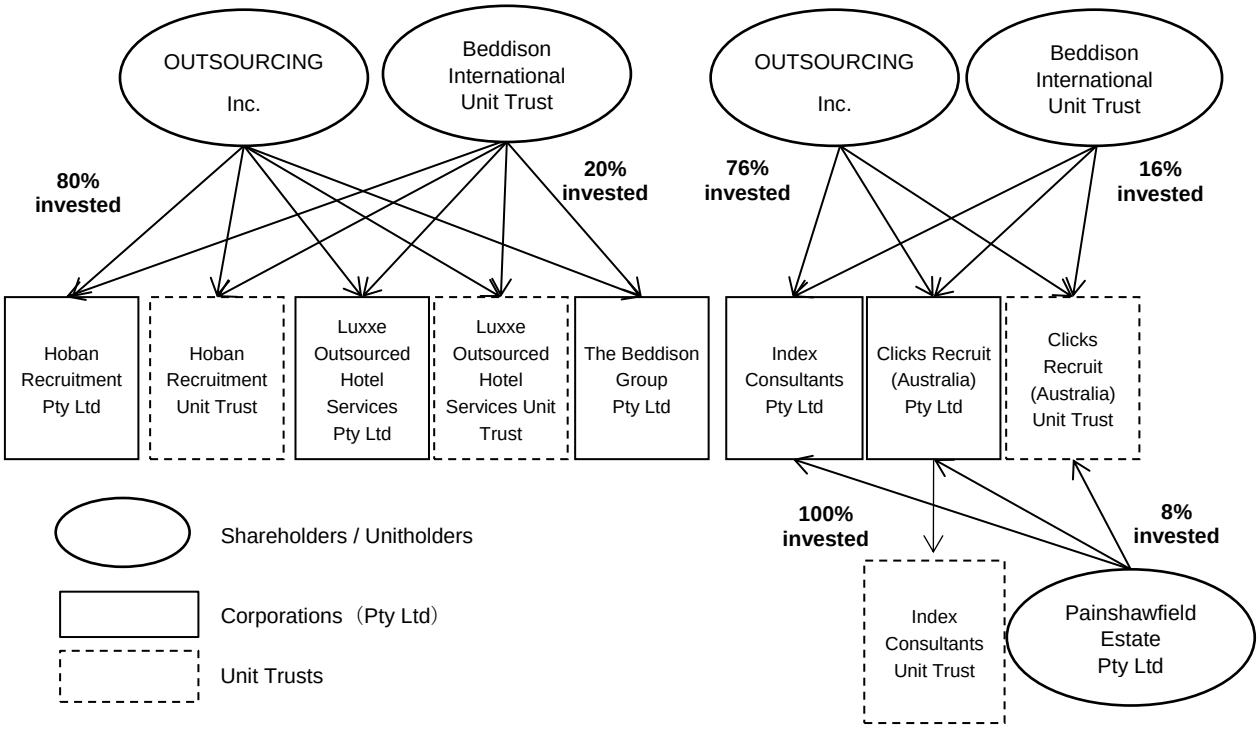
   In the recent labor market, it has become difficult to recruit fixed-term contract workers on a volume basis, and the Company has subsequently shifted its recruiting model to the PEO scheme which is based on the hiring of permanent workers, lengthening contract terms and raising unit prices to reduce risks associated with recruiting permanent employee-ism, i.e., higher fixed costs. And the Group's aim is to achieve revenue leveling that is less vulnerable to economic trends and changes in the operating environment, while also driving significant growth. For that reason, it has rolled out "Vision 2017: Vector to the New Paradigm," its Medium-Term Business Plan.

   The Group is thus targeting the public services market outsourced to private enterprises, which has is growing significantly in developed countries, especially in Australia, which has progressed in terms of outsourcing services provided for airport- and penal detention-related operations.

At the same time, since its founding in 1977, Beddison Group has been a leading provider of human resource services, established with local capital and operating Australia's six states (aside from the Northern Territory). Beddison Group is strong in the staff introductions/temporary placement business for the public sector, serving both the federal and state governments, moreover providing human resource services in airport operation and prison operation which market is expanding due to recent extending of outsourcing to private corporations, making it a perfect fit for the Group and the Company's new growth strategy.

In making Beddison Group a subsidiary, in complementing with group companies of OUTSOURCING such as BLUEFIN RESOURCES PTY. LIMITED and STAFF SOLUTIONS AUSTRALIA PTY LTD, the OUTSOURCING Group expects to bolster businesses expected to grow in the fields of IT and financial services, extending human resources services to government institutions which are less susceptible to impact from fluctuation in the business cycle. In doing so, the Group aims to secure both stabilize and expand growth in English-speaking markets through collaborations with other group companies in the region.

[Beddison Group]



Note: A unit trust is a trust beneficiary which administers and operates a corporate body (Pty Ltd.), or the trustee. The acquired subjects at this time−Hoban Recruitment Unit Trust, Hoban Recruitment Pty Ltd, Luxxe Outsourced Hotel Services Unit Trust, Luxxe Outsourced Hotel Services Pty Ltd,Clicks Recruit (Australia) Unit Trust, Clicks Recruit (Australia) Pty Ltd, Index Consultants Unit Trust, and Index Consultants Pty Ltd.—are in a trust beneficiary/trustee relationship.

2. Outline of the Companies and Unit Trusts that will be acquired by OUTSOURCING Inc.

① Hoban Recruitment Pty Ltd

(1)	Company Name	Hoban Recruitment Pty Ltd	
(2)	Head Office	Level 35, 360 Collins Street, Melbourne VIC 3000, Australia	
(3)	Name and Title of Representative	Anthony John Beddison, Chairman	
(4)	Major Businesses	Corporate Trustee for Hoban Recruitment Unit Trust	
(5)	Capital Stock	AUD 2	
(6)	Established	June 18, 1991	
(7)	Major Shareholder, % owned	Beddison International Unit Trust (100%)	
(8)	Relationship between OUTSOURCING Inc. and Hoban Recruitment Pty Ltd	Capital Relationship	None
		Personnel Relationship	None
		Business Relationship	None
(9)	Financial Results and Positions for the Past Three Fiscal Years	Hoban Recruitment Pty Ltd is the corporate trustee for Hoban Recruitment Unit Trust, which does not conduct transactions on its own, and is therefore not applicable.	

② Hoban Recruitment Unit Trust

(1)	Unit Trust Name	Hoban Recruitment Unit Trust	
(2)	Head Office	Level 35, 360 Collins Street, Melbourne VIC 3000, Australia	
(3)	Name and Title of Representative	Anthony John Beddison, Chairman	
(4)	Major Businesses	Contracting, dispatching, recruiting and placing on–hire workers in the industrial sector, and provision of Recruitment Process Outsourcing (RRO) services	
(5)	Capital Unit	AUD 160	
(6)	Established	July 1, 1991	
(7)	Major Unitholder, % owned	Beddison International Unit Trust (100%)	
(8)	Relationship between OUTSOURCING Inc. and Hoban Recruitment Unit Trust	Capital Relationship	None
		Personnel Relationship	None
		Business Relationship	None

(9) Financial Results and Positions for the Past Three Fiscal Years (Unit: Thousands of AUD)

Fiscal Year	June 2013	June 2014	June 2015
Net Assets	(311)	(130)	1,523
Total Assets	7,637	8,313	18,566

Net Assets Per Unit (Unit: AUD)	(1,946)	(815)	9,523
Net Sales	73,766	79,217	145,292
Income Before Income Taxes	2,577	3,587	3,899
Net Income Per Unit (Unit: AUD)	16,109	22,420	24,369
Distribution Per Unit (Unit: AUD)	18,056	21,288	14,031

③ Luxxe Outsourced Hotel Services Pty Ltd

(1)	Company Name	Luxxe Outsourced Hotel Services Pty Ltd	
(2)	Head Office	C/-Pitcher Partners, Level19, 15 William Street, Melbourne VIC 3000, Australia	
(3)	Name and Title of Representative	Anthony John Beddison, Chairman	
(4)	Major Businesses	Corporate Trustee for Luxxe Outsourced Hotel Services Unit Trust	
(5)	Capital Stock	AUD 2	
(6)	Established	March 14, 2007	
(7)	Major Shareholder, % owned	Beddison International Unit Trust (100%)	
(8)	Relationship between OUTSOURCING Inc. and Luxxe Outsourced Hotel Services Pty Ltd	Capital Relationship	None
		Personnel Relationship	None
		Business Relationship	None
(9)	Financial Results and Positions for the Past Three Fiscal Years	Luxxe Outsourced Hotel Services Pty Ltd is the corporate trustee for Luxxe Outsourced Hotel Services Unit Trust, which does not conduct transactions on its own, and is therefore not applicable.	

④ Luxxe Outsourced Hotel Services Unit Trust

(1)	Unit Trust Name	Luxxe Outsourced Hotel Services Unit Trust	
(2)	Head Office	C/-Pitcher Partners, Level19, 15 William Street, Melbourne VIC 3000, Australia	
(3)	Name and Title of Representative	Anthony John Beddison, Chairman	
(4)	Major Businesses	Provision of outsourced housekeeping and associated services into the hotels/hospitality sector	
(5)	Capital Unit	AUD 2	
(6)	Established	March 14, 2007	
(7)	Major Unitholder, % owned	Beddison International Unit Trust (100%)	
(8)	Relationship between OUTSOURCING Inc. and Luxxe Outsourced Hotel Services Unit Trust	Capital Relationship	None
		Personnel Relationship	None
		Business Relationship	None
(9)	Financial Results and Positions for the Past	Since Luxxe Outsourced Hotel Services Unit Trust commenced business in November 2015, there are no historical business results.	

Three Fiscal Years	

⑤ The Beddison Group Pty Ltd

(1)	Company Name	The Beddison Group Pty Ltd	
(2)	Head Office	Level 35, 360 Collins Street, Melbourne VIC 3000, Australia	
(3)	Name and Title of Representative	Anthony John Beddison, Chairman	
(4)	Major Businesses	Provision of Management and Shared Services support for the operating entities of the group.	
(5)	Capital Stock	AUD 20,000	
(6)	Established	June 4, 1987	
(7)	Major Shareholder, % owned	Beddison International Unit Trust (100%)	
(8)	Relationship between OUTSOURCING Inc. and The Beddison Group Pty Ltd	Capital Relationship	None
		Personnel Relationship	None
		Business Relationship	None

(9) Financial Results and Positions for the Past Three Fiscal Years (Unit: Thousands of AUD)

Fiscal Year	June 2013	June 2014	June 2015
Net Assets	2,010	2,010	2,010
Total Assets	3,093	2,780	2,987
Net Assets Per Share (Unit: AUD)	2.01	2.01	2.01
Net Sales	3,085	2,852	3,106
Income Before Income Taxes	623	318	319
Net Income Per Share (Unit: AUD)	0.310	0.159	0.158
Dividends Per Share (Unit: AUD)	0.212	0.113	0.125

⑥ Clicks Recruit (Australia) Pty Ltd

(1)	Company Name	Clicks Recruit (Australia) Pty Ltd	
(2)	Head Office	Level 35, 360 Collins Street, Melbourne VIC 3000, Australia	
(3)	Name and Title of Representative	Anthony John Beddison, Chairman	
(4)	Major Businesses	Corporate Trustee for Clicks Recruit (Australia) Unit Trust	
(5)	Capital Stock	AUD 2	
(6)	Established	May 21, 1997	
(7)	Major Shareholders, % owned	Beddison International Unit Trust (80%) Painshawfield Estate Pty Ltd (20%)	
(8)	Relationship between OUTSOURCING Inc. and	Capital Relationship	None

	Clicks Recruit (Australia) Pty Ltd	Personnel Relationship	None
		Business Relationship	None
(9)	Financial Results and Positions for the Past Three Fiscal Years	Clicks Recruit (Australia) Pty Ltd is the corporate trustee for Clicks Recruit (Australia) Unit Trust, which does not conduct transactions on its own, and is therefore not applicable.	

⑦ Clicks Recruit (Australia) Unit Trust

(1)	Unit Trust Name	Clicks Recruit (Australia) Unit Trust	
(2)	Head Office	Level 35, 360 Collins Street, Melbourne VIC 3000, Australia	
(3)	Name and Title of Representative	Anthony John Beddison, Chairman	
(4)	Major Businesses	Contracting, dispatching, recruiting and placing professional in the IT sector	
(5)	Capital Unit	AUD 135	
(6)	Established	May 21, 1997	
(7)	Major Unitholders, % owned	Beddison International Unit Trust (80%) Painshawfield Estate Pty Ltd (20%)	
(8)	Relationship between OUTSOURCING Inc. and Clicks Recruit (Australia) Unit Trust	Capital Relationship	None
		Personnel Relationship	None
		Business Relationship	None

(9) Financial Results and Positions for the Past Three Fiscal Years (Unit: Thousands of AUD)

Fiscal Year	June 2013	June 2014	June 2015
Net Assets	442	564	2,782
Total Assets	9,300	9,953	15,610
Net Assets Per Unit (Unit: AUD)	3,276	4,181	20,611
Net Sales	89,020	74,968	73,013
Income Before Income Taxes	2,451	1,904	2,258
Net Income Per Unit (Unit: AUD)	18,159	14,110	16,732
Distribution Per Unit (Unit: AUD)	23,446	13,205	302

⑧ Index Consultants Pty Ltd

(1)	Company Name	Index Consultants Pty Ltd
(2)	Head Office	Level 35, 360 Collins Street, Melbourne VIC 3000, Australia
(3)	Name and Title of Representative	Anthony John Beddison, Chairman
(4)	Major Businesses	Corporate Trustee for Index Consultants Unit Trust
(5)	Capital Stock	AUD 2

(6)	Established	February 1, 2007	
(7)	Major Shareholder, % owned	Clicks Recruit (Australia) Unit Trust (100%)	
(8)	Relationship between OUTSOURCING Inc. and Index Consultant Pty Ltd	Capital Relationship	None
		Personnel Relationship	None
		Business Relationship	None
(9)	Financial Results and Positions for the Past Three Fiscal Years	Index Consultants Pty Ltd is the corporate trustee for Index Consultants Unit Trust, which does not conduct transactions on its own, and is therefore not applicable.	

⑨ Index Consultants Unit Trust

(1)	Unit Trust Name	Index Consultants Unit Trust	
(2)	Head Office	Level 35, 360 Collins Street, Melbourne VIC 3000, Australia	
(3)	Name and Title of Representative	Anthony John Beddison, Chairman	
(4)	Major Businesses	IT engineering contracting	
(5)	Capital Unit	AUD 100	
(6)	Established	February 1, 2007	
(7)	Major Unitholder, % owned	Clicks Recruit (Australia) Unit Trust (100%)	
(8)	Relationship between OUTSOURCING Inc. and Index Consultant Unit Trust	Capital Relationship	None
		Personnel Relationship	None
		Business Relationship	None

(9) Financial Results and Positions for the Past Three Fiscal Years (Unit: Thousands of AUD)

Fiscal Year	June 2013	June 2014	June 2015
Net Assets	N/A	22	67
Total Assets	N/A	656	581
Net Assets Per Unit (Unit: AUD)	N/A	220	673
Net Sales	N/A	2,285	4,150
Income Before Income Taxes	N/A	240	358
Net Income Per Unit (Unit: AUD)	N/A	2,406	3,589
Distribution Per Unit (Unit: AUD)	N/A	2,186	3,136

3. Outline of the Parties from which Shares will be Acquired

① Beddison International Unit Trust

(1)	Unit Trust Name	Beddison International Unit Trust

(2)	Head Office	Level 35, 360 Collins St, Melbourne, VIC 3000, Australia	
(3)	Name and Title of Representative	Anthony John Beddison, Director	
(4)	Major Businesses	Beneficiary Corporate for Beddison group	
(5)	Capital Unit	N/A	
(6)	Established	January 18, 1985	
(7)	Net Assets	N/A	
(8)	Total Assets	N/A	
(9)	Major Unitholders, % owned	Bednon Nominees Pty Ltd atf Beddison Family Settlement (99%) Anthony John Beddison (1%)	
(10)	Relationship between OUTSOURCING Inc. and Beddison International Unit Trust	Capital Relationship	None
		Personnel Relationship	None
		Business Relationship	None
		Related Party Relationship	None

② Painshawfield Estate Pty Ltd

(1)	Company Name	Painshawfield Estate Pty Ltd	
(2)	Head Office	Level 2, 371 Spencer Street Melbourne VIC 3073, Australia	
(3)	Name and Title of Representative	Benjamin Maitland Wood, Director	
(4)	Major Businesses	Investment Company	
(5)	Capital Stock	N/A	
(6)	Established	April 8, 1998	
(7)	Net Assets	N/A	
(8)	Total Assets	N/A	
(9)	Major Shareholders, % owned	Benjamin Maitland Wood (100%)	
(10)	Relationship between OUTSOURCING Inc. and Painshawfield Estate Pty Ltd	Capital Relationship	None
		Personnel Relationship	None
		Business Relationship	None
		Related Party Relationship	None

4. Number of Shares and Units to be Acquired, and Ownership Before and After the Acquisition

(1)	Number of Shares/Units Owned Before Acquisition	Hoban Recruitment Pty Ltd Number of shares 0 Ratio of voting rights owned 0% Hoban Recruitment Unit Trust Number of units 0 Ratio of voting rights owned 0% Luxxe Outsourced Hotel Services Pty Ltd Number of shares 0 Ratio of voting rights owned 0% Luxxe Outsourced Hotel Services Unit Trust Number of units 0 Ratio of voting rights owned 0% The Beddison Group Pty Ltd Number of shares 0 Ratio of voting rights owned 0% Clicks Recruit (Australia) Pty Ltd Number of shares 0 Ratio of voting rights owned 0% Clicks Recruit (Australia) Unit Trust Number of units 0 Ratio of voting rights owned 0% Index Consultants Pty Ltd Number of shares 0 Ratio of voting rights owned 0%
(2)	Number of Shares/Units to be Acquired, and Ownership After Acquisition	Hoban Recruitment Pty Ltd Number of shares 80 Ratio of voting rights owned 80% Hoban Recruitment Unit Trust Number of units 120 Ratio of voting rights owned 80% Luxxe Outsourced Hotel Services Pty Ltd Number of shares 80 Ratio of voting rights owned 80% Luxxe Outsourced Hotel Services Unit Trust Number of units 80 Ratio of voting rights owned 80% The Beddison Group Pty Ltd Number of shares 1,600,000 Ratio of voting rights owned 80% Clicks Recruit (Australia) Pty Ltd Number of shares 76 Ratio of voting rights owned 76% Clicks Recruit (Australia) Unit Trust Number of units 95 Ratio of voting rights owned 76% Index Consultants Pty Ltd Number of shares 76 Ratio of voting rights owned 76%
(3)	Acquisition Price	Acquisition of common shares and stake of 8 companies above (estimated amount) JPY3,756 million Advisory fees and others (estimated amount) JPY100 million TOTAL (estimated amount) JPY3,856 million

Note: Conversion rate is AUD 1 = JPY82.07

5. Schedule

(1)	Date of Board of Directors Resolution	April 1, 2016

(2)	Date of Agreement	April 1, 2016
(3)	Date of Shares Transfer	April 1, 2016

6. Future Outlook

This acquisition has not been accounted for in the financial forecasts announced on February 12, 2016. Any consequence from the acquisition is currently being examined and will be announced immediately after conclusion of said examination.