



August 28, 2017

To Whom It May Concern

Company Name: OUTSOURCING Inc.
 Representative: Haruhiko Doi
 Chairman and CEO
 (First Section of TSE, Securities Code 2427)
 Contact: Kazuhiko Suzuki
 Executive Vice President and
 Executive General Manager
 in Charge of Business
 Management Division
 Phone: +81-3-3286-4888

**Notice Regarding Stock Split and Partial Amendment to the Articles of Incorporation,
 Revisions in the FY12/17 Dividend Forecast and Changes in the Shareholder Rebate Policy**

OUTSOURCING Inc. (hereinafter “the Company”) hereby announces that pursuant to a resolution by the Board of Directors on August 28, 2017, the Company has resolved on a stock split, partial amendment to the Articles of Incorporation, revisions in the FY12/17 dividend forecast and changes in shareholder rebate policy, as follows.

Particulars

1. Stock Split

(1) Reason for the Stock Split

The purpose of the stock split is to raise liquidity of the Company’s shares by lowering the amount required per minimum investment unit through splitting the shares and at the same time to expand the investor base.

(2) Summary of the Stock Split

One share of common stock held by shareholders of record entered in the Shareholder Registry as of the record date of Saturday, September 30, 2017 (in practice Friday, September 29, 2017) will be split on a ratio of 5 to 1.

(3) Number of Shares to be Increased by the Stock Split

① Total number of shares outstanding prior to the stock split	20,327,300 shares
② The number of shares increased from the stock split	81,309,200 shares
③ Total number of shares outstanding after the stock split	101,636,500 shares
④ Total number of shares that can be issued after the stock split	160,000,000 shares

Note: the total number of shares outstanding after the stock split is calculated based on the total number of shares as of July 31, 2017, and does not take into consideration the increase in shares outstanding from exercise of subscription rights to shares from that point onward.

(4) Schedule of the Stock Split

① Record date announcement (scheduled)	Friday, September 15, 2017
② Record date (scheduled)	Saturday, September 30, 2017*
③ Effective date (scheduled)	Sunday, October 1, 2017

*Since the record date falls on a holiday for the administrator of the Shareholder Registry, the actual record date in practice will be Friday, September 29, 2017.

(5) Other

① Change in the Amount of Capital Stock

There is no change in the amount of capital stock for the Company as a result of the stock split.

② Adjustment of the Exercise Price for Subscription Rights to Shares

As a result of the share split, the exercise price per 1 unit of new share acquisition rights from October 1, 2017 onward is adjusted as follows.

Exercise Price Adjustment for Subscription Rights to Shares		
	Exercise price prior to the stock split	Exercise price after the stock split
No. 9 Subscription Rights to Shares	JPY318	JPY64
No. 14 Subscription Rights to Shares	JPY1,266	JPY254
No. 15 Subscription Rights to Shares	JPY2,017	JPY404

2. Partial Amendment to the Articles of Incorporation

(1) Reason for the Amendment

As a result of the stock split in point 1 above, the Company will make a partial amendment to its Articles of Incorporation on October 1, 2017 pursuant to Article 184, paragraph 2 of the Companies Act.

(2) Details of the Amendment

(The amended portions are underlined)

Present Articles	Revised articles
Articles 1 - 4 (wording omitted)	Articles 1 - 4 (same as present)
(Total number of shares authorized to be issued)	(Total number of shares authorized to be issued)
Article 5: the total number of shares authorized to be issued is <u>32,000,000</u> .	Article 5: the total number of shares authorized to be issued is <u>160,000,000</u> .
Articles 6 - 42 (wording omitted)	Articles 6 - 42 (same as present)
Supplementary Provisions (wording omitted)	Supplementary Provisions (same as present)
(New Provisions)	<u>The effective date of the change in Article 5 is October 1, 2017. This provision will be deleted on the effective date.</u>

(3) Schedule for the Partial Amendment of the Articles of Incorporation

The effective date is October 1, 2017 (Sunday)

3. Revisions of the Dividend Forecast

The Company hereby revise the dividend forecast for the end of Dec-2017 provided in “1H FY12/17 TANSIN Financial Statements [IFRS] (consolidated)” published August 1, 2017 as follows.

Note: this revision of the dividend forecast is a result of the stock split in point 1 above, and there is no substantial change in real terms to the dividend per share forecast disclosed on August 1, 2017.

	Dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Previous Forecasts (Announced on Aug. 1, 2017)	—	0.00	—	JPY 85.00	JPY 85.00
Revised Forecasts	—	—	—	17.00	17.00
Actual Results for the Current Fiscal Year	—	0.00	—	—	—
Actual Results for the Previous Fiscal Year (Fiscal 2016)	—	0.00	—	42.00	42.00

4. Changes in the Shareholder Rebate Policy

(1) Reason for the Change

In order to thank our shareholders for their daily support and to increase the number of shareholders who invest in our shares on a medium-term horizon by raising the attractiveness of investing in the Company's shares, the Company employs a shareholder rebate policy. In addition to changing the cut-off criteria for awarding shareholder rebates as a result of the stock split, the Company is also adding a new cut-off criteria of over 100 shares.

(2) Details of the Change

In line with the stock split ratio, the Company changes the cut-off criteria from the current policy's “over 100 shares,” “over 1,000 shares” and “over 5,000 shares” to “over 500 shares,” “over 5,000 shares” and “over 25,000 shares,” respectively, and in addition, add a new criteria after the stock split of “over 100 shares,” making it even easier for all shareholders to obtain shareholder rebates.

Prior to the split		After the split	
No. of shares owned	Rebate Details ¥1,000 QUO Cards	No. of shares owned	Rebate Details ¥1,000 QUO Cards
(new)		over 100	QUO Card — 1
over 100	QUO Cards — 2	over 500	QUO Cards — 2
over 1,000	QUO Cards — 3	over 5,000	QUO Cards — 3
over 5,000	QUO Cards — 4	over 25,000	QUO Cards — 4

(3) Timetable for the Change Going into Effect

Regarding changes in the details of shareholder rebates listed above, the change will go into effect for shareholders of record entered in the Shareholder Registry as December 31, 2017.