March 28, 2014

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 Acquisition of Shares (making sub-subsidiary) by Consolidated Subsidiary

OUTSOURCING Inc. (hereinafter "the Company") hereby announces that the Board of Directors, at its meeting held on March 28, 2014, resolved that OUTSOURCING TECHNOLOGY Inc. (hereinafter "OSTech"), a consolidated subsidiary of the Company, will exercise its unsecured convertible bonds with stock acquisition rights and acquire additional shares of Thinketh Bank Co., Ltd. (hereinafter "TB"), an equity method affiliate, making it a subsidiary (sub-subsidiary of the Company).

Particulars

1. Purpose of the Acquisition of Shares

The OUTSOURCING Group (hereinafter "the Group") offers production outsourcing services to leading domestic manufacturers that range from R&D and testing and evaluation to the volume production process across a wide range of sectors. Information Technology (IT) is one of the Group's focus sectors as it is counter-cyclical in contrast to the production cycles of leading domestic makers, who are the Group's major customers.

Ever since the Comapny made a full-scale entry into the IT sector in September 2011, its business has expanded centering around infrastructure business for which there is stable demand, with the result that revenue in the last fiscal year reached 5.6 billion yen. As it is essential to expand recruitment channels of IT engineers and improve skills of our pool of existing engineers in order to ensure further growth, the Group has strengthened collaboration with IT Schools.

TB, on the other hand, operates "KEN School," Japan's leading IT learning center, with strength in software and web education and training. The KEN school system has produced more than 20,000 graduates to date, with extensive curriculum, one-on-one instruction, free-time system and e-learning as key drivers.

By making TB the Company's sub-subsidiary, the Company can expand the recruitment channels of IT engineers while further improving the skills of existing engineers. At the same time, the Company will accelerate business expansion in the IT sector by offering extensive education and training services to its leading IT client-companies.

2. Outline of the Subsidiary of the OUTSOURCING Group that will Acquire Shares

(1)	Company Name	OUTSOURCING TECHNOLOGY Inc.
(2)	Head Office	1-8-3 Marunouchi, Chiyoda-ku, Tokyo, Japan
(3)	Name and Title of Representative	Masaki Motegi, President
(4)	Major Business	Engineering Outsourcing Business
(5)	Capital Stock	JPY483 million
(6)	Established	December 7, 2004

3. Outline of the Company that will become a Sub-subsidiary of the OUTSOURCING Group

<table>
<tr><td>(1)</td><td>Company Name</td><td colspan="2">Thinketh Bank Co., Ltd.</td></tr>
<tr><td>(2)</td><td>Head Office</td><td colspan="2">4F Kubo Biulding, 2-9-2 Yoyogi, Shibuya-ku, Tokyo, Japan</td></tr>
<tr><td>(3)</td><td>Name and Title of Representatives</td><td colspan="2">Katsuji Hirata, Representative Director
Masaki Motegi, Representative Director</td></tr>
<tr><td>(4)</td><td>Major Businesses</td><td colspan="2">Operation of IT schools, corporate in-house training, systems development, IT engineering temporary placement and staff agency business</td></tr>
<tr><td>(5)</td><td>Capital Stock</td><td colspan="2">JPY45 million</td></tr>
<tr><td>(6)</td><td>Established</td><td colspan="2">July 11, 2012</td></tr>
<tr><td>(7)</td><td>Major Shareholders, % owned</td><td colspan="2">UG Investment Limited Partnership 55.6%
ibis Capital Partners, Inc. 22.2%
Out-Sourcing System Consulting Inc. 19.4%
*absorbtion-type merger with OSTech on April 1, 2014
Manax Co., Ltd. 2.8%</td></tr>
<tr><td rowspan="3">(8)</td><td rowspan="3">Relationship between OUTSOURCING Group and Thinketh Bank</td><td>Capital Relationship</td><td>The Company has 19.4% indirect ownership of the said company</td></tr>
<tr><td>Personnel Relationship</td><td>The Company and its subsidiary, OSTech dispatch directors and employees</td></tr>
<tr><td>Business Relationship</td><td>System development business between OSTech, the Company’s subsidiary, and said company</td></tr>
<tr><td>(9)</td><td colspan="3">Financial Results and Position for the Previous Fiscal Year (unit: Thousand of JPY)</td></tr>
<tr><td colspan="2">Fiscal Year</td><td colspan="2">June 2013</td></tr>
<tr><td colspan="2">Net Assets</td><td colspan="2">86,076</td></tr>
<tr><td colspan="2">Total Assets</td><td colspan="2">264,707</td></tr>
<tr><td colspan="2">Net Assets Per Share (JPY)</td><td colspan="2">95,640</td></tr>
<tr><td colspan="2">Net Sales</td><td colspan="2">441,459</td></tr>
<tr><td colspan="2">Operating Income</td><td colspan="2">(155,241)</td></tr>
<tr><td colspan="2">Ordinary Income</td><td colspan="2">(178,017)</td></tr>
<tr><td colspan="2">Net Income</td><td colspan="2">(3,923)</td></tr>
<tr><td colspan="2">Net Income Per Share (JPY)</td><td colspan="2">(4,359)</td></tr>
<tr><td colspan="2">Dividend Per Share</td><td colspan="2">—</td></tr>
</table>

* Since TB was established on July 20, 2012 to transfer business from Ken Soft Co., Ltd., only the results of operations and the financial position for the previous year are reported.

4. Outline of the Parties from which Shares will be Acquired

(1)	Company Name	ibis Capital Partners, Inc.	
(2)	Head Office	4-12-15 Ginza, Chuo-ku, Tokyo, Japan	
(3)	Name and Title of Representative	Kiichiro Chujo, CEO	
(4)	Major Businesses	Investment banking, photovoltaics, management consulting and support business	
(5)	Capital Stock	JPY205 million	
(6)	Established	August 31, 2007	
(7)	Relationship between OUTSOURCING Group and ibis Capital Partners	Capital Relationship	None
		Personnel Relationship	None
		Business Relationship	None
		Related Party Relationship	None

(1)	Company Name	Manax Co., Ltd.	
(2)	Head Office	106-2 Onaka, Yamatotakada-shi, Nara Prefecture, Japan	
(3)	Name and Title of Representative	Kumiko Okamoto, President	
(4)	Major Business	Holding, management and investment of marketable securities	
(5)	Capital Stock	JPY3 million	
(6)	Established	January 12, 2000	
(7)	Relationship between OUTSOURCING Group and Manax	Capital Relationship	None
		Personnel Relationship	None
		Business Relationship	None
		Related Party Relationship	None

5. Number of Shares to be Acquired, and Ownership Before and After the Acquisition

(1)	Number of Shares Owned Before Acquisition	Number of shares 175 Number of voting rights 175 Ratio of voting rights owned 19.4%
(2)	Number of Shares to be Acquired	Number of shares 825 Number of voting rights 825 From Manax Co., Ltd. 25 From ibis Capital Parnters, Inc. 200 Acquired by exercise of convertible bonds with stock acquisition rights 600
(3)	Acquisition Price	Acquisition of TB common shares JPY225 TOTAL (estimated amount) JPY225 *Reference Total Acquisition Cost (estimated amount): Approximately JPY7.8 million

(4)	Number of Shares Owned After Acquisition	Number of shares Number of voting rights Ratio of voting rights owned	1,000 1,000 66.7%

6. Schedule

(1)	Date of Board of Directors Resolution	March 28, 2014
(2)	Date of Agreement	April 1, 2014 (planned)
(3)	Date of Shares Transfer	April 1, 2014 (planned)

7. Future Outlook

The impact of this matter on consolidated financial results this term is negligible.