December 14, 2016

To Whom It May Concern

Company Name: OUTSOURCING Inc.
Representative: Haruhiko Doi
Chairman and CEO
（First Section of TSE, Securities Code 2427）
Contact: Kazuhiko Suzuki
Executive Vice President and
Executive General Manager
in charge of Business
Management Division
Phone: +81-3-3286-4888

Notice Regarding Acquisition of Shares of Orizon Holding GmbH, Germany

OUTSOURCING Inc. (hereinafter the “Company”) hereby announces that the Board of Directors, at its meeting held on December 14, 2016, has decided that OSI Holding Germany GmbH (hereinafter “OSI Holding Germany”), which is a sunsidiary of the Company, acquires the shares of Orizon Holding GmbH (hereinafter “Orizon Holding”).

Particulars

1. Purpose of the Acquisition of Shares

The Company and its group (hereinafter the “Group”) has grown to date by focusing on its core business that is designed to improve production efficiency of manufacturing firms. Since such business is highly volatile as easily impacted by the production volatility at the clients, the Group had introduced an initiative for paradigm shift under the medium-term management plan called "Vision 2017: Vector to the New Paradigm" as a stronger hedge against another Lehman-class environmental change. With this initiative, the Group started global scale expantion into the sectors with economic cycles different from its conventional manufacturing outsourcing business, or the areas less susceptible of fluctuations, and have strengthened the business by smoothing out the volatility risks. For example, the Group entered into outsourcing business for convenience stores industry and the U.S. military bases in Japan, while undertaking the public services contracted to the private sectors in Australia and the U.K. As a result of these proactive efforts, the Group is expected to achieve the net sales goal of 130 billion yen within this fiscal year, which was originally set for the fiscal year ending December 2017 in the "Vision 2017: Vector to the New Paradigm." On July 29 this year, the Group launched the new medium-term management plan "VISION 2020: Tackling New Frontiers," of which objective is to have the Group evolve into an enterprise that can survive and grow in any kind of business circumstances amid the world macro-environment ever-changing since Lehman Bros. collapse. As one of the targets of this strategy, the Group has been seeking an opportunity to enter the staffing market for manufacturing industry in Germany, which is known as a key market in Europe.

Orizon Holding is the eighth largest staffing company in Germany, and is particularly strong in the mechanical engineering, aviation and medical sectors. Orizon focuses on the mid-sized segment (the “Mittelstand”), in which it has a broad range of client base and wide network coverage mainly in the southern part of Germany. In recent years, Orizon is bolstering its organizational efficiency with state-of-the-art IT technology to ensure its future growth. Orizon surpasses its peers in profitability and is expected to achieve

ongoing growth.

This transaction provides the Group with strong foothold to develop into the European industrial nations, including those in Eastern Europe. The Group will advance the overseas expansion from its European base to establish an organization for providing its superb outsourcing services on a global basis, with increasing efforts to maintain the balance between the expansion and soundness of the business.

2. Outline of an acquiring subsidiary (OSI Holding Germany)

(1)	Company Name	OSI Holding Germany GmbH
(2)	Head Office	Kurt-Schumacher-Street. 18-20, 53113 Bonn, Germany
(3)	Name and Title of Representative	Atsushi Nakamoto, Managing Director
(4)	Major Business	Holding company
(5)	Shared Capital	EUR 25,000
(6)	Established	August 3, 2016
(7)	Major Shareholders, % owned	OUTSOURCING Inc. 100%

3. Outline of a transferring subsidiary (Orizon Holding)

(1)	Company Name	Orizon Holding GmbH	
(2)	Head Office	Berliner Allee 28 c, 86153 Augsburg, Germany	
(3)	Name and Title of Representative	Dr. Dieter Traub, CEO	
(4)	Major Business	Holding company	
(5)	Shared Capital	EUR 200,000	
(6)	Established	October 18, 2006	
(7)	Major Shareholders, % owned	Orizon Luxembourg SARL 100%	
(8)	Relationship between the Company and Orizon	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 2013	December 2014	December 2015 (unaudited)
Net Assets	46,934	47,112	47,117
Total Assets	308,833	308,602	308,407
Net Assets Per Share	6,705	6,730	6,731
Net Sales	245,818	247,698	265,815
Operating Income	6,293	7,585	12,457
Income Before Income Taxes	2,079	3,023	4,392
Net Income	75	625	1,828
Net Income Per Share	11	89	261
Dividends Per Share	-	-	-

※ Outline of a major subsidiary of Orizon Holding GmbH

(1)	Company Name	Orizon GmbH	
(2)	Head Office	Berliner Allee 28 c, 86153 Augsburg, Germany	
(3)	Name and Title of Representative	Dr. Dieter Traub, CEO	
(4)	Major Business	BPO services, Contract labor of installation, HR consulting	
(5)	Shared Capital	EUR 240,000	
(6)	Established	October 9, 2012	
(7)	Major Shareholders, % owned	Orizon Holding GmbH 100%	
(8)	Relationship between the Company and Orizon GmbH	Capital Relationship	None
		Personal Relationship	None
		Business Relationship	None

4. Outline of a seller of the shares

(1)	Company Name	Orizon Luxembourg SARL	
(2)	Head Office	1A Rue Thomas Edison, L-1445 Strassen, Luxembourg	
(3)	Name and Title of Representative	Frank Przygodda, Manager A Damien Beckel, Manager A Manfred Schneider, Manager A Kay Ashton, Manager B Neil P. MacDougall, Manager B	
(4)	Major Business	Holding company of Orizon Holding GmbH	
(5)	Shared Capital	EUR 40,775,000	
(6)	Established	June 13, 2006	
(7)	Net Assets	EUR 3,362,508	
(8)	Total Assets	EUR 3,433,899	
(9)	Major Shareholders, % owned	Funds advised by Silverfleet Capital Partners LLP 100%	
(10)	Relationship between the Company and Orizon Luxembourg SARL	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	Number of Shares Ratio of voting right owned	0 0%
(2)	Number of Shares to be acquired	Number of Shares Ratio of voting right owned	7 100%

(3)	Acquisition Price	Acquisition Price (estimated amount)	JPY 8,889 million (EUR 74.1 million)
		Advisory fee and others (estimated amount)	JPY 900 million (EUR 7.5million)
		TOTAL (estimated amount)	JPY 9,789 million (EUR 81.6 million)
(4)	Number of Shares Owned After Acquisition	Number of Shares 7 Ratio of voting right owned 100%	

Note: Conversion rate is EUR 1 = JPY 120

6. Schedule

(1)	Date of Board of Directors Resolution	December 14, 2016
(2)	Date of Agreement	December 14, 2016
(3)	Date of Share transfer	See the footnote below

Note: This transaction is estimated to be executed by the end of June 2017 whereas it is subjected to the completion of approval procedures in Germany and Luxembourg.

7. Future Outlook

As with the impact of this transaction on the Group's FY12/16 consolidated financial forecasts and the medium-term management plan, the details are described in "Notice Regarding Revision of Full-Year Financial Forecasts" and "Notice Regarding Partial Revision to the Medium-Term Management Plan "VISION 2020: Tackling New Frontiers"" announced today (December 14, 2016).