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Company Name: Insource Co., Ltd.  
 Representative: Takayuki Funahashi  
 Representative Director and CEO  
 (Code number: 6200, First Section of the Tokyo Stock Exchange)  
 Contact: Shigeo Fujimoto  
 Director, Executive Officer,  
 Chief Financial Officer  
 (Corporate Management Department)  
 (TEL.+81-(0)3-5259-0070)

### **Notice: Revision of 1H FY20 Consolidated Financial Forecast**

Insource Co. has reviewed current trends in its performance and revised its sales and profits of 1H FY20 Consolidated Financial Forecast that was announced on November 5, 2020. There is no change to the full-year financial forecast from the figures announced on November 5, 2020.

#### 1. Revision of 1H FY20 Consolidated Financial Results (October 1, 2020 – March 31, 2021)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent company	Net profit per share
Previous forecast (A)	mil yen 3,140	mil yen 650	mil yen 650	mil yen 430	yen sen 10.27
Revised forecast (B)	3,300	940	950	660	15.76
Change (B-A)	160	290	300	230	
Percentage change (%)	5.1	44.6	46.2	53.5	
(Reference)1H FY19 Consolidated Financial Results	2,905	624	623	420	10.01

\* We conducted a stock split on January 1, 2021, whereby each share of common stock was split into two shares. In the above, "Net profit per share" is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

\* The above forecasts are based on information available as of the date of publication of this document, and actual results may differ from the forecasts due to various factors in the future.

## 2. Reasons for Revision

Consolidated financial results for 1Q have been strong and sales of Leaf's customization and Stress Check Support system's deliveries are expected to concentrate on March during 2Q. In addition, e-Learning/videos' sales are also expected to be in the pipeline by the end of March. Also, due to the shift of the training business to online, both the unit price of On-Site Training and the number of attendees per training for Open Seminars have increased, resulting in a significant improvement in profitability. On the other hand, because of the state of emergency declared on January 8, 2021, sales of training business are expected to decrease by approximately 20% due to the cancellation and postponement of face-to-face On-Site Training and cancellation of Open Seminars which are visitor type.

Taking these circumstances into consideration, we expect net sales, operating profit, ordinary profit, and profit attributable to shareholders of the parent company to all exceed the previously announced forecasts.

The year-end dividend for FY20 is set at 10.00 yen per share, unchanged from the initial forecast.

## 3. About FY20 Consolidated Financial Forecast

FY20 Consolidated Financial Forecast remains unchanged from that announced on November 5, 2020, due to the uncertain impact of the coronavirus infection after April.

Therefore, we plan to disclose the FY20 Consolidated Financial Forecast at the time of the announcement of 2Q FY20 Consolidated Financial Results on May 6, 2021 based on the results of 1H, the result for training business in April and the status of orders received for 2H. However, the disclosure may be delayed if a reasonable judgment cannot be made due to the spread of the coronavirus infection.