



September 24, 2013

To whom it may concern

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(First Section of TSE, Securities Code 2427)  
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**Announcement regarding Acquisition of SANSBIN ELECTRIC CO., LTD. and  
SANSBIN (MALAYSIA) SDN. BHD.**

On September 24, 2013 the Board of Directors approved acquisition of 100% of the shares in SANSBIN ELECTRIC CO., LTD. (hereafter "SAE") and SANSBIN (MALAYSIA) SDN. BHD. (hereafter "SAM"), making the aforementioned companies wholly owned subsidiaries.

**1. Purpose of the Acquisition**

The OUTSOURCING Group (hereafter "OS Group") is engaged in production outsourcing business aimed at increasing productivity of leading Japanese manufacturers across a broad spectrum of areas from research and development, testing and evaluation, through the mass production phase.

OS Group's principal client base of leading Japanese manufacturers, in addition to responding to intensifying global competition from the emergence of makers in emerging countries, are continuing to enter these emerging countries which are experiencing strong demand growth themselves as a result of accelerating expansion of wealthy and middle income classes from rising populations, shifting production bases overseas throughout Southeast Asia, etc.

In order to meet the needs of makers arising from this environment, OS Group has been aggressively expanding operations overseas, however, regarding key target bases in Vietnam, Thailand, Indonesia and Malaysia, only Malaysia has yet to be established.

Meanwhile, SAE and SAM, as wholly owned subsidiaries of Taiheiyō Cement Corporation, have strength in radio-frequency analog circuit technology including car tuners, with SAE handling mainly design and prototypes in Japan, and SAM based in Malaysia handling mass production of electronic parts not only for shipment to Japan, but also for Japanese makers in Southeast Asian countries including Thailand. The two companies are working in concert form a group that provides Electronic Manufacturing Service (EMS) from design through mass production.

Through this acquisition, OS Group gains a base in Malaysia, creating a network covering the 4 major ASEAN countries, however, active entry by overseas makers in these key countries is already causing tightness in their labor markets. Therefore, going forward, rather than these locations which are high in demand, OS Group will establish bases in countries where key industries are still under-developed including Myanmar, Cambodia and Laos, with a view toward using these bases to hire qualified personnel, creating a comprehensive global network strategy across major ASEAN

countries, and at the same time, gaining know-how from SAE and SAM in order to strengthen OS Group's ability to win comprehensive orders from design through mass production, thereby expanding production outsourcing service business.

## 2. Outline of the companies that will become subsidiaries of OS Group

### ① SAE

(1)	Company Name	SANSHIN ELECTRIC CO., LTD.		
(2)	Headquarters	1-13-1 Haramachida, Machida City, Tokyo		
(3)	Representative	Kenji Wakashima, President		
(4)	Major Business	Manufacturing and selling electronic equipment/devices, EMS		
(5)	Capital	JPY310 million		
(6)	Established	July 22, 1972		
(7)	Major Shareholder, % owned	Taiheiyo Cement Corporation, 100%		
(8)	Relationship between OS Group and the company	Capital Relationship	None	
		Personnel Relationship	None	
		Business Relationship	None	
(9)	Financial Results and Position for the Past Three Fiscal Years (in million JPY)			
	Fiscal Year	December 2010	December 2011	December 2012
	Net Assets	(121)	383	371
	Total Assets	1,121	1,139	1,007
	Net Assets Per Share (JPY)	(160.04)	168.33	162.72
	Net Sales	1,723	1,219	1,712
	Operating Income	91	13	(16)
	Ordinary Income	70	2	(8)
	Net Income	30	(254)	(12)
	Net Income Per Share (JPY)	40.01	(111.65)	(5.60)
	Dividends Per Share (JPY)	-	-	-

### ② SAM

(1) Company Name	SANSHIN (MALAYSIA) SDN. BHD.		
(2) Headquarters	Lot55, Bakar Arang Industrial Estate 08000 Sungai Petani, Kedah Darul Aman, Malaysia		
(3) Representative	Yasushi Konno, President		
(4) Major Business	Manufacturing and selling electronic equipment/devices, EMS		
(5) Capital	MYR15.6 million		
(6) Established	July 15, 1985		
(7) Major Shareholder, % owned	Taiheiyo Cement Corporation, 100%		
(8) Relationship between OS Group and the company	Capital Relationship	None	
	Personnel Relationship	None	
	Business Relationship	None	

(9) Financial Results and Position for the Past Three Fiscal Years (in million MYR)			
Fiscal Year	December 2010	December 2011	December 2012
Net Assets	89	84	91
Total Assets	131	112	104
Net Assets Per Share (MYR)	5.76	5.42	5.87
Net Sales	358	225	163
Operating Income	2	(1)	1
Ordinary Income	5	(1)	1
Net Income	6	(1)	6
Net Income Per Share (MYR)	0.40	(0.08)	0.45
Dividends Per Share (MYR)	-	0.25	-

3. Outline of the company from which the shares are to be purchased

(1) Company Name	Taiheiyo Cement Corporation		
(2) Headquarters	2-3-5 Daiba, Minato-Ku, Tokyo		
(3) Representative	Shuji Fukuda, President and Representative Director		
(4) Major Business	Manufacturing and selling cement, ready-mix concrete and cement products		
(5) Capital	JPY86,174 million		
(6) Established	May 3, 1881		
(7) Net Assets	JPY219,826 million		
(8) Total Assets	JPY982,473 million		
(9) Major Shareholders, % owned	Japan Trustee Services Bank, Ltd. (trust account)		8.1%
	The Master Trust Bank of Japan, Ltd. (trust account)		6.4%
	Mizuho Bank, Ltd.		1.9%
	Japan Trustee Services Bank, Ltd. (trust account 9)		1.4%
	Meiji Yasuda Life Insurance Company		1.2%
	Sumitomo Mitsui Banking Corporation		1.2%
	Nomura Securities Co., Ltd.		1.1%
	Juniper (standing custodian: The Bank of Tokyo-Mitsubishi UFJ, Ltd.)		1.0%
	Mitsui Life Insurance Co., Ltd.		1.0%
	State Street Bank and Trust OD05 Omnibus Account – Treaty Clients (standing custodian: HSBC Tokyo branch)		1.0%
(10) Relationship between OS Group and Taiheiyo Cement Corp.	Capital Relationship	None	
	Personnel Relationship	None	
	Business Relationship	None	
	Related Party Relationship	None	

4. Number of Shares to be Acquired, and Ownership Before and After the Acquisition

(1) No. of shares owned before acquisition	SAE	0 shares (0 voting rights, 0% voting share)
	SAM	0 shares (0 voting rights, 0% voting share)

(2)	No. of shares to be acquired	SAE	2,280,000 shares with voting rights
		SAM	15,600,000 shares with voting rights
(3)	Acquisition price	Common shares of SAE: JPY1	
		Common shares of SAM: MYR45,682,451 (Approx. JPY1,437 million *)	
		Advisory fees (estimated): JPY60 million	
		TOTAL (estimated): Approx. JPY1,497 million	
(4)	No. of shares owned after acquisition	SAE	2,280,000 shares with voting rights (100% share of voting rights)
		SAM	15,600,000 shares with voting rights (100% share of voting rights)

\* The yen equivalent is calculated with the Malaysian Ringgit exchange rate quoted by The Bank of Tokyo-Mitsubishi UFJ, Ltd. on September 20, 2013 (MYR1=JPY31.47, reference rate). For the official acquisition price, the exchange rate as of September 30, 2013 will be applied.

#### 5. Schedule

(1)	Date of Corporate Resolution	September 24, 2013
(2)	Date of Agreement	September 24, 2013
(3)	Date of Shares Transferred	October 1, 2013 (scheduled)

#### 6. Future Outlook

We are currently reviewing the impact of the acquisition on our estimates for fiscal year 2013 consolidated financial results, and will make a prompt disclosure in the event of any significant changes.