

July 1, 2022

To Whom It May Concern,

Disclaimer: This document is a translation of the Japanese original for reference purposes only.

Insource Co., Ltd.

Takayuki Funahashi

Representative Director, President and CEO

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

KPI (Key Performance Indicators) Progress Report for June, 2022

-Times of On-Site training conducted (126.7% YoY)/ Attendees at Open Seminars (124.8% YoY),

Leaf users reached 2 million, and DX On-Site trainings increased significantly

Insource today announced KPI (Key Performance Indicators) Progress Report for June, 2022.

*For Excel data, download from <https://www.insource.co.jp/en/ir/insmthdata.html>

(Available from July 1 at 20:00 JST)

1. Training Business

In June 2022, due to the increased demand for face-to-face training, the number of On-Site Training conducted was 1,525 times (126.7% YoY), of which online training was 467 times (composition ratio:30.6%). The number of attendees at Open Seminars was 8,887 (124.8% YoY), of which online attendees were 7,113 (composition ratio:80.0%). The number of DX-related trainings has increased significantly as large projects have started.

(1) Monthly number of On-Site Training conducted

(Unit: time)

	FY21					
	January	February	March	April	May	June
Number of trainings conducted	1,034	1,082	868	1,937	1,155	1,525
(YoY)	(+292)	(+104)	(▲25)	(+195)	(+290)	(+321)
	(139.4%)	(110.6%)	(97.2%)	(111.2%)	(133.5%)	(126.7%)
Conducted online	565	760	473	538	385	467
(YoY)	(+126)	(+125)	(▲43)	(▲91)	(▲106)	(▲170)
(Composition ratio)	(54.6%)	(70.2%)	(54.5%)	(27.8%)	(33.3%)	(30.6%)
DX-related trainings※	44	48	34	68	39	91
(YoY)	(+10)	(▲5)	(▲12)	(▲6)	(+1)	(+37)

*Consolidated subsidiaries are included *DX-related trainings: IT and computer skills trainings

(2) Monthly number of attendees at Open Seminars

(Unit: attendee)

	FY21					
	January	February	March	April	May	June
Number of attendees	6,537	7,498	8,170	10,817	6,864	8,887
(YoY)	(+1,286)	(+1,018)	(+1,451)	(+984)	(+1,775)	(+1,768)
	(124.5%)	(115.7%)	(121.6%)	(110.0%)	(134.9%)	(124.8%)
Conducted online	5,709	6,896	7,442	7,113	5,760	7,113
(YoY)	(+1,266)	(+1,198)	(+2,632)	(+579)	(+1,474)	(+1,155)
(Composition ratio)	(87.3%)	(92.0%)	(91.1%)	(65.9%)	(83.9%)	(80.0%)
DX-related trainings	889	914	1,065	1,256	706	914
(YoY)	(+560)	(+455)	(+445)	(+312)	(+222)	(+217)

*Consolidated subsidiaries are included.

2. IT Services Business

The number of paid subscribers for Leaf (HR support system) reached 498 (+10 MoM) organizations and the number of its users increased to 2,040,239 (+47,112 MoM), reaching 2 million. The cumulative number of orders delivered for Stress Check Support Service significantly increased to 398 since the beginning of the fiscal year (+98 YoY).

(1) “Leaf (HR support system)”: Total number of paid subscribers (organizations)

(Unit: organization) (Unit: Users)

	FY21					
	January	February	March	April	May	June
No. of paid subscribers(organizations)	442	450	470	482	488	498
(MoM)	(+10)	(+8)	(+20)	(+12)	(+6)	(+10)
(Changes from end of previous FY)	(+30)	(+38)	(+58)	(+70)	(+76)	(+86)
No. of users	1,873,705	1,914,250	1,932,964	1,978,112	1,993,127	2,040,239
No. of customization	24	41	90	99	105	108
Total no. since the beginning of FY						
Web conversion service for appraisal forms	135	136	151	152	154	155
(MoM)	(+1)	(+1)	(+15)	(+1)	(+2)	(+1)

*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: Number of orders delivered and orders to be delivered

(Unit: organization)

	FY21					
	January	February	March	April	May	June
No. of orders delivered (by month)	53	74	151	7	5	2
Cumulative no. of orders delivered * since the beginning of FY	155	229	380	387	396	398
(YoY)	(+55)	(+75)	(+93)	(+95)	(+98)	(+98)
No. of orders to be delivered (by month)	207	149	19	25	43	85
(YoY)	(+26)	(+13)	(+5)	(+3)	(+3)	(±0)

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

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

*The number of new orders received is difficult to correlate with sales, so it will be changed to only the number of orders delivered and the number of orders remaining from October 2021.

3. e-Learning/video Business

Regarding profitable contents (outright purchases) of e-learning and video, contents such as harassment prevention and mental health sold very well to the private sector regardless of the corporate size. Rental users increased largely for DX-related contents.

(1) e-learning/Videos: Total numbers of subscription IDs per month and the number of contents sold

(Unit: ID) (Unit: Content) (Unit: Users)

	FY21					
	January	February	March	April	May	June
No. of video contents sold (Outright purchase) *By month (YoY)	105 (131.3%)	212 (198.1%)	552 (227.2%)	221 (81.3%)	68 (87.2%)	96 (139.1%)
No. of rental viewers *by month (YoY)	1,136 (422.3%)	1,450 (232.4%)	1,177 (119.5%)	1,137 (194.7%)	543 (62.9%)	1,904 (661.1%)
STUDIO (e-Learning) users (MoM)	58,584 (+499)	60,791 (+2,207)	61,115 (+324)	62,823 (+1,708)	64,370 (+1,547)	66,652 (+2,282)

*Calculation takes place at the end of every month.

*The number of outright purchases is calculated from October 2021.

4. Client Base

The total number of registered WEBinsource clients increased to 17,971 (+296 MoM) organizations compared to the previous month). We are steadily gaining subscribers toward our target of 2,400 for this fiscal year.

(1) WEBinsource: Total number of subscribers (organizations)

(Unit: organization)

	FY21					
	January	February	March	April	May	June
No. of new subscribers	219	255	276	224	230	296
No. of accumulated subscribers (Progression rate : %)	16,690 (37.2%)	16,945 (47.8%)	17,221 (59.3%)	17,445 (68.6%)	17,675 (78.2%)	17,971 (90.5%)

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

5. Contents Development

The number of new contents developed was 37 for training (On-Site training) and 16 for e-learning. We have set a target of 300 for training and 210 for e-learning for FY21, and we are taking steady steps toward the target.

(1) Number of new contents developed

(Unit : training, video)

	FY21					
	January	February	March	April	May	June
No. of new contents for On-Site training	28	22	31	31	28	37
since the beginning of FY	109	131	162	193	221	258
(Progression rate : %)	(36.3%)	(43.7%)	(54.0%)	(64.3%)	(73.7%)	(86.0%)
No. of new contents for e-learning	19	30	17	16	16	16
since the beginning of FY	67	97	114	130	146	162
(Progression rate : %)	(31.9%)	(46.2%)	(54.3%)	(61.9%)	(69.5%)	(77.1%)

◇New training contents released in June (37 trainings)

For students and job candidates	4	For managerial positions	3
Logical thinking to develop thinking skills		Develop human resources resistant to change by using unlearning	
Communication	3	Subordinate coaching and OJT	3
Improve the ability of asking questions to learn the needs of others		Develop a common understanding of the OJT between trainers and trainees	
Team building	3	For new and young employees	3
Think about the future of yourself and your team		Acquire communication skills to build good relations with others	
Facilitation	2	Harassment prevention	2
How to design a successful meeting		Be aware of differences in perception and create a better workplace	
OA/IT skills	2	Management strategy	1
IT literacy training		Link KPI settings and measures to management strategy	
SDGs	1	Diversity promotion	1
Make personalized SDGs with 2030 SDGs Cards		Promote male employees taking childcare leave	
Foster global mindset	1	Working methods	1
Foster business mindset for global success		QCDSR workshop to experience and practice through work simulation	
Thinking skills	1	Motivation improvement	1
Seek business new ideas from customer journey maps		Think about your strengths and how to utilize them	
Marketing	1	Career	1
Subscription marketing training		Find your ideal working style	
Problem solving	1	Negotiation Skills	1
Understand the essence and get rid of unnecessary reasons		Negotiate with the other party without confrontation	
Complaint handling	1		
Handle complaints for welfare and care industry managers			

◇New videos released in June (16 videos)

Managerial positions	3	Business improvement	2
Creating an dynamic organization by teambuilding		Improve and activate the workplace environment	
Evaluation and assessment	2	Thinking skills	2
Goals Management		Improve reading comprehension to correctly understand the intention	
Subordinate development	1	Healthcare	1
How to train Generation Z		Develop resilience to face stress with an unbreakable spirit	
Risk management and compliance	1	Coordination	1
Beware of using SNS		Activate discussion and lead to consensus	
DX (data analysis/IT skills)	1	Etiquette and Work Basics	1
Basic understanding of DX for public sectors		How to interact with mentors and grow	
Sales	1		
Act under good time management			

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

Performance	Related KPIs
Monthly performance	<ul style="list-style-type: none"> ▪ Times of On-Site trainings conducted (Composition ratio of sales in FY20: 50.6%) ▪ Attendees at Open Seminars (24.4%) ▪ Organizations and users of Leaf (13.6%) ▪ Number of e-learning and videos sold (11.4%)
Several months to 6 months	<ul style="list-style-type: none"> ▪ Number of registered WEBinsource clients <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 the next few months to six months.</p>
6 months to 2 or 3 years	<ul style="list-style-type: none"> ▪ Number of new contents developed <p>The increase in the number of trainings and e-learning 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>

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.

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.

【Inquiries】 Insource Co., Ltd. <https://www.insource.co.jp/en/ir/index.html>

(For media interviews /PR/
Service)

CEO Office (PIC: Asai & Ishiwata)

Send an email at
info_ir@insource.co.jp