

June 3, 2024

To Whom It May Concern,

Insource Co., Ltd.

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Representative Director, President and CEO

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

### KPI (Key Performance Indicators) Progress Report for May 2024

-No. of On-Site Training conducted (111.6% YoY) and attendees at Open Seminars (112.9% YoY),

No. of Video content sold increased 110.3% YoY, video production and customization increased 433.3% YoY -

Insource Co., Ltd. today announced KPI (Key Performance Indicators) Progress Report for May 2024. In May, Kitakyushu Office in Fukuoka, Toyama Sales Branch in Toyama, and Kanazawa Sales Branch in Ishikawa were newly established.

#### 1. On-Site Training Business

The number of On-Site Training conducted was 1,484 times (111.6% YoY), of which those for private sector was 897 times (108.1% YoY) and for DX-related was 122 times (106.1% YoY). Trainings for public sector and local governments increased, especially training for managers and evaluation/appraisal training.

In May, we are also working on job-level training that will probably be most in demand in fall, as well as large proposals for SMBs (Small Medium Business) and MMs (Medium Market Business) for the next fiscal year.

#### ■ Monthly no. of On-Site Training conducted

(Unit: time)

	FY23					
	December	January	February	March	April	May
No. of trainings conducted	1,435	1,190	1,524	1,126	2,507	1,484
(YoY)	(102.9%)	(110.6%)	(106.4%)	(114.1%)	(114.4%)	(111.6%)
Private sector*	960	764	1,038	862	1,870	897
(YoY)	(105.1%)	(114.7%)	(112.8%)	(118.1%)	(113.3%)	(108.1%)
DX-related trainings*	109	104	133	83	183	122
(YoY)	(103.8%)	(150.7%)	(137.1%)	(159.6%)	(123.6%)	(106.1%)
Conducted online	402	336	369	238	232	244
(Composition ratio)	(28.0%)	(28.2%)	(24.2%)	(21.1%)	(9.3%)	(16.4%)

\*Consolidated subsidiaries are included.

## 2. Open Seminars Business

The number of attendees in Open Seminars was 8,861 (112.9% YoY). The number of attendees for DX-related training was 1,222 (109.4% YoY). As for our activities in May, the number of attendees increased for On-the-Job Training (OJT) and guidance to subordinates, as well as job-level training programs with high unit costs.

In particular, the series for newly promoted employees has seen an increase in the number of attendees, mainly who visited our Seminar Rooms, due to successful sales promotion activities since last year. We have also established an Open Seminar Sales Team to expand our client base and strengthen our sales activities, such as increasing sales of “HRD Smart Pack”.

### ■ Monthly no. of attendees at Open Seminars

(Unit: attendee)

	FY23					
	December	January	February	March	April	May
No. of attendees	10,461	8,934	10,371	10,061	14,861	8,861
(YoY)	(112.7%)	(117.7%)	(113.9%)	(110.3%)	(118.9%)	(112.9%)
DX-related trainings*	1,514	1,328	1,346	1,311	1,809	1,222
(YoY)	(157.1%)	(158.7%)	(123.5%)	(133.5%)	(136.3%)	(109.4%)
Conducted online	7,689	6,603	7,789	7,445	5,251	5,584
(Composition ratio)	(73.5%)	(73.9%)	(75.1%)	(74.0%)	(35.3%)	(63.0%)

\*Consolidated subsidiaries are included.

## 3. Client Base

As for WEBinsource, our target is to acquire 200 organizations per month. The number of new WEBinsource registrations is an indicator of new client acquisition activity and directly contributes to sales growth in Open Seminars. The acquisition of one WEBinsource registration in FY22 had the effect of increasing revenue by 139 thousand yen in the Open Seminars Business. The total number of registered WEBinsource clients increased by 234 MoM in May and the cumulative number of clients is 23,522.

### ■ WEBinsource: Total no. of subscribers (organizations)

(Unit: organization)

	FY23					
	December	January	February	March	April	May
No. of new subscribers	214	230	250	299	245	234
No. of accumulated subscribers	22,264	22,494	22,744	23,043	23,288	23,522
(YoY * No. of new subscribers)	(101.4%)	(101.8%)	(90.6%)	(96.8%)	(104.7%)	(88.6%)
(Progress rate: %)	(25.8%)	(35.4%)	(45.8%)	(58.3%)	(68.5%)	(78.3%)

\*Calculation takes place at the end of every month.

#### 4. IT Services Business

The number of paid subscribers for Leaf (HR support system) reached 698 organizations (115.8% YoY) and the number of its active users increased to 3,754,621 (141.7% YoY). The total number of orders delivered for Stress Check Support Service since the beginning of the fiscal year was 485 (113.8% YoY). As for our activities in May, we worked on the increased number of customization projects. In order to deal with the increase in access due to the increase in the number of active users, measures to ensure stable operation are being implemented on an ongoing basis.

##### (1) “Leaf (HR support system)”: No. of paid subscribers (organizations), no. of active users, no. of customization

(Unit: organization)

	FY23					
	December	January	February	March	April	May
No. of paid subscribers (organizations)	662	666	670	676	690	698
(YoY)	(120.1%)	(118.9%)	(118.0%)	(115.0%)	(116.4%)	(115.8%)
No. of active users	3,060,129	3,082,512	3,130,089	3,216,576	3,709,101	3,754,621
(YoY)	(125.5%)	(124.9%)	(124.3%)	(126.0%)	(142.0%)	(141.7%)
No. of customization	15	18	20	54	75	85
Total no. since the beginning of FY						
(YoY)	(136.4%)	(90.0%)	(74.1%)	(83.1%)	(102.7%)	(110.4%)

\*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: No. of orders delivered (organizations)

(Unit: organization)

	FY23					
	December	January	February	March	April	May
No. of orders delivered (by month)	67	104	98	139	4	3
Cumulative no. of orders delivered since the beginning of FY	137	241	399	478	482	485
(YoY)	(150.5%)	(150.6%)	(137.2%)	(114.4%)	(114.5%)	(113.8%)

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

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

## 5. e-Learning/video Business

The number of contents sold (outright purchases) was 110.3% YoY. The number of video production and customization projects increased to 433.3% YoY due to an increase in production projects related to OA skill improvement and harassment prevention.

As for our activities in May, inquiries for producing customized compliance and harassment prevention training videos and system operation manual videos for each organization have expanded. In addition, the newly developed video rental plan system, which started full-scale operation in February, improved convenience, resulting in a 253.3% YoY increase in the number of rental viewers.

### ■ e-Learning/videos: No. of video contents sold, no. of rental viewers, no. of video productions, no. of STUDIO subscription users (IDs) (Unit: ID) (Unit: Content)

	FY23					
	December	January	February	March	April	May
No. of video contents sold (Outright purchase)* by month (YoY)	225 (93.0%)	155 (133.6%)	170 (90.4%)	759 (130.2%)	200 (215.1%)	96 (110.3%)
No. of video production projects* by month (YoY)	22 (440.0%)	8 (133.3%)	13 (144.4%)	26 (325.0%)	13 (325.0%)	13 (433.3%)
No. of rental viewers* by month (YoY)	1,185 (73.4%)	725 (116.9%)	1,498 (119.2%)	1,742 (107.8%)	1,375 (84.4%)	1,558 (253.3%)
STUDIO (e-Learning) users* by month (MoM)	86,480 (+1,416)	87,475 (+995)	88,245 (+770)	88,856 (+611)	89,227 (+371)	89,405 (+178)

\*Calculation takes place at the end of every month.

## 6. Inquiries

As for inquiries, our target is to acquire 500 inquiries per month. In FY22, each acquisition of one inquiry had the effect of increasing revenue by 277 thousand yen. The number of inquiries was 544 (145.1% YoY). To further increase the number of inquiries, we are continuing to increase the number of direct marketing staff and renovate our web pages.

### ■ No. of Inquiries

	FY23					
	December	January	February	March	April	May
No. of inquiries YoY	464 (128.5%)	503 (112.3%)	588 (132.1%)	507 (119.6%)	537 (145.9%)	544 (145.1%)
Since the beginning of FY	1,409	1,912	2,500	3,007	3,544	4,091

\*Inquiries refers to those that lead to increased sales, such as business negotiations, visits, proposals, quotations, sending of materials, and system demonstrations, which are received via Web inquiry forms, e-mails, and telephone calls. The calculation method has been changed since the first quarter of FY23.

## 7. Contents Development

The number of contents developed totaled 30 for training (On-Site Training). Seven of the 11 new training courses in the digital skills are a combination of ChatGPT and business skills. We have developed 22 e-Learning courses. In training by job level, such as follow-up training for new employees, we are also expanding our series of short-time learning programs, which are in high demand. We are steadily developing all fields toward the target for this fiscal year.

### ■No. of new contents developed

(Unit: titles)

	FY23					
	December	January	February	March	April	May
No. of new contents for On-Site Training	31	32	33	31	29	30
since the beginning of FY	91	123	156	187	216	246
(Progress rate: %)	(25.3%)	(34.2%)	(43.3%)	(51.9%)	(60.0%)	(80.3%)
Of which, no. of Digital skills	15	16	16	12	16	11
since the beginning of FY	24	40	56	68	84	95
No. of new contents for e-Learning	24	29	20	15	19	22
since the beginning of FY	59	88	108	123	142	164
(Progress rate: %)	(23.6%)	(35.2%)	(43.2%)	(49.2%)	(56.8%)	(65.6%)

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

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

Performance	Related KPIs
Monthly performance	<ul style="list-style-type: none"> <li>Number of On-Site Training conducted (Composition ratio of sales in FY22: 48.9%)</li> <li>Attendees at Open Seminars (Same as above: 24.3%)</li> <li>Organizations and users of Leaf (Same as above: 12.1%)</li> <li>Number of e-Learning and videos sold (Same as above: 14.7%)</li> </ul>
1 month to 3months	<ul style="list-style-type: none"> <li>Number of inquiries</li> </ul> <p>Negotiations, visits, proposals, quotes, sending materials, confirming prices, purchasing or adding Smart Packs, and requests for system demonstrations are all factors in the client's decision to use our services.</p>
In several months to 6 months	<ul style="list-style-type: none"> <li>Number of registered WEBinsource clients</li> </ul> <p>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 SMBs for the next few months to six months.</p>
In 6 months to 2 or 3 years	<ul style="list-style-type: none"> <li>Number of new contents developed</li> </ul> <p>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.</p>

Based on our classification of private-sector client segments by the size of their employees, we conduct sales activities.

- Large Enterprise (LE): Large and Second-tier companies (1,000 or more employees)
- Medium Market Business (MM): Medium-sized companies (300-999 employees)
- SMB (Small Medium Business): Medium-sized companies and Small and growing companies (Less than 299 employees)

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 June 3, 2024 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.

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