



## Summary of Financial Statements for the Fiscal Year Ended December 31, 2018 [IFRS] (Consolidated)

February 14, 2019

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  
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Scheduled date of the general shareholders' meeting: March 27, 2019  
 Scheduled date to commence dividend payments: March 28, 2019  
 Annual statements filing date (as planned): March 28, 2019  
 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 2018 (From January 1, 2018 to December 31, 2018)

#### a. Consolidated Financial Results

(% indicates change from the previous fiscal year)

	Revenue		Operating profit		Profit before 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	%
FY2018	311,311	35.3	15,073	32.7	13,037	25.4	8,664	25.0	7,696	24.5	5,828	(36.6)
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

  

	Basic earnings per share		Diluted earnings per share		Ratio of profit to equity attributable to owners of the Company		Ratio of profit before tax to total assets		Ratio of operating profit to revenue	
	Yen		Yen		%		%		%	
FY2018	71.41		71.09		19.2		8.5		4.8	
FY2017	62.53		61.97		37.8		9.7		4.9	

(Notes) 1. 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. The figures for the "Basic earnings per share" and "Diluted earnings per share" are calculated using the increased number of shares resulting from new shares issued through offering on October 3, 2018 and third-party allotment on October 26, 2018.

#### b. 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
FY2018	181,577	58,277	55,362	30.5	441.02
FY2017	124,645	26,757	24,958	20.0	244.76

(Notes) The figure for the "Equity attributable to owners of the Company per share" is calculated using the increased number of shares resulting from new shares issued through offering on October 3, 2018 and third-party allotment on October 26, 2018.

#### c. 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
FY2018	8,496	(30,018)	32,442	29,451
FY2017	10,132	(8,498)	5,389	19,108

### 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	%	%
FY2017	—	0.00	—	19.00	19.00	1,937	30.4	11.4
FY2018	—	0.00	—	21.00	21.00	2,636	29.4	6.1
FY2019 (Forecast)	—	0.00	—	24.00	—	—	—	—

### 3. Forecast of Consolidated Financial Results for Fiscal Year 2019 (From January 1, 2019 to December 31, 2019)

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

	Revenue		Operating profit		Profit before 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	171,000	22.9	4,900	(0.2)	4,200	8.1	2,600	5.5	2,100	1.5	16.72
Full-year	385,000	23.7	19,000	26.1	17,500	34.2	11,400	31.6	10,000	29.9	79.66

(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: 1

Name of subsidiaries newly consolidated: ALLEN LANE TOPCO LIMITED

(2) Changes in accounting policies and accounting estimates

(a) Changes in accounting policies required by IFRS: Yes

(b) Changes in accounting policies other than IFRS requirements: No

(c) Changes in accounting estimates: No

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

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

FY2018	125,530,700	FY2017	101,968,000
FY2018	490	FY2017	490
FY2018	107,752,596	FY2017	98,810,455

(b) Number of treasury stock at the end of year

(c) Average number of shares issued and outstanding

(Notes) 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 2018 (From January 1, 2018 to December 31, 2018)

#### 1. Non-Consolidated Financial Results

(% indicates change from the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit for the year	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2018	41,411	18.7	1,664	41.3	605	(71.0)	250	(89.6)
FY2017	34,891	26.1	1,177	(12.9)	2,089	(20.9)	2,408	67.3

	Earnings per share	Diluted earnings per share
	Yen	Yen
FY2018	2.32	2.31
FY2017	24.37	24.15

(Notes) The figures for the "Earnings per share" and "Diluted earnings per share" are calculated using the increased number of shares resulting from new shares issued through offering on October 3, 2018 and third-party allotment on October 26, 2018.

#### 2. Non-Consolidated Financial Positions

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2018	106,894	55,664	52.0	443.14
FY2017	68,526	21,405	31.1	209.18

(Reference) Owner's equity: FY2018: 55,627 million yen FY2017: 21,330 million yen

(Notes) The figure for the "Net assets per share" is calculated using the increased number of shares resulting from new shares issued through offering on October 3, 2018 and third-party allotment on October 26, 2018.

<Reasons for differences between Non-Consolidated Financial Results for the Fiscal Year Ended December 31, 2018 and 2017>

Net sales and Operating profit for the fiscal year ended December 31, 2018 were higher than those of the prior year mainly due to the solid growth of domestic manufacturing outsourcing business which contributes to the non-consolidated performance. Ordinary profit and Profit for the year were lower than the prior year due to fees incurred associated with the public offering as well as foreign exchange losses related to loans to subsidiaries.

(Notes)

\* This summary of financial statements is not subject to audit procedures by certified public accountants or an auditing firm.

\* 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.