

CLSA Capital Partners' Sunrise II invests in Outsourcing Investments, Inc.

Tokyo, Tuesday 11 October, 2016 – CLSA Capital Partners, the alternative asset management arm of CLSA, is pleased to announce the investment by Sunrise Capital II (“Sunrise II”) into Outsourcing Investments, Inc. (“OSI Group” or the “Company”) a Yokohama-based specialised staffing services company. Sunrise II is a CLSA Capital Partners’ fund that invests in established, mid-cap companies with strong growth potential in Japan.

The OSI Group is a staffing services conglomerate that provides tech-oriented staffing services to blue-chip domestic manufacturing companies. Sunrise II has acquired 100% of OSI Group shares through this transaction. Sunrise II will work closely with OSI Group’s management team to jointly pursue further growth within the business. The OSI Group will retain the existing management team and does not anticipate any material changes in strategic policies.

The sixth investment by Sunrise II, OSI Group supports one of the fund’s key investment themes: “Macro-Shadow”, which focuses on businesses benefitting from one of the “shadow” effects of the Japanese macro-economy: Japan’s declining working population.

Mr. Megumi Kiyozuka, Head of Sunrise Japan said: “We have always viewed the staffing services and Business Process Outsourcing (BPO) as an attractive industry. Needless to say, labour shortages resulting from the declining population continues to be a recurring issue in Japan. In addition, many Japanese enterprises have struggled to retain and train high quality talent organically to keep up with the increasingly competitive environment driven by globalisation. The typical old-fashioned “Japanese-style” approach is coming to an end and currently, Japanese enterprises are required to manage their businesses focusing on the company’s core strengths while relying on external resources as necessary to maintain competitiveness.”

“The OSI Group has achieved significant growth in the past as a tech-oriented staffing services company. In addition, following the Global Financial Crisis, the Company has transformed its operations as well as launched new businesses and has managed to establish a highly resilient business model capable of withstanding macro-economic downturns. We intend to fully utilise the Company’s strengths and collaborate with the Company to accelerate and achieve growth exceeding the OSI Group’s past expectations.” said Mr. Megumi Kiyozuka.

Founded in 2005 and with 2,500 permanent and part-time employees, the OSI Group is comprised of nine subsidiaries which provide tech-oriented specialised staffing services, such as engineer dispatching services, to blue-chip domestic manufacturing companies. The Company has achieved significant growth by expanding its services to meet its clients various staffing needs. The OSI Group has strategically pursued diversification across industries, enhanced its domestic demand-driven businesses and launched new businesses. As a result, the Company has been able to further stabilise its operations. Going forward, the Company intends to continue diversifying and expanding its services.

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About Outsourcing Investments, Inc. (OSI Group)

The OSI Group is a staffing services conglomerate providing tech-oriented specialised staffing services, such as engineer dispatching services, to blue-chip domestic manufacturing companies. The OSI Group is comprised of nine subsidiaries, each exhibiting its own unique strengths, and providing high quality staffing services to its clients. Since its inception in 2005, the Company has continued to expand its service offerings. The OSI Group currently employs approximately 2,500 employees (including temporary staff) and its sales in the fiscal year ending August 2015 were approximately JPY10 billion. Leveraging its robust team, the Company is capable of accommodating the continuously evolving vast staffing needs of clients, of which the majority are engaged in domestic manufacturing businesses. The company is headquartered in Yokohama, Japan. For further information on the OSI Group, please visit <http://www.osi-corp.net/>.

About Sunrise Capital

Sunrise Capital is a Japan-dedicated private equity strategy, capitalising on opportunities in the mid-cap buyout sector. Sunrise Capital's unique features include a hands-on approach and support with overseas expansion through CLSA's global network. Including the OSI Group, Sunrise Capital has completed investments in 10 companies and is assisting in realising their growth potential since its establishment in 2006.

About CLSA Capital Partners

CLSA Capital Partners is the alternative asset management arm of CLSA, Asia's leading and longest-running brokerage and investment group. CLSA Capital Partners has more than US\$3 billion under management and offices across the region, including Hong Kong, Singapore and Tokyo. CLSA Capital Partners offers a diversified and increasing range of investment strategies managed by a diverse team of industry professionals with expertise in private equity, banking and finance, law and accountancy and various industry specialisations. For more information visit www.clsacapital.com

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