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To Whom It May Concern,

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Notice: Revision of FY20 (Full-Year) Forecast of Consolidated Financial Results and Dividends

Insource Co. has reviewed current trends in its performance and revised its FY20 (Full-Year) Forecast of Consolidated Financial Results and Dividends that was announced on May 6, 2021 as below.

1. Revision of Consolidated Financial Results

(1) 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
	mil yen	mil yen	mil yen	mil yen	yen sen
Previous forecast (A)	7,700	2,400	2,410	1,600	38.22
Revised forecast (B)	7,510	2,400	2,420	1,580	37.85
Change (B-A)	▲190	+0	+10	▲20	
Percentage change (%)	▲2.5%	+0.0%	+0.4%	▲1.3%	
(Reference) FY19 (Full-Year) Consolidated Financial Results	5,119	784	795	445	10.61

* (Note) The Company 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

Net sales are expected to be lower than the forecasts announced on May 6, 2021. Due to the outbreak of new coronavirus variant, a state of emergency or pre-emergency measures were declared not only in Tokyo but also in all areas of Japan. In order to curb this fifth wave, the period was extended and expanded in a total of 27 areas, which led to the unexpected number of postponements of our face-to-face training services scheduled.

However, operating profit forecast figures announced on May 6, 2021 remains unchanged due to the improvement in gross profit margin and reduction in SG&A expenses.

2. Revision of dividend forecast

(1) Details

	Annual dividend (Yen)		
	End of Q2	End of FY20	Total
Previous forecast (July 26, 2021)	0.00	10.00	10.00
Revised forecast	0.00	15.50	15.50
※Reference: FY19 (Full-Year) results (before the stock split)	0.00	9.25 (18.50)	9.25 (18.50)

* (Note) The Company conducted a stock split on January 1, 2021, whereby each share of common stock was split into two shares. The amount of the fiscal year-end dividend for FY19 reflects this stock split.

(2) Reasons for Revision

Our basic dividend policy has always been "to continue to pay dividends linked to our business performance with a target payout ratio of 40% so that we can receive long-term support from our shareholders." The dividend for FY20 is set at 15.50 yen per share (payout ratio: 41.0%). The year-end dividend will be formally determined and implemented by the resolution of the General Meeting of Shareholders to be held in December 2021.

(Note) This document contains projections of performance based on information available at the time of preparation, and actual results may differ from these projections due to various factors.

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