Insource Co., Ltd.

FY19 Consolidated Financial Results
(Fiscal year ended September 30, 2020)

&

Mid-Term Management Plan, “Road to Next 2023”

Thursday, November 5, 2020

insource
株式会社インソース

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Company Profile & Business Activities

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Chap. 01 Review of FY19

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Performance of 4Q FY19 – Consolidated sales exceeded the previous year's level from September

- Net sales has exceeded that of previous year since September and increased by 17.2% YOY in October
- Mainly thanks to online training, net sales of both On-site Training and Open Seminars are recovering
- As for Other Businesses, such non-face-to-face services as Leaf, e-Learning and video production have increased steadily

Unit: million yen

	July	MOM	August	MOM	September	MOM	October *	MOM
Consolidated net sales	368	▲154 (▲29.5%)	347	▲115 (▲25.0%)	654	+19 (+3.1%)	610	+90 (+17.2%)
Net sales: On-Site Training	208	▲124 (▲37.4%)	199	▲66 (▲25.0%)	334	+0 (+0.1%)	345	+10 (+3.3%)
Net sales: Open Seminars	78	▲74 (▲48.8%)	87	▲53 (▲37.8%)	136	▲24 (▲15.5%)	142	+8 (+6.0%)
Net sales: Other Businesses	81	+44 (+122.1%)	60	+4 (+7.1%)	183	+44 (+31.8%)	123	+70 (+134.8%)

*The numbers shown for October are the forecast figures as of November 2.

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Status of Training Businesses – Recovery due to the expansion of Online Training

- The number of trainings conducted for On-Site Training has recovered steadily, not only online but also face-to-face style
- The number of attendees for Open Seminars in October have exceeded that of previous year due to the increase of online trainings. Also, introducing online training has increased the number of attendees per training, with the increase of 3.6 attendees YOY in October

	July	MOM	August	MOM	September	MOM	October *	MOM
On-Site Training: Number of trainings conducted (times) (YOY)	897 (▲42.0%)	+353	877 (▲22.6%)	▲20	1,153 (▲17.2%)	+276	1,518 (▲4.8%)	+365
Among above, number of online trainings (times) (composition ratio)	213 (23.7%)	+26	346 (39.5%)	+133	451 (39.1%)	+105	510 (33.6%)	+59
Open Seminars: Number of attendees (attendees) (YOY)	3,812 (▲49.0%)	+914	3,881 (▲42.7%)	+69	5,504 (▲26.9%)	+1,623	7,207 (+7.8%)	+1,703
Among above, number of people who took online(attendees) (composition ratio)	1,399 (36.7%)	▲609	2,059 (53.1%)	+660	3,458 (62.8%)	+1,399	4,446 (61.7%)	+988
Open Seminars: Number of attendees per training(YOY)	8.0 (▲0.2)	+1.5	8.1 (+0.3)	+0.1	11.2 (+2.4)	+3.1	12.1 (+3.6)	+0.9

* The numbers shown for October are the forecast figures as of November 2.

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The Impact of the Coronavirus Crisis on Insource Group

Positive Sides

Structural changes in career development education
Shift from face-to-face training to online and e-Learning/videos has accelerated
⇒Insource has an advantage as we can offer various services

Growth of IT services and e-Learning/video production
Other Businesses significantly grew in response to changes in the external environment. LMS “Leaf” and e-Learning/video production’s sales are strong

Full-scale entry to BPO Business
Started offering support service for implementing online training

Quickly strengthened our growth areas
Took decisive and swift action to strengthen content development and concentrate human resources on growth areas which would have taken time in normal times.

Negative Sides

Decline in occupancy rate of seminar rooms for face-to-face trainings

Drop in training sales of companies and industries that have been slow transitioning to online trainings
Trainings for government/public administrations decreased significantly

⇒We will take this change as an opportunity to accelerate our growth

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Chap. 02 FY19 Consolidated Financial Results & FY20 Forecast

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Full Year and 4Q FY19 Cumulative Consolidated Financial Highlights

Full Year (Oct 2019-Sep 2020)

■ Net sales:

Decreased by 8.7% YOY to 5,119 million yen (▲488 million yen) .
The breakdown consists of 2,724 million yen (▲16.9%) for On-Site Training, 1,267 million yen (▲17.0%) for Open Seminars and 1,127 million yen (+40.7%) for Other Businesses.

■ Gross profit:

Decreased by 8.0% YOY to 3,643 million yen (▲315 million yen).
Gross profit margin increased by 0.6 pt to 71.2% thanks to the improvement in profitability of online trainings for private companies, as well as a decrease in the percentage of trainings for government /public administrations and an increase in the percentage of IT services in sales composition.

■ Operating profit:

Decreased by 39.8 % YOY to 784 million yen (▲519 million yen).
Operating profit margin deteriorated by 7.9 pt YOY to 15.3% as the labor cost ratio rose in line with lower sales.

4Q (Jul - Sep 2020)

■ Net sales:

Decreased by 15.5% YOY to 1,370 million yen (▲251 million yen).
The breakdown consists of 742 million yen (▲20.4%) for On-Site Training, 301 million yen (▲33.7%) for Open Seminars and 325 million yen (+40.1%) for Other Businesses.

■ Gross profit:

Decreased by 12.0% YOY to 1,026 million yen (▲139 million yen) .
Gross profit margin increased by 3.0 pt YOY to 74.9% as profitability of training for the private sector improved due to the shift to online.

■ Operating profit:

Decreased by 2.5% YOY to 350 million yen (▲8 million yen).
Operating profit margin increased by 3.4 pt YOY to 25.5% due to the improvement in gross profit margin.

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Full-Year Forecast for FY20

Net Sales:

Increase by 31.6% YOY to 6,740 million yen (+1,620 million yen).
The breakdown consists of 3,620 million yen (+32.9%) for On-site Training, 1,580 million yen (+24.7%) for Open Seminars, 1,540 million yen (+36.5%) for Other Businesses.

Assuming that the impact of the coronavirus crisis will remain in FY20, sales of 1H are expected to increase by about 8% YOY (23% from FY18). In 2H, demands are expected to recover and sales are to increase about 62% YOY (18% from FY18).
Training business is expected to see recovery continuously in profitable online training for private companies. In Other Businesses, sales of LMS for large companies (Leaf) will continue to be strong, and internet sales of e-Learning and video (Video Department Store*) are expected to increase significantly.

*Video Department Store: Web site for e-Learning/Video run by our company

Gross profit:

Increase by 33.4% (+1,216 million yen) YOY to 4,860 million yen.
Gross profit margin is expected to improve by 0.9 pt YOY to 72.1%.
Profitable trainings for private companies and the increase in number of attendees per training for Open Seminars are expected to contribute to gross profit.

Operating profit:

Increase by 84.9% (+665 million yen) to 1,450 million yen.
Operating profit margin are expected to improve by 6.2 pt YOY to 21.5% with recovery in sales.

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Consolidated Profit & Loss Statement ① Overview

- Net sales decreased by 8.7% YOY to 5,119 million yen
- Operating profit decreased by 39.8% to 784 million yen

Unit: million yen

	FY17 (Actual)	FY18 (Actual)	FY19 (Actual)	YOY	FY20 (Forecast)	YOY
Net sales	4,536	5,608	5,119	▲8.7%	6,740	+31.6%
(YOY)	(+951)	(+1,071)	(▲488)		(+1,620)	
Gross profit	3,096	3,959	3,643	▲8.0%	4,860	+33.4%
(YOY)	(+693)	(+862)	(▲315)		(+1,216)	
(Gross profit margin)	(68.3%)	(70.6%)	(71.2%)	(+0.6pt)	(72.1%)	(+0.9pt)
Operating profit	937	1,303	784	▲39.8%	1,450	+84.9%
(YOY)	(+345)	(+365)	(▲519)		(+665)	
(Operating profit margin)	(20.7%)	(23.2%)	(15.3%)	(▲7.9pt)	(21.5%)	(+6.2pt)
Ordinary profit	933	1,298	795	▲38.7%	1,450	+82.3%
(YOY)	(+325)	(+364)	(▲502)		(+654)	
(Ordinary profit margin)	(20.6%)	(23.2%)	(15.5%)	(▲7.7pt)	(21.5%)	(+6.0pt)
Net profit	635	835	445	▲46.7%	940	+111.0%
(YOY)	(+222)	(+200)	(▲389)		(+494)	

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Consolidated Profit & Loss Statement ② (by business)

Net Sales & Gross profit

■ IT services has been separated from Other Businesses due to the increase in sales, and resulting in a total of four businesses.

Unit: million yen

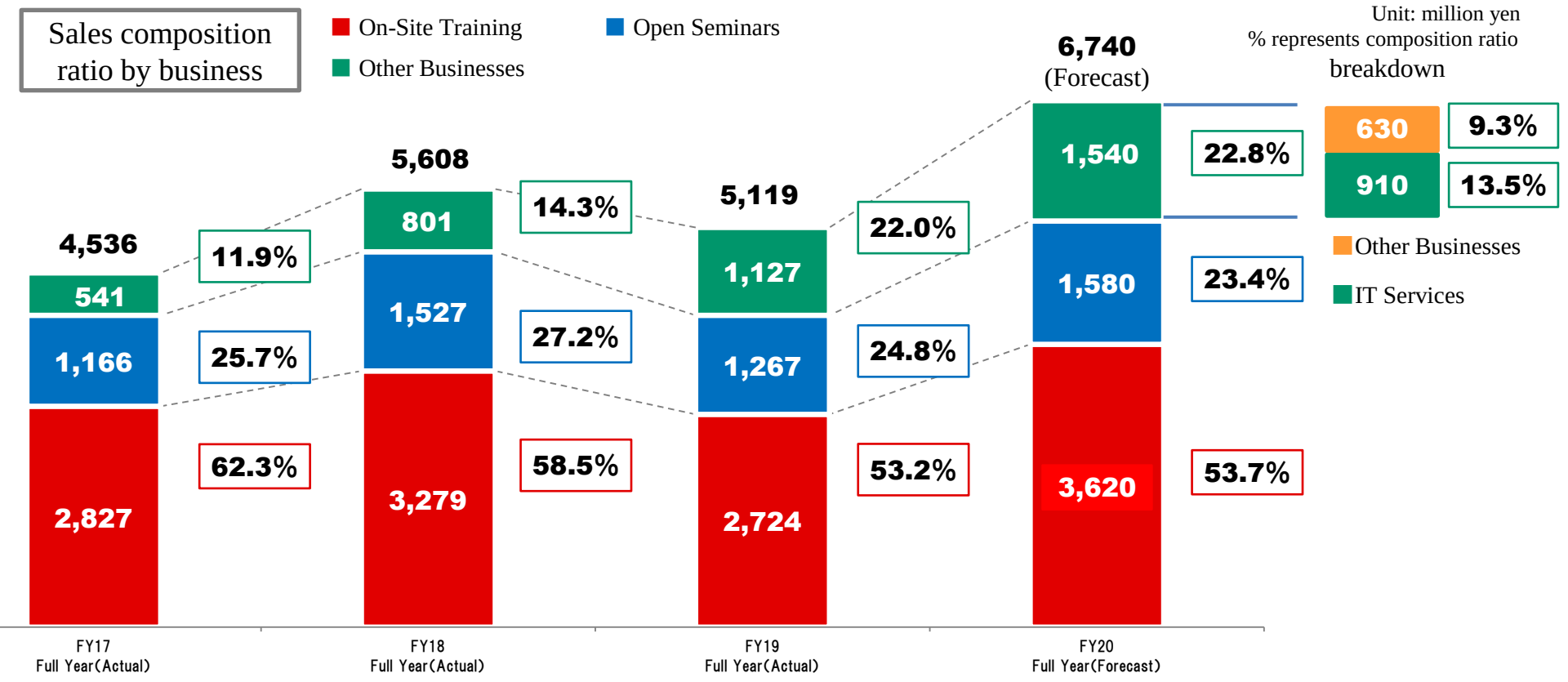
		FY18 (Actual)	FY19 (Actual)	YOY	FY20 (Forecast)	YOY
Whole Business	Net sales (YOY)	5,608 (+1,071)	5,119 (▲488)	▲8.7%	6,740 (+1,620)	+31.6%
	Gross profit	3,959	3,643	▲8.0%	4,860 (+1,216)	+33.4%
	(Gross profit margin)	(70.6%)	(71.2%)	(+0.6pt)	(72.1%)	(+0.9pt)
On-Site Training	Net sales (YOY)	3,279 (+451)	2,724 (▲555)	▲16.9%	3,620 (+895)	+32.9%
	Gross profit	2,341	2,045	▲12.6%	2,730 (+684)	+33.4%
	(Gross profit margin)	(71.4%)	(75.1%)	(+3.7pt)	(75.4%)	(+0.3pt)
Open Seminars	Net sales (YOY)	1,527 (+360)	1,267 (▲260)	▲17.0%	1,580 (+312)	+24.7%
	Gross profit	1,011	785	▲22.4%	1,020 (+234)	+29.8%
	(Gross profit margin)	(66.2%)	(62.0%)	(▲4.2pt)	(64.6%)	(+2.6pt)
IT Services	Net sales (YOY)	431 (+192)	655 (+224)	+51.9%	910 (+254)	+38.8%
	Gross profit	327	478	+46.0%	690	+44.1%
	(Gross profit margin)	(76.0%)	(73.0%)	(▲3.0pt)	(75.8%)	(+2.8pt)
Other Businesses	Net sales (YOY)	369 (+67)	472 (+102)	+27.7%	630 (+157)	+33.4%
	Gross profit	277	333	+20.3%	420	+25.9%
	(Gross profit margin)	(75.0%)	(70.6%)	(▲4.4pt)	(66.7%)	(▲3.9pt)

*1 Our gross profits by business were not audited by Ernst & Young ShinNihon LLC. *2 Before elimination of inter-segment transactions

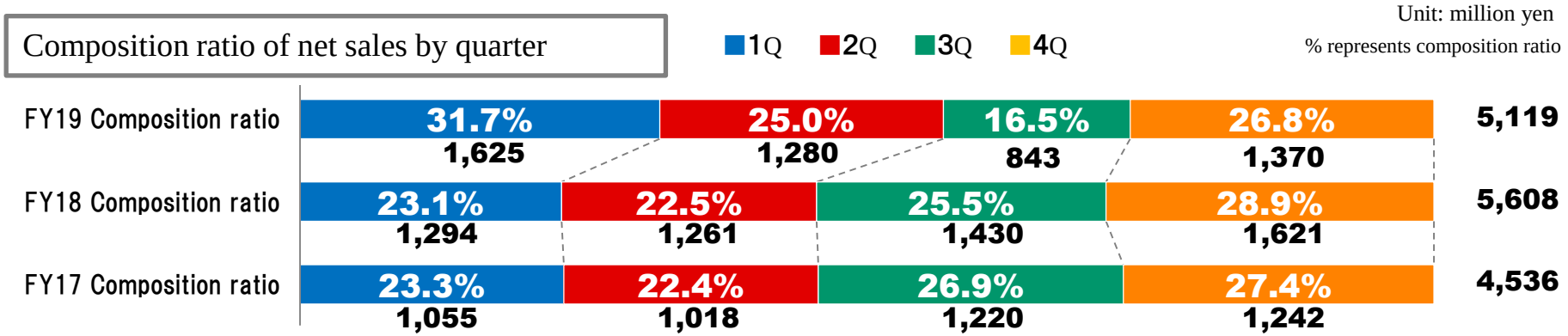
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Composition Ratio of Net Sales (by business/ by quarter) & Operating Profit

Sales composition ratio by business



Composition ratio of net sales by quarter



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Consolidated Profit & Loss Statement③ Breakdown of SG&A expenses

■ SG&A expenses have increased by 7.7% YOY mainly due to a rise in personnel expenses

Unit: million yen

Breakdown of SG&A	FY17 (Actual)	FY18 (Actual)	FY19 (Actual)	YOY	FY20 (Target)
Personnel expenses *1 (YOY)	1,662	2,047	2,260 (+212)	+10.4%	2,730 (+470)
Rent expenses (YOY)	120	126	130 (+3)	+3.2%	110 (▲20)
Office & system expenses (YOY)	130	180	178 (▲1)	▲1.1%	200 (+22)
Other expenses (YOY)	245	301	290 (▲11)	▲3.7%	370 (+80)
Total SG&A expenses (YOY)	2,158	2,655	2,859 (+203)	+7.7%	3,410 (+551)
(SG&A expense ratio)	(47.6%)	(47.4%)	(55.9%)	-	(50.6%)

* 1 Personnel expenses include wages, recruitment, training, and benefit expenses.

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Consolidated Balance Sheet

■ Current assets decreased by 27.1% YOY to 3,025 million yen due to a decline in cash and deposits caused by acquisition of the company's building (484 million yen), payment of corporation tax (680 million yen) , dividend payments (336 million yen) and buying back treasury stock (305 million yen)

Unit: million yen

	FY17 (Actual)	FY18 (Actual)	FY19 (Actual)	Changes	YOY
Current assets	3,434	4,150	3,025	▲1,125	▲27.1%
Fixed assets	524	806	1,319	+513	+63.6%
Total assets	3,959	4,957	4,344	▲612	▲12.4%
Current liabilities	979	1,787	1,379	▲408	▲22.8%
Fixed liabilities	89	86	81	▲5	▲6.1%
Net assets	2,889	3,082	2,883	▲199	▲6.5%
Total liabilities and net assets	3,959	4,957	4,344	▲612	▲12.4%

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Consolidated Cash Flow

- Cash flow from operating activities increased after having recorded profit
- Cash flow from investing activities decreased due to acquisition of our own building
- Cash flow from financing activities decreased because of share buybacks and dividend payment

Unit: million yen

	FY17 (Actual)	FY18 (Actual)	FY19 (Actual)	YOY
Cash flow from operating activities	751	1,345	191	▲1,154
Cash flow from investing activities	▲147	▲236	▲624	▲388
Cash flow from financing activities	804	▲642	▲639	+3
Translation differences on cash and cash equivalents	0	▲0	▲0	+0
Changes in cash and cash equivalents	1,409	466	▲1,072	▲1,538
Cash and cash equivalents at beginning of period	1,416	2,825	3,292	+467
Cash and cash equivalents at end of period	2,825	3,292	2,219	▲1,073

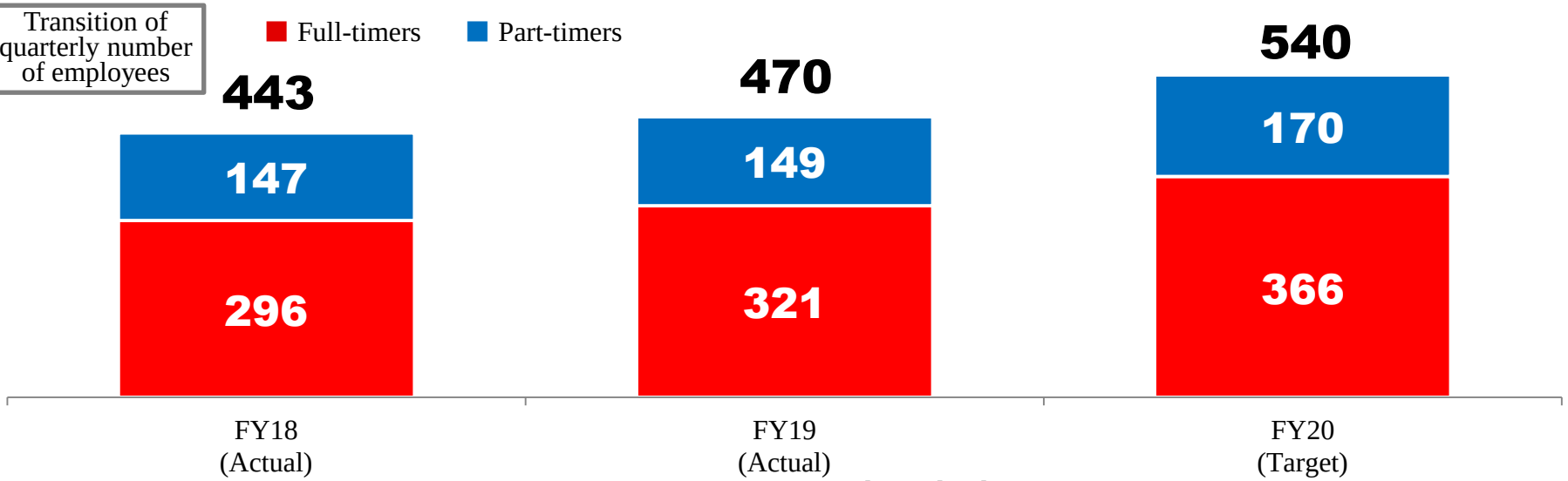
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Number of Employees

- Insource group welcomed 18 newcomers in 2020. Employment of mid-career workers were focused on engineers
- 28 newcomers are expected to join us in spring, 2021. We will hire about 20 mid-career employees, mainly engineers
- To improve productivity, we will continue to train all employees to be skillful in IT and advance DX

	FY18 (Actual)	FY19 (Actual) (FY18 vs FY19)	FY20 (Target) (FY19 vs FY20)
Total number of employees	443	470 (+27)	540 (+70)
Number of full-time employees	296	321 (+25)	366 (+45)
Number of part-time employees	147	149 (+2)	174 (+25)

Transition of quarterly number of employees



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FY19 KPIs

- In order to respond to changing needs, the number of permanent seminar room will be reduced and they will be used as an online booth
- The number of new contents for e-Learning will be regained as it is the main product line for FY20

	FY18(Actual)	FY19(Actual) (Changes)	FY19(Revised target)	FY20(Target) (Changes)
Total number of permanent classrooms	**41**	**47 (+6)**	**48** (progression rate: 85.7%)	**40 (▲7)**
Total number of online booths	–	**45**	**45** (progression rate: 100.0%)	**65 (+20)**
Total number of new contracts for WEBinsource (organizations) (Cumulative contracts)	**2,771 (11,335)**	**2,157 (13,492)**	**2,165** (progression rate: 99.6%)	**2,500 (15,992)**
Number of new programs/content types for On-Site training (Total number)	**239 (2,821)**	**319 (3,140)**	**319** (progression rate: 100.0%)	**320 (3,460)**
Number of new programs/content types for Open Seminars (Total number)	**297 (2,589)**	**270 (2,859)**	**301** (progression rate: 89.7%)	**300 (3,159)**
Number of new contents for e-learning (Total number)	**74 (307)**	**54 (361)**	**73** (progression rate: 74.0%)	**100 (461)**
Total number of Core solution plans *	–	**171**	**150** (progression rate: 114.0%)	**60 (231)**
Number of new webpages (Total number)	**2,830 (14,171)**	**3,556 (17,727)**	**4,000** (progression rate: 97.6%)	**4,000 (21,727)**
Total number of sessions (Thousand times)	**1,712**	**1,835**	**2,062** (progression rate: 89.0%)	**2,135 (+300)**

* Core solution plan is a one-stop service that solves organizational challenges by providing a unique mix of multiple trainings and services tailored to clients' specific needs by subject, industry or job function (former name: package plan).

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Chap. 03　Mid-Term Management Plan, “Road to Next 2023”

We will continue to provide the best service for the re-growth of Japan!

-Provide environmentally relevant ways of “how to work” ,

new knowledge such as DX, and IT-based educational infrastructures

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Market Forecast for Career Development Education and DX/IT Human Resource Development

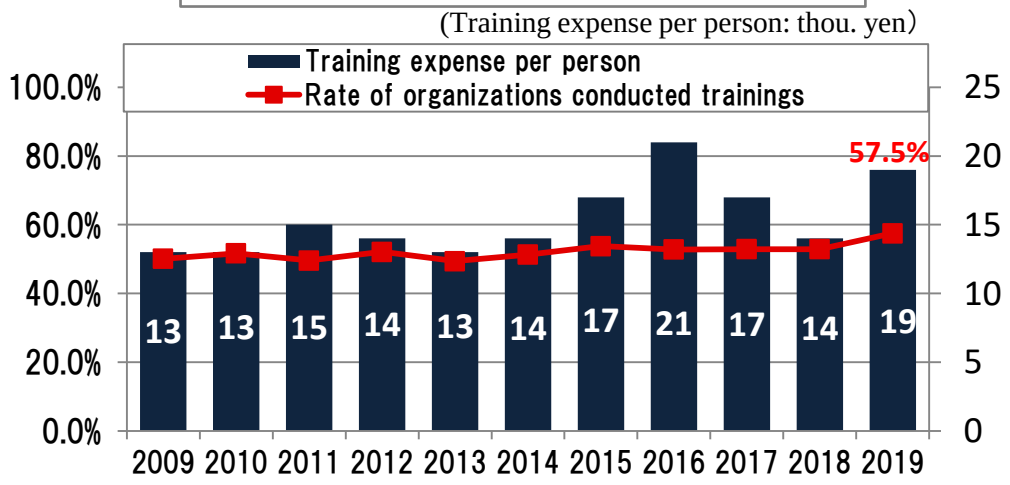
1. Market sizes for 2020 and 2021 is expected to be 320 and 350 billion yen respectively[*1]

- The market size of 2020, comparing that of 2019 which was 450 billion yen[*1], is calculated on the assumption that the impact of the coronavirus crisis will continue for over ten-month from March to December(25% YOY between March and June, 75% between July and September, 90% between October and December)
- The 2021 market size is calculated on the assumption that it will decrease by 10% overall and training costs per person will decrease by 2 thousand yen

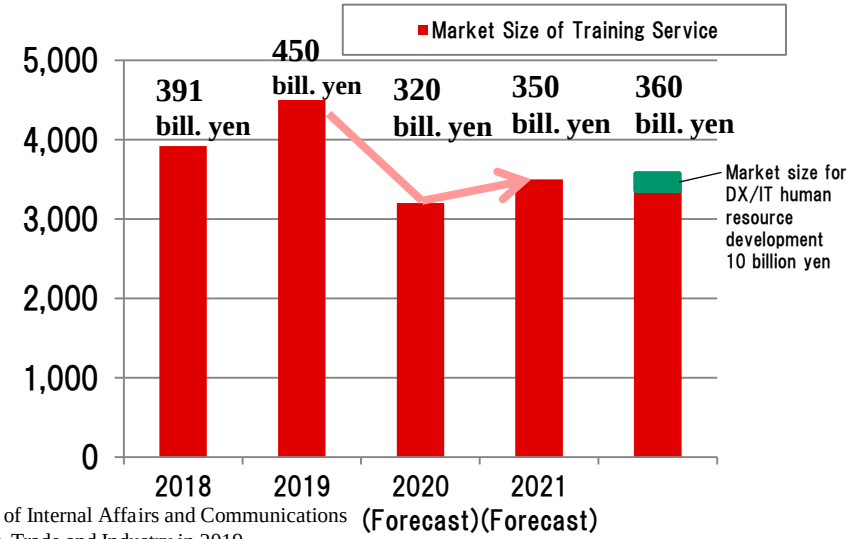
2. Market size for DX/IT human resource development is assumed to be 10 billion yen[*2]

- There is a chronic shortage of IT personnel and the trend is converting from recruitment to training
- With a shortage of 19.9 million IT workers[*3] in 2020, assuming that this shortage will be resolved in about 5 years, it is necessary to train about 4 million IT personnel every year. Counting that the average cost of training is 45 million yen per person[*2], and 57% of companies outsource training to other companies[*4], the annual DX/IT human resource development market will be worth approximately 10 billion yen

Training costs per person over 10 years



Training Market Size Forecast



*1 This figure is calculated based on the surveys done by Ministry of Health, Labour and Welfare (2019) and Ministry of Internal Affairs and Communications
*2 IT personnel training costs are calculated 450,000 yen per person. *3 The survey done by Ministry of Economy, Trade and Industry in 2019.
*4 Calculated from the Ministry of Health, Labour and Welfare's "Human Resources Development Basic Survey (2009 - 2019)"; the percentage of companies outsourcing in 2019 was 57%.

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Mid-Term Management Plan “Road to Next 2023” - Numerical targets

- In FY22, Insource will aim at an increase of sales to 10,000 million yen and operating profit to 2,720 million yen
- Targeting net sales and profit of around 25% growth over the three years of the mid-term management plan

	FY19 (Actual)	FY20 (Forecast)	FY21 ＜Target＞	FY22 ＜Target＞	CAGR FY20-FY22
Net sales (YOY: mil yen)	**5,119** (▲488)	**6,740** (+1,620)	**8,080** (+1,340)	**10,000** (+1,920)	**+25.0%**
Gross profit (YOY: mil yen)	**3,643** (▲315)	**4,860** (+1,216)	**5,900** (+1,040)	**7,460** (+1,560)	**+27.0%**
Operating profit (YOY: mil yen) (Gross profit margin)	**784** (▲519) (15.3%)	**1,450** (+665) (21.5%)	**2,030** (+580) (25.1%)	**2,720** (+690) (27.2%)	**+51.4%**
Net profit (YOY: mil yen)	**445** (▲389)	**940** (+494)	**1,330** (+390)	**1,800** (+470)	**+59.3%**

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Our Business Domain for Mid-Term Management Plan, “Road to Next 2023”

■ Provide education, learning “how to work”, tailored to the industry, companies and individuals in line with the trends of the times

■ Providing a wide range of IT-based educational infrastructures to improve educational productivity

Insource’s Business Domain

Education(Training how to work)

- Providing services to help people learn how to use “knowledge” in a practical way
- Providing real and virtual "places" where collective knowledge can be produced
- Developing educational contents which fit perfectly to all environments, companies, and individuals efficiently ,happily and independently
- Offering at a sustainable price with the use of DX

Basic Knowledge Education

School education field.
※Not Insource's business domain

Up-to-date (New) Knowledge Education

The latest knowledge in IT and social sciences
⇒Used in business

Providing Educational Infrastructure

- LMS “Leaf”
- BPO Service (support for implementing online training)

⇒Productivity in “learning” will improve

Leveraging technology to deliver at low cost and efficiently

【Social Needs for Insource】

- School education is extremely important to acquire a broad range of knowledge
- However, knowledge and skills required for working as a member of society are extremely diverse, and there is a limit to what can be accomplished through school education
- What is needed in work in particular is knowing “how” to make use of knowledge one has acquired
- Career development education is something you learn while working so it must be easy to understand and also learnable in a short term
- Additionally, it must be offered at both price and method that one can afford continuously

【Business Expansion Strategy】

- Our competitive advantage is high in “how to work” education field and we will expand our market share
- Develop more DX-related contents and aim more than 1 billion yen sales in two years
- As for delivering educational infrastructures, we will expand Leaf’s sales and establish its position as the leading LMS

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Major Themes for Mid-Term Management Plan, “Road to Next 2023”

1. Strengthen the “Up-to-date knowledge" education – Reinforce DX trainings

- Encouraging employees with liberal arts backgrounds to be DX professionals with trainings at a reasonable price (Aiming for 1 billion-yen sales in two years)

Offer trainings for newcomers to learn Python

1. Reinforce sales promotion thoroughly such as training for newcomers(Learning Python in 12 days)
2. Send out our sales representatives for a short term to IDA* to obtain IT/DX knowledge and strengthen proposal skills

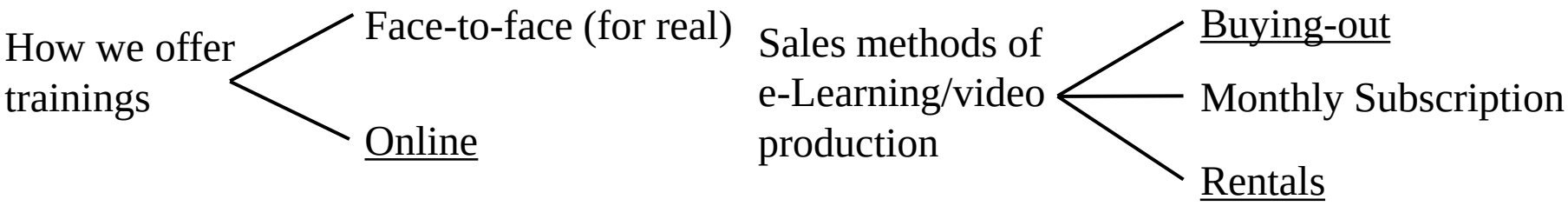
*IDA: Our group company “Insource Digital Academy Corporation”

2. Reinforce educational infrastructure services

- Enhance LMS “Leaf” to meet needs of improving educational productivity
- Expand BPO services (support service for implementing online training)

3. Diversify the ways educational services are delivered

- Diversify sales methods and offer at a reasonable cost so that clients can choose



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How we will proceed the Mid-Term Management Plan,"Road to Next 2023"

Expansion of Contents and Educational Infrastructure

Textbooks/ e-Learning, videos

■Textbooks used in trainings
Reinforce contents related to IT/ DX

■e-Learning/videos
Our urgent task is to develop contents matching client's needs

⇒Need to deploy 20 more content creators

IT Services

- Leaf for universities (Academic Leaf)
- Leaf for medium-sized and growing companies
- A support tool for managing sales done remotely "Remote-Plants"

⇒Need to secure 60 development staff(SE)

Related Other Businesses

Assessment, Recruitment, Consulting, CS research, Regional revitalization, etc

⇒Need to develop new contents and deploy 20 more content creators

Trainers

In addition to current 340 trainers, we need another 30 trainers who can give DX trainings

Reinforcement of Sales

■Sales reps.
- In addition to 151 existing sales reps., 50 more are required

■Sales skill
- Deepen understanding for DX-related products and promote sales to companies which are implementing DX

■Web marketing
- Strengthen web sales promotion

Strengthen in-house training

- Develop people who can do all kinds of work
- Prompt personnel exchanges between development and sales departments

Diverse business development

■Training
Strengthen non-face-to-face services(Ratio of online:60%)

■Other Services
- Sales composition: over 30%

■Creating next growth areas
- Internet sales *(Video Department Store)*
- BPO business

Target for FY22

Net Sales : 10,000 million yen
(increase by 95% compared to FY19)

Operating profit : 2,720 million yen
(increase by 246% compared to FY19)

Net sales by business

On-Site Training : 4,580 million yen
(increase by 68% compared to FY19)

Open Seminars : 2,370 million yen
(increase by 87% compared to FY19)

IT Services : 2,200 million yen
(increase by 235% compared to FY19)

Other Businesses : 850 million yen
(increase by 80% compared to FY19)

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Issues to address and Next actions

Issues

1. Expand contents and educational infrastructure services

In order to achieve Mid-Term Management Plan, continuous growth of training business as well as expansion of IT service and Other Businesses is urgent

2. Strengthen sales

It is necessary to increase both the number of clients and sales per client simultaneously

3. Diverse business development

Experienced a significant impact on the training business due to the coronavirus crisis
⇒Reaffirmed the importance of risk diversification

4. Secure human resources

We lack of workforce in all kinds of job types. In particular, we are short of system engineers (SE) and content creators

Actions

1. Strengthen further investment and organizational structures

(1) Expand investment in strong businesses and new services
(2) Maintain and strengthen the organizational structures which can deal with changes caused by external environment with speed
(3) Consider M&A, if necessary

2. Enlarge client base and “set” sales

(1) Strengthen sales to private companies, especially large ones
(2) Continue to increase the number of WEBinsource subscribers
(3) Develop various services and “set” sales

3. Develop and promote sales of non-face-to-face services

(1) Aim to increase the percentage of online training
(2) Develop contents of e-Learning/videos
(3) Expansion of Leaf’s functions and sales

4. Promote diverse recruitment and strengthen our internal human resources

(1) Reinforce hiring mid-career employees again, mainly engineers and content creators
(2) Hire trainers who are familiar with DX
(3) Train employees to be DX professionals and multi-skilled workers

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Mid-Term Management Plan “Road to Next 2023” - Numerical Targets by Business

(Unit: million yen)

		FY19 (Actual)	FY20 (Forecast)	FY21 <Target>	FY22 <Target>
Whole Business	Net sales (YOY)	5,119 (▲488)	6,740 (+1,620)	8,080 (+1,340)	10,000 (+1,920)
	Gross profit (Gross profit margin)	3,643 (71.2%)	4,860 (72.1%)	5,900 (73.0%)	7,460 (74.6%)
On-Site Training	Net sales (YOY)	2,724 (▲555)	3,620 (+895)	4,100 (+480)	4,580 (+480)
	Gross profit (Gross profit margin)	2,045 (75.1%)	2,730 (75.4%)	3,110 (75.9%)	3,520 (76.9%)
Open Seminars	Net sales (YOY)	1,267 (▲260)	1,580 (+312)	1,950 (+370)	2,370 (+420)
	Gross profit (Gross profit margin)	785 (62.0%)	1,020 (64.6%)	1,310 (67.2%)	1,630 (68.8%)
IT Services	Net sales (YOY)	655 -	910 (+254)	1,330 (+420)	2,200 (+870)
	Gross profit (Gross profit margin)	478 (73.0%)	690 (75.8%)	1,030 (77.4%)	1,740 (79.1%)
Other Businesses	Net sales (YOY)	472 -	630 (+157)	700 (+70)	850 (+150)
	Gross profit (Gross profit margin)	333 (70.6%)	420 (66.7%)	450 (64.3%)	550 (67.1%)

* Our gross profits by business were not audited by Ernst & Young ShinNihon LLC.

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Chap. 04 Capital Policy & Shareholder Returns

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Capital Policy

1. Cash and Deposit that Insource Possess

- Utilize mainly as growth capital for new businesses; for example, DX-related education and IT-based educational infrastructures

  - We plan to use the funds for medium- and long-term investment needs

2. Fund Raising

- When fund raising is required due to major system investments or M&A, we will carry out the most suited financial strategy depending on the circumstances

3. Dividends

- Dividend payout ratio is targeted at around 40%, and we make sure that our shareholders support us for many years to come

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Shareholder Return Policy

	FY18 (Actual)	FY19 (Forecast)	FY20 (Forecast)
Dividend per share	16 yen 00 sen	18 yen 50 sen	20 yen 00 sen
Total dividends	336 million yen	387 million yen	–
Dividend payout ratio	40.3%	87.2%	44.5%

* As of September 1, 2019, we conducted the stock split by ratio of 1.25 per our common domestic share.

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<Reference> 4Q FY19 (Jul-Sep 2020) Details by Business

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Whole/Training Business Net Sales & Gross Profit: 4Q (Jul-Sep 2020)

Unit: million yen

		FY18 (Actual)	FY19 (Actual) 1Q	2Q	3Q	4Q	YOY	Full Year	FY20 (Forecast)
Whole Business	Net Sales (YOY)	5,608	1,625 (+330)	1,280 (+19)	843 (▲587)	1,370 (▲251)	▲15.5%	5,119 (▲488)	6,740 (+1,620)
	Gross Profit	3,959	1,161	991	544	1,026	▲12.0%	3,643	4,860
	(Gross profit margin)	(70.6%)	(71.5%)	(71.2%)	(64.5%)	(74.9%)	(+3.0pt)	(71.2%)	(72.1%)
On-Site Training	Net Sales (YOY)	3,279	1,006 (+152)	581 (▲46)	392 (▲470)	742 (▲190)	▲20.4%	2,724 (▲555)	3,620 (+895)
	Gross Profit	2,341	742	440	294	568	▲13.7%	2,045	2,730
	(Gross profit margin)	(71.4%)	(73.8%)	(75.7%)	(75.0%)	(76.5%)	(+6.0pt)	(75.1%)	(75.4%)
Open Seminars	Net Sales (YOY)	1,527	419 (+105)	289 (▲24)	257 (▲187)	301 (▲153)	▲33.7%	1,267 (▲260)	1,580 (+312)
	Gross Profit	1,011	284	172	128	199	▲37.8%	785	1,020
	(Gross profit margin)	(66.2%)	(67.9%)	(59.7%)	(50.0%)	(66.1%)	(▲4.4pt)	(62.0%)	(64.6%)
Other Businesses	Net Sales (YOY)	801	199 (+72)	409 (+90)	193 (+69)	325 (+93)	+40.1%	1,127 (+326)	1,540 (+412)
	Gross Profit	605	134	298	120	258	+38.5%	812	1,100
	(Gross profit margin)	(75.5%)	(67.4%)	(73.0%)	(62.5%)	(79.3%)	(▲0.9pt)	(72.0%)	(72.1%)

* Our gross profits by business were not audited by Ernst & Young ShinNihon LLC

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On-Site Training

- Gross profit margin rose by 6.0pt thanks to the improvement in profitability and an increase in the sales composition of trainings conducted to private companies
- The average unit price per training increased owing to offering both trainings and BPO service (support for online training management). The average unit price for 4Q increased by 10.7% to 253.8 thousand yen

Unit: million yen

	FY18 (Actual)	FY19 (Actual) 1Q	2Q	3Q	4Q	FY18 4Q (YOY)	Full Year	Revised target	FY20 (Forecast)
Net sales (YOY)	3,279	1,006	581	392	742 (▲190)	▲20.4%	2,724 (▲555)	2,730 (progression rate: 99.8%)	3,620 (+895)
Gross profit * (YOY)	2,341	742	440	294	568 (▲89)	▲13.7%	2,045 (▲296)	2,040 (progression rate: 100.3%)	2,730 (+684)
(Gross profit margin)	(71.4%)	(73.8%)	(75.7%)	(75.0%)	(76.5%)	(+6.0pt)	(75.1%)	(74.7%)	(75.4%)
Total number of trainings conducted (unit:times) (YOY)	14,873	4,471	2,480	1,512	2,927	▲28.2%	11,390 (76.6%)	11,600 (progression rate: 98.2%)	15,000 (+3,610)
Average unit price(unit:thou.yen) (YOY)	220.5	225.0	234.3	259.9	253.8	+10.7%	239.2 (+18.7)	237.9	241.3

*1 Our gross profits by business were not audited by Ernst & Young ShinNihon LLC

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Open Seminars

- Due to an increase in the number of high-priced trainings such as IT skills and an increase in the number of attendees per online training, the average unit price per training rose by 9.4% to 22.9 thousand yen

Unit: million yen

	FY18 (Actual)	FY19 (Actual) 1Q	2Q	3Q	4Q	FY18 4Q (YOY)	Full Year	Revised target	FY20 (target)
Net sales (YOY)	1,527	419	289	257	301 (▲153)	▲33.7%	1,267 (▲260)	1,265 (progression rate: 100.2%)	1,580 (+312)
Gross profit* (YOY)	1,011	284	172	128	199 (▲121)	▲37.8%	785 (▲226)	770 (progression rate: 102.0%)	1,020 (+234)
(Gross profit margin)	(66.2%)	(67.9%)	(59.7%)	(50.0%)	(66.1%)	(▲4.4pt)	(62.0%)	(60.9%)	(64.6%)
Total number of attendees (unit:attendees) (YOY)	72,107	21,132	13,717	10,286	13,197	▲39.4%	58,332 (80.9%)	58,700 (progression rate: 99.4%)	72,000 (+13,668)
Average unit price(unit:thou.yen) (YOY)	21.1	19.8	21.0	25.0	22.9	+9.4%	21.7 (+0.6)	21.4	21.9

*1 Our gross profits by business were not audited by Ernst & Young ShinNihon LLC

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Business model of Leaf – Subscription ＋Customization

1. Reasonable monthly fee (Subscription)

・In order to make implementation easier, basic monthly fee are set reasonable

2. Variety of customizations

(1)Customize available to meet the needs of our client`s personnel system

(2) 20 different optional functions have been developed, allowing clients to add more at a lower cost

⇒Realized a service model that is less likely to be cancelled

＋

3. Sales promotion with low advertising costs

(1)Cross-selling to existing clients by sales reps. in charge of trainings so that additional sales expense cost only little

(2)Sales by digital marketing (web and e-mail), no mass advertising.

⇒ Achieving low-cost promotion

⇒ With points 1-3 above, high profit rate is secured

■Future Prospects for Leaf ～Expanding sales targets

1.Expansion of sales targets to medium-sized and growing companies

Currently, our targets are mainly large companies, but with expansion of services for medium-sized and growing companies, we will flexibly respond to different needs.

For large companies	Packaged and sold as an LMS that can withstand the high load of a large organization
For medium-sized and growing companies	Packaged and sold as a one-stop ASP, human resource management, evaluation and LMS

2.Expansion of sales target to universities, colleges and high schools ～Academic Leaf

Customized Leaf (LMS) for universities, colleges and high schools to meet the new learning management needs of implementing online education (increasing burdens for teaching sides such as checking homework assignments, sending reminders to students who have not submitted their work, and management of whether students have taken e-learning courses or not, etc.).

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Sales Methods of e-Learning /Video Production Service

■Three types of sales methods are available according to the client's purpose

1. Buying-Up　Price:198,000 yen per content ~

Method: Clients purchase the video content

After purchase, clients can put it on their intranet or LMS to watch.

⇒It is useful and reasonable if the client who already has LMS wants over 100 employees to watch the same content.

2. Monthly Subscription Model　Price: 1ID 350yen / month ~

Method: Plans available for a minimum of 50 people for more than 6 months *

Clients can watch e-learning stored on Leaf at any time during the designated period.

⇒Such packaged contents as “Training for new and prospective employees” “The set of compliance training” are available, and it is in good value when the client wants specific employees to watch several contents

3. Rentals　Price: 1,870yen per person ~

Method: Available to watch for 7 days and even one person can apply to watch *

⇒Currently, about 100 contents are available for rental. It is effective and reasonable when the client wants their employees to watch themes that are tailored to their individual needs

* During the period, clients can use functions as an LMS of Leaf

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Other Businesses – Net Sales/Gross Profit

- Net sales for 4Q has increased steadily by 40.1% YOY. The non-face-to-face service has been successful as it was hardly affected by coronavirus crisis
- Both e-Learning and video production has risen bv 52.6% YOY thanks to the increased use of video buying-ups and rentals

Unit: million yen

	FY18 (Actual)	FY19 (Actual) 1Q	2Q	3Q	4Q	YOY	Full Year	Revised forecast	FY20 (Forecast)
Net Sales (YOY)	801	199 (+72)	409 (+90)	193 (+69)	325 (+93)	+40.1%	1,127	1,135 (Progression rate: 99.4%)	1,540 (+412)
<Breakdown>									
IT Services	431	106	232	94	222	+85.8%	655 (+51.9%)	610 (Progression rate: 107.5%)	910 (+254)
Monthly subscription	149	58	59	74	75	-	266 (+78.1%)	-	-
Customization	155	36	75	17	128	-	258 (+66.2%)	-	-
Stress Check Support Service	127	11	97	2	18	-	129 (+1.6%)	-	-
e-Learning/ Video Production (YOY)	218	49	78	72	80	+52.6%	281 (+29.1%)	350 (Progression rate: 80.4%)	450 (+169)
Consulting (YOY)	85	19	51	18	21	▲30.4%	111 (+30.5%)	110 (Progression rate: 101.4%)	120 (+9)
Gross Profit *1	605	134	298	120	258	+38.5%	812	800	1,110 (+297)
(Gross profit margin)	(75.5%)	(67.4%)	(73.0%)	(62.5%)	(79.3%)	(▲0.9pt)	(72.0%)	(Progression rate: 101.5%)	(72.1%)

*1 Our gross profit margins by business were not audited by Ernst & Young ShinNihon LLC.

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Other Businesses KPIs

Monthly subscription model		FY18 (Actual)	FY19 (Actual) 1Q	2Q	3Q	4Q	Progression rate(YOY)	Full year	Revised target	FY20 (Forecast)
IT Services	Total number of Leaf Paid subscribers (*1) (organizations) (YOY)	162	175	190	224	248 (+86)	97.7%	248	250 (+88)	360 (+112)
IT Services	Total number of organizations using on-the-web appraisal form service (organizations)(YOY)	50	58	67	77	93 (+43)	89.6%	93	98 (+48)	110 (+17)
Direct-selling model							YOY			
IT Services	Total number of organizations implementing Stress Check Support Service (*2)	216	24	201	16	41	+28.1%	282	270 (Progression rate: 104.4%)	320 (+38)
IT Services	Total number of customized organizations	-	-	-	15	43	-	58	-	90 (+32)
e-Learning/ Video Production	Total number of Video production Solutions	174	19	38	14	40	▲54.0%	111	90 (Progression rate: 123.3%)	150 (+39)
Consulting	Total number of consulting services	109	29	50	16	19	▲51.3%	114	120 (Progression rate: 95.0%)	130 (+16)
Periodical payment model							YOY			
e-Learning/ Video Production	Total number of e-Learning (STUDIO) IDs per year	40,548	19,638	23,346	39,464	30,948	+57.0%	66,662	60,000 (Progression rate 111.1%)	95,000 (+28,338)

*1 Total number as of the end of the year * 2 The number of Stress Check Support implemented since 2Q FY18 is based on the number of orders delivered.
*3 Since 1Q FY19, the annual total number of e-learning subscription IDs has been calculated based on the periodical payment system (the number of IDs used during a certain period), including the monthly subscription system.

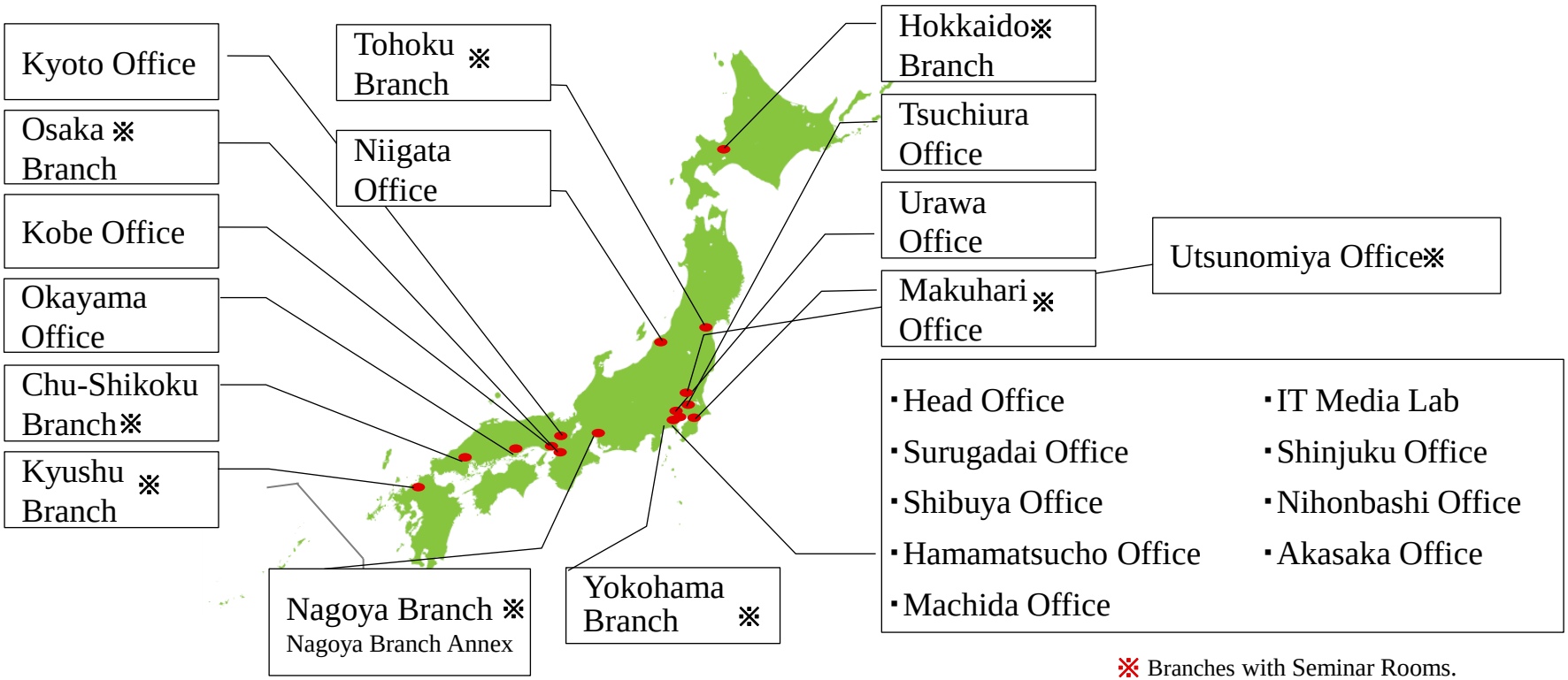
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<Reference> Company Profile & Business Activities

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Company Profile

・Company name	Insource Co., Ltd.	・Representative director and president	Takayuki Funahashi
・Date of foundation	November, 2002	・Capital	800,623 thousand yen
・Headquarters	Kandabashi Park Bldg. 5F 1-19-1 Kanda Nishiki-cho, Chiyoda-ku. Tokyo		
・Affiliated companies	Mitemo Co., Ltd, Rashiku Corporation, MIRAISOUZOU & COMPANY, Inc., Insource Digital Academy Cooperation,		
・Branch Offices & Business Sites	24 places nationwide	・Seminar Rooms ・Online Training Booths	47 Classrooms in 10 Cities 45 booths



※ Branches with Seminar Rooms.

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Management Policy

■We will continue to aim for sustainable growth by increasing market share

Strategy1 Accelerating growth with speed and focus

- Accelerate growth by implementing business and organizational restructuring with fast speed while adapting to the external environment
- Work on major issues, and solve them by making proactive decisions from a company-wide perspective.

Strategy2 Practicing diversity

-Expediting business expansion and new business development through diversity

- Achieve higher results through the collaboration of diverse workforce Develop contents and expand business by maintaining and
- enlarging diverse workforce in the organization

Strategy3 Continuing ESG Management

- Contribute to society by offering various trainings to help revitalize the Japanese economy in the post-corona era since our business itself is deeply related to solving social problems
- Proactively disclose non-financial information and ensure highly transparent management

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Speed and Focus –Achievement in Overcoming Coronavirus crisis

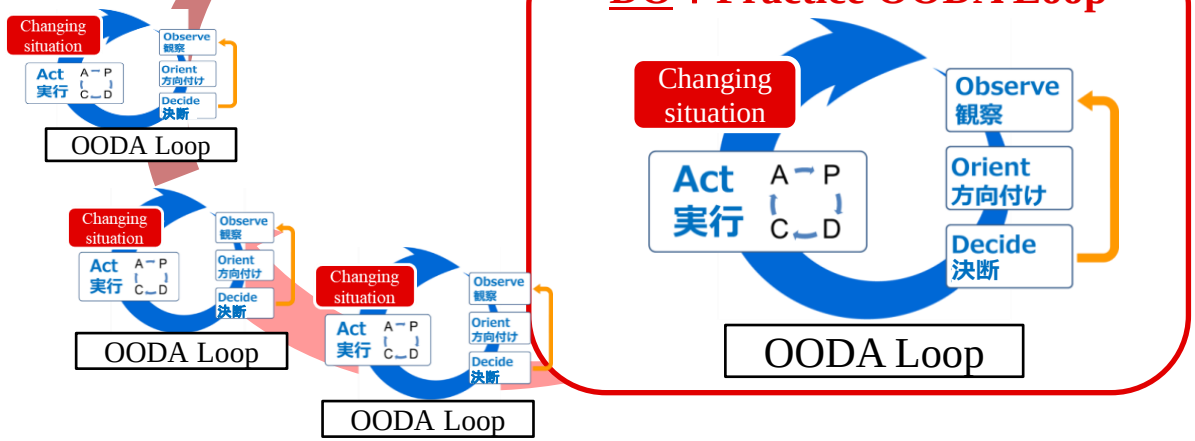
■Promoting business by utilizing OODA Model
①Share the information company-wide with IT system
②All employees break down performance targets into actionable levels and set KPIs
③Brush up their own weekly action plans
④Various employees in each section promote business projects for sales

Insource is incorporating the essence of OODA Loop into its training programs.

*What is OODA Loop?
OODA Loop is a simple practical framework inspired by US Marine Corps' decision-making process. By practicing OODA Loop, you can deal flexibly with changing situations at high speed.

PLAN
: Mid-Term Management Plan, "Road to Next 2023"

DO : Practice OODA Loop



■Results of OODA Loop Practices in Coronavirus crisis
- Implementing online training and systematizing the cumbersome tasks associated with it
- New product development for "After Corona and With Corona"
- Expanding the scale of the business through large-scale personnel transfers to growth areas

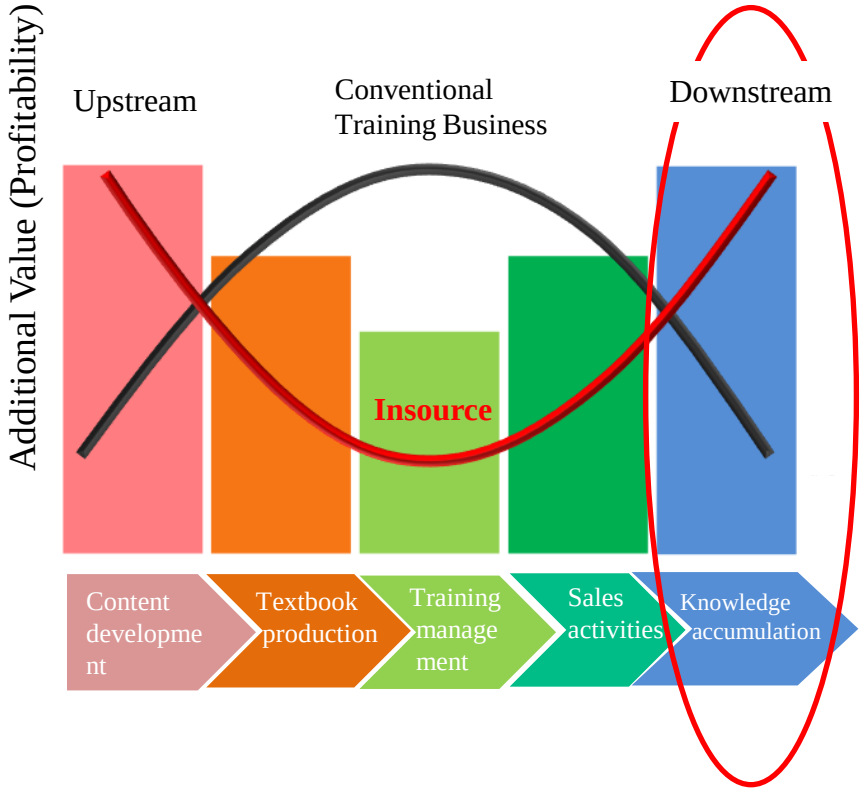
By flexibly changing the strategy depending on situations with "speed and focus", we will be able to grow in response to the external environment.

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Insource is a DX company ~Using IT to Consolidate and Utilize Knowledge

The source of Insource's competitive advantage is the "concentration of knowledge" and "thorough utilization" by individuals and the organization.

Our strength lies not only in our ability to develop IT technologies, but in our ability to "consolidate knowledge" on a company-wide basis by using IT .



1. Consolidate and utilize all data

・Collect and consolidate data generated in the training process throughout the entire company and thoroughly utilize it for web-based sales and content development

⇒Develop contents that matches the times as fast as possible
⇒Disclosure feedbacks from training attendees on the web site

2. Thoroughly convert business processes to IT

・IT-enabled training operation process to reduce costs and prevent mistakes
・Achieve an IT-based division of labor for each process and improve productivity that no other company can match
・Databases of information generated by each process and all training texts

⇒Telecommuting can be carried out without the need for special handling
⇒Thoroughly improve productivity with IT

⇒Insource group's competitiveness is "Concentration and Usage of knowledge" through the use of IT

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Insource's commitment to DX education

Why Insource is particular about DX education

(1) DX is necessary in any industry - even labor-intensive industries (ex. training industry)

・In order to strengthen Japan's industry, DX education is essential and what we need is both knowledge and consciousness education

(2) DX can be implemented with little cost

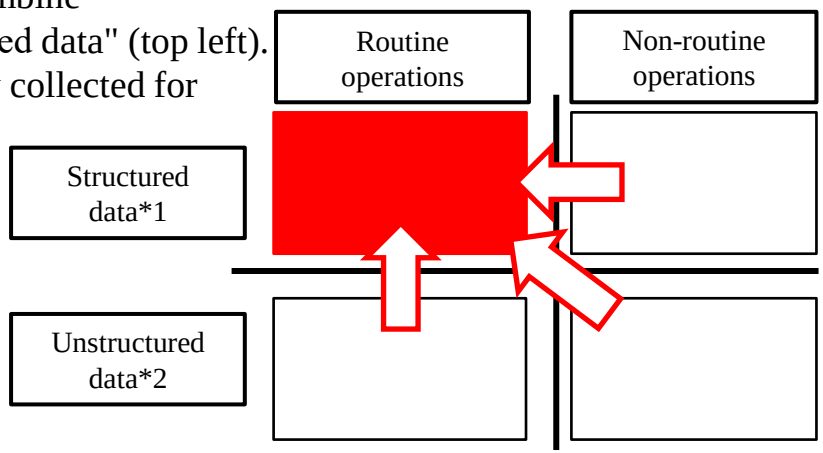
・The first step in implementing DX is to systematically store the data generated in business processes

1.First, common file names. Ex: 201105【Textbook】Businesswritingtraining（Suzuki）.pptx
2.Store information on a specified server and prohibit "personal possession".

・DX can be started with this level of improvement, but it requires a change in the mindset of non-engineers within the company. They don't realize that DX is easy because of their rejection to IT, even though they can handle data well with logical thinking skills

・When introducing DX, it is important to make use of IT and combine existing company's operations into "routine operations x structured data" (top left). In addition to increasing production efficiency, data can be easily collected for analysis and forecasting to take the next step

・Once a certain amount of structured data has been collected, productivity can be further improved through the use of statistics and AI, and thorough analysis and forecasting



*1 Structured data is data that has a structure organized by "columns" and "rows".
*2 Unstructured data is data that does not have the structure described above, such as text and images.

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Diverse Workforce - Employee Composition

- Ratio of female employees in managerial positions: 28.9%

Employment rate of people with disabilities: 3.12%

	Total	Female employees
Total number of employees *2	470	273 (58.1%)
Total number of managerial positions	121	35 (28.9%)

(As of the end of September, 2020 (consolidated))

Ratio of female employees in managerial positions: **14.9%** *1

(Source: The Gender Equality Bureau of the Cabinet Office (2019))

Foreign nationals ※4	4	Seniors (aged over 60)	14	LGBTs	5	People with disabilities	9 Disability employment rate: 3.12% *3

・Legal employment rate: **2.2%**

・Actual employment rate: **2.11%**

(Source: "2019 Disability Persons' Employment Status" released by the Ministry of Health, Labour and Welfare)

Workforce by job function: Diverse specialists work at Insource.

Content Creators	166	Sales Representatives	151	IT Engineers	82
Digital Marketers	26	AI /RPA Engineers	12	Designers	16

*1 Administrative and managerial workers include board members, managers or above, administrative civil servants.
*2 Directors, auditors and corporate officers are excluded. *3 Non-consolidated (Insource only)
*4 "Foreign nationals" refers to employees with foreign nationalities. This includes foreign nationals who have acquired Japanese citizenship.

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Balancing ESG + P (performance)　The Importance of Performance

We will continue to improve its performance while being conscious of ESG

Environment/Social



Environment：Company-wide power saving / LED installation

Social："Japanese Economy Revitalization Campaign"

More than 150 courses

We offer trainings at up to 50% off to help organizations turn around and expand their business in the “After Corona/ With Corona” world.

Practicing diversity at work

The number of employees　Female **273**　Seniors **14**

(As of the end of September, 2020)

Governance



・Active disclosure of non-financial information on a monthly basis

- Newly developed training programs
- No. of Open Seminars attendees
- No. of Leaf monthly paying subscribers (organizations)
- No. of On-Site training conducted
- No. of WEBinsource subscribers
- No. of organizations implementing Stress Check Support Service

・Disclose earnings forecasts frequently depending on the situation

We will disclose the situation as soon as it becomes apparent so that the right decision can be made for us in the ever-changing environment.

Performance

We contribute to society by solving social issues through trainings. In addition, we will continue to improve our performance by providing trainings at a low cost through our IT capabilities and systematization.

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Concept of Insource's Service

Our core value of product and service provision

Challenging ～Developing training that meets the latest social trends	**Perfect fit**	● Pursuing what the customer wants
	Speed	● Immediate response to the environment and customer
	Something new	● Constantly improving and creating
	Full force and energy	● No compromises
High quality ～Delivering cost effective trainings and putting empathy to workers	**Empathy**	● Practical, realistic ● Sincere, helpful
	Contributing to development	● Solving the challenges for all workers ● Making organization strong
	Cost effective	● Cost-effective ●Sustainable
	Diversity	● Valuing diversity ●To all workers
	Professional	● Sophisticated service production
Everything ～ Comprehensive product lines	**Reliable, Completeness**	● Provable to every customer's needs ● Anything can be found
	Universal	● Solving social issues

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Business Activities ① Clients and Average growth rate by business

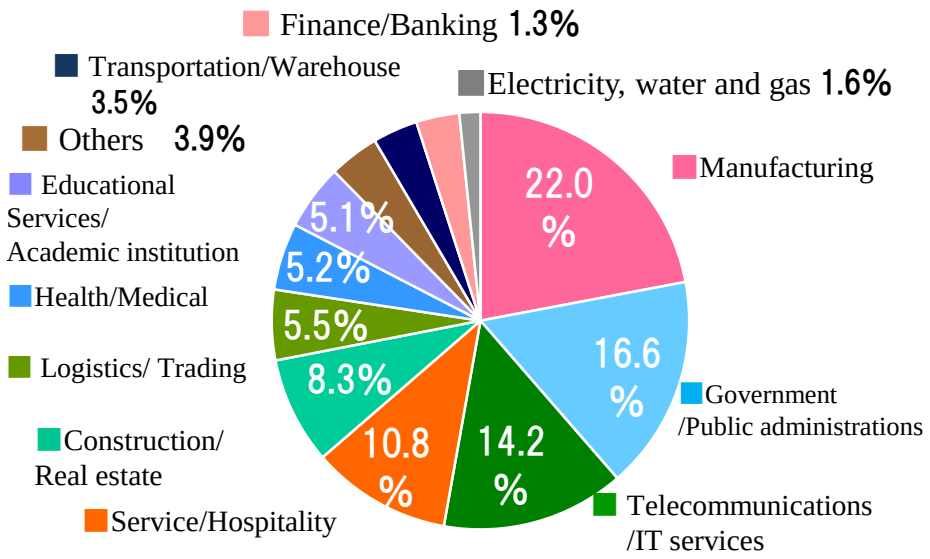
Composition ratio of clients by industry

The total number of clients who used our services from October 2019 to September 2020

10,786organizations

The total number of clients who used our services from June 2003 to September 2020

32,938organizations



Compound annual growth rate by business (Target)

	FY18 (Actual)	FY19 (Actual)	FY20 (Forecast)	CAGR FY18-FY20
Whole Business	**5,608**	**5,119**	**6,740**	**+14.1%**
On-Site Training	**3,279**	**2,724**	**3,620**	**+8.6%**
Open Seminars	**1,527**	**1,267**	**1,580**	**+10.6%**
Other Businesses	**801**	**1,127**	**1,540**	**+41.6%**

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Business Activities ② Trainings

- Hands-on approach: Attendees can make the most use of what they have learned immediately. Programs mainly consist of exercises (60%)
- Positive feedback rates from training attendees

Positive feedback rate (trainings) **95.4%** **Positive feedback rate (trainers)** **94.0%**

*As of the end of September 2020

- By using IT technologies, we can provide high quality trainings frequently and nationwide

On-Site Training

Offer On-Site trainings tailored to organizations' needs

Separate trainers from content development and utilize IT technologies
- Specialized divisions create contents in-house and trainers concentrate on giving trainings
- Utilizing IT technologies and systematic development system enables us to offer uniform services nationwide

Meet our client's needs promptly. Develop over 200 contents a year

Clients

Trainers **340** ↔ Sales reps **151** ↔ Content creators **166**

*Unit: persons
* As of the end of September 2020

Annual total number of trainings conducted: **11,390**
*From October 2019 to September 2020

・Out of the total number of trainings conducted:

オーダーメイド研修 講師派遣 INSOURCE CUSTOM MADE SEMINAR

Total number of online trainings conducted: **1,524**

Total number of online attendees: **54,302**

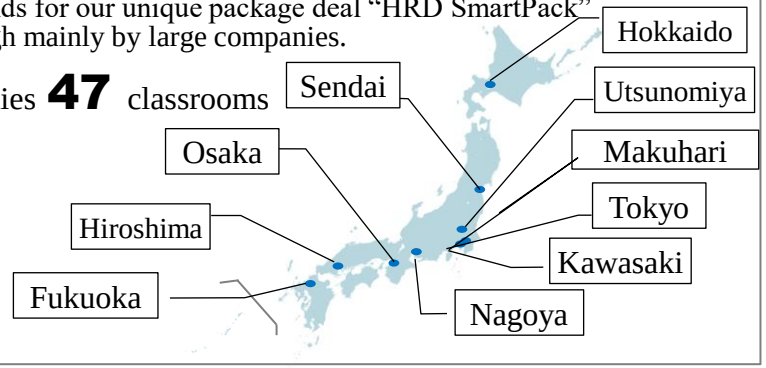
* As of the end of September 2020
* Figures in parentheses indicate percentage of 1Q~3Q FY19 sales ratio

Open Seminars

Offer open seminars that each person from various organizations can attend

Hold seminars quite frequently nationwide
- Seminars can be attended at a reasonable fee and anywhere in the country
- Demands for our unique package deal "HRD SmartPack" are high mainly by large companies.

10 cities **47** classrooms



* As of the end of September 2020

Annual total number of attendees **58,332**
*From October 2019 to September 2020

・Out of the total number of trainings conducted:

公開講座 INSOURCE OPEN SEMINAR

Total number of online trainings conducted: **1,216**

Total number of online attendees: **15,537**

* As of the end of September 2020

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Business Activities ③ Other Businesses

■We are expanding content lineup since we aim to offer services essential for HR departments

IT Services (HR support system "Leaf")

■IT Services

・Leaf (HR support system)

Integrates every service line on our in-house platform, 'Leaf', including training scheduling, stress checking and personnel appraisal.

Leaf earns revenue from monthly subscription fees (subscription model) and customization fees*1.

Demands for LMS by large companies and use of on-the-web appraisal form service by mid-sized companies increased

Total number of Leaf paid subscribers	**248** organizations
Total number of organizations using on-the-web appraisal form service	**93** organizations
Total number of organizations implementing Stress Check Support Service	**282** organizations

* As of the end of September 2020
Actual no. of Stress Check Support Service applied (Oct 2019 – Sept. 2020)

Other Businesses (e-Learning, Consulting, Recruitment Services)

■ e-Learning / Video production (Mitemo Co., Ltd)

・STUDIO (Cloud-based e-Learning system) *2

・Video Production

Earning revenue from monthly subscription fees (subscription model) and direct-selling model

Total number of e-Learning contents	**99** subjects **361** contents
Total number of e-learning subscription IDs per year	**30,948** IDs

* As of the end of September 2020
Actual no. of active subscription IDs (July- September 2020)

■ Consulting

・Establishing personnel appraisal service

・Assessment services

■ Recruitment Services

・Recruitment promotion and service

*1 Direct-selling model *2 STUDIO is powered by Leaf partly.

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4 Major Pillars to Realize our Business

1. A wide range of industries **Strong client base**
2. Robust in-house developed **Contents**
3. Linkage of sales force and digital marketing **Strong sales power**
4. In-house IT systems and AI and DX-driven tools **Information Technologies**

Systematic cross-functional cooperation through IT utilization

Inquiries via our website

WEB pages 17,727 pages

Approach nationwide clients quickly

We are also actively engaged in online sales via Zoom.

No. of business sites: 23

No. of Sales reps: 151

Acquire new WEBinsource subscribers

Update our website

No. of Designers 16

Develop new trainings/ services

No. of Content creators 166

New needs and opportunities

Our services

- Open Seminars
- On-Site Training
- Other Businesses
  - ・Leaf
  - ・e-Learning

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Insource's 4 Pillars to Achieve High Profitability

"Strong client base" + "Mixed approach"

1 A wide range of industries — Strong client base

Number of Clients: 32,938 organizations *1
Total Number of WEBinsource Subscribers: 13,492 organizations

*1 Total number of clients who used our services from June 2003 to September 2020-.

+

Mixed approach to keep high profitability by sharing information cross-functionally.

2 Robust in-house developed — Contents

- Separate content creations from trainers
- 166 Content Creators produce more than 200 new titles a year. Timely service delivery has been achieved

3 Linkage of sales force and digital marketing — Strong sales power

- Provide the best suitable options with 23 business sites nationwide and 151 Sales Representatives
- 26 Digital Marketers will offer proposals effectively by e-mails and WEB system

4 In-house IT systems, AI-driven tools & DX — Information Technologies

- 82 IT engineers and 12 AI/RPA engineers provide in-house developed ASP services (such as Leaf) while maximizing business efficiency and achieve significant cost reductions

* As of the end of September 2020

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