April 28, 2015

To Whom It May Concern

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Notice Regarding Revision of Consolidated Financial Forecasts

OUTSOURCING Inc. (hereinafter "the Company") hereby announces the revision of its consolidated financial forecasts announced on February 12, 2016 as per the details below.

Particulars

● Revision of Financial Forecasts

Revision of Consolidated Financial Forecasts for (Cumulative) Q2 Fiscal 2016 (the fiscal year beginning on January 1, 2016 and ending June 30, 2016)

	Net Sales	Operating Income	Ordinary Income	Profit Attributable to Owners of Parent	Net Income Per Share
	Millions of JPY	Millions of JPY	Millions of JPY	Millions of JPY	JPY
Previous Forecasts (A)	51,000	1,150	1,000	400	22.97
Revised Forecasts (B)	58,000	1,150	1,000	400	22.97
Changes (B-A)	7,000	-	-	-	
Ratio (%)	13.7	-	-	-	
Reference: Actual Results for the Previous Q2 Fiscal Year (Q2 Fiscal 2015)	36,022	937	1,003	488	31.64

Revision of Consolidated Financial Forecasts for Fiscal 2016 (the fiscal year beginning on January 1, 2016 and ending December 31, 2016)

	Net Sales	Operating Income	Ordinary Income	Profit Attributable to Owners of Parent	Net Income Per Share
	Millions of JPY	Millions of JPY	Millions of JPY	Millions of JPY	JPY
Previous Forecasts (A)	110,000	5,400	5,100	2,400	137.87

Revised Forecasts (B)	134,000	5,400	5,100	2,400	137.87
Changes (B-A)	24,000	-	-	-	
Ratio (%)	21.8	-	-	-	
Reference: Actual Results for the Previous Q2 Fiscal Year (Q2 Fiscal 2015)	80,860	3,125	3,224	1,810	110.15

Reason for Revision

For the cumulative second quarter of fiscal 2016, the Group expects net sales to post a significant increase to JPY58 billion, due not only to the steady growth of its existing businesses but also to addition of net sales of group companies consolidated through M&A during this fiscal year.

As with net sales, operating income, ordinary income and profit attributable to owners of parent increased owing to the Group's favorable performance and contribution from newly acquired companies. However, considering the continuous amortization of goodwill for the acquired companies from April onward, as well as one-time acquisition expenses of JPY400 million, which were included in goodwill until fiscal 2015 before the revision of accounting standard—consisting of such expenses, as advisory fees and due diligence expenses, the initial forecasts for those incomes remain unchanged. This is because profit attributable to owners of parent will be affected since these acquisition expenses will be included in consolidated accounting processing and cannot be excluded from tax.

Regarding the impact of the Kumamoto Earthquake, although the domestic manufacturing outsourcing business was little affected, volatility risks caused by such a natural disaster is taken into consideration of said business as it is highly susceptible to environmental factors. Which is why the Group has developed a number of strategies to offset these risks with by entering industries other than manufacturing that have different business cycles or are resistant to environmental change. Such strategic initiatives have enabled the Group to absorb impact from the recent earthquake due to the favorable factors mentioned above.

For fiscal 2016, as with the cumulative second quarter of fiscal 2016, the Group projects that it will achieve a major increase in net sales to JPY134 billion, not only as a result of the favorable growth of its existing business but also because it absorbed net sales of newly acquired companies.

Likewise, forecasts for operating income, ordinary income and profit attributable to owners of parent remain unchanged from initial forecasts due to strong growth at existing companies in addition to sales of acquired companies, as well as decreases in both amortization of goodwill and acquisition expenses.

Since the one-time expenses related to the latest acquisitions will be processed in fiscal 2016, these companies' gains are expected to contribute largely to overall Group performance in fiscal 2017.

Note: The financial forecasts described in this release regarding the future are projections that have been determined based on the information available at the time of preparation. Actual performance may differ from the listed forecast values due to various factors.