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Notice: Revision of 1H FY20 and Full-Year Consolidated Financial Forecasts

Insource Co. Ltd. has reviewed current trends in its performance and revised its 1H FY20 and Full-Year Consolidated Financial Forecasts that were announced on January 25, 2021.

1. Revision of Consolidated Financial Forecast Figures

(1) 1H FY20 (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 3,300	mil yen 940	mil yen 950	mil yen 660	yen sen 15.76
Revised forecast (B)	3,530	1,150	1,160	800	19.11
Change (B-A)	230	210	210	140	
Percentage change (%)	7.0	22.3	22.1	21.2	
(Reference) 1H FY19 Consolidated Financial Results	2,905	624	623	420	10.01

(2) FY20 Full-Year

(October 1, 2020 – September 30, 2021)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent company	Net profit per share
Previous forecast (A)	mil yen 6,740	mil yen 1,450	mil yen 1,450	mil yen 940	yen sen 22.46
Revised forecast (B)	7,300	2,100	2,110	1,440	34.39
Change (B-A)	560	650	660	500	
Percentage change (%)	8.3	44.8	45.5	53.2	
<Reference> FY19 Consolidated Financial Results	5,119	784	795	445	10.61

* 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.

2. Reasons for Revision

(1) 1H FY20

The impact caused by the state of the emergency declared on January 8, 2021, turned out to be less than our expectation and the number of trainings conducted in 2Q increased. As a result, we have determined that sales, operating income, ordinary income, and net income attributable to shareholders of the parent company are all expected to exceed the previously announced forecasts.

(2) FY20 (Full-Year)

Although the future impact of the coronavirus infection on our business performance is unclear, based on the above forecast for 1H FY20 and the current order situation for trainings for new employees, we have determined that we expect net sales, operating income, ordinary income and net income attributable to shareholders of the parent company to exceed the previously announced forecasts, and has revised its forecasts.

Profitability improved due to an increase in the composition ratio of online training, having resulted in higher profits.

Although we had originally planned to disclose this information at the time of the announcement of the 2Q financial results on May 6, we have decided to disclose it because the progress of the 1H results exceeded our expectations.

* 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.

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