

October 3, 2022

To Whom It May Concern,

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Insource Co., Ltd.

Takayuki Funahashi

Representative Director, President and CEO

(Code number: 6200, Prime Market of the Tokyo Stock Exchange)

KPI (Key Performance Indicators) Progress Report for September, 2022

-The number of On-Site Training conducted (138.7% YoY), Attendees at Open Seminars (139.8% YoY), the number of face-to-face On-Site Training continues to increase

Insource today announced KPI (Key Performance Indicators) Progress Report for September, 2022.

1. Training Business

In September 2022, the number of On-Site Training conducted was 1,630 times (138.7% YoY), of which online training was 671 times (composition ratio: 41.2%). The number of face-to-face trainings increased significantly to 959 times, and the need for face-to-face training continues to increase. The number of attendees at Open Seminars was 10,555 (139.8% YoY), of which online attendees were 8,740 (composition ratio: 82.8%). Although there were 34 cases of postponement or cancellation of On-Site Training due to the impact of the 7th wave of COVID-19, the impact is minor compared to the 6th wave.

(1) Monthly number of On-Site Training conducted

(Unit: time)

	FY21					
	April	May	June	July	August	September
Number of trainings conducted	1,937	1,155	1,525	1,612	1,286	1,630
(YoY)	(+195)	(+290)	(+321)	(+248)	(+300)	(+455)
	(111.2%)	(133.5%)	(126.7%)	(118.2%)	(130.4%)	(138.7%)
Conducted online	538	385	467	609	549	671
(YoY)	(▲91)	(▲106)	(▲170)	(▲42)	(▲38)	(▲127)
(Composition ratio)	(27.8%)	(33.3%)	(30.6%)	(37.8%)	(42.7%)	(41.2%)
DX-related trainings※	107	68	91	113	85	100
(YoY)	(+21)	(+24)	(+30)	(+52)	(+32)	(+41)

*Consolidated subsidiaries are included.

*DX-related trainings: IT and computer skills trainings. The figures before June have been changed due to a change in the counting method.

(2) Monthly number of attendees at Open Seminars

(Unit: attendee)

	FY21					
	April	May	June	July	August	September
Number of attendees	10,817	6,864	8,887	8,828	9,330	10,555
(YoY)	(+984)	(+1,775)	(+1,768)	(+1,744)	(+2,119)	(+3,004)
	(110.0%)	(134.9%)	(124.8%)	(124.6%)	(129.4%)	(139.8%)
Conducted online	7,113	5,760	7,113	7,188	7,635	8,740
(YoY)	(+579)	(+1,474)	(+1,155)	(+1,125)	(+1,365)	(+2,203)
(Composition ratio)	(65.9%)	(83.9%)	(80.0%)	(81.4%)	(81.8%)	(82.8%)
DX-related trainings	1,256	706	914	859	1,422	1,293
(YoY)	(+312)	(+222)	(+217)	(+346)	(+547)	(+477)

*Consolidated subsidiaries are included.

2. IT Services Business

The number of paid subscribers for Leaf (HR support system) reached 522 (+12 MoM) organizations and the number of its users increased to 2,112,000 (+14,000 MoM). The cumulative number of orders delivered for Stress Check Support Service increased to 449 since the beginning of the fiscal year (+106 YoY).

(1) “Leaf (HR support system)”: Total number of paid subscribers (organizations)

(Unit: organization)

	FY21					
	April	May	June	July	August	September
No. of paid subscribers (organizations)	482	488	498	504	510	522
(MoM)	(+12)	(+6)	(+10)	(+6)	(+6)	(+12)
(Changes from end of previous FY)	(+70)	(+76)	(+86)	(+92)	(+98)	(+110)
No. of users (Unit: thousand people)	1,978	1,993	2,040	2,079	2,098	2,112
No. of customization	101	107	110	118	126	162
Total no. since the beginning of FY						
Web conversion service for appraisal forms	152	154	155	156	157	165
(MoM)	(+1)	(+2)	(+1)	(+1)	(+1)	(+8)

*The number of customizations shows the number of organizations that add their own functions when implementing Leaf.

*Figures above are calculated at the end of each month.

(2) Stress Check Support Service: Number of orders delivered and orders to be delivered

(Unit: organization)

	FY21					
	April	May	June	July	August	September
No. of orders delivered (by month)	7	9	2	4	7	40
Cumulative no. of orders delivered (since the beginning of FY)	387	396	398	402	409	449
(YoY)	(+95)	(+98)	(+98)	(+100)	(+102)	(+106)
No. of orders to be delivered (at the end of month)	25	43	98	154	204	217
(YoY)	(+3)	(+3)	(+13)	(+14)	(+17)	(+22)

*Note that after clients' inspection, the actual sales will be counted.

*This service has the highest number of deliveries in March every year.

*The number of new orders received is difficult to correlate with sales, so it has been changed to only the number of orders delivered and the number of orders remaining from October, 2021.

3. e-Learning/video Business

The sales of contents (outright purchases) of e-Learning and video increased mainly for those related to harassment prevention and compliance with the revised law, regardless of the corporate size. Rental users increased largely for contents related to subordinate instructions, such as OJT, teaching and coaching.

(1) e-Learning/Videos: Total numbers of subscription IDs per month and the number of contents sold

(Unit: ID) (Unit: Content)

	FY21					
	April	May	June	July	August	September
No. of video contents sold (Outright purchase) *By month (YoY)	221 (81.3%)	68 (87.2%)	96 (139.1%)	104 (182.5%)	108 (127.1%)	152 (104.1%)
No. of rental viewers *by month (YoY)	1,137 (194.7%)	543 (62.9%)	1,904 (661.1%)	1,246 (449.8%)	611 (106.4%)	1,037 (158.1%)
STUDIO (e-Learning) users (MoM)	62,823 (+1,708)	64,370 (+1,547)	66,652 (+2,282)	68,162 (+1,510)	69,076 (+914)	70,258 (+1,182)

*Calculation takes place at the end of every month.

*The number of outright purchases is calculated from October 2021.

4. Client Base

The total number of registered WEBinsource clients increased to 18,669 organizations (+204 MoM). We achieved our goal of 2,400 new registrations for this fiscal year and continue to acquire new registrations.

(1) WEBinsource: Total number of subscribers (organizations)

(Unit: organization)

	FY21					
	April	May	June	July	August	September
No. of new subscribers	224	230	296	246	248	204
No. of accumulated subscribers (Progression rate : %)	17,445 (68.6%)	17,675 (78.2%)	17,971 (90.5%)	18,217 (100.8%)	18,465 (111.1%)	18,669 (119.6%)

*Figures above are calculated at the end of each month.

5. Contents Development

The number of new contents developed was 27 for training (On-Site training) and 16 for e-Learning. As for the training, we have achieved our development target of 300 units for this fiscal year and continued to develop them, while the e-Learning contents has achieved its development target of 210 units for this fiscal year.

(1) Number of new contents developed

(Unit: pieces)

	FY21					
	April	May	June	July	August	September
No. of new contents for On-Site training	31	28	37	28	20	27
since the beginning of FY (Progression rate : %)	193 (64.3%)	221 (73.7%)	258 (86.0%)	286 (95.3%)	306 (102.0%)	333 (111.0%)
No. of new contents for e-learning	16	16	16	16	16	16
since the beginning of FY (Progression rate : %)	130 (61.9%)	146 (69.5%)	162 (77.1%)	178 (84.8%)	194 (92.4%)	210 (100.0%)

◇New training contents released in September (27 pieces)

Career		Communication	
Workshops about how to overcome difficulties	4	Make good communication to build trust with subordinates by emails	4
OA/IT Skills		For Managers	
Training for internal DX promotion staff to understand IT project implementation	2	Trust and develop the team from different perspectives	2
Problem Solving		For Middle-level Employees	
Break down the problem and think in mathematical ways	2	Assessor dispatch training - for next generation leaders	2
Handling of Complaints		For New and Young Employees	
Reduce risk by handling complaints flexibly	2	Mutual feedback workshop for young people	1
Presentation		Diversity Promotion	
How to describe professional matters in a concise manner by PowerPoint presentation	1	create an organization where people of all ages and generations can play active roles	1
Business Documents		Motivation Improvement	
Understand requests accurately and respond in concise writing	1	Create a dynamic workplace to improve work engagement	1
Marketing		Harassment Prevention	
Create business frameworks in strategic planning and analysis.	1	Make self-improvement in harassment prevention	1
SDGs		Work Styles and Productivity	
Think about carbon neutral initiatives that can be taken onsite	1	Improve efficiency and performance	1

◇New videos released in September (16 pieces)

Logical Thinking Skills		Time Management and Productivity Improvement	
Strengthen overlooking skills that think things from wider perspectives	2	Self-management skills to produce positive results	2
DX and data utilization		Negotiation Skills	
Learn the basics of IT terminology	2	4 key points to persuade others	2
Marketing		Management	
Strategic thinking skills to reach goals	1	Make innovation with the current members without hiring additional staff	1
Document Preparation		Subordinates Development	
How to create easy-to-understand documents	1	3 skills to promote growth of subordinates and junior staff	1
Risk Management and Compliance		Leadership and Decision-Making Skills	
Compliance course for public agencies and municipalities	1	Take the initiative to achieve results under ownership spirit	1
CS, Hospitality, Complaint Handling		Finance and Management Accounting	
Improve CS by understanding the invisible requests of the other party	1	Performance management about the basics of Return on Invested Capital (ROIC)	1

(For reference) KPI (Key Performance Indicators) and Performance Correspondence Chart

Performance	Related KPIs
Monthly performance	<ul style="list-style-type: none">▪ Number of On-Site Training conducted (Composition ratio of sales in FY20: 50.6%)▪ Attendees at Open Seminars (24.4%)▪ Organizations and users of Leaf (13.6%)▪ Number of e-learning and videos sold (11.4%)
In several months to 6 months	<ul style="list-style-type: none">▪ Number of registered WEBinsource clients WEBinsource is our entry level product for new customers, who are potential to purchase a variety of our services. The number of new registrations is an indicator of sales activity and a leading performance indicator for the next few months to six months.
In 6 months to 2 or 3 years	<ul style="list-style-type: none">▪ Number of new contents developed The increase in the number of trainings, e-Learning and videos and other contents developed will contribute to long-term growth of the company. It does not realize significant sales immediately, but rather contributes to business performance six months to two or three years afterwards.

We will keep expanding our businesses in order to adapt to changes in the social environment by offering a wide variety of services such as online training, IT and e-Learning and videos.

◇For Excel data of latest KPI , download from <https://www.insource.co.jp/en/ir/insmthdata.html>

※Available from October 3 at 20:00 JST

*Microsoft, Excel, Word, Windows, Teams is a trademark or registered trademark of Microsoft Corporation in the United States and other countries.

The preliminary figures above may differ from the upcoming financial statements. This information is created with the utmost caution, but we do not fully guarantee its accuracy.

【Inquiries】 Insource Co., Ltd. <https://www.insource.co.jp/en/ir/index.html>

(For media interviews /PR/
Service)

CEO Office (PIC: Asai & Ishiwata)

Send an email at
info_ir@insource.co.jp