



Summary of Financial Statements for the Fiscal Year Ended December 31, 2017 [IFRS] (Consolidated)

February 14, 2018

Company name: OUTSOURCING Inc. Stock exchange listing: Tokyo 1st Section
 Securities code: 2427 URL <https://www.outsourcing.co.jp/en/>
 Representative: Haruhiko Doi, Chairman and CEO
 Contact: Kazuhiko Suzuki, Executive Vice President and Executive General Manager in Charge of Business
 Management Division
 TEL +81-3-3286-4888
 Scheduled date of the general shareholders' meeting: March 28, 2018
 Scheduled date to commence dividend payments: March 29, 2018
 Annual statements filing date (as planned): March 29, 2018
 Supplemental material created for annual results: Yes
 Briefing held for annual results: Yes (for analysts and institutional investors)

(Figures less than one million yen are rounded)

1. Consolidated Financial Results for Fiscal Year 2017 (From January 1, 2017 to December 31, 2017)

(1) Consolidated Financial Results

(% indicates change from the previous fiscal year)

	Revenue		Operating income		Profit before income tax		Profit for the year		Profit attributable to owners of the Company		Total comprehensive income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2017	230,172	71.4	11,360	104.2	10,395	110.5	6,929	100.9	6,180	103.4	9,188	294.5
FY2016	134,283	66.0	5,563	78.8	4,939	70.9	3,448	90.7	3,037	73.4	2,330	89.5

	Basic earnings per share	Diluted earnings per share	Ratio of profit to equity attributable to owners of the Company	Ratio of profit before income tax to total assets	Ratio of operating income to revenue
	Yen	Yen	%	%	%
FY2017	62.53	61.97	37.8	9.7	4.9
FY2016	34.85	34.46	32.3	7.4	4.1

(Notes) 1. As the provisional accounting of the business combinations in August of 2016 was finalized, the consolidated financial statements for FY2016 were retrospectively adjusted.

2. A five-for-one stock split was implemented on the Company's common stock on October 1, 2017. Accordingly, the "Basic earnings per share" and "Diluted earnings per share" were calculated under the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(2) Consolidated Financial Positions

	Total assets	Total equity	Equity attributable to owners of the Company	Ratio of equity attributable to owners of the Company to total assets	Equity attributable to owners of the Company per share
	Million yen	Million yen	Million yen	%	Yen
FY2017	124,645	26,757	24,958	20.0	244.76
FY2016	90,355	10,001	7,699	8.5	88.20

(Note) The Company implemented a five-for-one stock split on its common stock on October 1, 2017. Accordingly, the "Equity attributable to owners of the Company per share" was calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
FY2017	10,132	(8,498)	5,389	19,108
FY2016	1,246	(28,717)	31,688	11,746

2. Dividends

	Annual cash dividends per share					Total dividends	Payout ratio (consolidated)	Ratio of total amount of dividends to equity attributable to owners of the Company (consolidated)
	Q1	Q2	Q3	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY2016	—	0.00	—	42.00	42.00	733	110.2	6.5
FY2017	—	0.00	—	19.00	19.00	1,937	30.4	11.4
FY2018 (Forecast)	—	0.00	—	21.00	21.00		31.0	

(Note) A five-for-one stock split was implemented on the Company's common stock on October 1, 2017. The actual dividends paid prior to this stock split are shown for FY2016, while the year-end dividends for FY2017 and FY2018 (Forecast) reflect the effect of the stock split.

3. Forecast of Consolidated Financial Results for Fiscal Year 2018 (From January 1, 2018 to December 31, 2018)

(% indicates change from the corresponding period of the previous fiscal year)

	Revenue		Operating income		Profit before income tax		Profit for the year		Profit attributable to owners of the Company		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Half-year	130,000	22.9	3,700	3.9	3,200	1.2	1,700	(5.6)	1,100	(24.2)	10.78
Full-year	290,000	26.0	13,800	21.5	12,800	23.1	8,600	24.1	6,900	11.7	67.66

(Notes)

(1) Significant changes in subsidiaries during this period (changes in subsidiaries that cause changes in the scope of consolidation): Yes

Number of subsidiaries newly consolidated: 2

Name of subsidiaries newly consolidated: Orizon Holding GmbH, AMERICAN ENGINEERING CORPORATION

(2) Changes in accounting policies and accounting estimates

i. Changes in accounting policies required by IFRS: No

ii. Changes in accounting policies other than IFRS requirements: No

iii. Changes in accounting estimates: No

(3) Number of shares issued and outstanding (common stock)

i. Number of shares issued and outstanding at the end of year (including treasury stock)

FY2017	101,968,000	FY2016	87,290,000
FY2017	490	FY2016	490
FY2017	98,810,455	FY2016	87,157,765

ii. Number of treasury stock at the end of year

iii. Average number of shares issued and outstanding

(Note) A five-for-one stock split was implemented on the Company's common stock on October 1, 2017. Accordingly, the "Number of shares issued and outstanding (common stock)" was calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(Reference) Overview of Non-Consolidated Financial Results

Non-Consolidated Financial Results for Fiscal Year 2017 (From January 1, 2017 to December 31, 2017)

(1) Non-Consolidated Financial Results

(% indicates change from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2017	34,891	26.1	1,177	(12.9)	2,089	(20.9)	2,408	67.3
FY2016	27,676	5.0	1,352	28.5	2,642	141.6	1,439	127.3

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
FY2017	24.37		24.15	
FY2016	16.51		16.32	

(Note) A five-for-one stock split was implemented on the Company's common stock on October 1, 2017. Accordingly, the "Earnings per share" and "Diluted earnings per share" were calculated under the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(2) Non-Consolidated Financial Positions

	Total assets		Net assets		Equity ratio	Net assets per share
	Million yen		Million yen		%	Yen
FY2017	68,526		21,405		31.1	209.18
FY2016	52,320		9,038		17.0	102.11

(Reference) Owner's equity: FY2017: 21,330 million yen FY2016: 8,913 million yen

(Note) A five-for-one stock split was implemented on the Company's common stock on October 1, 2017. Accordingly, the "Net assets per share" was calculated under the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(Notes)

* Audits are not required for the Summary of Financial Statements.

* Statement regarding the proper use of financial forecasts and other special remarks

(Caution concerning forward-looking statements)

The forward-looking statements including financial forecasts in this summary are based on the information currently available to the Company and on certain assumptions judged by the Company as being reasonable, and are not for the Company to promise their achievement. Moreover, various factors may cause the actual results to differ significantly from the forecasts.