



# FACTBOOK

(Securities Code: 2427 / TSE 1st Section)

OUTSOURCING Inc.

For the 2<sup>nd</sup> Quarter of Fiscal Year  
Ending December 31, 2015



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# Corporate Profile / Group Overview

## Corporate Profile (as of June 30, 2015)

Company Name	OUTSOURCING Inc.
URL	<a href="http://www.outsourcing.co.jp/en/">http://www.outsourcing.co.jp/en/</a>
Head Office	5F Marunouchi Trust Tower Main Bldg., 1-8-3 Marunouchi, Chiyoda-ku, Tokyo, 100-0005 Japan
Capital Stock	¥1,720,597 thousand
Established	January 1997
Representative	Haruhiko Doi, Chairman & CEO
Main Business	Engineering Outsourcing Business, Manufacturing Outsourcing Business, Administrative Outsourcing Business, Recruiting and Placing Business, <sup>*1</sup> Overseas Business
Number of Branches	40 sales offices, excluding 12 recruitment centers
Total Employees (Group)	24,309

## Group Overview (as of June 30, 2015)

By directing our expertise, creativity and innovative solutions to meet rapid changes in the business environment and facilitate productivity enhancements in shop-floor manufacturing (monozukuri), OUTSOURCING aims to contribute to the building of a brighter, prosperous society.

### OUTSOURCING GROUP

#### Domestic Companies Group : 23

Recruiting and Placing Business *1	Administrative Outsourcing Business	Manufacturing Outsourcing Business	Engineering Outsourcing Business				Other Business
			After-sales Maintenance	Construction & Plant-related	IT-related	Engineering & Others	
				KDE Holding	OUTSOURCING TECHNOLOGY		
				Kyodo Engineering	Computer System Laboratory	enable	
		BROTHERS			INS・Solution	RPM	
		Sanshin Electric			Thinketh Bank	TryAngle	
		PEO			LINETEC	OS SEMITEC	
		ATS			KOA SYSTEM CREATE		
		IOD					
		IOD GROUP					
		Asia Institute of Manufacturing*2					

#### Overseas Companies Group : 25

Locally incorporated entities in China, Hong Kong, Singapore, Indonesia, Thailand, Vietnam, Australia, Malaysia, India, U.S.A., UAE, Cambodia

\*1: From Q2 FY12/15, the Company has modified the English term of the operating segment formerly titled "Recruitment and Placement Business" to "Recruiting and Placing Business". The contents and Japanese title of the operating segment remain the same.

\*2: Equity method affiliate

## Operating Segments

As a partner to nationwide manufacturing industries, we provide technical skills to leading manufacturers through optimal and high value-added staff.

FY12/14 Consolidated Net Sales  
**¥59,421** million

### Other Business

Through Group subsidiary enable Inc., this business focuses on development, manufacture and sales of high performance auto parts for racing.

### Overseas Business

Through Group subsidiary OS International Co., Ltd., this business reinforces our staffing network by working together with our Group subsidiaries in Asian countries, establishing the Company as the sole Japanese provider of package contracting service from volume production to R&D engineering. We continue to drive and strengthen our response to the needs of Japanese makers continuing to shift production offshore to high growth emerging economies.

### Manufacturing Outsourcing Business

Through outsourced contracting and dispatching, this business provides service meeting the outsourcing needs of makers in the manufacturing process.

### Engineering Outsourcing Business

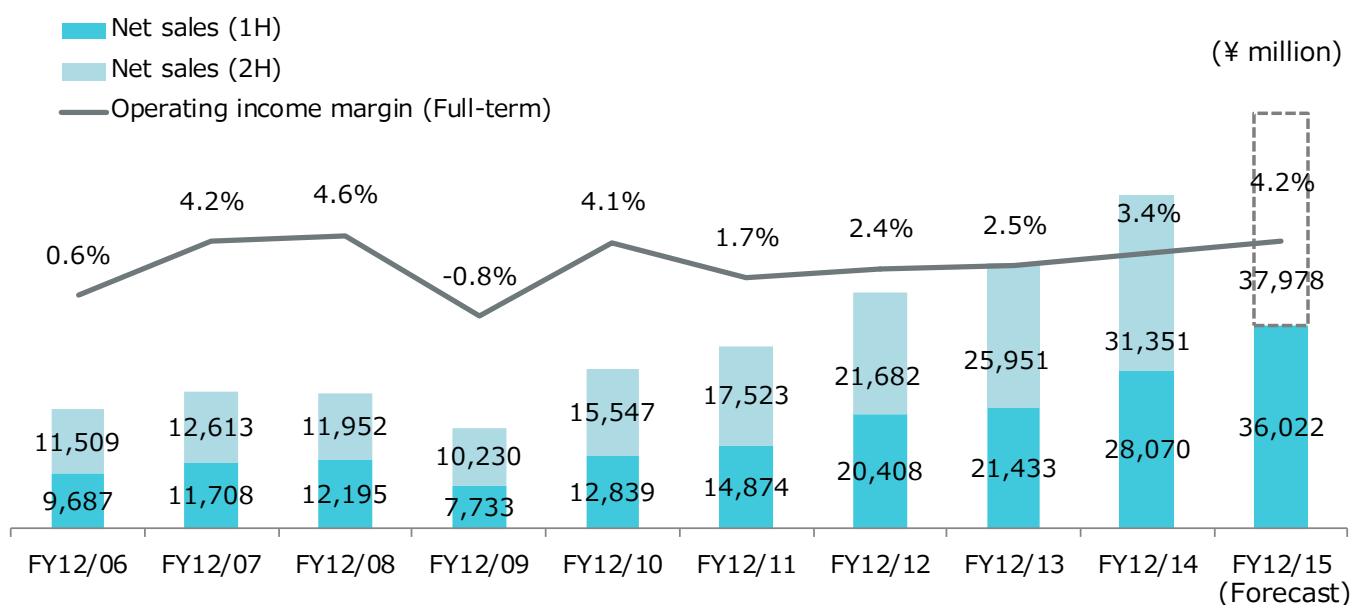
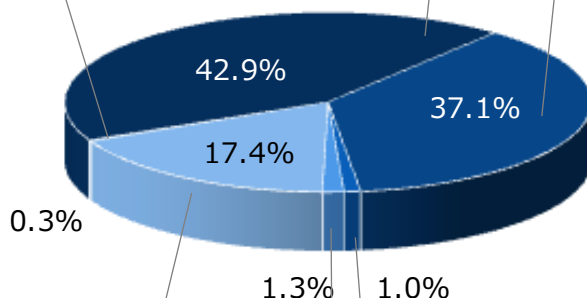
Through dealing with makers in wide-ranging fields including home electronics, medical equipment, semiconductors, software etc, this business provides outsourced contracting and dispatching service for the design/development, testing and evaluation phases with high level technology and know-how.

### Administrative Outsourcing Business

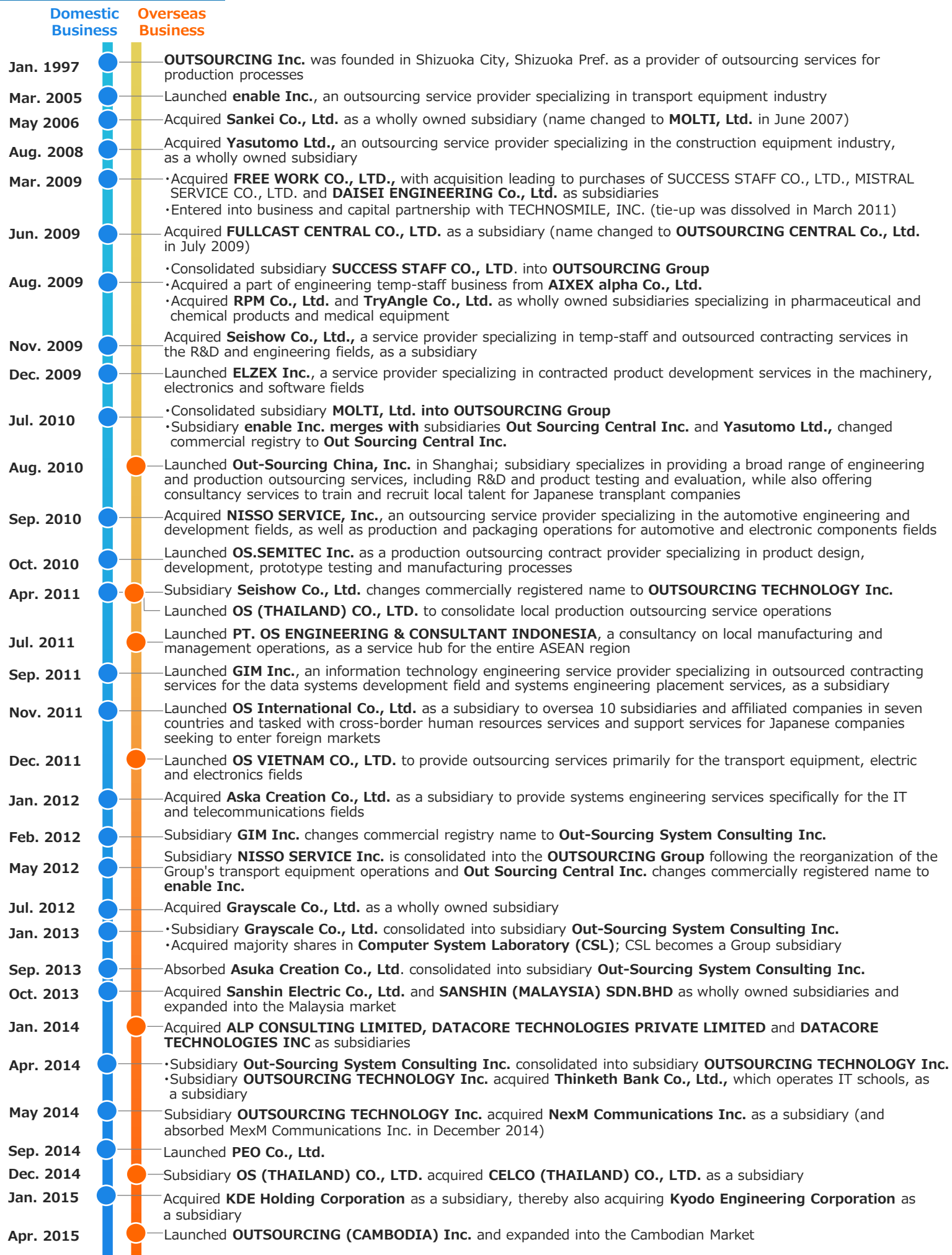
Through Group subsidiary ORJ INC., this business handles administrative operations for seasonal workers on behalf of makers to post-hiring labor management and company housing management as a package service.

### Recruiting and Placing Business

Through Group subsidiary ORJ INC., this business leverages many years of accumulated know-how and our nationwide hiring network, single handedly undertaking issues from recruitment plans to recruiting and interviews, a service making referrals and securing staff.



# OUTSOURCING Group Expansion Corporate History



# Business Locations Overview

## Domestic Business Locations

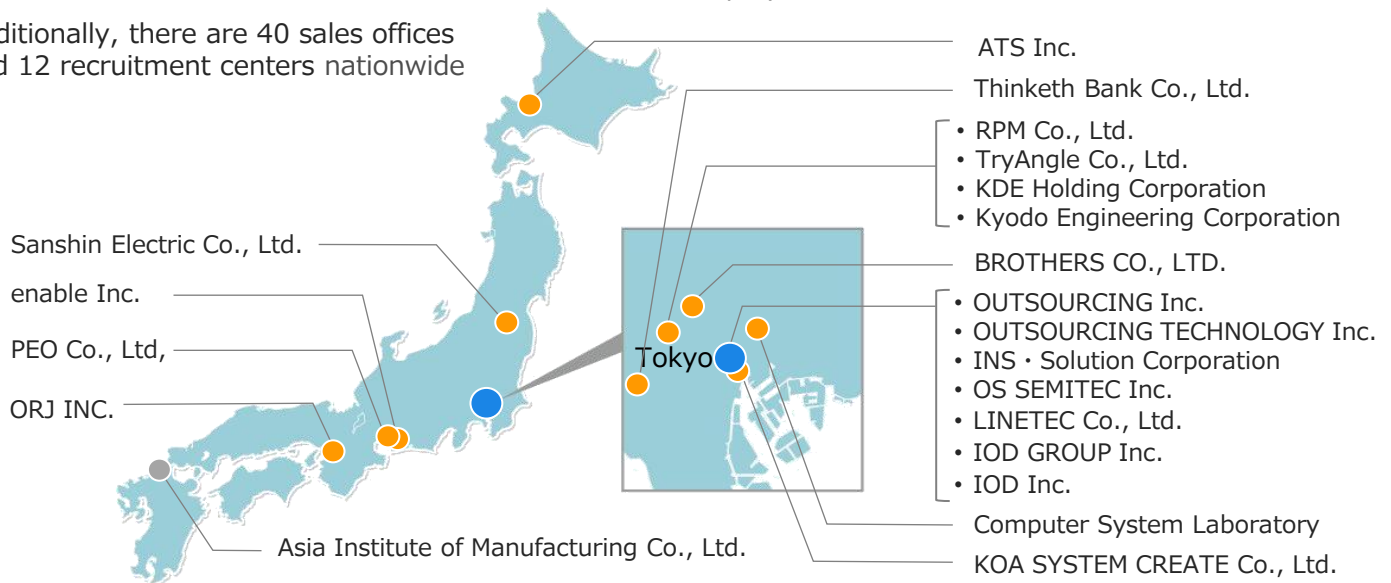
(as of June 30, 2015)

### Domestic Companies Group : 23

Domestic Companies Group

● OUTSOURCING Inc. ● Consolidated Subsidiaries ● Equity Method Affiliate

Additionally, there are 40 sales offices and 12 recruitment centers nationwide



## Overseas Business Locations

### Overseas Companies Group : 24



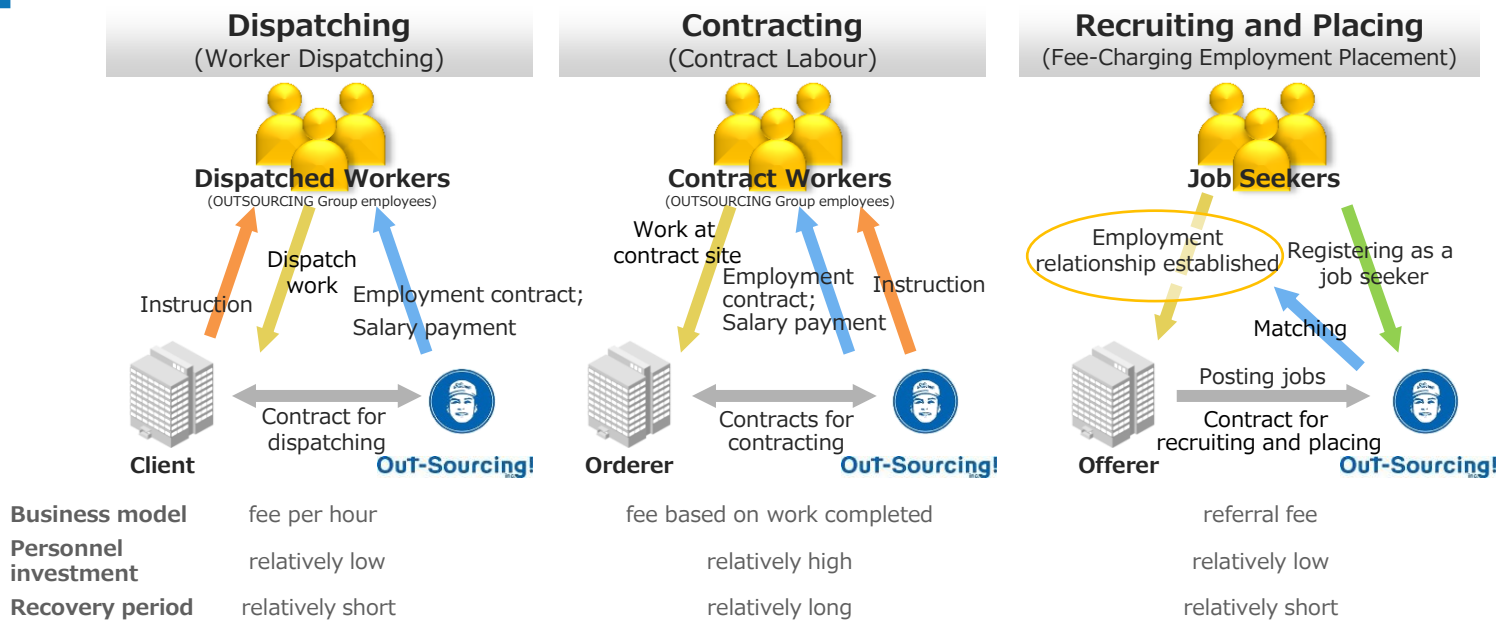
- Japan
  - OS International Co., Ltd.
- China
  - Out-Sourcing China, Inc.
  - Gray (Dalian) Information Technology Co., Ltd.
  - FARO RECRUITMENT (CHINA) CO., LTD.
  - Faro Business Consulting (Dalian) Co., Ltd.
  - FARO RECRUITMENT (HONG KONG) CO., LIMITED
- Thailand
  - OS (THAILAND) CO., LTD.
  - OS Recruitment (Thailand) Co., Ltd.
  - J.A.R. Service Co., Ltd.
  - P-ONE SUBCONTRACT CO., LTD.
  - CELCO (THAILAND) CO., LTD.
- Indonesia
  - PT. OS SELNAJAYA INDONESIA
- Vietnam
  - OS VIETNAM CO., LTD.
  - OS POWER VIETNAM CO., LTD.
  - Faith Root Recruitment Vietnam Joint Stock Company
  - FAITH ROOT LABOUR OUTSOURCING VIETNAM COMPANY LIMITED
- Cambodia
  - OUTSOURCING (CAMBODIA) Inc.
- Singapore
  - FARO RECRUITMENT (SINGAPORE) PTE. LTD.
- Australia
  - STAFF SOLUTIONS AUSTRALIA PTY LTD
- Malaysia
  - SANSHIN (MALAYSIA) SDN. BHD.
- India
  - ALP CONSULTING LIMITED
  - DATACORE TECHNOLOGIES PRIVATE LIMITED

- U.S.A.
  - DATACORE TECHNOLOGIES INC
- UAE
  - DATACORE TECHNOLOGIES (FZE)



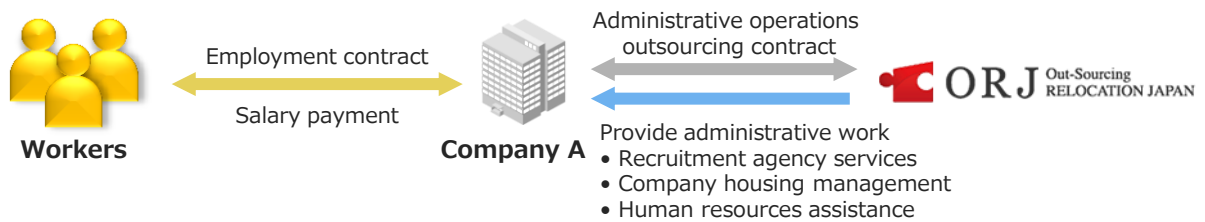
# OUTSOURCING Group: Legal and Regulatory Framework Affecting Our Domestic Outsourcing Business

## Major Hiring Formats for Our Domestic Outsourcing Business

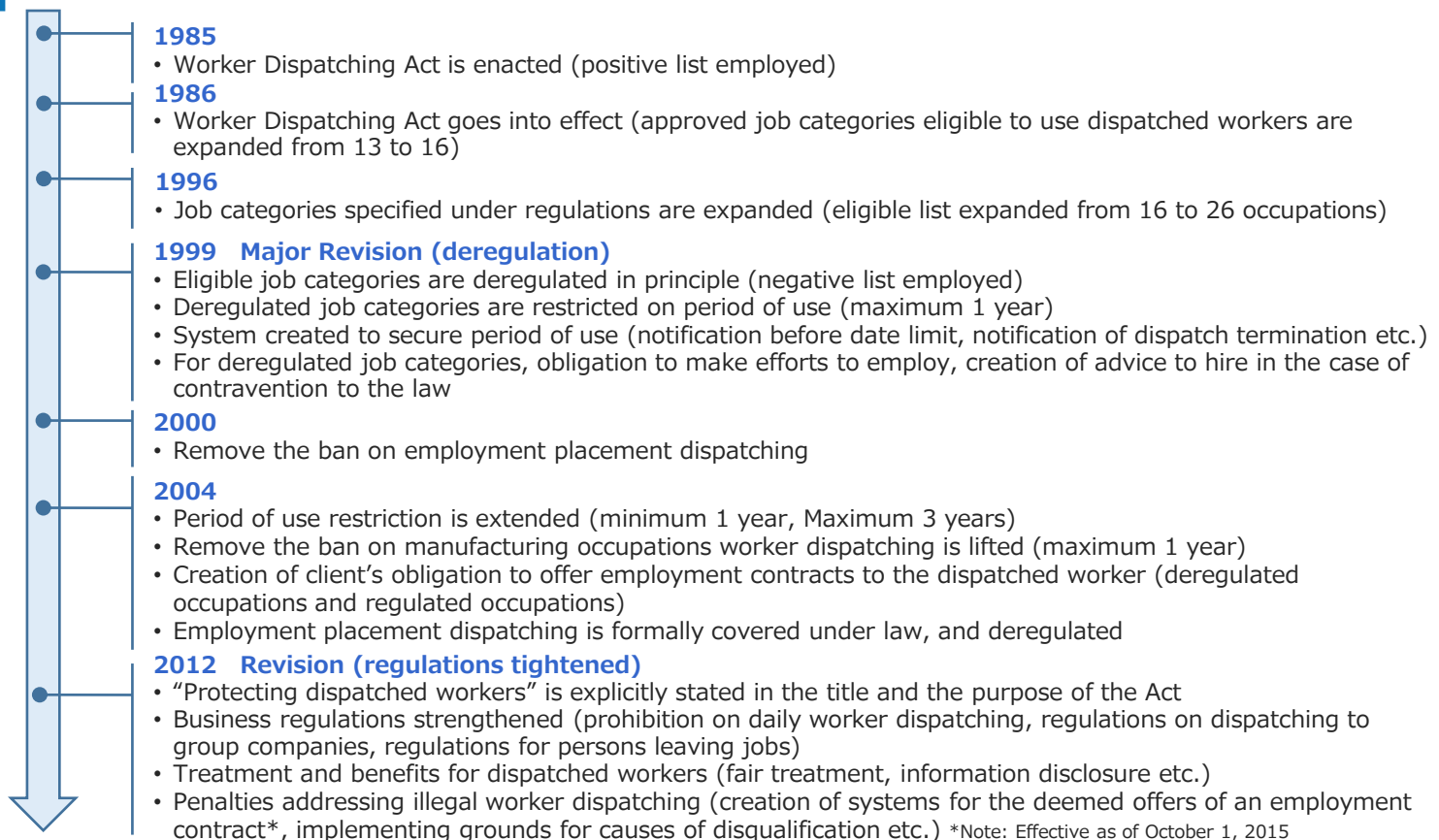


Note: From Q2 FY12/15, the Company adopts the following English terms to describe its recruiting formats. The contents of the recruiting formats remain the same. Dispatching (formerly Temporary Placement), Contracting (formerly Outsourced Contracting), and Recruiting and Placing (formerly Recruitment and Placement)

## Administrative Operations



## Revisions to the Worker Dispatching Act





A cautionary note on forward-looking statements:

This material contains forward-looking statements about the Company's future plans and forecasts, which are based on the Company's assumptions and beliefs judged from the information currently available and are subject to a number of risks and uncertainties. This may cause actual results to differ materially from those projected.

# V i s i o n 2 0 1 7

## Vector to the New Paradigm

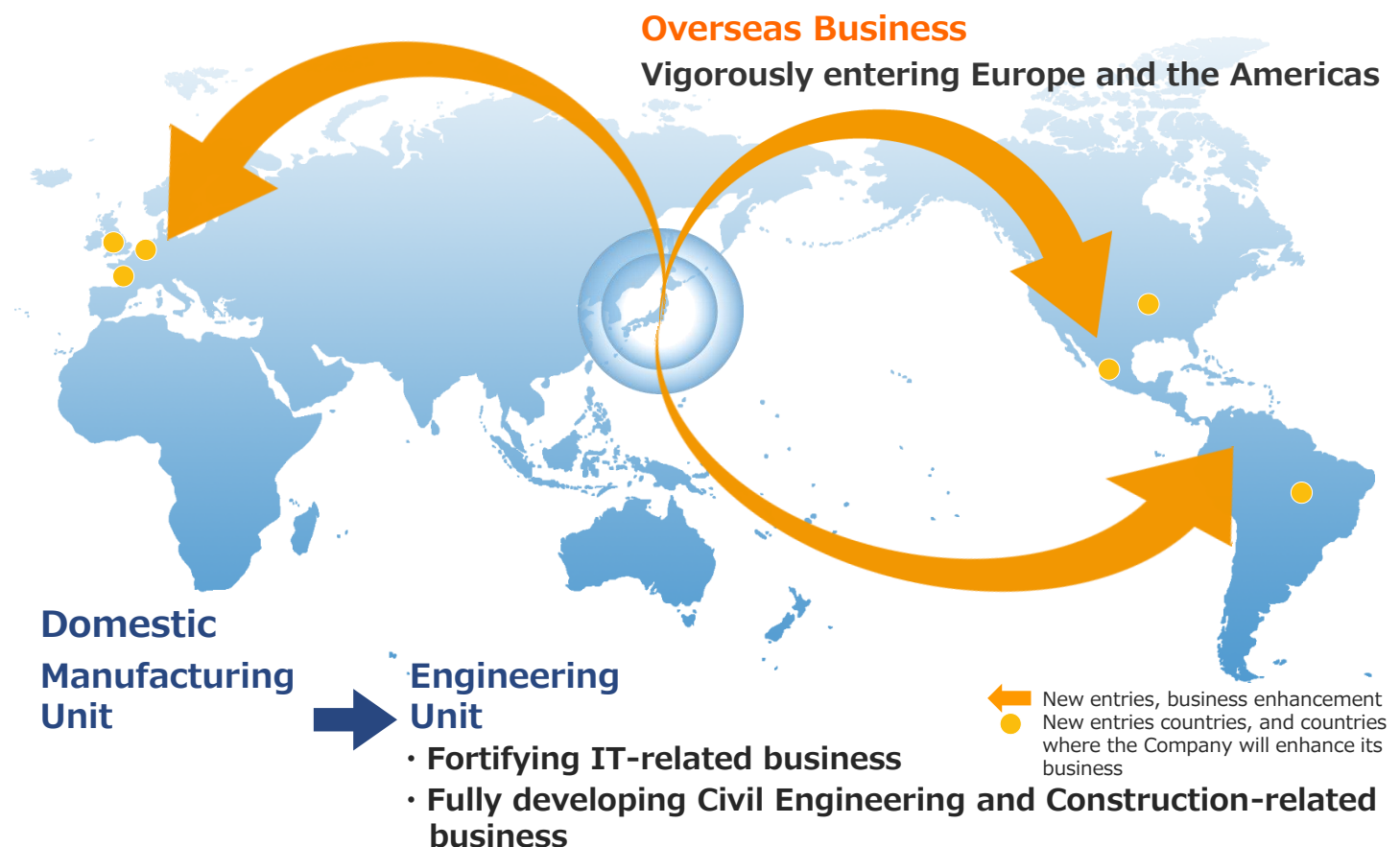
Erosion in brand strength of “Made in Japan” is leading to significant changes in the operating environment surrounding Japan’s manufacturing in the 21st century.

To maintain a competitive advantage in the global market, Japanese makers have been shifting their production offshore, while in Japan, paradigm shifts in Japan’s Leading industries have occurred from mining and manufacturing industries to IT as well as civil engineering and construction industries .

Additionally affected by Japan’s declining population, the manufacturing outsourcing market in which the Company has operated since its founding, is projected to contract in the medium-to-long-term.

**The OUTSOURCING Group plans to strategically transform its business structure in response to such dynamic environmental changes, and will focus on expanding its domestic Engineering Outsourcing Businesses (IT-related, and Civil Engineering and Construction-related), and Overseas Business.**

### [Paradigm Change in Our Group Strategies]





# Medium-Term Management Plan

## Vision2017: Vector to the New Paradigm

### [Strategies: Matching Business Structures with Changing Environments]

**Engineering Unit (IT-Related Business):** Focusing on Japan's new leading industries

In order to secure engineers on growing needs in IT-related businesses, train engineers at the Group's IT schools and boost new graduates and mid-career recruitment schemes.

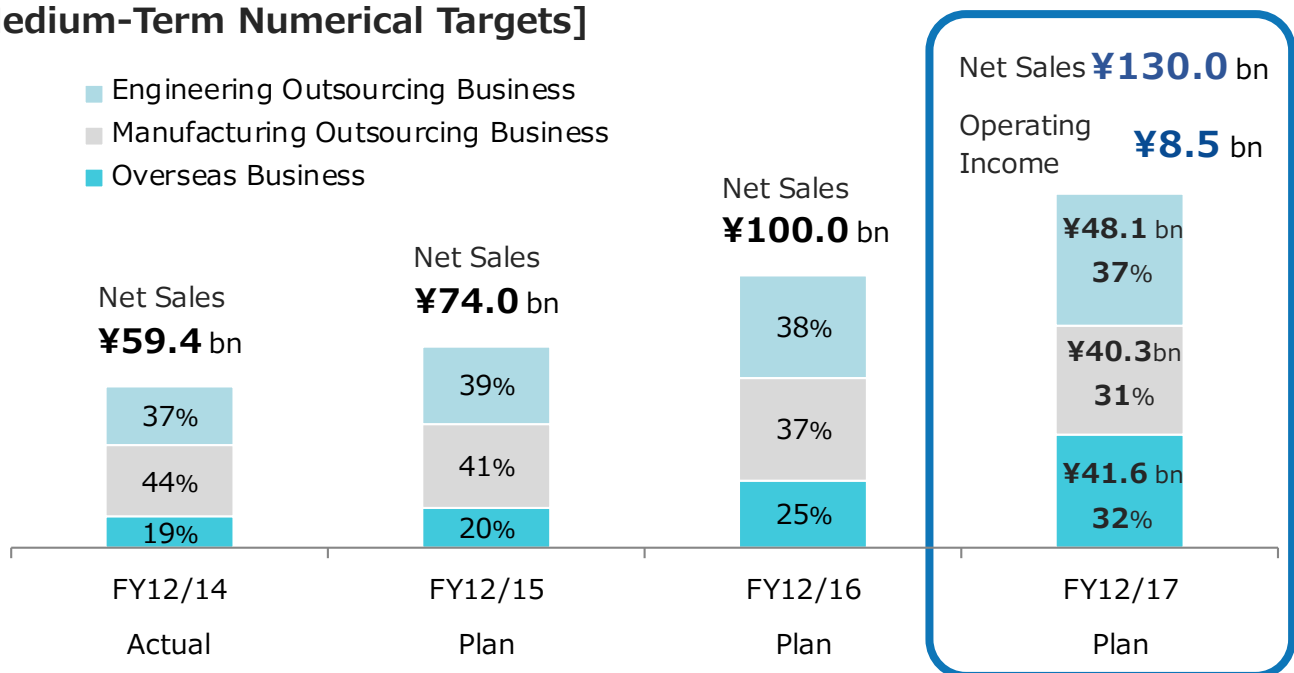
**Engineering Unit (Civil Engineering and Construction-Related Business):** Centering on fields with sustained demand growth

Become the #1 outsourcing provider in the civil engineering and construction field through restructuring our Group's M&A-acquired companies. Also, secure engineers through recruitment of new graduates, use of technical intern trainees, intra-group transfers of capable staff and M&As.

**Overseas Business:** Vigorously entering regions with population growth or production transplants of Japanese makers

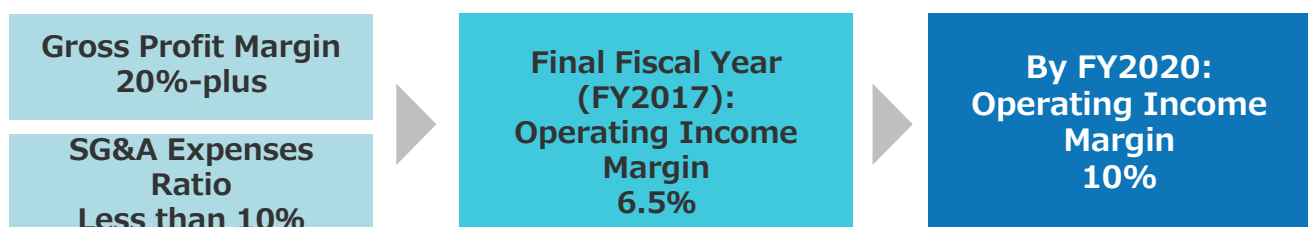
Expand our reach in Asian emerging countries where we have existing operation bases. Also enter the vast market of developed countries and initiate our reach in Latin American emerging countries where Japanese makers expands their businesses.

### [Medium-Term Numerical Targets]



### Creating More Corporate Value

The OUTSOURCING Group has maintained an average gross profit margin of 20%-plus, a relatively high level in the industry. Accompanying the increase in net sales going forward, the Group aims to reduce SG&A expenses to less than 10% by eliminating post merger duplicate costs, and to achieve operating income margin of 10%-plus by FY2020.



# Consolidated Balance Sheet

( ¥ thousand)	FY12/11 1H End	FY12/12 1H End	FY12/13 1H End	FY12/14 1H End	FY12/15 1H End
<b>Assets</b>					
<b>Total assets</b>	<b>10,465,812</b>	<b>13,527,049</b>	<b>17,114,373</b>	<b>22,091,324</b>	<b>27,418,879</b>
<b>Current assets</b>	<b>6,809,122</b>	<b>9,340,068</b>	<b>10,946,984</b>	<b>15,461,826</b>	<b>19,565,910</b>
Cash and deposits	1,723,011	3,106,918	4,402,164	6,060,138	7,411,077
Notes and accounts receivable - trade	4,168,752	5,090,074	5,341,239	7,258,823	9,544,187
Work in process	27,192	82,377	82,654	331,978	546,406
Raw materials and supplies	54,326	63,514	83,174	449,399	360,326
Other	843,623	1,023,051	1,068,132	1,400,341	1,755,424
Allowance for doubtful accounts	(7,784)	(25,867)	(30,381)	(38,856)	(51,512)
<b>Non-current assets</b>	<b>3,654,097</b>	<b>4,184,997</b>	<b>6,167,389</b>	<b>6,629,498</b>	<b>7,852,968</b>
<b>Property, plant and equipment</b>	<b>2,015,852</b>	<b>2,097,163</b>	<b>2,053,145</b>	<b>2,132,896</b>	<b>2,402,089</b>
Buildings and structures, net	1,174,122	1,178,399	1,146,466	1,222,975	1,361,231
Other, net	841,729	918,763	906,678	909,920	1,040,857
<b>Intangible assets</b>	<b>657,690</b>	<b>907,214</b>	<b>1,872,442</b>	<b>2,153,975</b>	<b>3,092,529</b>
Goodwill	564,852	803,364	1,406,466	1,629,411	2,592,282
Other	92,838	103,850	465,975	524,563	500,247
<b>Investments and other assets</b>	<b>980,554</b>	<b>1,180,620</b>	<b>2,241,801</b>	<b>2,342,626</b>	<b>2,358,349</b>
Other	-	-	2,242,899	-	-
Allowance for doubtful accounts	-	-	(1,097)	-	-
<b>Deferred assets</b>	<b>2,593</b>	<b>1,982</b>	<b>-</b>	<b>-</b>	<b>-</b>

( ¥ thousand)	FY12/11 1H End	FY12/12 1H End	FY12/13 1H End	FY12/14 1H End	FY12/15 1H End
<b>Liabilities</b>					
<b>Total liabilities</b>	<b>7,036,372</b>	<b>9,944,368</b>	<b>12,444,333</b>	<b>15,947,156</b>	<b>15,923,643</b>
<b>Current liabilities</b>	<b>5,377,482</b>	<b>7,129,036</b>	<b>9,302,652</b>	<b>12,039,203</b>	<b>11,755,553</b>
Notes and accounts payable - trade	17,933	77,377	243,505	652,228	740,136
Short-term loans payable	1,592,159	2,234,400	3,729,809	4,749,375	2,316,503
Accounts payable - other	2,041,103	3,127,508	3,434,792	3,935,850	5,380,541
Income taxes payable	283,309	179,891	245,270	543,398	717,769
Provision for bonuses	84,214	39,339	60,547	57,124	60,529
Other	1,358,763	1,470,519	1,588,726	2,101,225	2,540,073
<b>Non-current liabilities</b>	<b>1,658,890</b>	<b>2,815,332</b>	<b>3,141,680</b>	<b>3,907,953</b>	<b>4,168,090</b>
Bonds payable	137,000	96,000	60,000	70,000	50,000
Long-term loans payable	685,722	1,874,770	1,907,528	2,115,215	2,347,587
Provision for retirement benefits	364,556	380,003	513,553	767,614	-
Net defined benefit liability	-	-	-	-	798,899
Negative goodwill	392,492	255,438	117,209	3,394	102
Asset retirement obligations	-	-	-	292,338	374,363
Other	79,119	209,120	543,389	659,392	597,137

<b>Net assets</b>					
<b>Total net assets</b>	<b>3,429,440</b>	<b>3,582,680</b>	<b>4,670,040</b>	<b>6,144,167</b>	<b>11,495,235</b>
<b>Shareholders' equity</b>	<b>3,251,371</b>	<b>3,335,037</b>	<b>3,918,393</b>	<b>5,212,836</b>	<b>10,244,428</b>
Capital stock	485,202	485,443	492,194	534,867	1,720,597
Capital surplus	881,373	881,614	888,365	931,038	3,420,920
Retained earnings	2,275,890	2,359,073	2,928,927	4,138,024	5,102,910
Treasury shares	(391,094)	(391,094)	(391,094)	(391,094)	-
<b>Accumulated other comprehensive income</b>	<b>2,603</b>	<b>21,127</b>	<b>165,690</b>	<b>299,395</b>	<b>528,652</b>
Valuation difference on available-for-sale securities	4,200	352	17,521	19,436	12,562
Deferred gains or losses on hedges	-	-	-	(13)	-
Foreign currency translation adjustment	(1,596)	20,775	148,169	279,972	526,677
Remeasurements of defined benefit plans	-	-	-	-	(10,588)
Subscription rights to shares	73,897	108,709	127,059	99,159	58,160
Minority interests	101,567	117,806	458,897	532,777	663,994
<b>Total liabilities and net assets</b>	<b>10,465,812</b>	<b>13,527,049</b>	<b>17,114,373</b>	<b>22,091,324</b>	<b>27,418,879</b>

# Consolidated Statement of Income

( ¥ thousand)	FY12/11 1H	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
Net sales	14,874,595	20,408,116	21,433,078	28,070,264	36,022,497
Cost of sales	11,844,990	16,371,052	17,497,349	22,549,209	28,947,886
Gross profit	3,029,605	4,037,064	3,935,728	5,521,054	7,074,610
Selling, general and administrative expenses*	2,821,470	3,787,160	3,934,645	4,807,668	6,136,853
Operating income	208,134	249,903	1,082	713,386	937,756
Non-operating income	255,836	338,551	350,951	288,424	266,070
Interest income	1,902	2,945	7,713	26,477	26,917
Dividend income	56	2,506	8,091	7,851	5,592
Real estate rent	154,127	204,045	200,084	165,494	133,612
Amortization of negative goodwill	70,562	69,165	69,168	46,164	102
Share of profit of entities accounted for using equity method	-	25,103	2,477	-	-
Other	29,187	34,785	63,415	42,436	99,844
Non-operating expenses	182,978	279,248	313,360	241,860	200,616
Interest expenses	13,069	17,068	24,117	32,071	32,081
Rent cost of real estate	164,496	230,275	198,869	159,928	132,928
Share of loss of entities accounted for using equity method	788	-	-	1,025	1,354
Termination charge for point program	-	-	68,885	-	-
Other	4,623	31,904	21,488	48,834	34,252
Ordinary income	280,992	309,206	38,672	759,950	1,003,210
Extraordinary income	4,962	16,507	93,081	58,724	39,737
Gain on sales of non-current assets	4,962	1,163	478	39,398	-
Gain on sales of investment securities	-	-	14,118	19,326	39,737
Gain on bargain purchase	-	15,344	78,484	-	-
Extraordinary losses	79,086	115,366	-	5,892	333
Loss on sales and retirement of non-current assets	14,833	6,184	-	5,892	333
Loss on sales of shares of subsidiaries and associates	10,023	-	-	-	-
Impairment loss	-	39,221	-	-	-
Loss on disaster	37,197	-	-	-	-
Office transfer expenses	-	69,960	-	-	-
Settlement package	11,200	-	-	-	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	5,832	-	-	-	-
Income before income taxes	206,868	210,347	131,753	812,782	1,042,614
Income taxes - current	263,761	186,852	204,333	475,177	543,506
Income taxes - deferred	(69,578)	55,119	(147,309)	(43,292)	(18,239)
Total income taxes	194,182	241,972	57,023	431,885	525,266
Income (loss) before minority interests	12,685	(31,624)	74,730	380,897	517,348
Minority interests in income (loss)	2,064	(8,016)	44,859	5,626	28,380
Net income (loss)	10,621	(23,607)	29,870	375,270	488,967

\*Includes the following:

Amortization of goodwill	80,664	118,260	188,267	242,059	360,856
Depreciation	116,052	145,020	156,069	162,419	197,879

# Consolidated Statement of Cash Flows

( ¥ thousand)	FY12/11 1H	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
Cash flows from operating activities					
Net cash provided by (used in) operating activities	84,286	561,729	840,504	980,377	816,607
Income before income taxes	206,868	210,347	131,753	812,782	1,042,614
Depreciation	116,052	145,020	156,069	162,419	197,879
Loss on disaster	37,197	-	-	-	-
Settlement package	11,200	-	-	-	-
Impairment loss	-	39,221	-	-	-
Gain on bargain purchase	-	(15,344)	(78,484)	-	-
Amortization of goodwill	80,664	118,260	188,267	242,059	360,856
Amortization of negative goodwill	(70,562)	(69,165)	(69,168)	(46,164)	(102)
Increase (decrease) in allowance for doubtful accounts	(194)	(2,192)	3,600	(1,426)	(2,076)
Increase (decrease) in provision for bonuses	1,081	(52,812)	(11,166)	(3,337)	(23,009)
Increase (decrease) in provision for retirement benefits	(1,206)	(37,334)	13,786	(39,185)	-
Increase (decrease) in net defined benefit liability	-	-	-	-	20,587
Interest and dividend income	(1,959)	(5,452)	(15,804)	(34,329)	(32,510)
Interest expenses	13,069	17,068	24,117	32,071	32,081
Share of (profit) loss of entities accounted for using equity method	788	(25,103)	(2,477)	1,025	1,354
Loss (gain) on sales and retirement of non-current assets	9,871	5,021	(478)	(33,505)	333
Loss (gain) on sales of investment securities	-	-	(14,118)	(19,326)	(39,737)
Loss (gain) on sales of shares of subsidiaries and associates	10,023	-	-	-	-
Decrease (increase) in notes and accounts receivable - trade	13,728	(62,996)	265,770	(589,510)	(826,705)
Decrease (increase) in inventories	(2,964)	(6,045)	1,913	(216,173)	(101,128)
Increase (decrease) in notes and accounts payable - trade	759,142	793,875	573,524	1,031,396	1,464,493
Increase (decrease) in accrued consumption taxes	(48,734)	4,274	(174,220)	336,088	(639,199)
Loss on adjustment for changes of accounting standard for asset retirement obligations	5,832	-	-	-	-
Other, net	(365,268)	(318,748)	(115,613)	(329,508)	(67,367)
Subtotal	774,630	737,894	877,271	1,305,376	1,388,362
Interest and dividend income received	1,971	5,425	15,796	34,329	32,457
Interest expenses paid	(13,948)	(17,241)	(24,685)	(31,862)	(32,326)
Payments for loss on disaster	(34,856)	-	-	-	-
Settlement package paid	(11,200)	-	-	-	-
Income taxes paid	(684,700)	(177,818)	(96,183)	(340,552)	(596,345)
Income taxes refund	52,391	13,469	68,305	13,086	24,459

# Consolidated Statement of Cash Flows

( ¥ thousand)	FY12/11 1H	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
<b>Cash flows from investing activities</b>					
Net cash provided by (used in) investing activities	252,577	(445,023)	(714,436)	(506,155)	(1,546,048)
Payments into time deposits	(73,100)	(64,471)	(77,622)	(156,273)	(223,364)
Proceeds from withdrawal of time deposits	50,000	80,279	71,664	94,530	107,889
Purchase of property, plant and equipment	(36,331)	(105,403)	(163,461)	(181,254)	(204,535)
Purchase of intangible assets	(12,480)	(19,674)	(31,963)	(47,309)	(70,120)
Payments for retirement of property, plant and equipment	(8,297)	-	-	-	-
Proceeds from sales of property, plant and equipment	-	2,823	815	40,312	-
Purchase of investment securities	(180)	(172)	(248)	(259)	(576)
Proceeds from sales of investment securities	-	-	415,619	80,030	81,857
Proceeds from sales of shares of subsidiaries and associates	6,000	-	-	-	-
Purchase of shares of subsidiaries and associates	-	(10,087)	(9,000)	-	-
Purchase of shares of subsidiaries	-	0	(79,059)	-	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(39,786)	(195,850)	(975,859)	(377,751)	(1,114,311)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	-	53,728	6,883	29,972
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	380,000	-	-	-	-
Payments for transfer of business	(10,000)	-	(8,879)	-	(130,100)
Payments of loans receivable	(25,577)	(5,785)	(2,988)	(24,152)	(7,480)
Collection of loans receivable	8,930	35,175	933	2,086	2,319
Payments for lease and guarantee deposits	(56,210)	(231,044)	(24,240)	(56,226)	(83,602)
Proceeds from collection of lease and guarantee deposits	57,992	68,784	30,014	46,318	51,547
Purchase of insurance funds	(1,599)	(1,560)	(4,977)	(1,321)	(15,108)
Proceeds from cancellation of insurance funds	13,216	1,923	91,088	71,692	31,694
Other, net	-	39	-	(3,459)	(2,130)
<b>Cash flows from financing activities</b>					
Net cash provided by (used in) financing activities	(367,419)	729,306	705,059	(447,964)	1,380,681
Net increase (decrease) in short-term loans payable	(71,588)	216,643	795,216	178,430	(2,692,640)
Proceeds from long-term loans payable	300,000	1,000,000	500,000	-	1,500,000
Repayments of long-term loans payable	(458,218)	(312,215)	(312,376)	(484,303)	(810,119)
Redemption of bonds	(41,750)	(61,750)	(149,600)	(40,000)	(95,000)
Proceeds from issuance of common shares	2,572	-	13,501	40,175	3,910,139
Cash dividends paid	(103,230)	(112,062)	(115,484)	(116,354)	(400,528)
Proceeds from share issuance to minority shareholders	6,766	4,068	-	-	-
Cash dividends paid to minority shareholders	(1,534)	(2,111)	(2,310)	(1,226)	(4,225)
Other, net	(437)	(3,265)	(23,888)	(24,685)	(26,944)
Effect of exchange rate change on cash and cash equivalents	(931)	9,884	101,985	(44,358)	(18,854)
Net increase (decrease) in cash and cash equivalents	(31,487)	855,897	933,112	(18,100)	632,386
Cash and cash equivalents at beginning of period	1,713,488	2,166,060	3,248,330	4,520,185	4,671,783
Cash and cash equivalents at end of period	1,682,001	3,021,958	4,181,443	4,502,085	5,304,169

# Information by Operating Segment and Region

(¥ thousand)	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
<b>Net sales by operating segment</b>				
Engineering Outsourcing Business	5,470,522	7,767,150	10,381,240	14,765,560
Composition ratio	26.8%	36.2%	37.0%	41.0%
Electrical & Electronics	1,159,307	1,084,646	1,449,982	2,282,569
Composition ratio	5.7%	5.1%	5.2%	6.3%
Transport Equipment	1,974,077	2,301,355	3,187,680	3,926,454
Composition ratio	9.7%	10.7%	11.3%	10.9%
Pharm. & Chemicals	358,085	408,626	423,037	687,750
Composition ratio	1.8%	1.9%	1.5%	1.9%
Metals & Construction Materials	13,984	4,792	46,437	49,518
Composition ratio	0.1%	0.0%	0.2%	0.2%
IT-related	905,760	2,639,868	3,880,866	4,861,911
Composition ratio	4.4%	12.3%	13.8%	13.5%
Construction & Plant-related	-	165,849	279,189	2,060,551
Composition ratio	-	0.8%	1.0%	5.7%
After-sales Maintenance	-	86,389	160,704	62,681
Composition ratio	-	0.4%	0.6%	0.2%
Others	1,059,306	1,075,622	953,341	834,123
Composition ratio	5.2%	5.0%	3.4%	2.3%
Manufacturing Outsourcing Business	12,303,341	9,867,413	12,049,348	14,031,272
Composition ratio	60.3%	46.0%	42.9%	39.0%
Foods	866,775	753,268	793,390	734,985
Composition ratio	4.2%	3.5%	2.8%	2.1%
Electrical & Electronics	2,516,214	2,015,339	3,075,411	3,914,194
Composition ratio	12.3%	9.4%	11.0%	10.9%
Transport Equipment	4,254,949	2,888,107	3,962,839	5,442,920
Composition ratio	20.8%	13.5%	14.1%	15.1%
Pharm. & Chemicals	1,732,725	1,786,265	1,947,401	1,805,733
Composition ratio	8.5%	8.3%	6.9%	5.0%
Metals & Construction Materials	1,903,487	1,318,224	1,083,036	971,708
Composition ratio	9.3%	6.2%	3.9%	2.7%
Others	1,029,189	1,106,208	1,187,266	1,161,730
Composition ratio	5.0%	5.1%	4.2%	3.2%
Administrative Outsourcing Business	302,485	319,203	289,736	270,500
Composition ratio	1.5%	1.5%	1.0%	0.8%
Recruiting and Placing Business*	258,256	137,347	370,219	341,786
Composition ratio	1.3%	0.7%	1.3%	0.9%
Overseas Business	1,994,449	3,248,206	4,879,822	6,535,232
Composition ratio	9.8%	15.2%	17.4%	18.1%
Other Business	79,060	93,757	99,896	78,144
Composition ratio	0.4%	0.4%	0.4%	0.2%
<b>Total</b>	<b>20,408,116</b>	<b>21,433,078</b>	<b>28,070,264</b>	<b>36,022,497</b>
Composition ratio	100.0%	100.0%	100.0%	100.0%

\*: From Q2 FY12/15, the Company has modified the English term of the operating segment formerly titled "Recruitment and Placement Business" to "Recruiting and Placing Business". The contents and Japanese title of the operating segment remain the same.

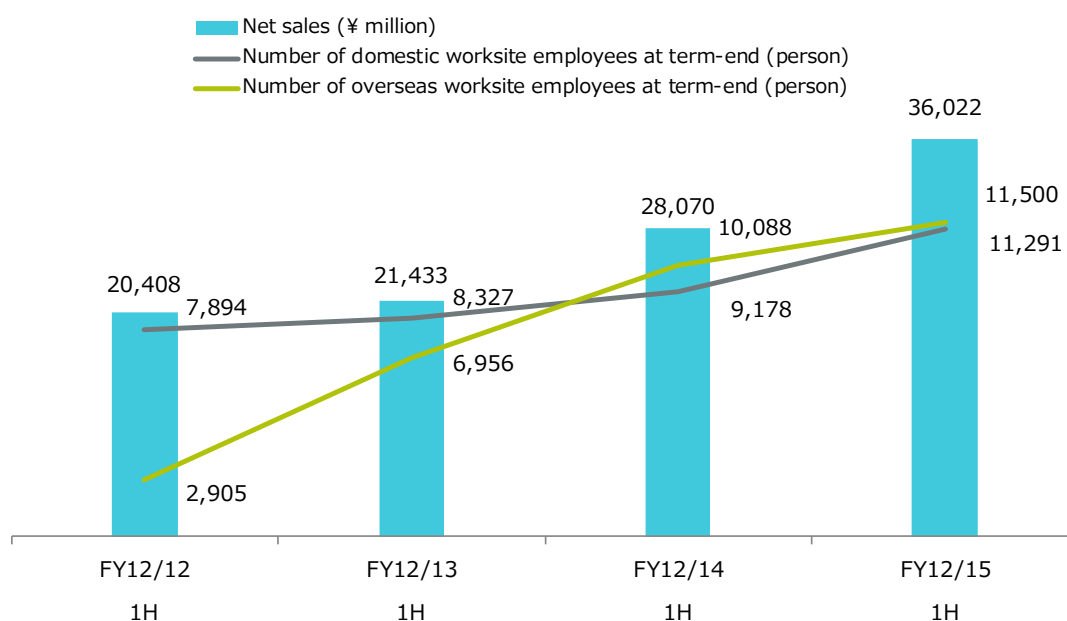
(¥ thousand)	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
<b>Net sales by region</b>				
Japan	18,413,667	18,184,871	23,190,441	29,487,264
Composition ratio	90.2%	84.8%	82.6%	81.9%
Asia/Oceania (excl. Japan)	1,994,449	3,248,206	4,879,822	6,535,232
Composition ratio	9.8%	15.2%	17.4%	18.1%
<b>Total</b>	<b>20,408,116</b>	<b>21,433,078</b>	<b>28,070,264</b>	<b>36,022,497</b>
Composition ratio	100.0%	100.0%	100.0%	100.0%



## Other Information (Number of Workers / Recruitment Unit Price)

(person)	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
<b>Number of worksite employees at term-end</b>				
Consolidated	10,799	15,283	19,266	22,791
Domestic	7,894	8,327	9,178	11,291
Engineering Outsourcing Business	1,597	2,282	2,893	4,285
IT-related	177	540	788	1,017
Construction & Plant-related	53	85	82	548
Manufacturing Outsourcing Business	6,229	5,969	6,213	6,935
Administrative Outsourcing Business	68	76	72	71
Overseas Business	2,905	6,956	10,088	11,500
Production Outsourcing Business	994	5,122	7,545	8,417
Other Business	1,911	1,834	2,543	3,083
<b>Number of outsourcing administrative workers at term-end</b>				
Administrative Outsourcing Business	1,690	2,179	2,018	1,730
<b>Number of placed workers</b>				
Recruiting and Placing Business	1,206	806	1,455	1,194

Note: the number of worksite employees includes dispatched employees.



	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
<b>Recruitment efficiency</b>				
<b>Engineering Outsourcing Business</b>				
Number of workers recruited (persons)	271	479	545	1,073
Recruitment unit price (¥/worker)	262,166	257,892	241,758	197,892
Utilization rate	96.8%	96.3%	96.8%	97.5%
<b>Manufacturing Outsourcing Business</b>				
Number of workers recruited (persons)	3,982	2,542	2,892	3,418
Recruitment unit price (¥/worker)	48,932	41,660	73,276	77,678
<b>Recruiting and Placing Business</b>				
Number of workers recruited (persons)	1,206	806	1,412	1,194
Recruitment unit price (¥/worker)	133,235	92,196	116,930	121,715

# Consolidated Profitability Indicators

( ¥ million)	FY12/11 1H	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
Net sales	14,874	20,408	21,433	28,070	36,022
Gross profit	3,029	4,037	3,935	5,521	7,074
SG&A expenses	2,821	3,787	3,934	4,807	6,136
Operating income	208	249	1	713	937
Ordinary income	280	309	38	759	1,003
Net income	10	(23)	29	375	488

(%)	FY12/11 1H	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
Gross profit on sales ratio	20.4	19.8	18.4	19.7	19.6
SG&A expenses ratio	19.0	18.6	18.4	17.1	17.0
Operating income margin	1.4	1.2	0.0	2.5	2.6
Ordinary income margin	1.9	1.5	0.2	2.7	2.8
Net income margin	0.1	-0.1	0.1	1.3	1.4

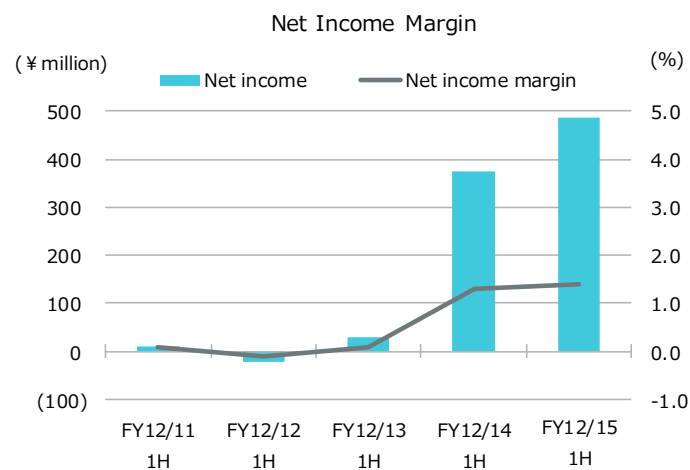
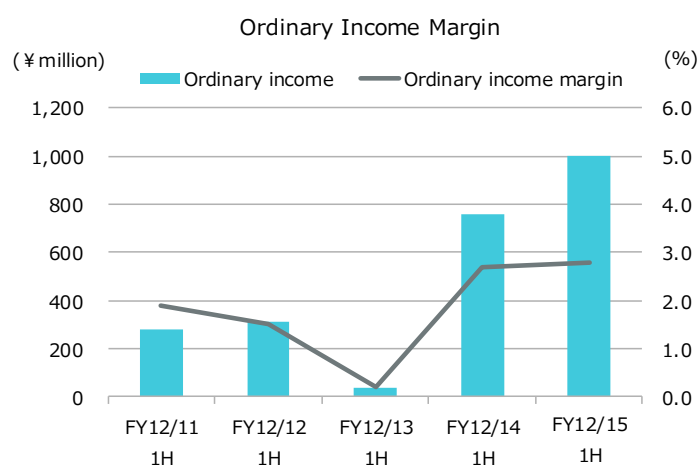
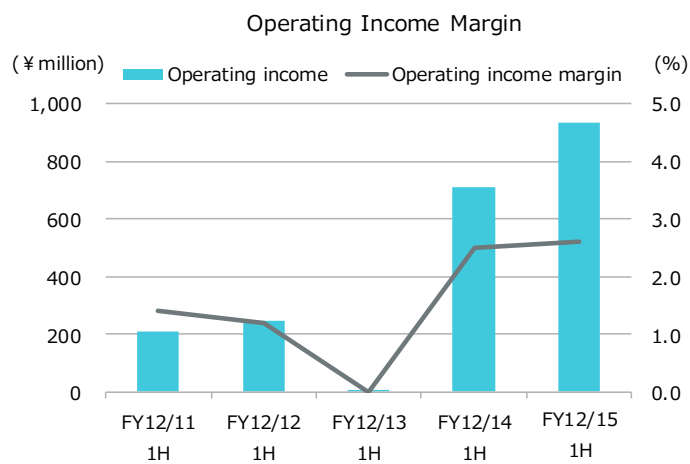
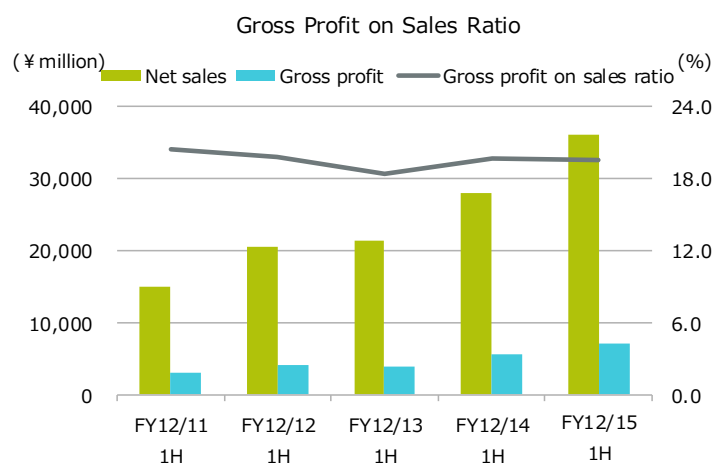
Gross profit on sales ratio=Gross profit/Nets sales

SG&A expenses ratio=SG&A expenses/Net sales

Operating income margin=Operating income/Net sales

Ordinary income margin=Ordinary income/Net sales

Net income margin=Net income/Net sales



# Consolidated Efficiency Indicators

(times)	FY12/11 1H	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
Total assets turnover	2.8	3.2	2.8	2.6	2.8
Non-current assets turnover	8.0	10.0	8.1	8.7	9.7
Current assets turnover	4.3	4.7	4.2	3.8	3.9

Total assets turnover=Net sales×2/Average total assets

Non-current assets turnover=Net sales×2/Average non-current assets

Current assets turnover=Net sales×2/Average current assets

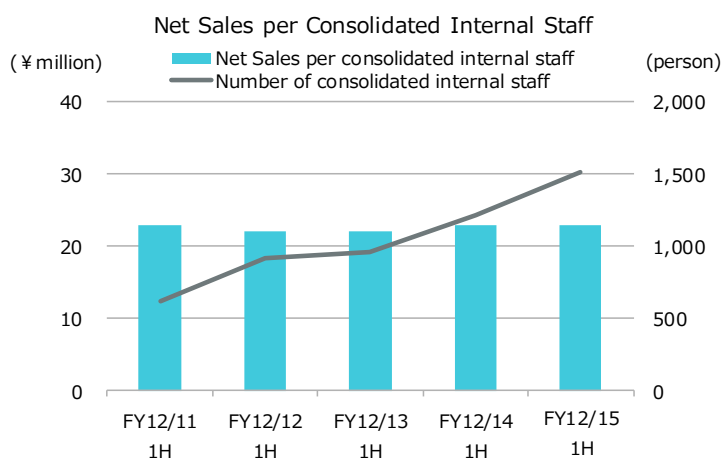
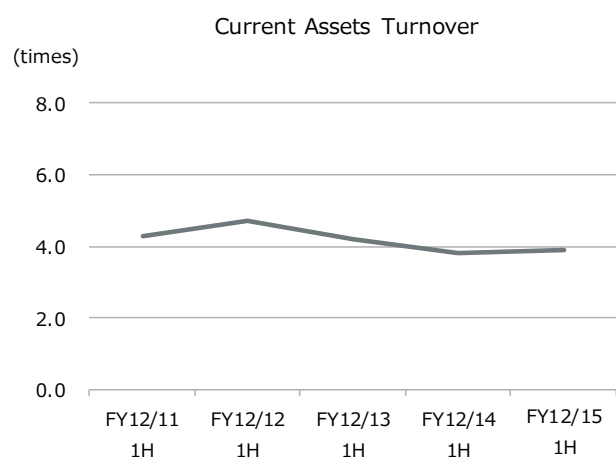
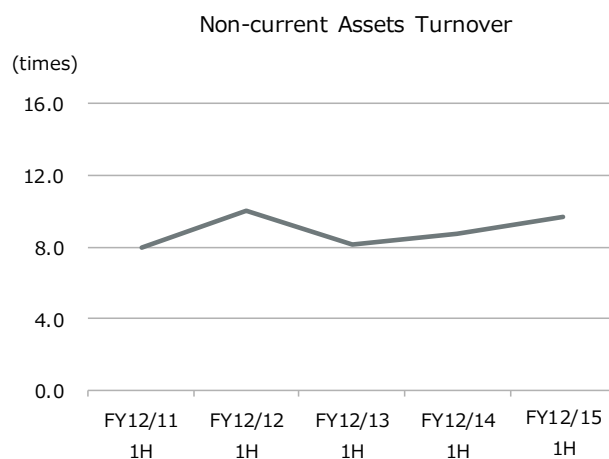
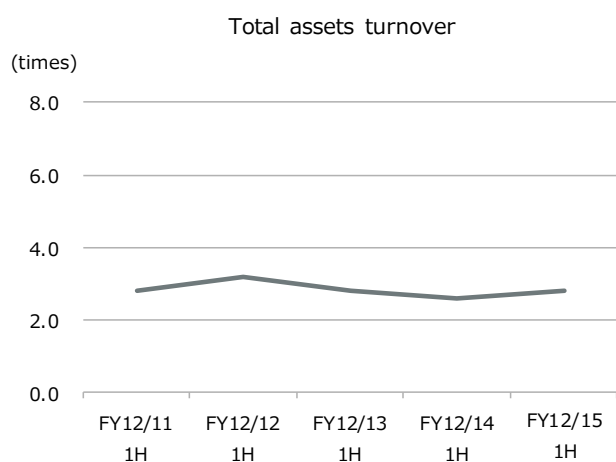
(¥ million)	FY12/11 1H	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
Net Sales per consolidated internal staff	23	22	22	23	23
Operating income per consolidated internal staff	+0	+0	+0	+0	+0
Ordinary income per consolidated internal staff	+0	+0	+0	+0	+0
Net income per consolidated internal staff	+0	-0	+0	+0	+0

Net sales per consolidated internal staff=Net sales/Number of consolidated internal staff

Operating income per consolidated internal staff=Operating income/Number of consolidated internal staff

Ordinary income per consolidated internal staff=Ordinary income/Number of consolidated internal staff

Net income per consolidated internal staff=Net income/Number of consolidated internal staff



# Consolidated Stability and Financial Indicators

( ¥ million)	FY12/11 1H	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
Equity	3,253	3,356	4,084	5,512	10,773
Total assets	10,465	13,527	17,114	22,091	27,418
Non-current assets	3,654	4,184	6,167	6,629	7,852
Current assets	6,809	9,340	10,946	15,461	19,565
Current liabilities	5,377	7,129	9,302	12,039	11,755
Interest-bearing debt	2,533	4,402	5,954	7,126	4,893

Interest-bearing debt=Short-term loans payable+Long-term loans payable+Bonds payable+Lease obligations  
+Accounts payable - land+A part of accounts payable

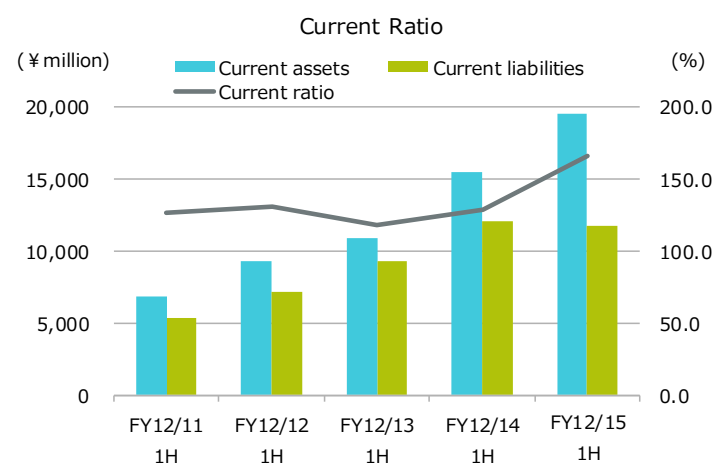
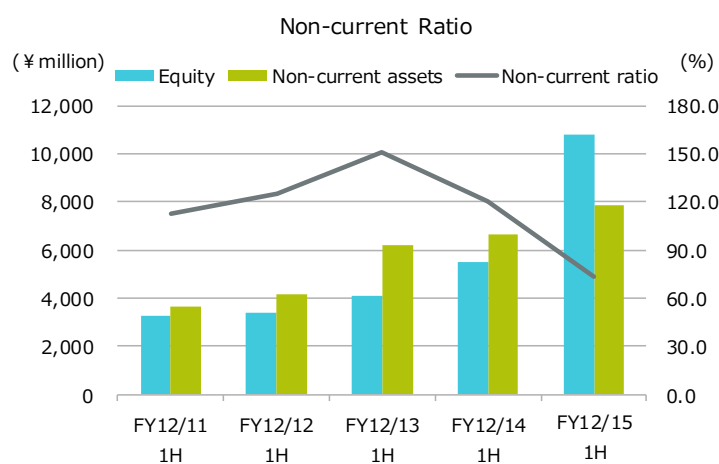
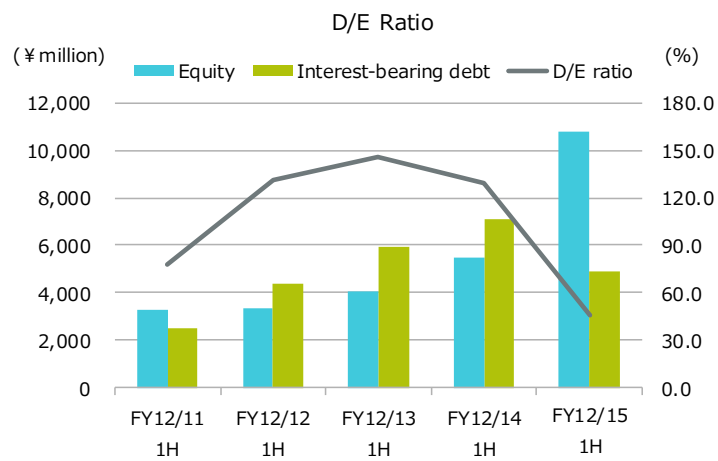
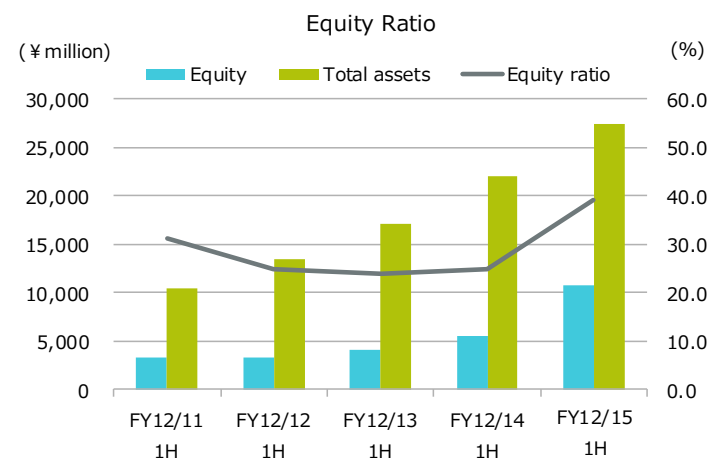
(%)	FY12/11 1H	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
Equity ratio	31.1	24.8	23.9	25.0	39.3
D/E ratio	77.9	131.2	145.8	129.3	45.4
Non-current ratio	112.3	124.7	151.0	120.3	72.9
Current ratio	126.6	131.0	117.7	128.4	166.4

Equity ratio=Equity/Total assets

D/E ratio=Interest-bearing debt/Equity

Non-current ratio=Non-current assets/Equity

Current ratio=Current assets/Current liabilities



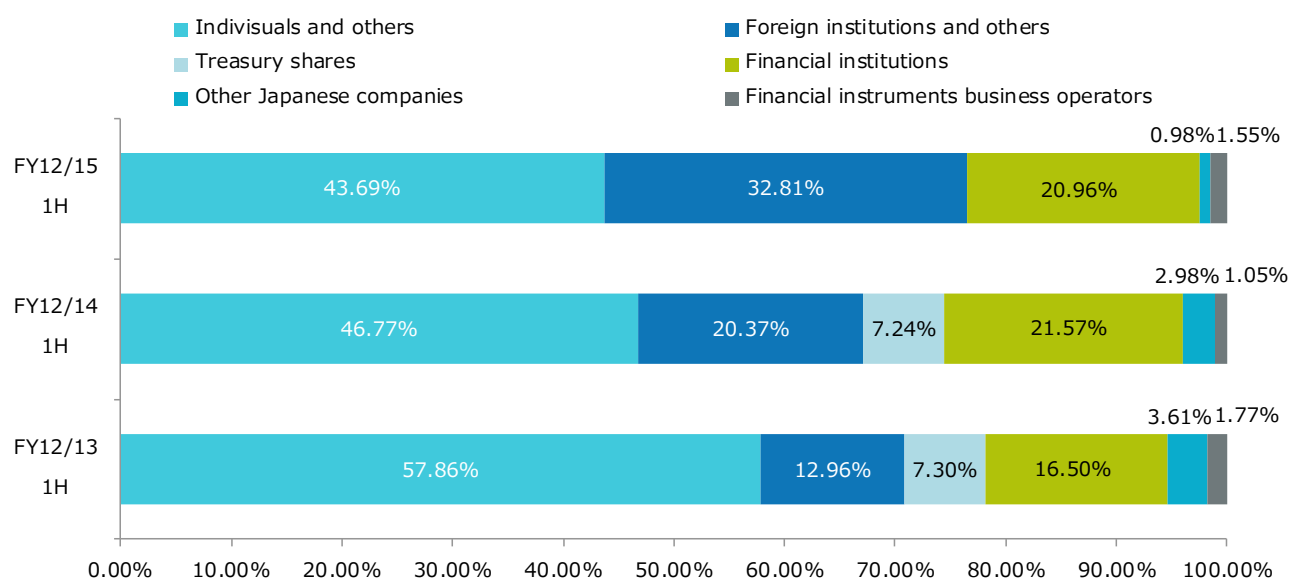
# Stock Information

## Major Shareholders

As of June 30, 2015

Top 10 Shareholders	Number of Shares	Shareholding Ratio
Haruhiko Doi	3,747,700	21.55%
JAPAN TRUSTEE SERVICES BANK, LTD. (Trust account)	1,845,300	10.61%
Masahiko Dorin	999,000	5.74%
THE MASTER TRUST BANK OF JAPAN, LTD. (Trust account)	919,800	5.29%
CBNY-GOVERNMENT OF NORWAY	531,300	3.05%
STATE STREET BANK AND TRUST COMPANY 505025	439,300	2.53%
THE BANK OF NEW YORK MELLON 140030	389,000	2.24%
BNYM SA/NV FOR BNYM CLIENT ACCOUNT MPCJ JAPAN	386,102	2.22%
THE BANK OF NEW YORK 133612	337,200	1.94%
Chiharu Doi	310,000	1.78%

## Breakdown by Type of Shareholders



## Per Share Indicators

(¥)	FY12/11 1H	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
Share price at term-end	483	302	681	1,457	2,095
Profit per share	0.73	(1.63)	2.06	25.77	31.64
Profit per share (fully diluted)	0.73	-	2.03	25.22	31.41
Net assets per share	225.55	232.57	282.30	377.84	619.35
Dividend per share	-	-	5.00	8.00	-

# Stock Price Indicators / Stock Price Information

## Stock Price / Other Indicators

(times)	FY12/11 1H	FY12/12 1H	FY12/13 1H	FY12/14 1H	FY12/15 1H
PER	661.6	-	330.6	56.5	66.2
PBR	2.1	1.3	2.4	3.9	3.4

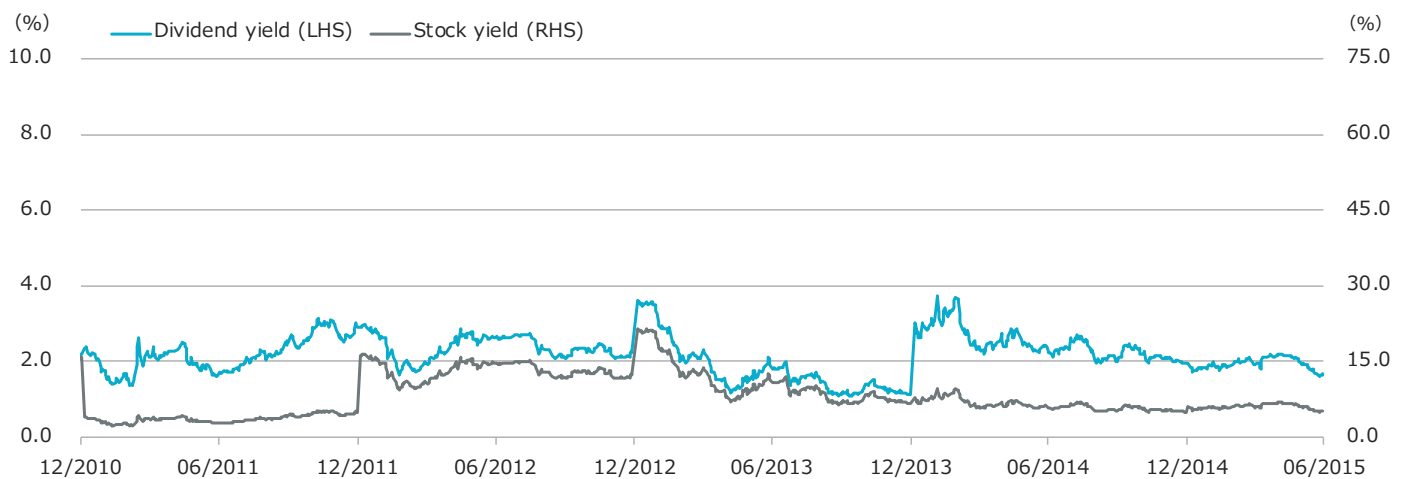
### (reference)

(%)	FY12/11 Full-Year	FY12/12 Full-Year	FY12/13 Full-Year	FY12/14 Full-Year	FY12/15 Full-Year
ROE	5.8	17.0	23.8	21.6	-
ROA	1.7	5.0	6.6	5.9	-
Dividend on net asset	3.4	2.8	4.0	8.4	-

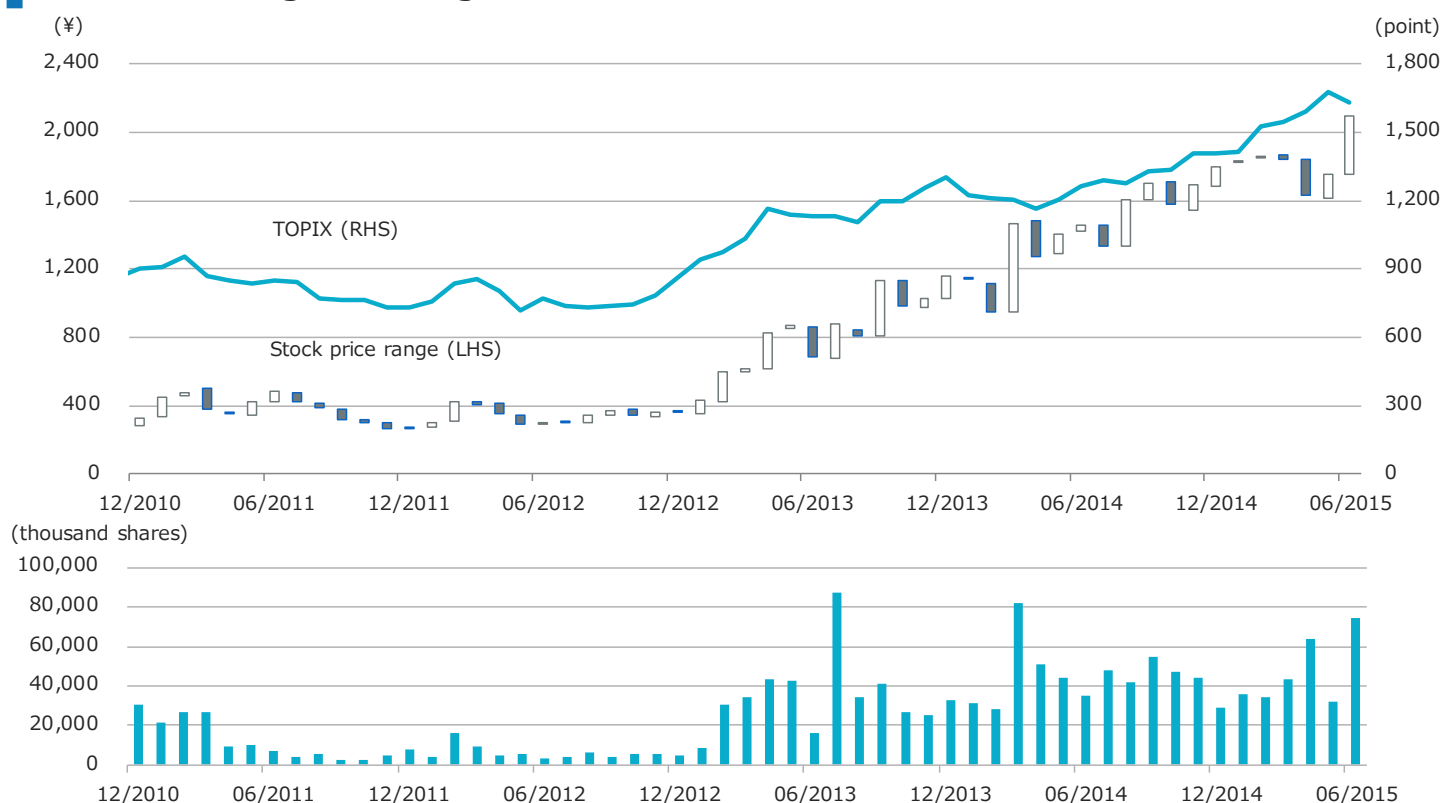
ROE=Profit/Average equity

ROA=Profit/Average total assets

## Stock Yield / Dividend Yield



## Stock Price Range / Trading Volume









## Contact

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