



December 8, 2023

To Whom It May Concern

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 (Prime Market of TSE, Securities Code 2427)
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Notice Regarding Dividends from Surplus (Cancellation of Dividend) and Abolition of the Shareholder Benefit Program

OUTSOURCING Inc. (hereinafter, “the Company”) hereby announces that at the Board of Directors meeting held today, the Board of Directors passed a resolution to revise its dividend forecasts for the fiscal year ending December 31, 2023, not to distribute any dividend from surplus for the record date of December 31, 2023, and to abolish the shareholder benefit program in light of the tender offer (hereinafter, “the Tender Offer”) that will be commenced for the common shares of the Company by K.K. BCJ-78 (hereinafter, “the Tender Offeror”) to be carried out as part of a management buyout (MBO).

1. Dividend from surplus (cancellation of dividend)
- (1) Details of dividend (cancellation of dividend)

	Determined amount	Most recent dividend forecast (Released on February 14, 2023)	Results for previous fiscal period (Period ended December 31, 2022)
Record date	December 31, 2023	Same as the left column	December 31, 2022
Dividend per share	0 yen	43 yen	25 yen
Total amount of dividends	-	-	3,148 million yen
Effective date	-	-	March 29, 2023
Funds for dividends	-	-	Retained Earnings

- (2) Reasons

With respect to the Tender Offer by the Tender Offeror to be carried out as part of a management buyout (MBO), the Company resolved at its Board of Directors meeting held today to issue an opinion in support of the Tender Offer and recommend that its shareholders tender their shares in the Tender Offer if the Tender Offer is commenced, as the Company’s current opinion. The above resolution of the Board of Directors was made on the assumption that the shares in the Company will be delisted as a result of the Tender Offer by the Tender Offeror, and the series of procedures that will follow the Tender Offer. For details, please see the “Notice Regarding Opinion in Favor of Planned Management Buyout and Recommendation to Tender Shares” separately released today.

The Company recognizes that the return of profits to its shareholders is its key management task. The Company has determined the consolidated dividend payout ratio to be 30% in principle to aim to expand its operations through reinvesting part of the profits, as well as to enhance the return of profits to the shareholders and expand the shareholder base.

However, according to the Tender Offeror, the tender offer price in the Tender Offer is comprehensively determined and decided on the assumption that no year-end dividend for the record date of December 31, 2023 is to be distributed. Therefore, the Board of Directors resolved at its meeting held today to revise its dividend forecasts for the fiscal year ending December 31, 2023 and not to distribute any dividend from surplus for the record date of December 31, 2023.

[Translation]

2. Abolition of the shareholder benefit program

For the reasons stated in “(2) Reasons” under “1. Dividend from surplus (cancellation of dividend)” above, the Company resolved at its Board of Directors meeting held today to abolish the shareholder benefit program starting from the shareholder benefits that should be granted to qualified shareholders as of the record date of December 31, 2023. Due to this, the shareholder benefit program of the Company will be abolished and the shareholder benefits which were granted to qualified shareholders as of December 31, 2022 will be the last shareholder benefits provided to shareholders under the shareholder benefit program.