

Updated: 22, Feb. 2021

Insource Co., Ltd.

Q1 FY20 Consolidated Financial Results

(Three months ended December 31, 2020)

Monday, January 25, 2021

Consolidated Profit & Loss Statement ① Overview

Updated:
22.Feb.2021

insource

Unit: million yen

	1Q FY18 (Actual)	1Q FY19 (Actual)	1Q FY20 (Actual)	YOY	FY20 (2/22 Revised 1H target)	FY20 (Target)
Net sales (YOY)	1,294 (+238)	1,625 (+330)	1,814 (+189)	+11.7%	Changed +230 3,530	Changed +560 7,300 (Progression rate: : 24.8%)
Gross profit (YOY)	895 (+165)	1,161 (+266)	1,390 (+228)	+19.7%	Changed +210 2,700	Changed +640 5,500 (Progression rate: : 25.3%)
(Gross profit margin)	(69.2%)	(71.5%)	(76.6%)	(+5.2pt)	(76.5%)	(75.3%)
Operating profit (YOY)	314 (+70)	414 (+99)	646 (+232)	+56.1%	Changed +210 1,150	Changed +650 2,100 (Progression rate: : 30.8%)
(Operating profit margin)	(24.3%)	(25.5%)	(35.6%)	(+10.1pt)	(32.6%)	(28.8%)
Ordinary profit (YOY)	314 (+69)	415 (+100)	659 (+244)	+58.9%	Changed +210 1,160	Changed +660 2,110 (Progression rate: : 31.2%)
Net profit (YOY)	207 (+41)	276 (+68)	452 (+176)	+63.7%	Changed +140 800	Changed +500 1,440 (Progression rate: : 31.4%)

Business Activities ① Clients and Average Growth Rate by Business

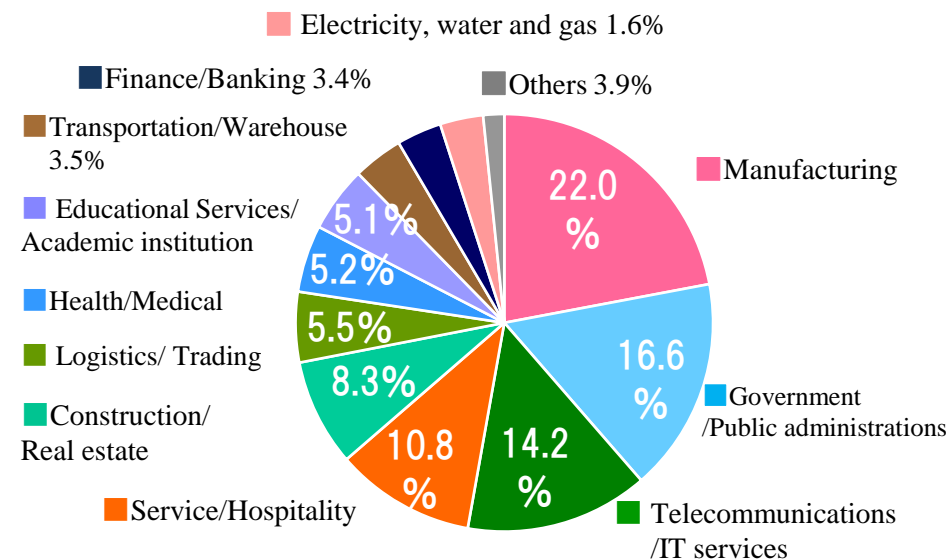
Composition ratio of clients by industry

The total number of clients who used our services from October, 2019 to September, 2020

10,786 organizations

The total number of clients who used our services from June, 2003 to September, 2020

32,938 organizations



Compound annual growth rate by business (Target)

	FY18 (Actual)	FY19 (Actual)	FY20 (2/22 Revised Forecast)	CAGR FY18-FY20
Whole Business	5,608	5,119	7,300	+17.2%
On-Site Training	3,279	2,724	3,790	+10.3%
Open Seminars	1,527	1,267	1,780	+15.1%
IT Services	431	655	1,000	+61.1%
Other Businesses	369	472	730	+34.1%

Mid-Term Management Plan “Road to Next 2023” - Numerical Targets by Business

- We set our targets of operating profit at over 2,030 million yen for FY21 and over 2,720 million yen for FY22 respectively
- Near-term goal of achieving 2 billion yen in operating income

	FY19 (Actual)	FY20 (2/22 Revised Forecast)	FY21 <Target>	FY22 <Target>	CAGR FY20-FY22
Net sales (YOY: mil yen)	5,119 (▲488)	7,300 (+2,181)	8,080 (+780)	10,000 (+1,920)	+25.0%
Gross profit (YOY: mil yen)	3,643 (▲315)	5,500 (+1,857)	5,900 (+400)	7,460 (+1,560)	+27.0%
Operating profit (YOY: mil yen) (Gross profit margin)	784 (▲519) (15.3%)	2,100 (+1,316) (28.8%)	2,030 (▲70) (25.1%)	2,720 (+690) (27.2%)	+51.4%
Net profit (YOY: mil yen)	445 (▲389)	1,440 (+995)	1,330 (▲110)	1,800 (+470)	+59.3%

*To be reviewed later