

FACTBOOK

(Securities Code: 2427 / TSE 1st Section)

OUTSOURCING Inc.

For the Fiscal Year Ended December 31, 2015



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Corporate Profile / Group Overview

Corporate Profile (as of December 31, 2015)

Company Name	OUTSOURCING Inc.
URL	http://www.outsourcing.co.jp/en/
Head Office	5F Marunouchi Trust Tower Main Bldg., 1-8-3 Marunouchi, Chiyoda-ku, Tokyo, 100-0005 Japan
Capital Stock	¥1,724,943 thousand
Established	January 1997
Representative	Haruhiko Doi, Chairman & CEO
Main Business	Engineering Outsourcing Business, Manufacturing Outsourcing Business, Administrative Outsourcing Business, Recruiting and Placing Business,* ¹ Overseas Business
Number of Branches	39 sales offices and 11 recruitment centers
Total Employees (Group)	31,320

Group Overview (as of December 31, 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 Group aims to contribute to the building of a brighter, prosperous society.

OUTSOURCING Group

Domestic Companies Group : 31

Recruiting and Placing Business* ¹	Administrative Outsourcing Business	Manufacturing Outsourcing Business	Engineering Outsourcing Business			Other Business
			Construction & Plant-related	IT-related	Engineering & Others	
OUTSOURCING			OUTSOURCING TECHNOLOGY			
ORJ			KDE Holding	Computer System Laboratory	enable	
		FOS	Kyodo Engineering	OS Solution	RPM	Outsourcing Business Service* ²
		Sanshin Electric		STI	TryAngle	WP
		PEO		Three S	OS SEMITEC	
		Active A-1		Thinketh Bank		
		GEM CORPORATION				
		GEM COMPANY				
		Oomura Industrial				
		BROTHERS				
		ATS				
		IOD GROUP				
		IOD				
		DAIEI KENSETSU				
		CRS				
		ISE INTERNATIONAL				

Overseas Companies Group : 37

Locally incorporated entities in China, Hong Kong, Singapore, Indonesia, Thailand, Viet Nam, Australia, Malaysia, India, Cambodia, UK, Belgium, Chile

*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: Special Subsidiary Company for hiring handicapped employees

Business Overview

Operating Segments

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

FY12/15 Consolidated Net Sales
¥80,860 million

Other Business

At Group subsidiaries, this business handles development, manufacturing and sales of mainly high performance auto parts, as well as payroll calculation and clerical work-related services.

Overseas Business

Through Group overseas subsidiaries, this business provides human resource services mainly in Asia and South America in the outsourcing fields of manufacturing, white collar and service operations, and also provides human resource services mainly in Europe and Australia in the fields of IT engineering, and dispatching specialized in financial services. The OUTSOURCING Group is strengthening strategic investments in order to expand its geographic footprint and scope of business fields.

Manufacturing Outsourcing Business

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

Engineering Outsourcing Business

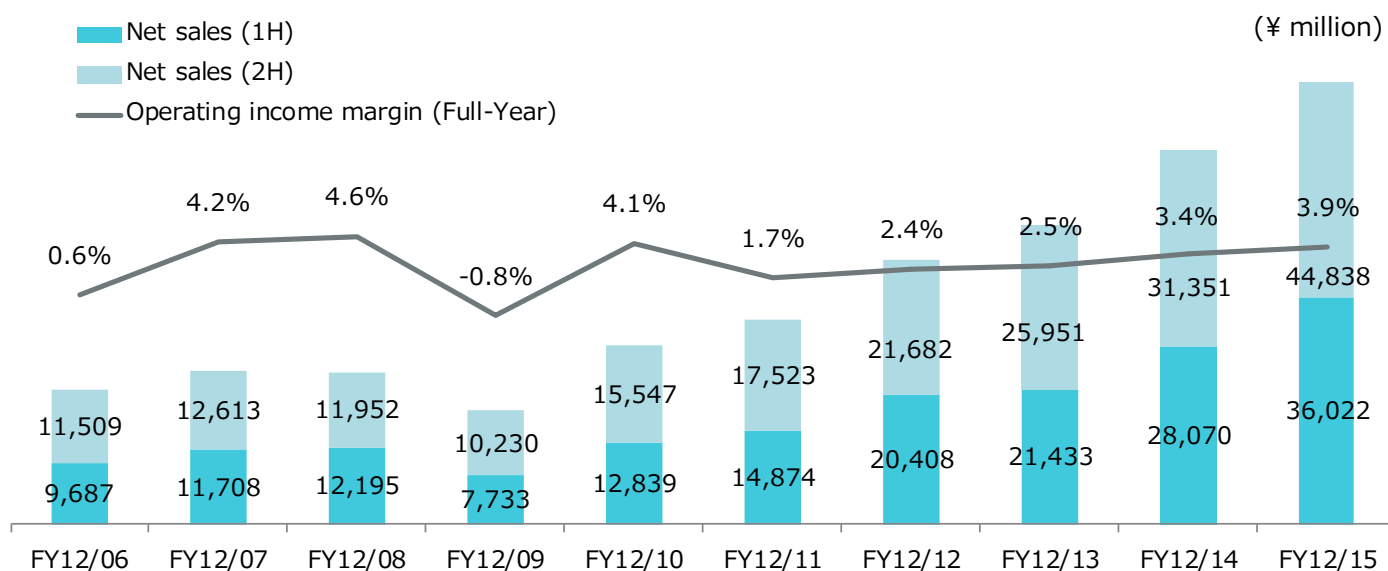
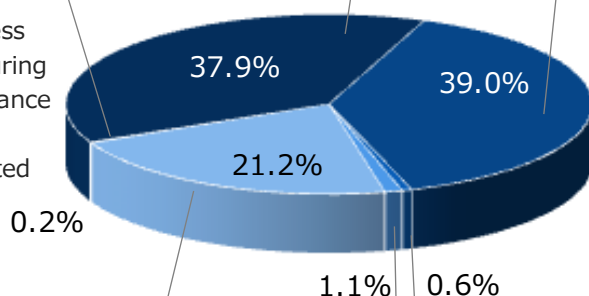
Through dealing with makers in wide-ranging fields including home electronics, medical equipment, semiconductors, software etc, this business provides contracting and dispatching services for the design/development, testing and evaluation processes with high level technology and know-how.

Administrative Outsourcing Business

Through Group subsidiary ORJ INC., this business handles administrative operations for fixed-term contract workers on behalf of makers to post-hiring labour management and company housing management as a comprehensive contract.

Recruiting and Placing Business

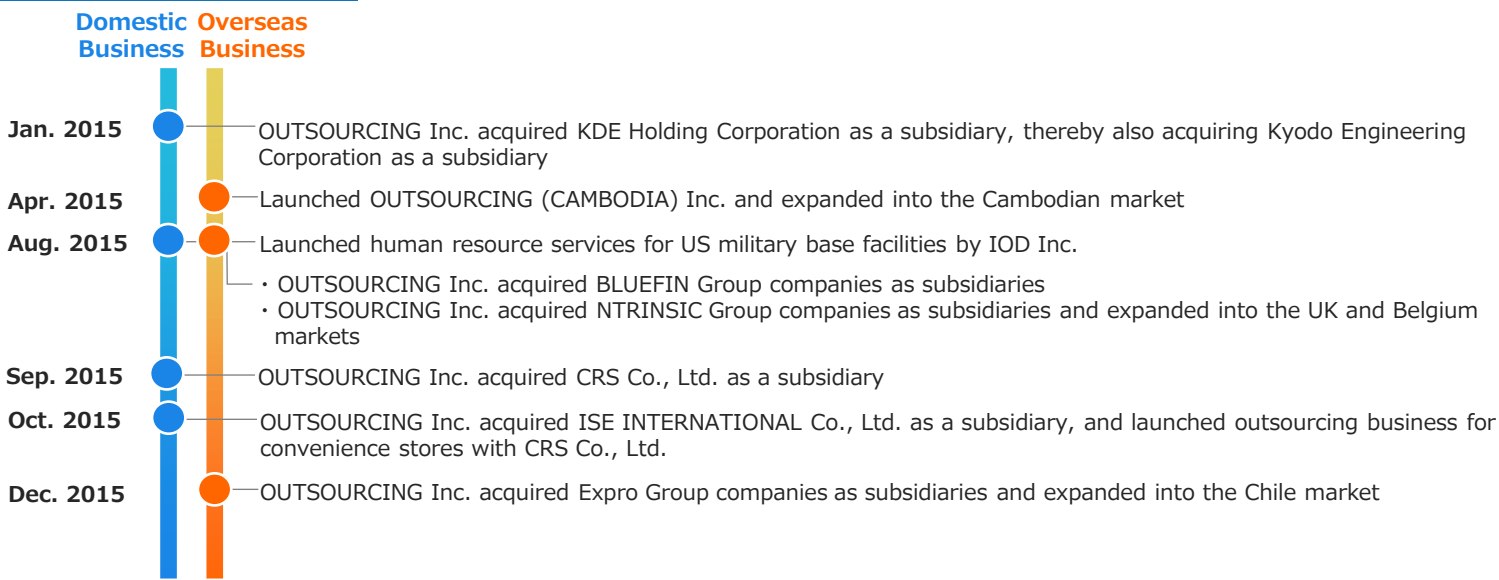
Through Group subsidiary ORJ INC. and others, this business leverages many years of accumulated know-how and our nationwide recruiting network, single handedly undertaking issues from recruitment plans to recruiting and interviews, a service making referrals and securing staff.



OUTSOURCING Group Expansion Corporate History



OUTSOURCING Group Expansion Corporate History



Business Locations Overview

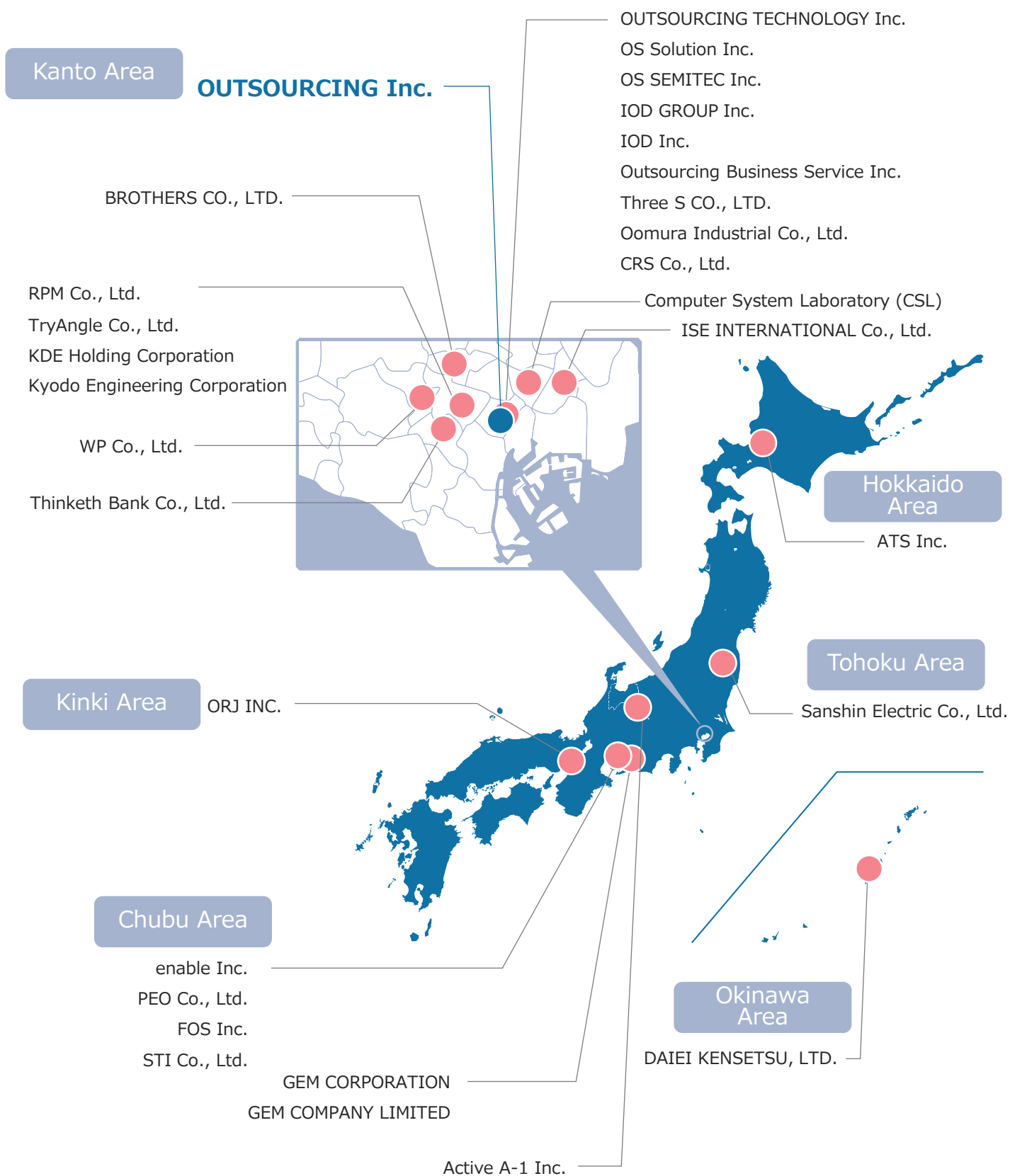
Domestic Business Locations

(as of December 31, 2015)

Domestic Companies Group : 31

● **OUTSOURCING Inc.** ● **Consolidated Subsidiaries**

Additionally, there are 39 sales offices and 11 recruitment centers nationwide

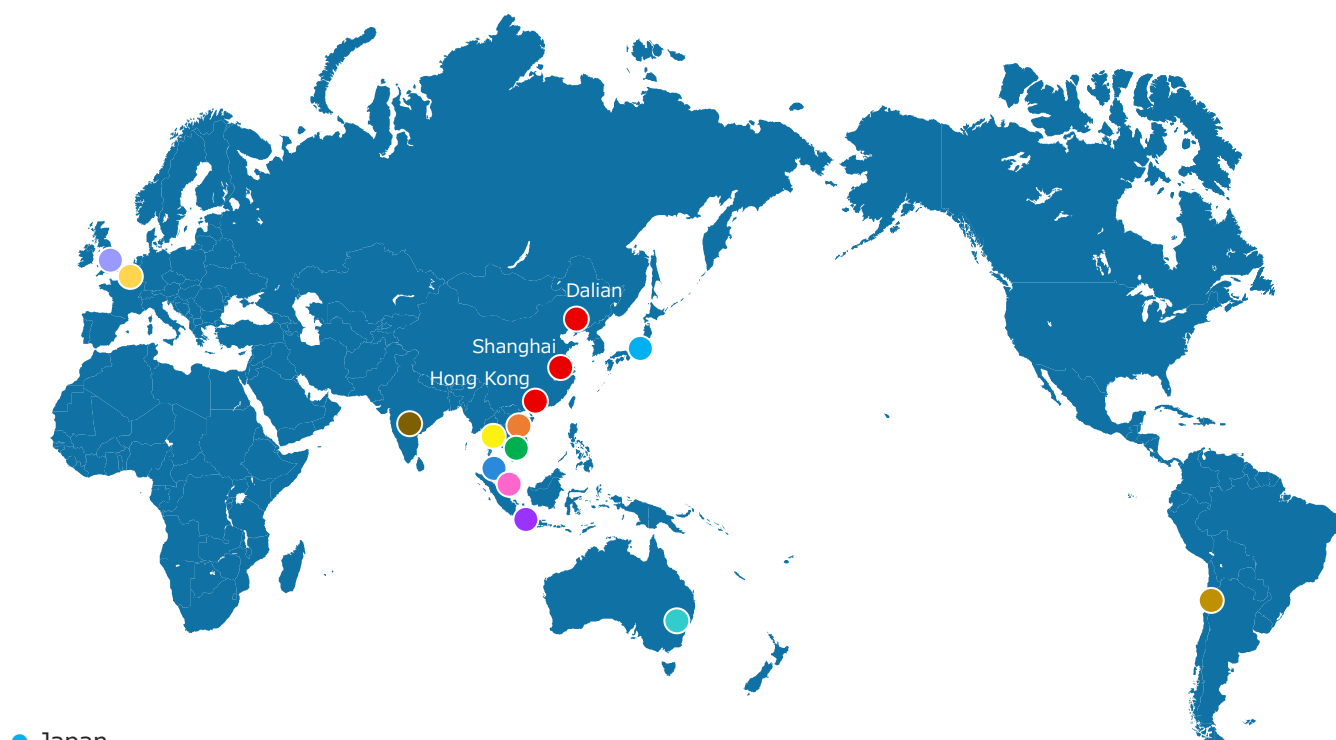


Business Locations Overview

Overseas Business Locations

Overseas Companies Group : 37

(as of December 31, 2015)



- Japan
 - OS International Co., Ltd.

Asia

- China
 - Out-Sourcing China, Inc.
 - Gray (Dalian) Information Technology Co., Ltd.
 - FARO RECRUITMENT (CHINA) 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.
 - Human Value Co., Ltd.
- Viet Nam
 - 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.
- Malaysia
 - SANSHIN (MALAYSIA) SDN. BHD.
- Singapore
 - FARO RECRUITMENT (SINGAPORE) PTE. LTD.
- Indonesia
 - PT. OS SELNAJAYA INDONESIA
- India
 - ALP CONSULTING LIMITED
 - DATACORE TECHNOLOGIES PRIVATE LIMITED

Oceania

- Australia
 - STAFF SOLUTIONS AUSTRALIA PTY LTD
 - BLUEFIN RESOURCES GROUP PTY LIMITED
 - BLUEFIN RESOURCES PTY LIMITED

Europe

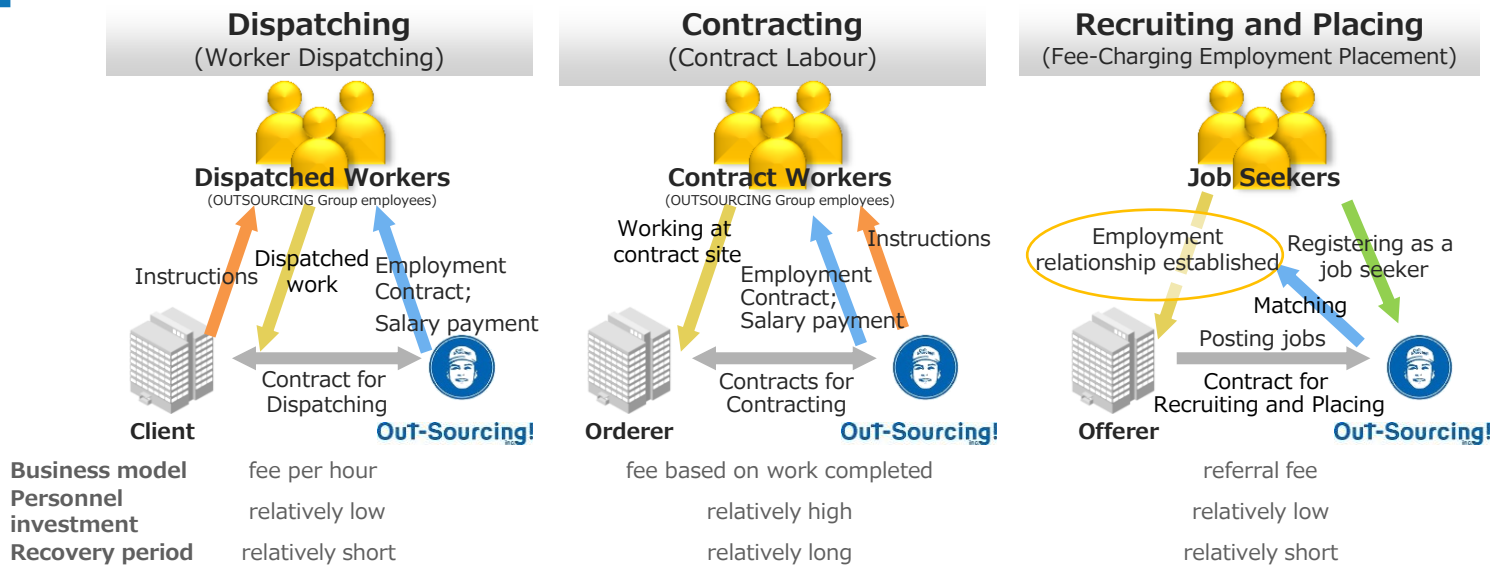
- UK
 - NTRINSIC HOLDINGS LIMITED
 - NTRINSIC COUNSULTING RESOURCES LIMITED
 - NTRINSIC COUNSULTING EUROPE LIMITED
- Belgium
 - NTRINSIC COUNSULTING SPRL

South America

- Chile
 - EST EXPROSERVICIOS S.A.
 - EST EXPROTEMPO S.A.
 - EXPROCHILE S.A.
 - EXPROSERVICIOS S.A.
 - RIVAS Y ASOCIADOS LIMITADA

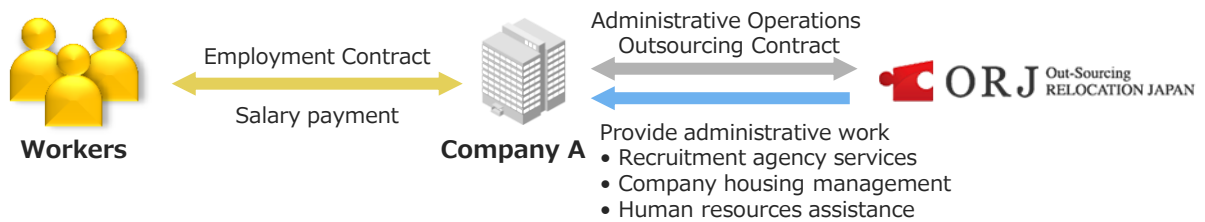
OUTSOURCING Group: Legal and Regulatory Framework Affecting Our Domestic Outsourcing Business

Major Hiring Formats for Our Domestic Outsourcing Business

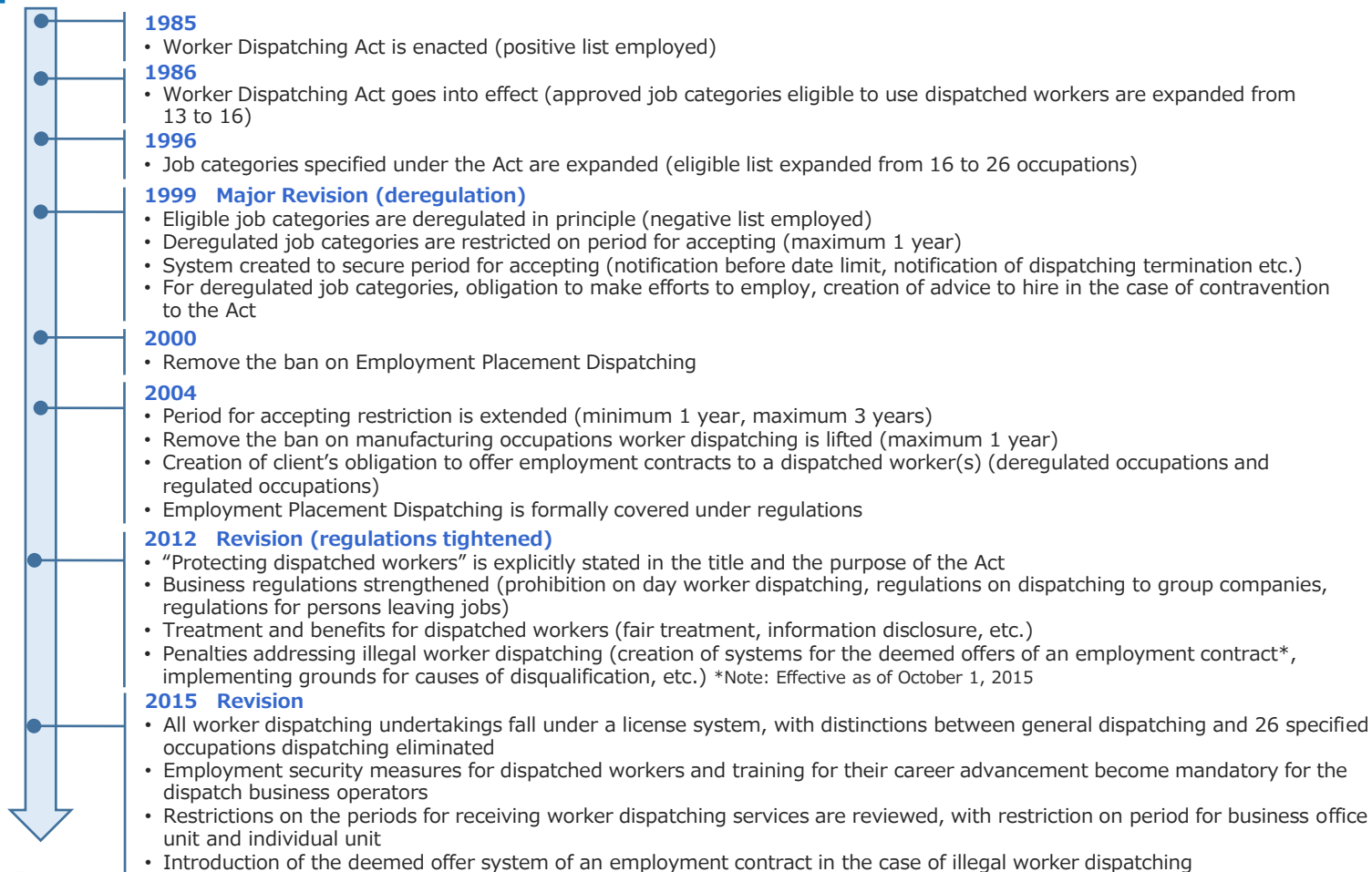


Note: From Q2 FY12/15, the Company adopts the following English terms to describe its recruiting formats. The contents of the recruiting formats remain the same. Dispatching (formerly Temporary Placement), Contracting (formerly Outsourced Contracting), and Recruiting and Placing (formerly Recruitment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

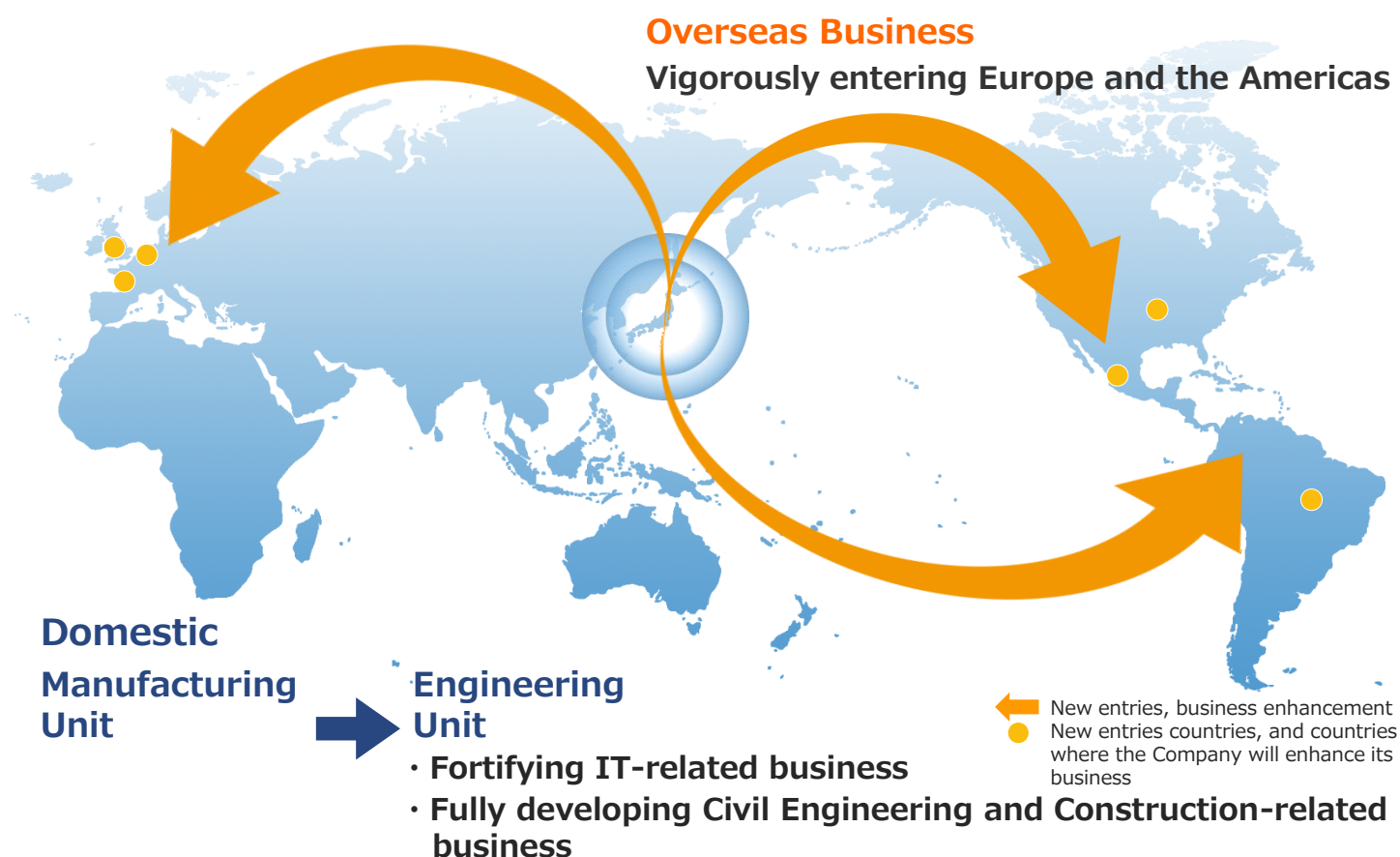
Erosion in brand strength of “Made in Japan” is leading to significant changes in the operating environment surrounding Japan’s manufacturing in the 21st century.

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.

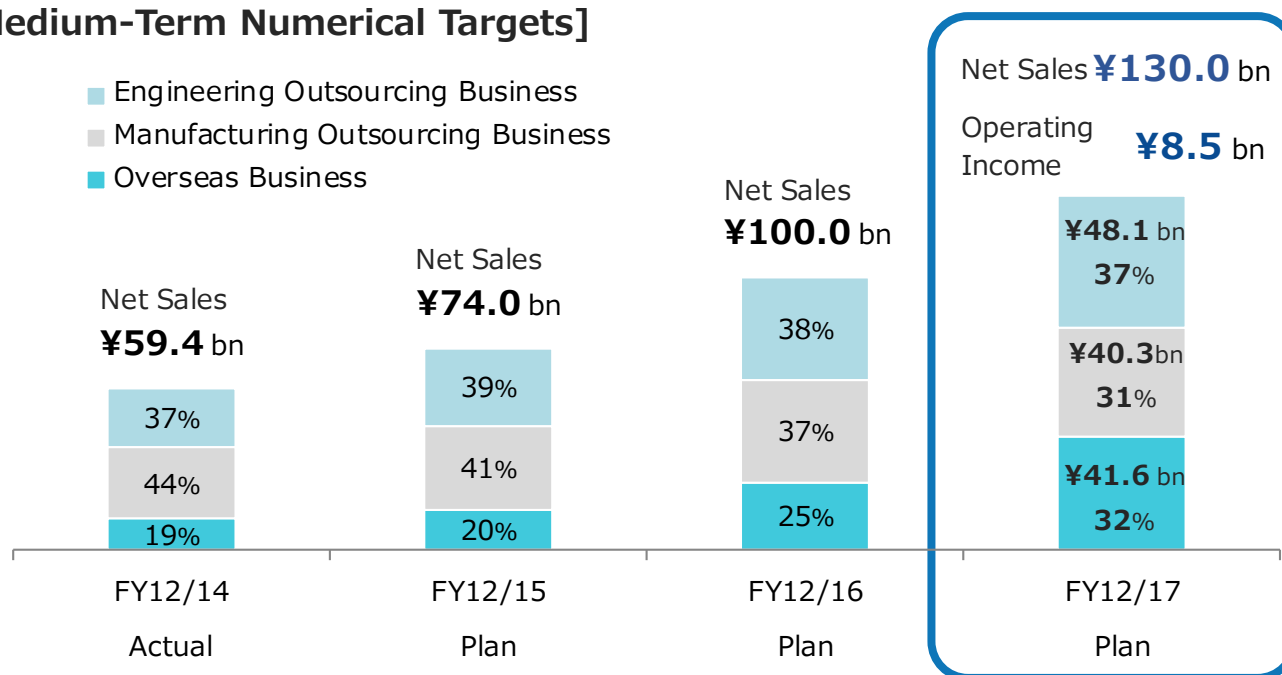
Engineering Unit (Civil Engineering and Construction-Related Business): Centering on fields with sustained demand growth

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

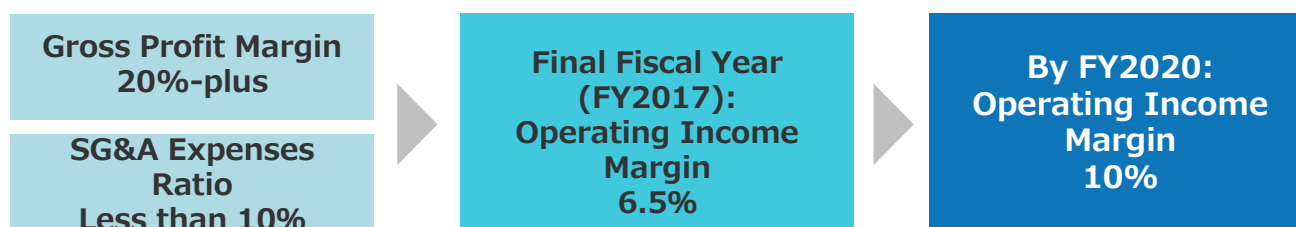
Expand our reach in Asian emerging countries where we have existing operation bases. Also enter the vast market of developed countries and initiate our reach in Latin American emerging countries where Japanese makers expands their businesses.

[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 End	FY12/12 End	FY12/13 End	FY12/14 End	FY12/15 End
Assets					
Total assets	11,921,809	13,866,410	20,343,008	24,132,961	37,042,507
Current assets	7,933,807	9,431,277	14,119,704	17,065,086	24,657,941
Cash and deposits	2,264,170	3,363,905	6,032,990	6,671,801	9,215,341
Notes and accounts receivable - trade	4,900,556	5,232,946	6,529,303	8,257,339	12,979,081
Work in process	85,800	64,131	281,341	437,209	525,309
Raw materials and supplies	54,045	68,269	297,055	386,114	326,120
Prepaid expenses	370,788	405,398	442,043	554,193	647,878
Deferred tax assets	52,798	63,489	15,911	55,653	115,025
Other	233,009	257,966	553,249	745,546	935,078
Allowance for doubtful accounts	(27,360)	(24,829)	(32,191)	(42,772)	(85,893)
Non-current assets	3,985,714	4,433,455	6,223,303	7,067,875	12,384,565
Property, plant and equipment	2,046,196	2,008,979	1,953,026	2,415,563	2,734,409
Buildings and structures	1,622,189	1,694,027	2,678,713	2,928,874	3,644,856
Accumulated depreciation	(469,479)	(537,830)	(1,565,523)	(1,670,980)	(2,027,352)
Buildings and structures, net	1,152,710	1,156,196	1,113,190	1,257,893	1,617,504
Machinery, equipment and vehicles	567,652	544,855	3,846,304	4,199,730	3,576,126
Accumulated depreciation	(252,767)	(279,392)	(3,596,075)	(3,698,045)	(3,210,200)
Machinery, equipment and vehicles, net	314,884	265,462	250,229	501,684	365,925
Tools, furniture and fixtures	618,875	616,312	1,183,769	1,215,283	1,234,741
Accumulated depreciation	(494,664)	(545,342)	(1,095,113)	(1,110,654)	(1,105,628)
Accumulated impairment loss	(44)	-	-	-	-
Tools, furniture and fixtures, net	124,166	70,970	88,656	104,628	129,113
Land	441,199	441,199	441,622	493,335	558,787
Leased assets	11,496	88,150	89,900	104,336	118,920
Accumulated depreciation	(1,149)	(14,209)	(32,505)	(50,743)	(76,254)
Leased assets, net	10,347	73,940	57,395	53,592	42,666
Construction in progress	2,887	1,208	1,932	4,428	20,412
Intangible assets	861,387	1,372,927	1,827,622	2,294,067	7,260,731
Goodwill	768,413	1,108,194	1,330,585	1,791,415	6,697,126
Other	92,974	264,733	497,037	502,651	563,604
Investments and other assets	1,078,130	1,051,548	2,442,654	2,358,244	2,389,425
Investment securities	204,245	166,399	678,654	528,016	471,670
Lease and guarantee deposits	563,101	683,595	742,735	899,385	1,044,353
Deferred tax assets	128,856	51,057	46,581	77,597	121,751
Other	181,926	151,587	974,683	853,245	751,649
Allowance for doubtful accounts	-	(1,091)	-	-	-
Deferred assets	2,287	1,677	-	-	-

Consolidated Balance Sheet

(¥ thousand)	FY12/11 End	FY12/12 End	FY12/13 End	FY12/14 End	FY12/15 End
Liabilities					
Total liabilities	8,251,145	9,354,541	14,427,501	16,563,412	24,670,488
Current liabilities	5,943,164	6,875,722	10,003,803	12,967,188	20,155,470
Notes and accounts payable - trade	49,544	208,694	609,635	752,039	730,643
Short-term loans payable	1,280,025	2,020,000	3,550,000	3,886,946	7,559,836
Current portion of long-term loans payable	479,669	554,917	830,077	779,058	1,143,803
Accounts payable - other	2,338,538	2,341,638	2,905,759	3,800,107	5,745,231
Accrued expenses	719,764	592,478	513,541	625,315	894,646
Income taxes payable	163,594	130,496	354,009	685,353	1,398,802
Accrued consumption taxes	324,503	439,373	340,967	1,482,347	1,698,239
Deferred tax liabilities	-	2,792	44,880	48,675	-
Provision for bonuses	81,843	14,829	60,387	83,889	56,494
Other	505,680	570,503	794,545	823,455	927,773
Non-current liabilities	2,307,980	2,478,818	4,423,698	3,596,223	4,515,018
Bonds payable	115,250	76,750	50,000	30,000	25,000
Long-term loans payable	1,351,861	1,582,044	2,578,830	1,763,011	2,018,160
Deferred tax liabilities	11,794	11,367	226,780	173,879	248,012
Provision for retirement benefits	417,553	356,661	803,192	-	-
Net defined benefit liability	-	-	-	813,515	843,355
Asset retirement obligations	-	-	190,976	348,599	374,328
Negative goodwill	317,826	186,378	48,040	205	-
Other	93,694	265,617	525,877	467,013	1,006,161
Net assets					
Total net assets	3,670,664	4,511,869	5,915,506	7,569,549	12,372,018
Shareholders' equity	3,445,116	4,008,563	4,945,279	6,219,656	11,574,293
Capital stock	485,443	485,443	514,780	613,151	1,724,943
Capital surplus	881,614	881,614	910,950	1,009,322	3,425,266
Retained earnings	2,469,153	3,032,600	3,910,642	4,988,277	6,424,230
Treasury shares	(391,094)	(391,094)	(391,094)	(391,094)	(146)
Accumulated other comprehensive income	(4,832)	78,674	382,741	663,525	89,708
Valuation difference on available-for-sale securities	(1,372)	2,894	52,120	26,500	(930)
Foreign currency translation adjustment	(3,459)	75,780	330,621	647,090	125,655
Remeasurements of defined benefit plans	-	-	-	(10,066)	(35,016)
Subscription rights to shares	91,996	103,566	100,506	43,263	96,217
Minority interests	138,382	321,064	486,980	643,103	611,799
Total liabilities and net assets	11,921,809	13,866,410	20,343,008	24,132,961	37,042,507

Consolidated Statement of Income

(¥ thousand)	FY12/11	FY12/12	FY12/13	FY12/14	FY12/15
Net sales	32,397,745	42,090,453	47,384,304	59,421,352	80,860,753
Cost of sales	25,658,946	33,618,302	38,102,746	47,457,823	64,327,182
Gross profit	6,738,798	8,472,151	9,281,557	11,963,528	16,533,570
Selling, general and administrative expenses*	6,175,588	7,471,638	8,078,645	9,953,091	13,408,159
Operating income	563,210	1,000,512	1,202,912	2,010,436	3,125,411
Non-operating income	541,309	708,172	700,570	661,930	527,684
Interest income	3,881	6,529	11,838	71,608	79,043
Dividend income	358	4,844	12,710	15,594	9,891
Real estate rent	333,049	415,534	384,530	328,728	249,326
Amortization of negative goodwill	138,320	138,337	138,337	46,267	205
Subsidy income	23,443	10,985	9,208	29,309	18,044
Share of profit of entities accounted for using equity method	793	41,040	2,409	-	-
Foreign exchange gains	-	-	75,027	138,442	51,023
Other	41,462	90,899	66,508	31,979	120,148
Non-operating expenses	401,744	554,778	546,176	474,970	428,200
Interest expenses	26,333	37,014	49,713	62,900	99,385
Rent cost of real estate	365,668	456,198	380,938	327,341	248,325
Share of loss of entities accounted for using equity method	-	-	-	1,476	304
Termination charge for point program	-	-	78,757	-	-
Other	9,743	61,565	36,768	83,251	80,185
Ordinary income	702,774	1,153,906	1,357,305	2,197,395	3,224,894
Extraordinary income	18,128	16,524	232,538	113,985	88,836
Gain on sales of non-current assets	12,170	1,179	996	39,934	1,083
Gain on transfer of business	-	-	-	4,200	-
Gain on sales of investment securities	5,958	-	27,797	69,850	41,833
Gain on bargain purchase	-	15,344	203,744	-	45,919
Extraordinary losses	157,056	175,118	-	192,238	1,148
Loss on sales and retirement of non-current assets	19,318	13,195	-	37,981	1,148
Loss on sales of shares of subsidiaries and associates	10,023	-	-	-	-
Loss on sales of shares of subsidiaries	-	-	-	3,931	-
Impairment loss	12,390	39,221	-	150,325	-
Amortization of goodwill	-	52,741	-	-	-
Loss on disaster	46,888	-	-	-	-
Office transfer expenses	-	69,960	-	-	-
Settlement package	11,200	-	-	-	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	5,832	-	-	-	-
Retirement benefit expenses for prior periods	51,403	-	-	-	-
Income before income taxes and minority interests	563,846	995,311	1,589,844	2,119,142	3,312,582
Income taxes - current	305,831	241,892	390,058	809,990	1,528,676
Income taxes - deferred	47,163	69,816	(11,642)	(91,952)	(97,219)
Total income taxes	352,995	311,708	378,416	718,038	1,431,457
Income before minority interests	210,851	683,602	1,211,427	1,401,104	1,881,125
Minority interests in income	16,276	41,932	89,061	84,434	70,838
Net income	194,575	641,670	1,122,365	1,316,669	1,810,286

*Includes the following:

Amortization of goodwill	168,359	277,568	371,635	518,908	923,044
Depreciation	271,352	320,936	348,622	344,582	446,145

Consolidated Statement of Changes in Net Assets

FY12/14 (January 1, 2014 - December 31, 2014)

(¥ thousand)	Shareholders' equity					Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	514,780	910,950	3,910,642	(391,094)	4,945,279	52,120	330,621	—	382,741	100,506	486,980	5,915,506
Cumulative effects of changes in accounting policies												
Restated balance	514,780	910,950	3,910,642	(391,094)	4,945,279	52,120	330,621	—	382,741	100,506	486,980	5,915,506
Changes of items during the period												
Issuance of new shares	98,371	98,371			196,742							196,742
Dividends of surplus			(232,943)		(232,943)							(232,943)
Net income			1,316,669		1,316,669							1,316,669
Purchase of treasury shares												
Disposal of treasury shares												
Change of scope of consolidation			(6,091)		(6,091)							(6,091)
Net changes of items other than shareholders' equity						(25,619)	316,469	(10,066)	280,783	(57,242)	156,123	379,665
Total changes of items during the period	98,371	98,371	1,077,634	—	1,274,377	(25,619)	316,469	(10,066)	280,783	(57,242)	156,123	1,654,042
Balance at end of current period	613,151	1,009,322	4,988,277	(391,094)	6,219,656	26,500	647,090	(10,066)	663,525	43,263	643,103	7,569,549

FY12/15 (January 1, 2015 - December 31, 2015)

(¥ thousand)	Shareholders' equity					Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	613,151	1,009,322	4,988,277	(391,094)	6,219,656	26,500	647,090	(10,066)	663,525	43,263	643,103	7,569,549
Cumulative effects of changes in accounting policies			21,660		21,660							21,660
Restated balance	613,151	1,009,322	5,009,937	(391,094)	6,241,316	26,500	647,090	(10,066)	663,525	43,263	643,103	7,591,209
Changes of items during the period												
Issuance of new shares	1,111,792	2,415,944			3,527,736							3,527,736
Dividends of surplus			(400,825)		(400,825)							(400,825)
Net income			1,810,286		1,810,286							1,810,286
Purchase of treasury shares				(146)	(146)							(146)
Disposal of treasury shares				391,094	391,094							391,094
Change of scope of consolidation			4,831		4,831							4,831
Net changes of items other than shareholders' equity						(27,431)	(521,435)	(24,950)	(573,817)	52,953	(31,303)	(552,167)
Total changes of items during the period	1,111,792	2,415,944	1,414,292	390,948	5,332,977	(27,431)	(521,435)	(24,950)	(573,817)	52,953	(31,303)	4,780,809
Balance at end of current period	1,724,943	3,425,266	6,424,230	(146)	11,574,293	(930)	125,655	(35,016)	89,708	96,217	611,799	12,372,018

Consolidated Statement of Cash Flows

(¥ thousand)	FY12/11	FY12/12	FY12/13	FY12/14	FY12/15
Cash flows from operating activities					
Net cash provided by (used in) operating activities	412,875	1,062,512	1,298,702	2,284,510	2,097,469
Income before income taxes and minority interests	563,846	995,311	1,589,844	2,119,142	3,312,582
Depreciation	271,352	320,936	348,622	344,582	446,145
Impairment loss	12,390	39,221	-	150,325	-
Loss on disaster	46,888	-	-	-	-
Settlement package	11,200	-	-	-	-
Gain on bargain purchase	-	(15,344)	(203,744)	-	(45,919)
Amortization of goodwill	168,359	330,309	371,635	518,908	923,044
Amortization of negative goodwill	(138,320)	(138,337)	(138,337)	(46,267)	(205)
Increase (decrease) in allowance for doubtful accounts	325	(2,330)	4,387	1,410	(48,850)
Increase (decrease) in provision for bonuses	(16,121)	(78,685)	(13,616)	(6,780)	(44,654)
Increase (decrease) in provision for retirement benefits	49,167	(66,320)	77,152	-	(251)
Increase (decrease) in net defined benefit liability	-	-	-	(39,849)	67,012
Interest and dividend income	(4,239)	(11,374)	(24,548)	(87,202)	(88,935)
Interest expenses	26,333	37,014	49,713	62,900	99,385
Share of (profit) loss of entities accounted for using equity method	(793)	(41,040)	(2,409)	1,476	304
Loss (gain) on sales and retirement of non-current assets	7,148	12,015	(996)	(1,953)	65
Loss (gain) on sales of investment securities	(5,958)	-	(27,797)	(69,850)	(41,833)
Loss (gain) on sales of shares of subsidiaries	-	-	-	3,931	-
Loss (gain) on transfer of business	-	-	-	(4,200)	-
Loss (gain) on sales of shares of subsidiaries and associates	10,023	-	-	-	-
Decrease (increase) in notes and accounts receivable - trade	(222,013)	151,538	(82,370)	(1,299,924)	(1,550,082)
Decrease (increase) in inventories	(61,291)	8,284	(56,338)	(205,541)	(35,891)
Increase (decrease) in notes and accounts payable - trade	491,398	(234,992)	(349,487)	516,359	655,507
Increase (decrease) in accrued consumption taxes	14,538	112,481	(114,953)	1,136,707	42,783
Loss on adjustment for changes of accounting standard for asset retirement obligations	5,832	-	-	-	-
Other, net	71,983	27,384	142,278	(210,693)	(559,195)
Subtotal	1,302,049	1,446,072	1,569,033	2,883,482	3,131,010
Interest and dividend income received	5,231	11,383	24,546	87,196	88,915
Interest expenses paid	(25,077)	(37,079)	(50,094)	(61,670)	(98,581)
Payments for loss on disaster	(46,888)	-	-	-	-
Settlement package paid	(11,200)	-	-	-	-
Income taxes paid	(864,437)	(377,099)	(318,876)	(662,693)	(1,061,790)
Income taxes refund	53,198	19,235	74,093	38,195	37,916

Consolidated Statement of Cash Flows

(¥ thousand)	FY12/11	FY12/12	FY12/13	FY12/14	FY12/15
Cash flows from investing activities					
Net cash provided by (used in) investing activities	(274,004)	(755,921)	(1,982,739)	(1,351,635)	(5,039,652)
Payments into time deposits	(136,408)	(141,382)	(163,849)	(1,012,701)	(224,616)
Proceeds from withdrawal of time deposits	119,100	132,533	89,499	636,208	359,378
Purchase of property, plant and equipment	(154,533)	(145,449)	(184,827)	(287,619)	(217,952)
Purchase of intangible assets	(21,097)	(85,454)	(250,444)	(73,048)	(138,383)
Payments for retirement of property, plant and equipment	(9,874)	-	-	-	-
Proceeds from sales of property, plant and equipment	14,387	2,833	1,576	72,080	26,226
Purchase of investment securities	(399)	(352)	(519)	(1,389)	(576)
Proceeds from sales of investment securities	112,260	5,382	423,517	142,459	140,889
Payments for asset retirement obligations	-	(26,098)	-	(11,612)	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(485,532)	(481,825)	(1,729,477)	(504,788)	(4,811,763)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	175,281	38,428	6,883	-
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	380,000	-	-	49,000	-
Proceeds from sales of shares of subsidiaries and associates	6,000	-	-	-	-
Purchase of shares of subsidiaries	-	(0)	(113,449)	-	(134,201)
Payments for transfer of business	(10,000)	(129,499)	(68,047)	(340,147)	(204,181)
Payments of loans receivable	(60,523)	(5,222)	(173,988)	(37,096)	(18,347)
Collection of loans receivable	24,181	35,531	3,877	14,110	88,479
Payments for lease and guarantee deposits	(150,914)	(260,637)	(42,164)	(148,930)	(157,665)
Proceeds from collection of lease and guarantee deposits	87,037	169,288	50,460	56,785	94,596
Purchase of insurance funds	(3,225)	(3,115)	(8,524)	(1,840)	(15,158)
Proceeds from cancellation of insurance funds	15,530	3,300	112,939	80,440	175,784
Other, net	6	(1,035)	32,255	9,568	(2,161)
Cash flows from financing activities					
Net cash provided by (used in) financing activities	319,619	697,963	1,800,184	(930,429)	5,793,170
Net increase (decrease) in short-term loans payable	(111,436)	710,000	1,193,212	111,873	2,834,490
Proceeds from long-term loans payable	1,300,000	1,000,000	1,800,000	-	1,500,000
Repayments of long-term loans payable	(686,699)	(788,667)	(824,507)	(869,082)	(1,844,213)
Redemption of bonds	(83,500)	(88,500)	(167,850)	(80,000)	(140,800)
Proceeds from issuance of common shares	3,055	-	40,233	196,742	3,900,041
Cash dividends paid	(103,758)	(115,574)	(187,738)	(232,980)	(401,088)
Purchase of treasury shares	-	-	-	-	(146)
Proceeds from share issuance to minority shareholders	6,766	4,068	-	-	-
Cash dividends paid to minority shareholders	(1,534)	(2,111)	(5,335)	(1,226)	(4,225)
Other, net	(3,273)	(21,251)	(47,829)	(55,756)	(50,887)
Effect of exchange rate change on cash and cash equivalents	(5,918)	77,715	155,706	149,151	(125,925)
Net increase (decrease) in cash and cash equivalents	452,571	1,082,269	1,271,855	151,597	2,725,062
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	2,166,060	3,248,330	4,520,185	4,671,783	7,396,845

Information by Operating Segment and Region

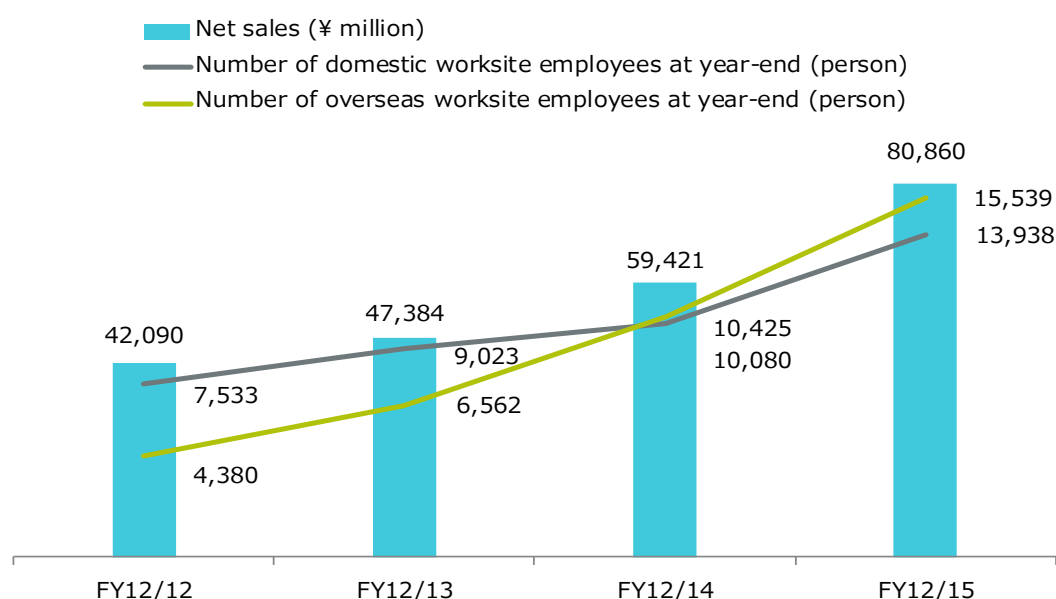
(¥ thousand)	FY12/12	FY12/13	FY12/14	FY12/15
Net sales by operating segment				
Engineering Outsourcing Business	12,260,734	17,079,977	22,036,724	31,552,667
Composition ratio	29.1%	36.1%	37.1%	39.0%
Electrical & Electronics	2,301,662	2,299,700	3,042,195	5,334,658
Composition ratio	5.5%	4.9%	5.1%	6.6%
Transport Equipment	4,108,726	5,126,290	6,946,985	8,473,969
Composition ratio	9.8%	10.8%	11.7%	10.5%
Pharm. & Chemicals	728,607	830,849	954,683	1,382,772
Composition ratio	1.7%	1.8%	1.6%	1.7%
Metals & Construction Materials	23,164	13,102	100,030	103,709
Composition ratio	0.0%	0.0%	0.2%	0.1%
IT-related	2,769,303	5,674,955	8,335,741	9,982,191
Composition ratio	6.6%	12.0%	14.0%	12.3%
Construction & Plant-related	-	441,697	576,900	4,319,324
Composition ratio	-	0.9%	1.0%	5.3%
After-sales Maintenance	-	249,155	233,680	126,678
Composition ratio	-	0.5%	0.4%	0.2%
Others	2,329,269	2,444,227	1,846,508	1,829,363
Composition ratio	5.5%	5.2%	3.1%	2.3%
Manufacturing Outsourcing Business	24,178,386	21,812,545	25,478,193	30,591,552
Composition ratio	57.4%	46.0%	42.9%	37.9%
Foods	1,739,549	1,615,753	1,721,852	1,699,885
Composition ratio	4.1%	3.4%	2.9%	2.1%
Electrical & Electronics	5,320,017	4,158,989	6,774,434	8,857,574
Composition ratio	12.6%	8.8%	11.4%	11.0%
Transport Equipment	7,623,074	6,558,248	8,680,802	11,532,662
Composition ratio	18.1%	13.8%	14.6%	14.3%
Pharm. & Chemicals	3,662,024	3,701,632	3,872,083	3,585,819
Composition ratio	8.7%	7.8%	6.5%	4.4%
Metals & Construction Materials	3,706,106	2,566,601	2,104,060	2,009,918
Composition ratio	8.8%	5.4%	3.6%	2.5%
Others	2,127,614	3,211,321	2,324,960	2,905,691
Composition ratio	5.1%	6.8%	3.9%	3.6%
Administrative Outsourcing Business	614,886	603,865	601,748	497,284
Composition ratio	1.5%	1.3%	1.0%	0.6%
Recruiting and Placing Business	427,660	477,125	779,552	871,656
Composition ratio	1.0%	1.0%	1.3%	1.1%
Overseas Buisness	4,456,401	7,220,785	10,346,747	17,181,788
Composition ratio	10.6%	15.2%	17.4%	21.2%
Other Business	152,383	190,004	178,386	165,803
Composition ratio	0.4%	0.4%	0.3%	0.2%
Total	42,090,453	47,384,304	59,421,352	80,860,753
Composition ratio	100.0%	100.0%	100.0%	100.0%

(¥ thousand)	FY12/12	FY12/13	FY12/14	FY12/15
Net sales by region				
Japan	37,634,052	40,163,518	49,074,605	63,678,964
Composition ratio	89.4%	84.8%	82.6%	78.8%
Asia/Oceania (excl. Japan)	4,456,401	7,220,785	10,346,747	15,468,388
Composition ratio	10.6%	15.2%	17.4%	19.1%
Other	-	-	-	1,713,399
Composition ratio	-	-	-	2.1%
Total	42,090,453	47,384,304	59,421,352	80,860,753
Composition ratio	100.0%	100.0%	100.0%	100.0%

Other Information (Number of Workers / Recruitment Unit Price)

(persons)	FY12/12	FY12/13	FY12/14	FY12/15
Number of worksite employees at year-end				
Consolidated	11,913	15,585	20,505	29,477
Domestic	7,533	9,023	10,080	13,938
Engineering Outsourcing Business	1,902	2,600	3,271	4,742
IT-related	382	686	927	1,166
Construction & Plant-related	56	91	85	612
Manufacturing Outsourcing Business	5,550	6,351	6,732	9,134
Administrative Outsourcing Business	81	72	77	62
Overseas Business	4,380	6,562	10,425	15,539
Production Outsourcing Business	2,648	4,829	7,554	11,667
Other Business	1,732	1,733	2,871	3,872
Number of outsourcing administrative workers at year-end				
Administrative Outsourcing Business	2,156	2,344	2,092	1,538
Number of placed workers				
Recruiting and Placing Business	2,139	2,216	2,882	2,689

Note: the number of contract workers includes dispatched employees.



	FY12/12	FY12/13	FY12/14	FY12/15
Recruitment efficiency				
Engineering Outsourcing Business				
Number of workers recruited (persons)	578	954	1,283	1,879
Recruitment unit price (¥/worker)	227,021	296,003	210,472	235,897
Utilization rate	96.7%	96.5%	97.3%	98.4%
Manufacturing Outsourcing Business				
Number of workers recruited (persons)	6,789	6,754	6,249	9,340
Recruitment unit price (¥/worker)	49,439	47,130	68,511	52,276
Recruiting and Placing Business				
Number of workers recruited (persons)	2,139	2,156	2,839	2,689
Recruitment unit price (¥/worker)	109,807	98,432	116,546	112,388

Consolidated Profitability Indicators

(¥ million)	FY12/11	FY12/12	FY12/13	FY12/14	FY12/15
Net sales	32,397	42,090	47,384	59,421	80,860
Gross profit	6,738	8,472	9,281	11,963	16,533
SG&A expenses	6,175	7,471	8,078	9,953	13,408
Operating income	563	1,000	1,202	2,010	3,125
Ordinary income	702	1,153	1,357	2,197	3,224
Net income	194	641	1,122	1,316	1,810

(%)	FY12/11	FY12/12	FY12/13	FY12/14	FY12/15
Gross profit margin	20.8	20.1	19.6	20.1	20.4
SG&A expenses ratio	19.1	17.8	17.0	16.8	16.6
Operating income margin	1.7	2.4	2.5	3.4	3.9
Ordinary income margin	2.2	2.7	2.9	3.7	4.0
Net income margin	0.6	1.5	2.4	2.2	2.2

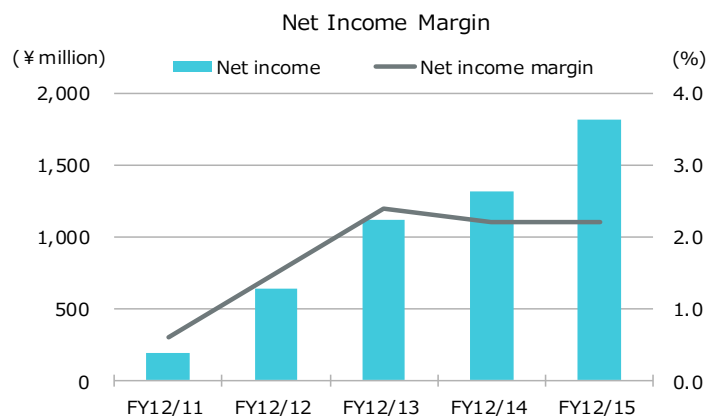
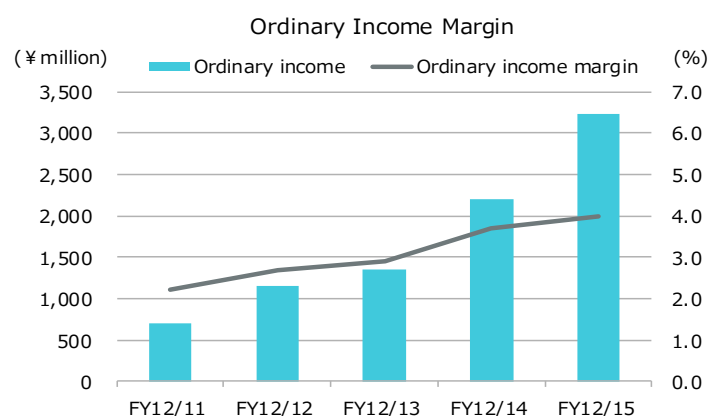
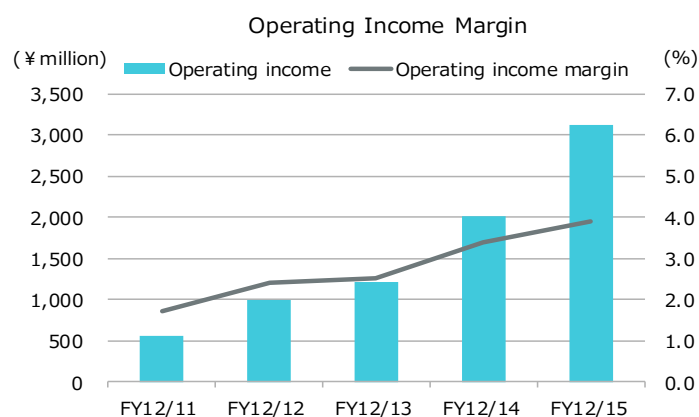
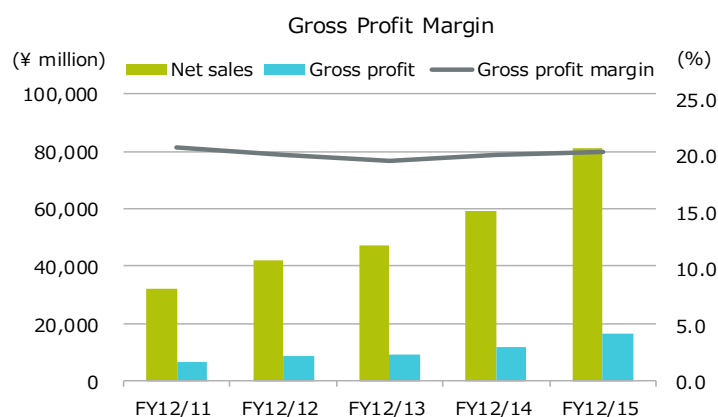
Gross profit margin=Gross profit/Net sales

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	FY12/12	FY12/13	FY12/14	FY12/15
Total assets turnover	2.9	3.3	2.8	2.7	2.6
Non-current assets turnover	8.4	10.0	8.9	8.9	8.3
Current assets turnover	4.4	4.8	4.0	3.8	3.9

Total assets turnover=Net sales/Average total assets

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

Current assets turnover=Net sales/Average current assets

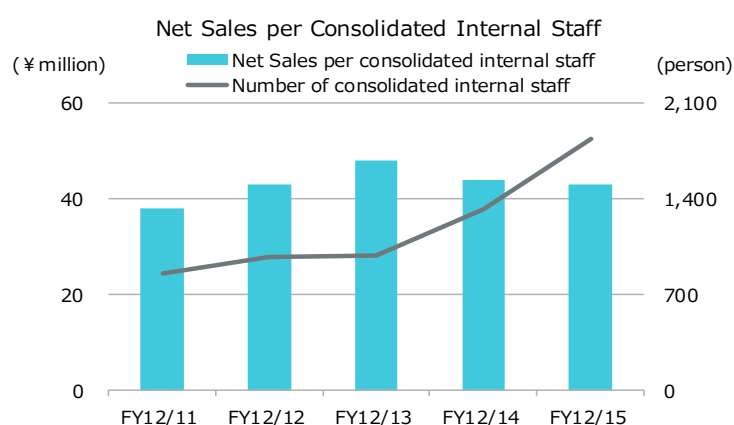
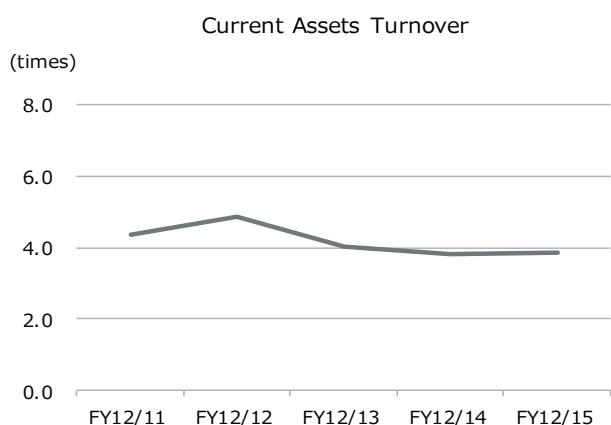
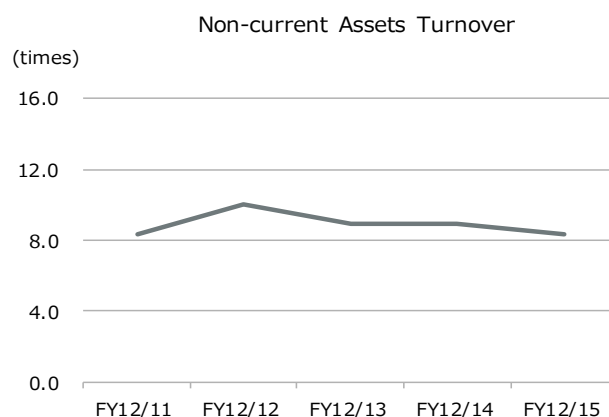
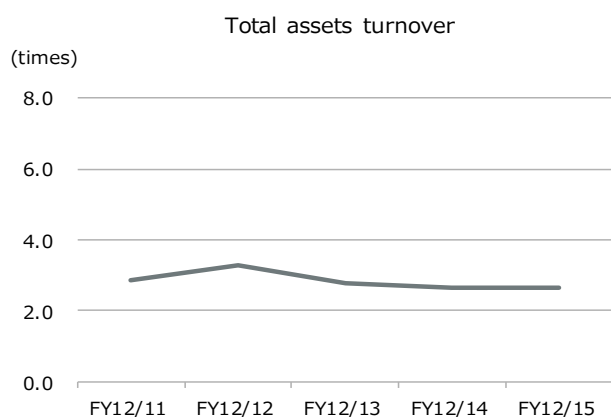
(¥ million)	FY12/11	FY12/12	FY12/13	FY12/14	FY12/15
Net Sales per consolidated internal staff	38	43	48	44	43
Operating income per consolidated internal staff	+0	1	1	1	1
Ordinary income per consolidated internal staff	+0	1	1	1	1
Net income per consolidated internal staff	+0	+0	1	+0	+0

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	FY12/12	FY12/13	FY12/14	FY12/15
Equity	3,440	4,087	5,328	6,883	11,664
Total assets	11,921	13,866	20,343	24,132	37,042
Non-current assets	3,985	4,433	6,223	7,067	12,384
Current assets	7,933	9,431	14,119	17,065	24,657
Current liabilities	5,943	6,875	10,003	12,967	20,155
Interest-bearing debt	3,342	4,502	7,233	6,641	10,902

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

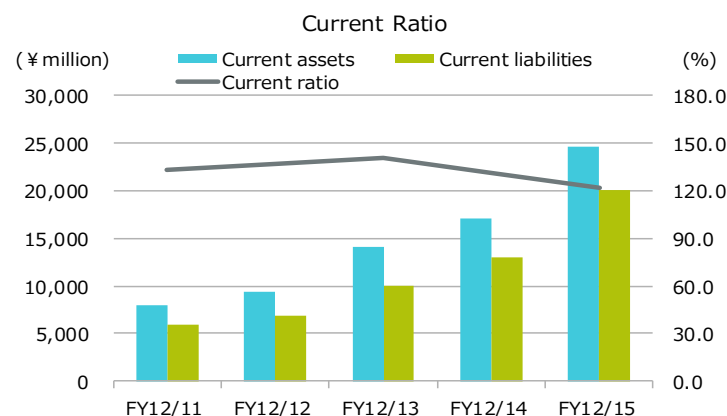
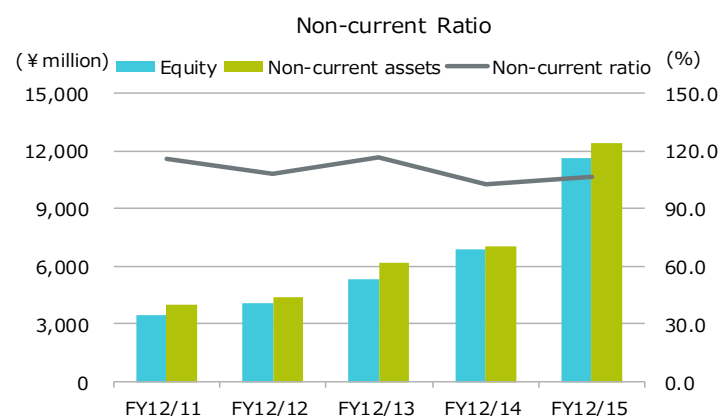
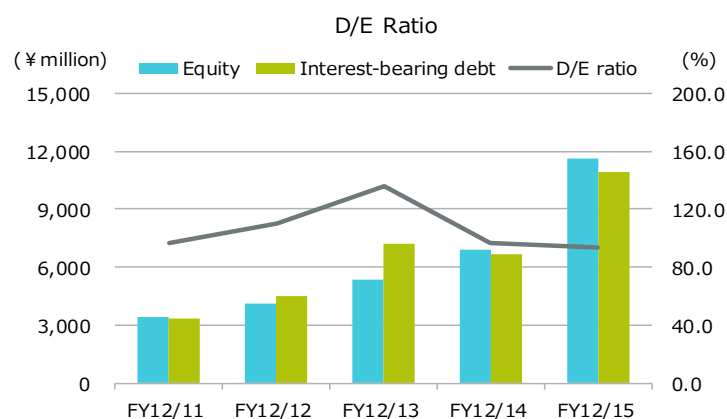
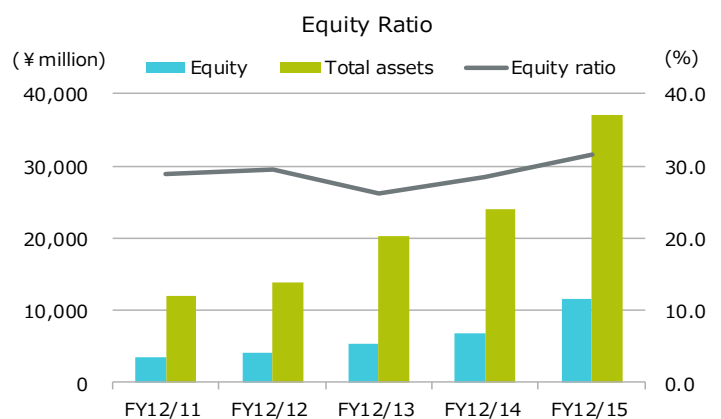
(%)	FY12/11	FY12/12	FY12/13	FY12/14	FY12/15
Equity ratio	28.9	29.5	26.2	28.5	31.5
D/E ratio	97.1	110.2	135.8	96.5	93.5
Non-current ratio	115.9	108.5	116.8	102.7	106.2
Current ratio	133.5	137.2	141.1	131.6	122.3

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



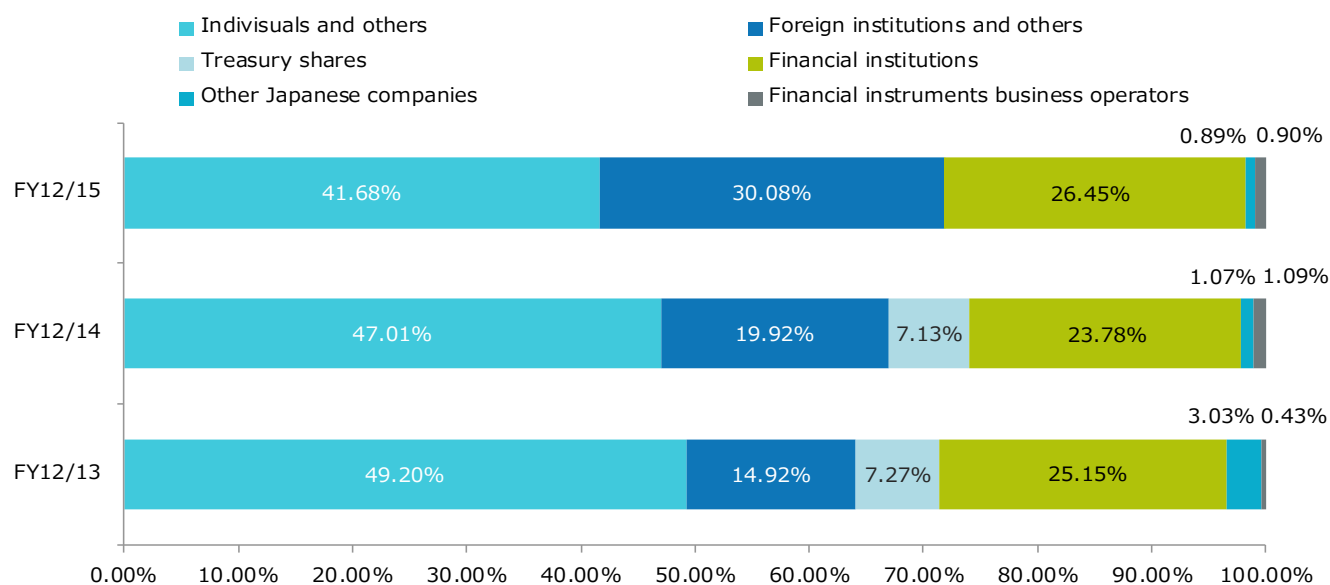
Stock Information

Major Shareholders

as of December 31, 2015

Top 10 Shareholders	Number of Shares	Shareholding Ratio
Haruhiko Doi	3,747,700	21.53%
JAPAN TRUSTEE SERVICES BANK, LTD. (Trust account)	2,178,600	12.52%
THE MASTER TRUST BANK OF JAPAN, LTD. (Trust account)	1,224,600	7.03%
Masahiko Dorin	999,000	5.74%
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	418,310	2.40%
CBNY-GOVERNMENT OF NORWAY	409,474	2.35%
Trust & Custody Services Bank, Ltd. (Securities investment trust account)	376,800	2.16%
THE BANK OF NEW YORK 133612	337,200	1.94%
CHASE MANHATTAN BANK GTS CLIENTS ACCOUNT ESCROW	317,696	1.83%
Chiharu Doi	310,000	1.78%

Breakdown by Type of Shareholders



Per Share Indicators

(¥)	FY12/11	FY12/12	FY12/13	FY12/14	FY12/15
Share price at year-end	274	357	1,158	1,794	3,190
Net income per share	13.48	44.46	77.54	89.81	110.15
Net income per share (fully diluted)	13.45	44.39	76.02	88.32	109.32
Net assets per share	238.40	283.24	366.71	463.65	670.06
Dividend per share	8.00	8.00	13.00	35.00	35.00

Stock Price Indicators / Stock Price Information

Stock Price / Other Indicators

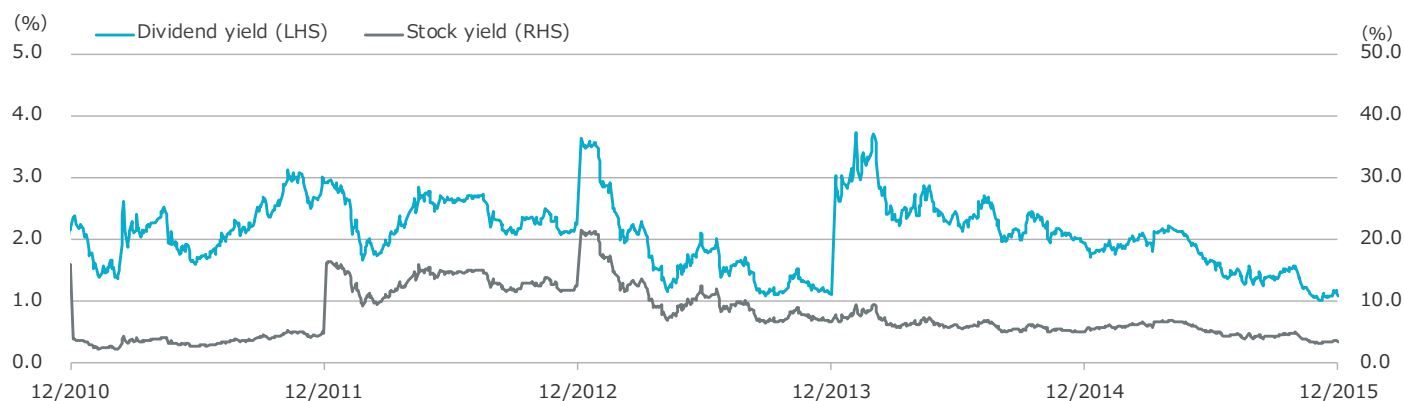
(times)	FY12/11	FY12/12	FY12/13	FY12/14	FY12/15
PER	20.3	8.0	14.9	20.0	29.0
PBR	1.1	1.3	3.2	3.9	4.8

(%)	FY12/11	FY12/12	FY12/13	FY12/14	FY12/15
ROE	5.8	17.0	23.8	21.6	19.5
ROA	1.7	5.0	6.6	5.9	5.9
Dividend on net asset	3.4	2.8	4.0	8.4	6.2

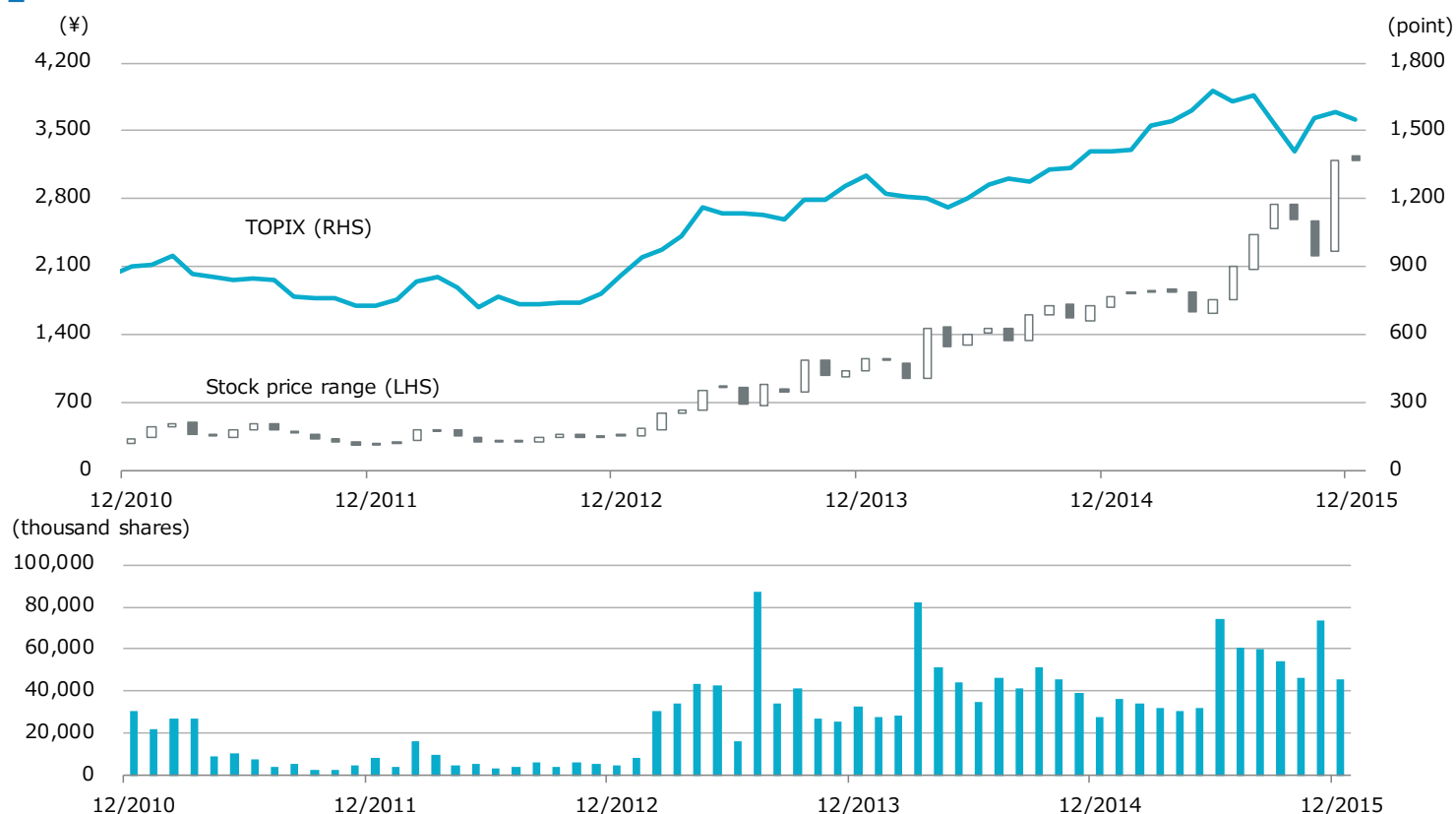
ROE=Net income/Average equity

ROA=Net income/Average total assets

Stock Yield / Dividend Yield



Stock Price Range / Trading Volume





Contact

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