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Insource Co., Ltd.

Representative director and CEO

Takayuki Funahashi

(Code number: 6200, The First Section of the Tokyo Stock Exchange)

### KPI(key Performance Indicators)Progress Report in March 2019 &1H FY2018

**The total number of On-Site Training conducted increased by 112.7% YOY.**

**The total number of attendees at Open Seminars increased by 127.5%YOY.**

Insource today announced that the total number of WEBinsource subscribers (organizations) reached 9,942 and the monthly number of Leaf paid subscribers (organizations) has reached 132. In addition, monthly number of On-Site Training was 735 (98.0% YOY) and monthly number of attendees at Open Seminars was 5,550 (123.2% YOY).

#### 1. Monthly number of On-Site Training conducted

Although the total number of On-Site Trainings conducted in 1H FY2018 increased by 112.7% YOY to 6,853, in March, we held fewer On-Site Trainings than the previous year. The Nationwide Local Elections in April 2019 (quadrennial re-election of local chief executives and assembly members) may have affected the decrease in On-Site Trainings especially for public sectors.

(Unit: times)

	FY2018						
	October	November	December	January	February	March	1H
Monthly number of trainings conducted (YOY)	1,571 (126.0%)	1,542 (111.8%)	962 (104.6%)	951 (120.4%)	1,092 (109.5%)	735 (98.0%)	6,853 (112.7%)

\*Consolidated subsidiaries are included.

<FYI> Total number of trainings conducted in FY2017: 13,461

\*Total number of trainings conducted in 1H FY2017: 6,083

#### 2.Monthly number of attendees at Open Seminars

In March 2019, the monthly number of attendees increased by 123.2% YOY to 5,550, which is the second highest number in 1H FY2018. The number of attendees at Open Seminars for 1H FY2018 increased by 127.5% YOY to 31,302.

(Unit: attendees)

	FY2018						
	October	November	December	January	February	March	1H
Monthly number of attendees (YOY)	5,501 (126.8%)	6,148 (132.2%)	4,566 (126.7%)	4,171 (125.7%)	5,366 (129.8%)	5,550 (123.2%)	31,302 (127.5%)

<FYI> Total number of attendees in FY2017: 55,948

\*Total number of attendees in 1H FY2017: 24,550

### **3. WEBinsource: Total number of subscribers (organizations)**

As part of our Mid-Term Management Plan, the number of WEBinsource subscribers (organizations) is one of the key strategic indicators to strengthen our client base. Over 200 new clients have been subscribing to WEBinsource on a monthly basis so far.

(Unit: Organizations)

	FY2018					
	October	November	December	January	February	March
Total	8,795	9,038	9,265	9,467	9,679	9,942
(changes from FY17)	(+231)	(+474)	(+701)	(+903)	(+1,115)	(+1,378)
(rate of change: %)	(+102.7%)	(+105.5%)	(+108.2%)	(+110.5%)	(+113.0%)	(+116.1%)

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

### **4. “Leaf (HR support system)”’: Total number of paid subscribers (organizations)**

More and more major companies are switching to our in-house platform, "Leaf". The total number of Leaf subscribers (organizations) in 1H FY2018 reached 40 while the total number of clients acquired in FY2017 was 49, which contributes to our improvement in gross profit.

(Unit: Organizations)

	FY2018				
	November	December	January	February	March
HR support system, “Leaf” (Full-service)	100	106	116	118	132
(MOM)	(+2)	(+6)	(+10)	(+2)	(+14)
(changes from FY17)	(+8)	(+14)	(+24)	(+26)	(+40)
Web conversion service for appraisal forms	30	31	33	33	37
(MOM)	(+2)	(+1)	(+2)	(±0)	(+4)
STUDIO (e-Learning)	114	116	123	140	125
(MOM)	(+11)	(+2)	(+7)	(+17)	(-15)

\*STUDIO has been fully launched since May 2017. \* Web conversion service for appraisal forms has been fully launched since August 2017.

### **5. Stress Check Support Service: Number of orders and status of progress**

We have received more orders from private companies than the previous year. During 1H FY2018, we have delivered 172 orders (116.2% (+24 orders) YOY).

(Unit: Organizations)

	FY2018					
	November	December	January	February	March	April (Estimate)
No. of orders received	14	14	20	10	7	-
(MOM)	(-6)	(±0)	(+6)	(-10)	(-3)	-
No. of orders delivered (by month)	17	16	20	44	71	7
No. of orders delivered (FY2019 total)	21	37	57	101	172	179
(YOY)	(+14)	(+27)	(+46)	(+83)	(+71)	(+7)
No. of orders to be delivered (end of month)	113	111	111	77	13	-

\*From January 2019, we have disclosed the number of orders and status of progress for Stress Check Support Service.

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

### ■WEBinsource

With WEBinsource, clients can sign up online for Open Seminars at discounted prices, and apply for HRD SmartPack (discounted package deal), our affiliated companies' training programs and books, etc. More and more clients are implementing WEBinsource as an employee training infrastructure, which has increased the number of attendees at Open Seminars.

- WEBinsource: <https://www.insource.co.jp/webins/index.html>
- HRD SmartPack: [https://www.insource.co.jp/bup/bup\\_smartpack.html](https://www.insource.co.jp/bup/bup_smartpack.html)

### ■Leaf (HR support system)

Leaf is our in-house platform to assist clients to improve business productivity and streamline HR-related operations (e.g.: training management, operation to personnel appraisal, skill management, conducting stress check).

- Leaf: [https://www.insource.co.jp/it-tool/kenkanrisys\\_top.html](https://www.insource.co.jp/it-tool/kenkanrisys_top.html)

### ■STUDIO

\*Since January 2019, we have changed the name of our e-Learning service from “STUDIO Powered by Leaf” to “STUDIO”.

STUDIO: A user-friendly e-learning courseware. Upon registration, users can always access over 279 contents(88 subjects) on STUDIO. \* \*As of December 31, 2018

- STUDIO: <https://www.mitemo.co.jp/studio/>

### ■Web appraisal form service

Web conversion service for appraisal forms assists clients to realize streamlined operations by converting paper-/Excel-based performance appraisal forms into digital formats available online. For example, members can easily input their self-evaluation onto the digital appraisal forms. Also, Leaf allows administrators to easily contact and remind members to submit their forms.

- Web conversion service for appraisal forms: [https://www.insource.co.jp/it-tool/service-each/value\\_web.html](https://www.insource.co.jp/it-tool/service-each/value_web.html)

### ■Stress Check Support Service

Stress Check Support Service (outsourcing service) powered by Leaf is available at a very reasonable price (216 yen per person, including tax)\*. Upon clients' requests, we also provide the service coupled with paper-based appraisal sheets. \*Initial costs are excluded

- Stress Check Support Service: [https://www.insource.co.jp/it-tool/leaf\\_other\\_usage\\_stresscheck.html](https://www.insource.co.jp/it-tool/leaf_other_usage_stresscheck.html)

We will further expand business by assisting clients to improve work productivity and offering clients reasonable training programs, IT solutions and various services.

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

Inquiries: Insource Co., Ltd.	<a href="https://www.insource.co.jp/index.html">https://www.insource.co.jp/index.html</a>	
For media interviews and public relations	Aya Inoue ,Takumi Abe CEO Office	Phone: 03-5259-0070
For services	WEBinsource / Leaf (IT Service Division) Stress Check Support Service (Health Management Division)	Phone: 0120-800-255 Phone: 03-5577-2051