

Global Digital Transformation Partner

Supplemental Material for FY2024/3 Financial Results

(April 1, 2023 – March 31, 2024)



April 30, 2024

transcosmos inc.

1. FY2024/3 Financial Results

1-1. Financial Results Overview

- Financial Results Summary
- Consolidated Income Statement Summary
- Consolidated Sales Analysis
- Consolidated Sales Analysis (Quarterly Trend by Segment)
- Consolidated Sales Analysis (Quarterly Trend: CX Services)
- Consolidated Sales Analysis (Quarterly Trend: BPO Services)
- Consolidated Sales Analysis (Quarterly Trend: Geographic Market)
- Parent Company Quarterly Sales Trend
- Consolidated Operating Income Analysis
- Consolidated Operating Income Analysis (Quarterly Trend by Segment)
- Parent Company Operating Income Analysis
- Parent Company Gross Profit Trend excluding COVID jobs
- Parent Company Six-year Sales/Operating Income Trend
- transcosmos inc. Net Income Analysis
- Consolidated Balance Sheet Summary
- Consolidated Cash Flow Statement
- CAPEX, Amortization/Depreciation, Employees, Service Bases

1-2. Dividend Policy

2. Medium-term Business Plan: Progress & Priorities

2-1. Market Landscape

- Market trends impacting transcosmos business
- Demand trends: Adapt to changing consumer behavior
- Demand trends: Enhance labor productivity

2-2. FY2025/3 Priorities

- Secure competitive edge with differentiated services
- Drive growth focusing on burgeoning Asian market
- Accelerate growth strategy by making the most of AI
- Win new & expand existing clients with robust sales capability
- Further integrate Sustainability Management into business and strengthen the Group's management base

2-3. Medium-to Long-term Numeric Targets

- Medium-to Long-term Numeric Targets
- Reference: Medium-term Business Plan 2024/3-2026/3 Outline

1

FY2024/3 Financial Results

1-1

Financial Results Overview

1-2

Dividend Policy

2

Medium-term Business Plan: Progress & Priorities

2-1

Market Landscape

2-2

FY2025/3 Priorities

2-3

Medium-to Long-term Numeric Targets



- Sales declined YoY due to a drop in COVID jobs and lower demands for China's e-commerce business. Yet, both CX and BPO Services, excluding COVID jobs, continued to grow. Order bookings expanded, riding the wave of social change, such as changing consumer behavior in a digital society, an aging and shrinking population, work style reform, global economic growth, etc.
 - CX services grew 3% YoY. Actively delivered unique platform services built on our patented TCI-DX model.
 - BPO services grew 2% YoY. Actively pushed platform services that combine our expertise and digital technology.
 - Overseas retained double digit growth, ASEAN continued to expand business with global companies.
- Operating income decreased due to temporary upfront investments made towards medium-term growth and SG&A headwind on top of a drop in COVID jobs. Despite this, operating margin in existing business excluding COVID 19 jobs stabilized due to a higher operating ratio.
- Although transcosmos inc. net income decreased, non-operating income and extraordinary profit increased.

Consolidated Sales

¥362.2B

(YoY: -3.1%)

**Consolidated Operating
Income**

¥11.5B

(YoY: -¥11.8B)

transcosmos inc. Net Income

¥10.1B

(YoY: -¥5.7B)

Consolidated Income Statement Summary

*For each segment income row, figures in the Mix columns are profit margins.



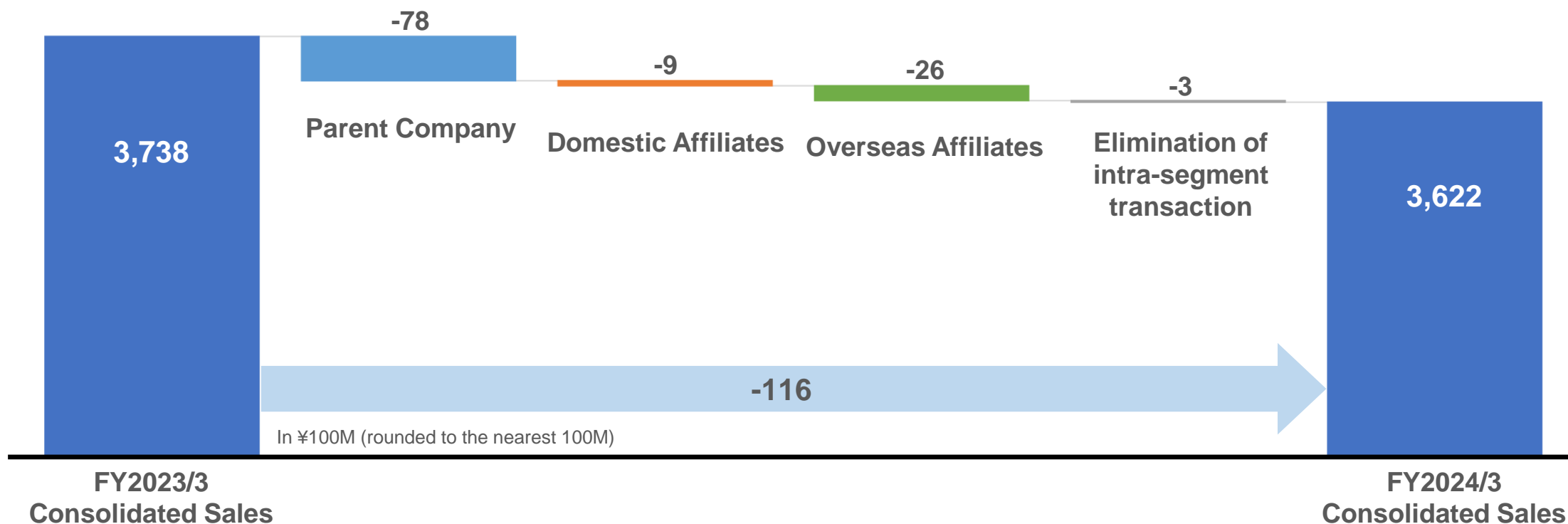
In ¥100M (rounded to the nearest 100M)	FY2023/3		FY2024/3		Change	
	Amount	Mix	Amount	Mix	Amount	%Change
Sales	3,738	100.0%	3,622	100.0%	-116	-3.1%
Parent Company	2,445	65.4%	2,367	65.4%	-78	-3.2%
Domestic Affiliates	432	11.6%	423	11.7%	-9	-2.1%
Overseas Affiliates	983	26.3%	957	26.4%	-26	-2.7%
Elimination of intra segment transaction	-122	-3.3%	-125	-3.5%	-3	-2.4%
Gross Profit	765	20.5%	683	18.8%	-83	-10.8%
SG&A Expenses	532	14.2%	568	15.7%	+35	+6.7%
Operating Income	233	6.2%	115	3.2%	-118	-50.7%
Parent Company	159	6.5%	70	3.0%	-89	-56.0%
Domestic Affiliates	37	8.7%	19	4.5%	-18	-48.7%
Overseas Affiliates	36	3.7%	25	2.7%	-11	-29.8%
Elimination of intra segment transaction	-0	-	0	-	+0	-
Non-Operating Income (Loss)	-2	-0.1%	23	0.6%	+25	-
Ordinary Income	231	6.2%	138	3.8%	-93	-40.3%
Extraordinary Income (Loss)	4	0.1%	26	0.7%	+22	+609.2%
Net Income Attributable to Shareholders of transcosmos inc.	158	4.2%	101	2.8%	-57	-36.0%

Consolidated Sales Analysis



- Sales decreased by ¥11,600M (-3.1%)

Parent Company	Sales down due to a YoY drop in COVID jobs. Excluding COVID jobs, existing business grew bookings by actively pushing CX services built on patented TCI-DX model and BPO services that combine our expertise and digital technology.
Domestic Affiliates	Sales down mainly due to lower sales in a listed subsidiary and its group companies caused by lower demands for business areas that grew under the pandemic.
Overseas Affiliates	South Korean subsidiary continued to grow while ASEAN subsidiaries kept double-digit growth. Yet, sales declined in Chinese subsidiaries' e-commerce business unit.



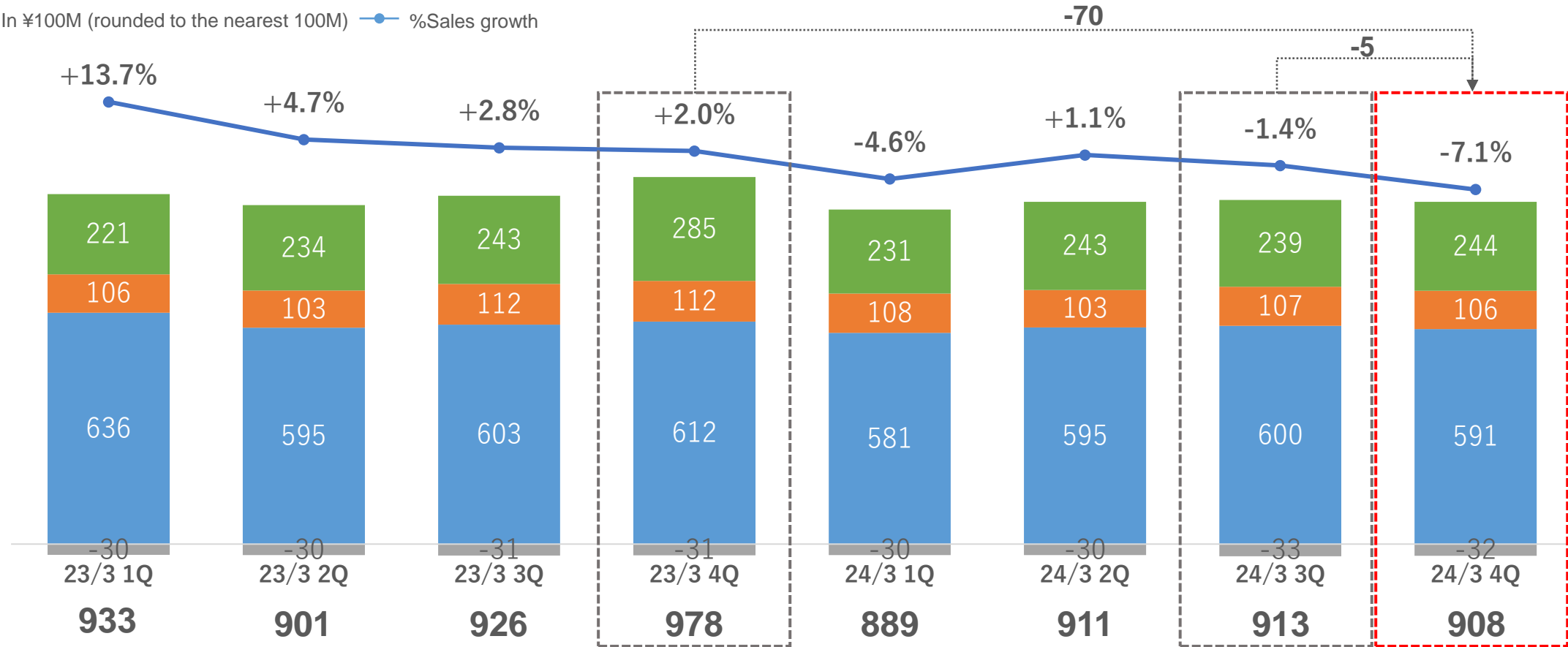
Consolidated Sales Analysis (Quarterly Trend by Segment)



- QoQ: Down ¥500M due to weaker sales in the Parent Company.
- YoY: Down ¥7,000M mainly due to a drop in COVID jobs in the Parent Company and lower sales in a domestic listed company and declined e-commerce business sales in Chinese subsidiaries.

Quarterly Trend by Segment

In ¥100M (rounded to the nearest 100M) — %Sales growth



■ Parent Company ■ Domestic Affiliates ■ Overseas Affiliates ■ Elimination of intra-segment transaction

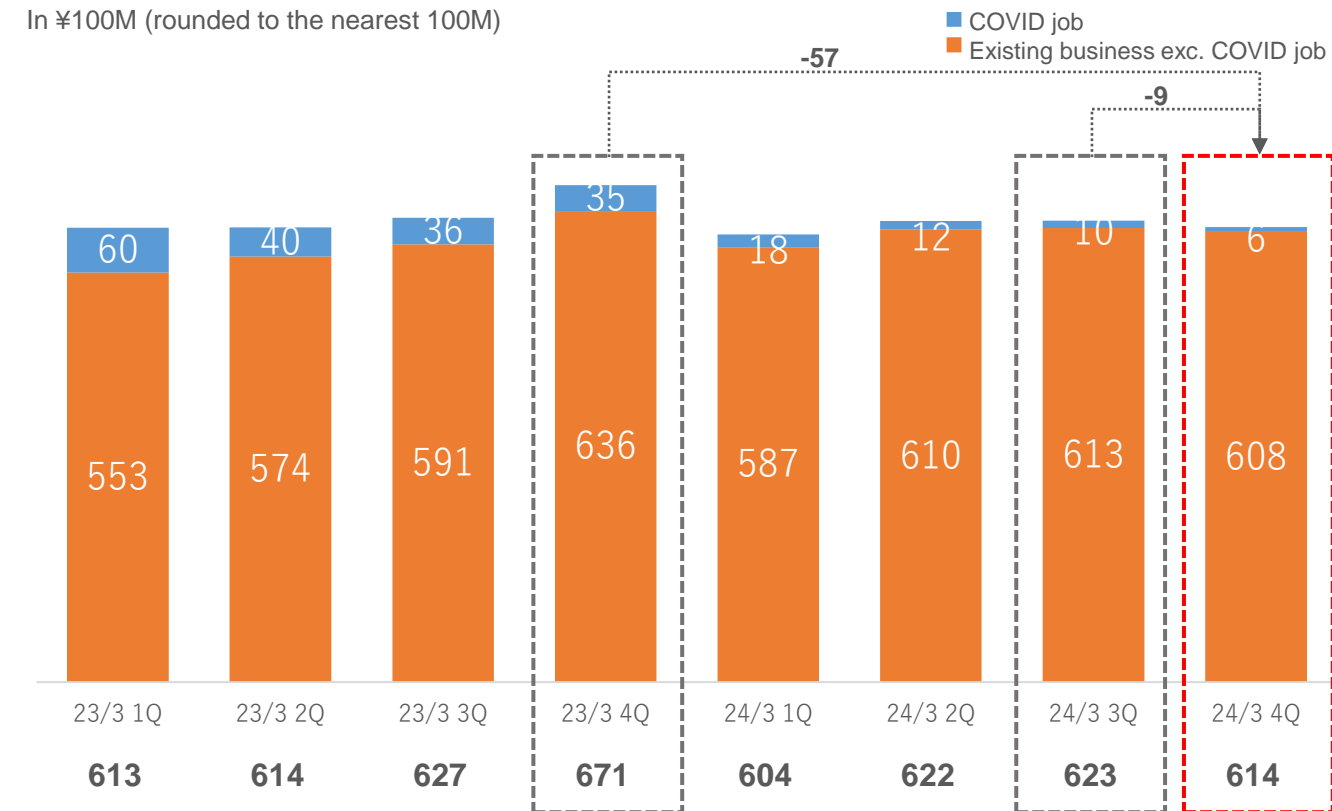
Consolidated Sales Analysis (Quarterly Trend: CX Services)



- QoQ: Down ¥900M. Excluding COVID jobs, down ¥500M.
- YoY: Down ¥5,700M. Excluding COVID jobs, down ¥2,800M mainly due to lower sales in China's e-commerce business.
- Full-year: Down ¥6,100M. Excluding COVID jobs, up ¥6,400M, +2.7%.

Quarterly Trend: CX Services

In ¥100M (rounded to the nearest 100M)



- Demand expanded for services that match the needs of changing consumer behavior in a digital society.
- Grew orders with integrated services that combine the industry's leading contact center network and web development services.
- Actively pushed TCI-DX, our unique patented platform. Clients increased to 85 companies, up 66% YoY.
- Generative AI strategy made progress. Now offering GenAI-powered agent support systems, AI-powered chatbot services, and more.

*Sales for each service are calculated based on the sales mix used for management accounting, and are not adjusted for intra-segment transactions.

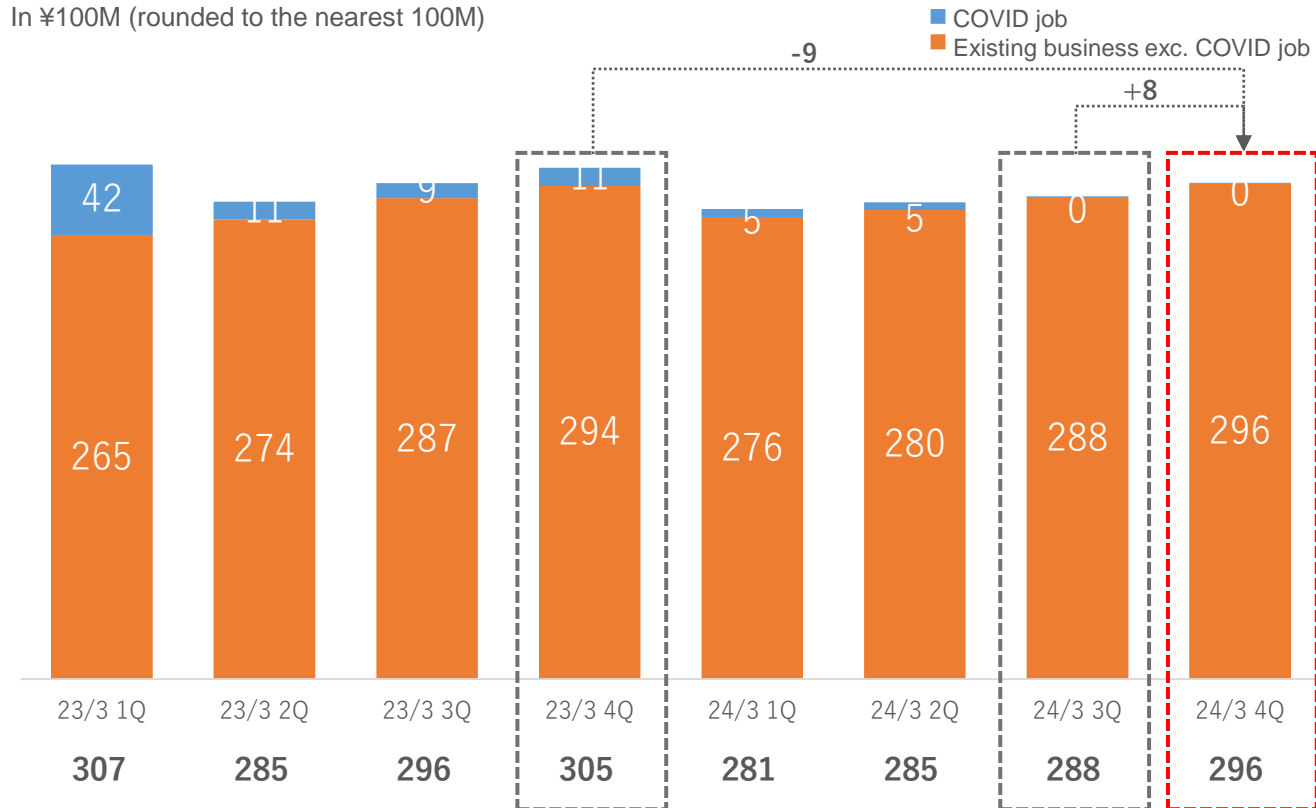
Consolidated Sales Analysis (Quarterly Trend: BPO Services)



- QoQ: Up ¥800M. Excluding COVID jobs, up ¥800M.
- YoY: Down ¥900M. Excluding COVID jobs, up ¥200M
- Full-year: Down ¥4,300M. Excluding COVID jobs, up ¥1,900M, +1.7% growth.

Quarterly Trend: BPO Services

In ¥100M (rounded to the nearest 100M)



- Population aging and shrinking as well as workstyle reform accelerated, expanding service demand for business process and productivity enhancement.
- Grew orders by actively delivering platform services that combine our expertise and digital technology.
- Order momentum continued in DX services that meet the growing demands in the construction and manufacturing industries.
- Released HCM Analytics Platform that helps businesses make human capital information disclosure and GHG Emissions Calculation Solution that auto-collects/calculates GHG emissions data, responding to client needs to implement sustainability management.

*Sales for each service are calculated based on the sales mix used for management accounting, and are not adjusted for intra-segment transactions.

Consolidated Sales Analysis (Quarterly Trend by Geographic Market)

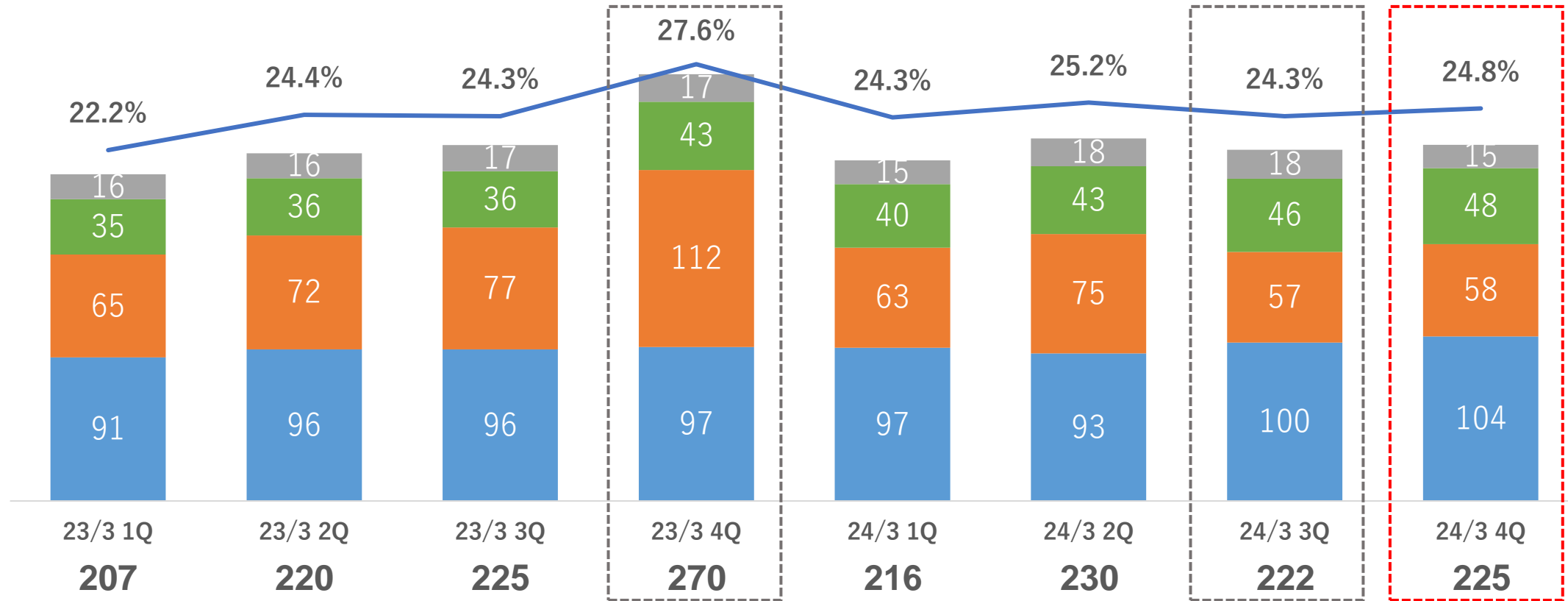


- South Korea: Up ¥400M QoQ, and ¥700M YoY. CX service orders expanded. Achieved full-year growth of +3.8%.
- China: Up ¥100M QoQ. Down ¥5,400M YoY. Bookings declined for the e-commerce business. On a full-year basis, down -22.0%.
- ASEAN: Up ¥200M QoQ, and ¥500M YoY. Business with global companies expanded. Continued double digit growth on a full-year basis at 18.4%.

Overseas Quarterly Trend

In ¥100M (rounded to the nearest 100M) — %Overseas sales

*Overseas sales are categorized by country or region based on clients' location, therefore, figures are different from the Overseas Affiliates segment.

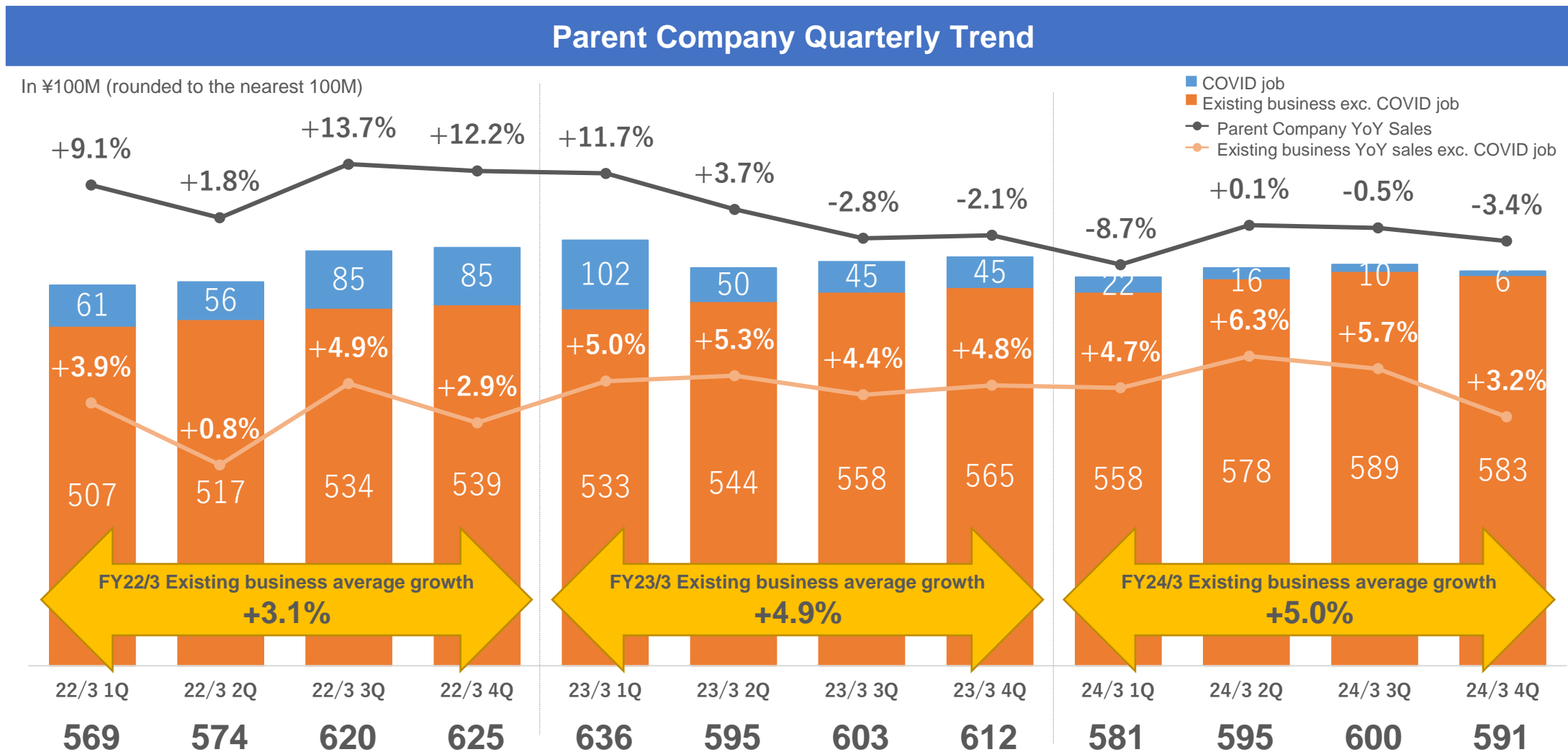


■ South Korea ■ China ■ ASEAN ■ Other

Parent Company Quarterly Sales Trend



- Although COVID jobs were on a downward trend as social needs subsided, average growth rate of existing business excluding COVID-related achieved 5.0%, with both CX and BPO services continue to grow order bookings.

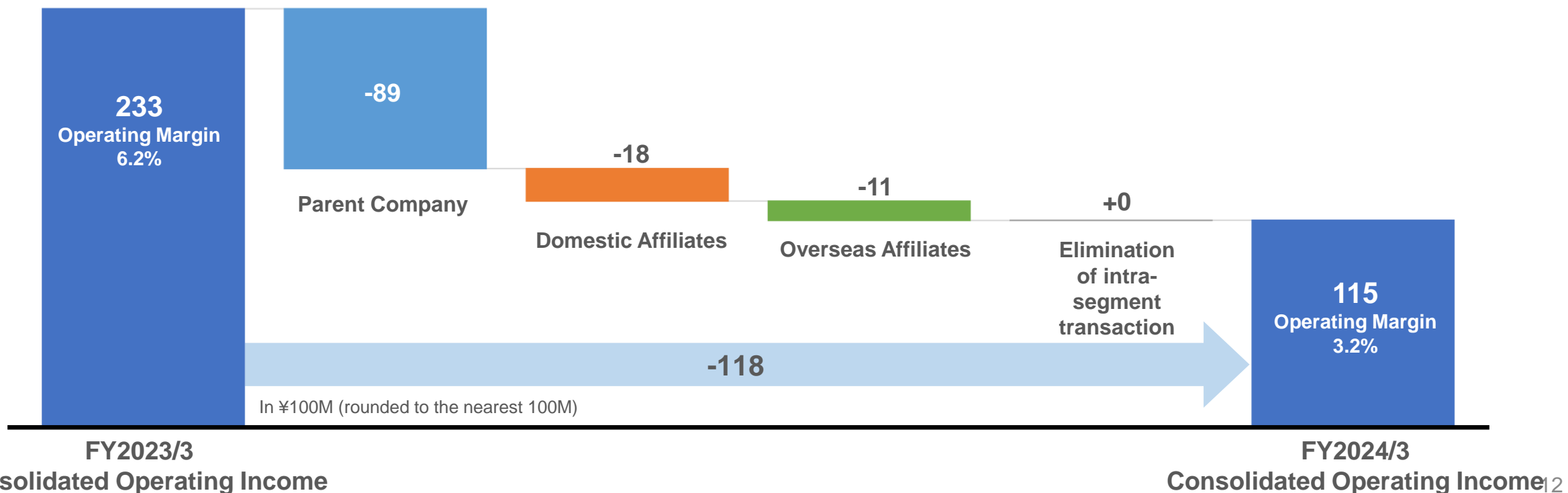


Consolidated Operating Income Analysis



- Operating income decreased by ¥11,800M (-50.7%)

Parent Company	Down due to upfront investments made toward medium-term growth amid declining COVID jobs. Investment goals include service evolution, utilization of digital technology, and global expansion.
Domestic Affiliates	Down due to lower margin in a listed subsidiary and its group companies.
Overseas Affiliates	Down due to reduced work volume in some projects as well as surging personnel expenses in South Korean subsidiary and a declined profit in Chinese subsidiaries. ASEAN subsidiaries continued to grow their margins.



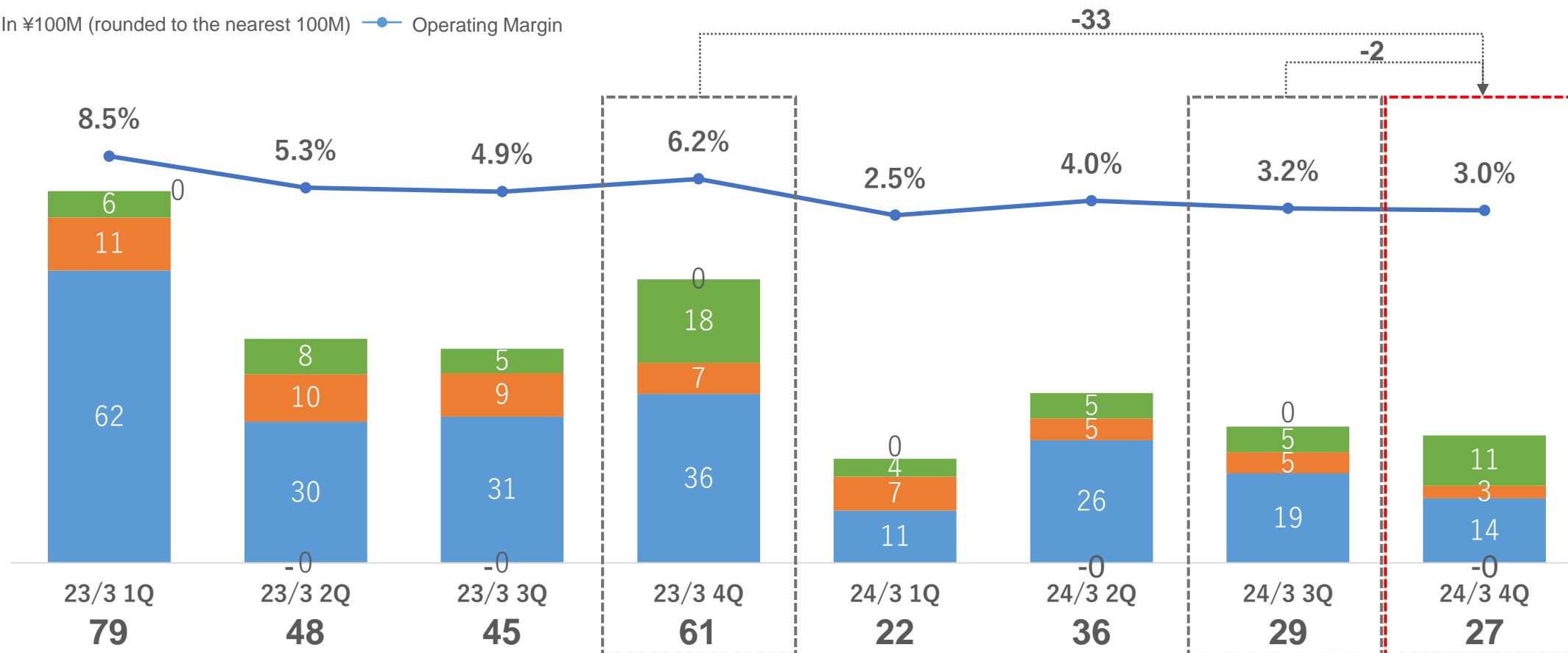
Consolidated Operating Income Analysis (Quarterly Trend by Segment)



- QoQ: Down ¥200M mainly due to lower sales and an increase in SG&A expenses in the Parent Company.
- YoY: Down ¥3,300M mainly due to a drop in COVID jobs and an increase in SG&A expenses in the Parent Company, as well as declined profit in a domestic listed company.

Quarterly Trend by Segment

In ¥100M (rounded to the nearest 100M) — Operating Margin



■ Parent Company ■ Domestic Affiliates ■ Overseas Affiliates ■ Elimination of intra-segment transaction

Parent Company Operating Income Analysis

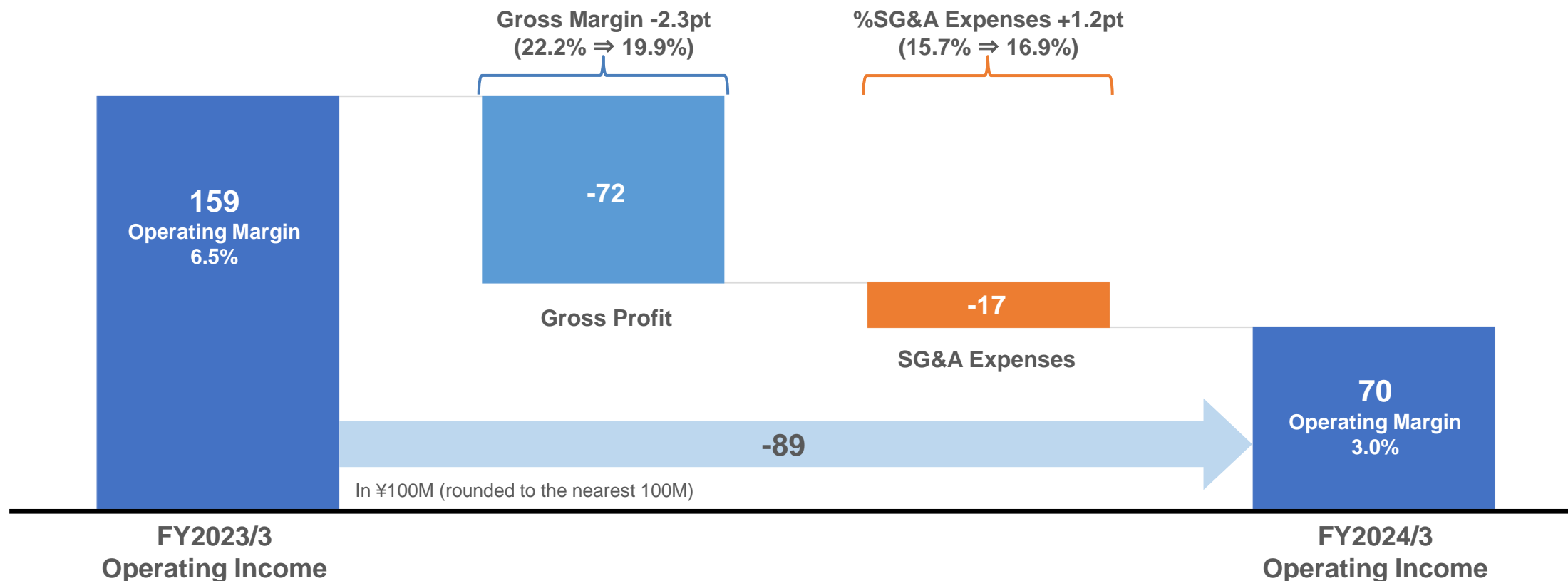
- Operating income decreased by ¥8,900M (-56.0%)

Gross Profit

Margin saw an upward trend despite a drop in gross profit due to upfront investments made toward medium-term growth and upfront expenses for project launches/operational stability amid declining COVID jobs.

SG&A Expenses

Up ¥1,700M due to increased cost spent for strengthening sales activities, service competitiveness and business foundation. SG&A expense ratio up 1.2 points due to lower sales in addition to the factors mentioned.

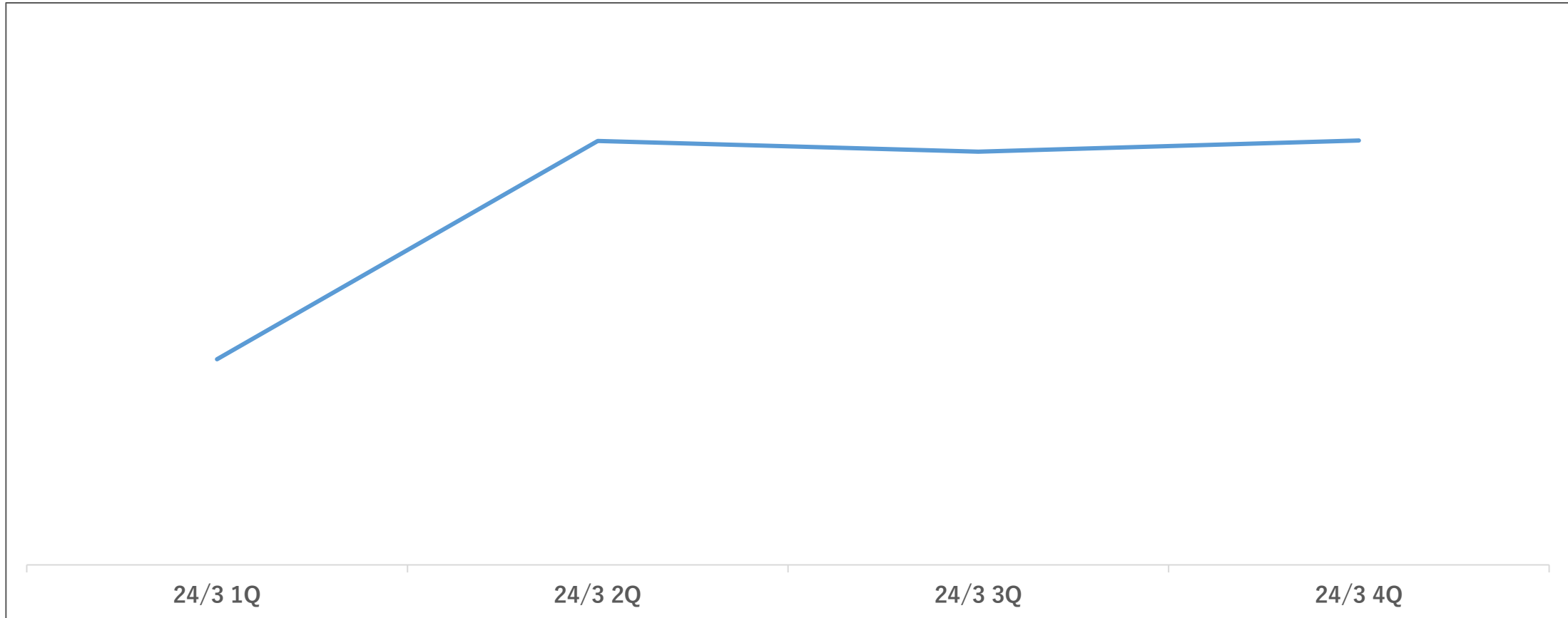


Parent Company Gross Profit Trend excluding COVID jobs



- Despite a surge in personnel expenses, profit margin of existing business, excluding COVID jobs, remained steady due to the recovery of the upfront investment made for project launches, a higher operating ratio, etc.
- Aim to achieve higher gross profit next fiscal year through full-scale price negotiations including the pass-through of surging wages to prices.

Parent Company Gross Profit Trend excluding COVID jobs



Parent Company Six-year Sales/Operating Income Trend

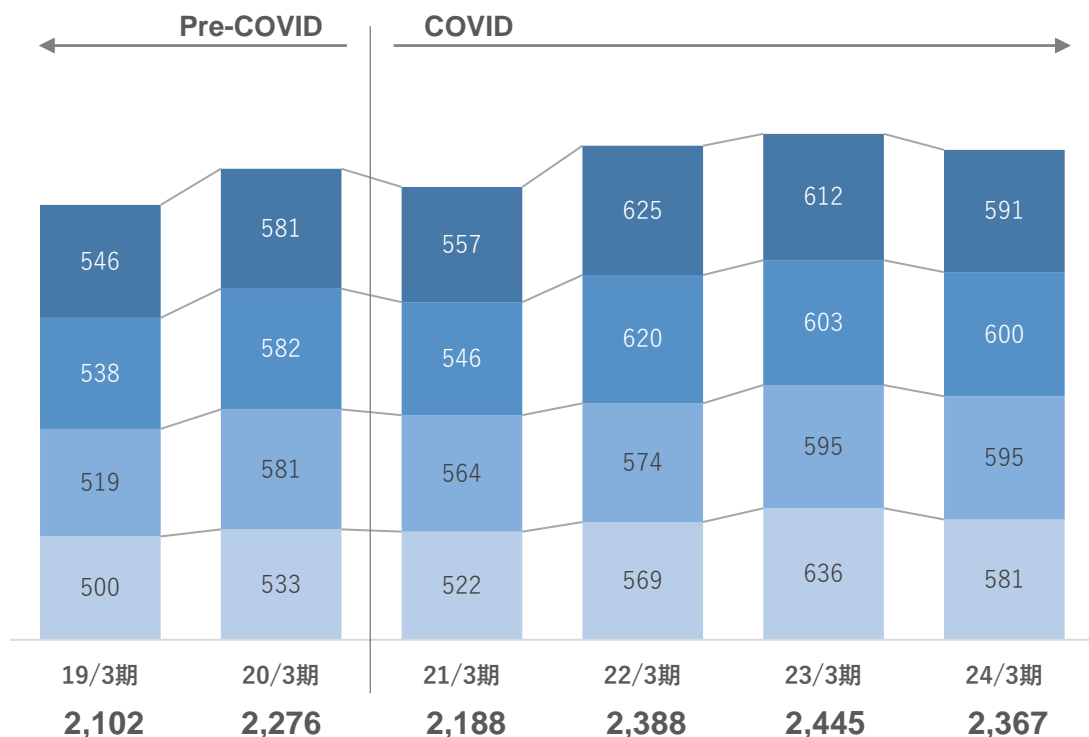


- Compared to pre-COVID years, sales grew steadily. Operating income was slightly below pre-COVID levels mainly due to an increase in personnel expenses along with project upsizing and in administrative expenses associated with the expansion and reinforcement of overseas business.

Parent Company Sales Trend

In ¥100M (rounded to the nearest 100M)

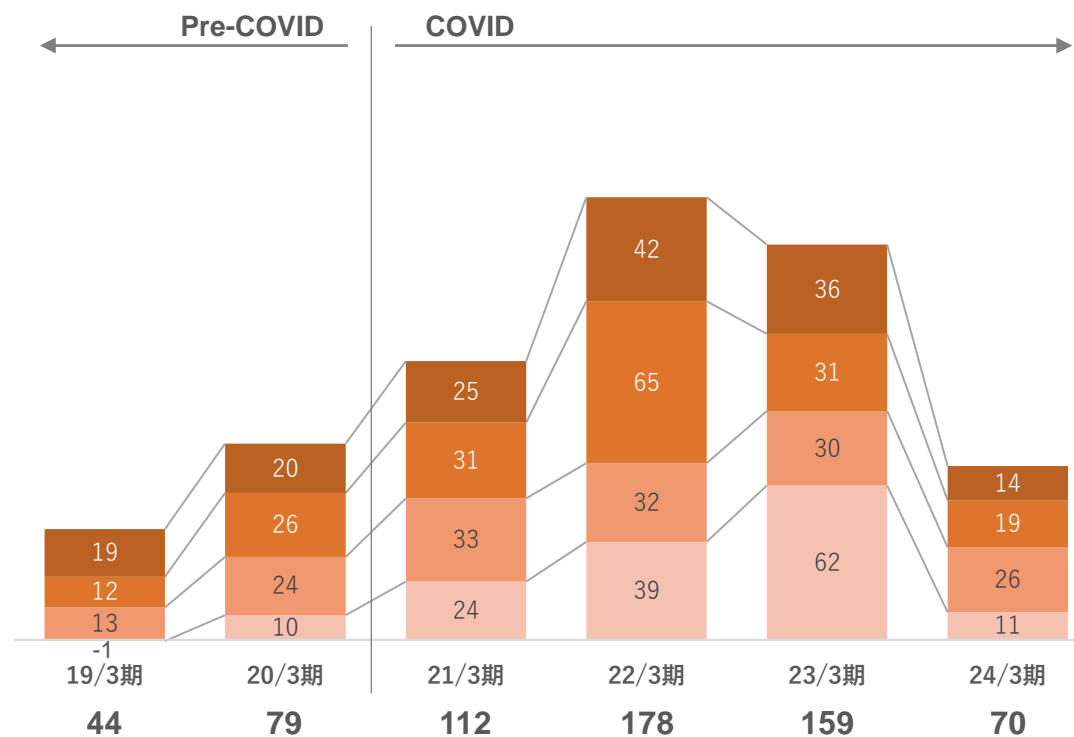
Q1 Q2 Q3 Q4



Parent Company Operating Income Trend

In ¥100M (rounded to the nearest 100M)

Q1 Q2 Q3 Q4



*Effective from the start of FY2022/3, the Company has adopted the "Accounting Standard for Revenue Recognition."

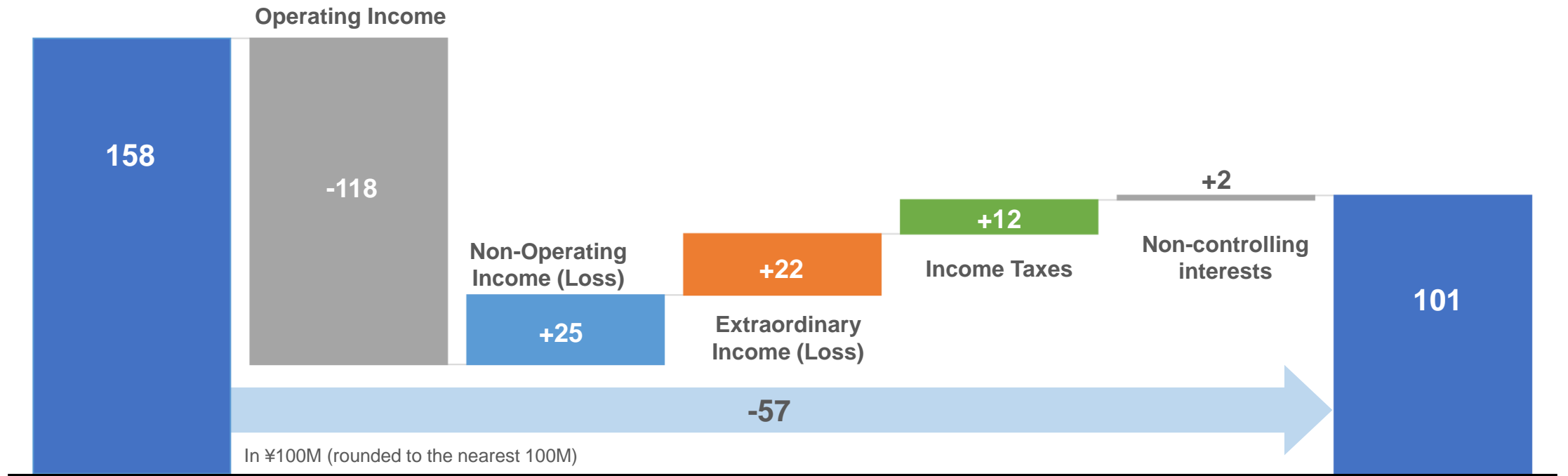
- In FY21/3 sales, revenue from agent transactions has been restated using the net amount recognition method.
- In sales of FY20/3 and earlier years, revenues have not been restated with such a method.

transcosmos inc. Net Income Analysis



- transcosmos inc. Net Income decreased by ¥5,700M (-36.0%)

Non-Operating Income (Loss)	Increased by ¥2,500M mainly due to the recording of share of profit of entities accounted for using equity method (share of loss posted in the same period last year) and an increase in exchange gain.
Extraordinary Income (Loss)	Increased by ¥2,200M mainly due to the recording of gain on sale of investment securities.
Income Taxes	Decreased by ¥1,200M due to a decrease in income before income taxes.



FY2023/3
transcosmos inc. Net Income

FY2024/3
transcosmos inc. Net Income₁₇

Consolidated Balance Sheet Summary

- **Current Assets:** Cash and deposits increased, including the impact of bank holidays of around ¥3,200M.
- **Fixed Assets:** Investment securities decreased due to the market-to-market valuation of shareholdings.
- **Liabilities:** The Company's long-term loans payable increased. Accounts payable-trade decreased.
- **Net Assets:** Retained earnings increased.

In ¥100M (rounded to the nearest 100M)	End of Mar. 2023	End of Mar. 2024	Change	
Current Assets	1,354	1,448	+94	<ul style="list-style-type: none"> • Cash and deposits +137 • Notes and accounts receivables – trade -32
Fixed Assets	584	547	-38	<ul style="list-style-type: none"> • Investment securities-38 • Shares of subsidiaries and associates +10 • Deferred tax assets -18
Total Assets	1,938	1,994	+56	
Current Liabilities	664	630	-34	<ul style="list-style-type: none"> • Accounts payable-trade -25 • Accrued expenses +19 • Accrued income taxes -22
Fixed Liabilities	150	184	+33	
Total Liabilities	815	814	-1	<ul style="list-style-type: none"> • Long-term loans payable +40
Net Assets	1,124	1,181	+57	<ul style="list-style-type: none"> • Retained earnings +57
Liabilities/Net Assets Total	1,938	1,994	+56	
Cash and deposits	512	648	+137	
Interest-bearing debt	163	186	+24	
Net cash*	349	462	+113	
Net cash* to monthly sales ratio	1.1	1.5	+0.4	

*Net cash = Cash and deposits – interest-bearing debt

Consolidated Cash Flow Statement



- Operating cash flow: Cash inflow from profit before income taxes decreased.
- Investing cash flow: Cash inflow from proceeds from sale of investment securities increased.
Cash outflow for the purchase of property, plant and equipment decreased.
- Financing cash flow: Cash outflows for the purchase of treasury shares and repayments of long-term borrowings decreased.

In ¥100M (rounded to the nearest 100M)	FY2023/3	FY2024/3	Change
Cash flows from operating activities	243	183	-60
Cash flows from investing activities	-78	-6	72
Cash flows from financing activities	-319	-38	281
Balance of cash and cash equivalents	494	644	151
Free cash flow *	164	177	12

*Free cash flow = Cash flows from operating activities + Cash flows from investing activities.

CAPEX, Amortization/Depreciation, Employees, Service Bases



● Capital expenditures/Depreciation expenses

In ¥100M (rounded to the nearest 100M)	FY2023/3	FY2024/3	%Change
Capital expenditures	65	53	-17.7%
Depreciation expenses	53	57	6.6%

- CAPEX
Capital expenditures decreased mainly in the Parent Company.
- Depreciation
Depreciation expenses increased mainly due to the Parent Company's center openings in the previous fiscal year.

● Number of Employees

	End of Mar. 2023	End of Mar. 2024	Change
Consolidated basis	40,582	40,793	+211
(Temporary employees)	29,709	28,971	-738
Parent Company	16,791	17,325	+534
(Temporary employees)	22,179	21,626	-553

- Consolidated basis
On top of an increase in the Parent Company, headcount increased in ASEAN due to project launches and upscaling of existing jobs.
- Parent Company
Employees increased due to new graduate hires and increased projects. Temporary employees decreased due to COVID project completions.

● Service Bases

	End of Mar. 2023	End of Mar. 2024	Change
Service bases	170	180	+10
(Japan)	70	71	+1
(Overseas)	100	109	+9

- Japan
Opened BPO center in Osaka.
- Overseas
Opened Mexico City Center and Bengaluru Center in India. Affiliated companies in Europe and Latin America increased business locations.

*Service bases included the Company's own bases, head offices, branches, sales offices and bases of subsidiaries, associates, and partners.

1

FY2024/3 Financial Results

1-1

Financial Results Overview

1-2

Dividend Policy

2

Medium-term Business Plan: Progress & Priorities

2-1

Market Landscape

2-2

FY2025/3 Priorities

2-3

Medium-to Long-term Numeric Targets



Dividend Policy



- The Company pays an annual dividend with a focus on the dividend payout ratio, which is closely related to business performance.
- The Company ensures a 30% or higher dividend payout ratio, and aims for stable dividend increases underpinned by business growth.

	FY2020/3	FY2021/3	FY2022/3	FY2023/3	FY2024/3 (Plan)
Dividends per share (yen)	46	93 Ordinary dividend 73 Special dividend 20	156	117	81
Consolidated dividends payout ratio (%)	30.4	38.5	30.1	30.1	30.1

1

FY2024/3 Financial Results

1-1

Financial Results Overview

1-2

Dividend Policy

2

Medium-term Business Plan: Progress & Priorities

2-1

Market Landscape

2-2

FY2025/3 Priorities

2-3

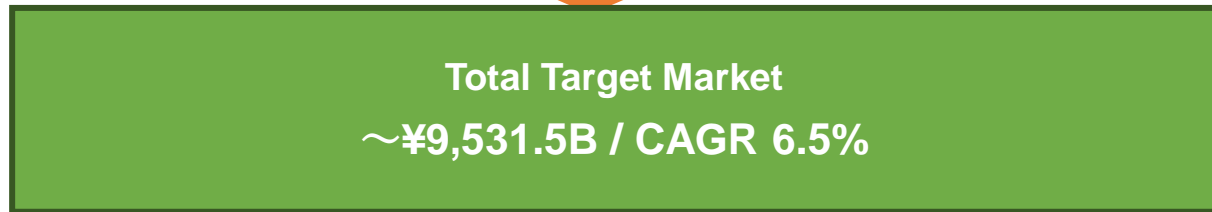
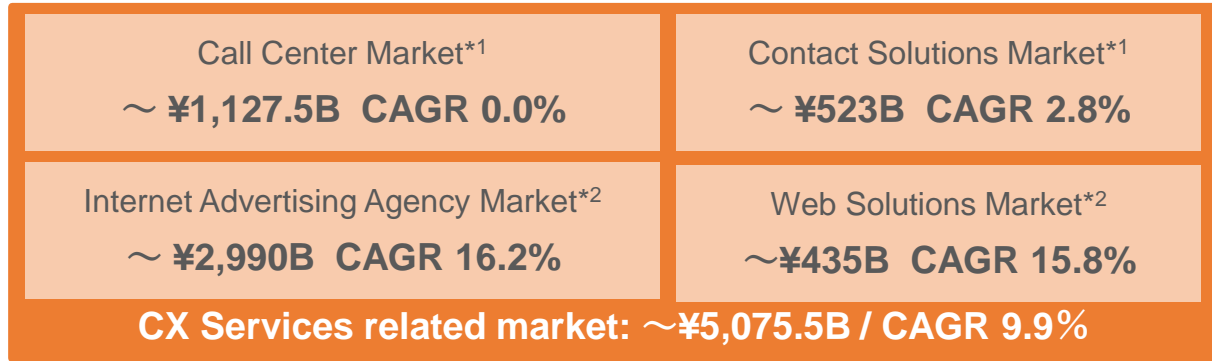
Medium-to Long-term Numeric Targets



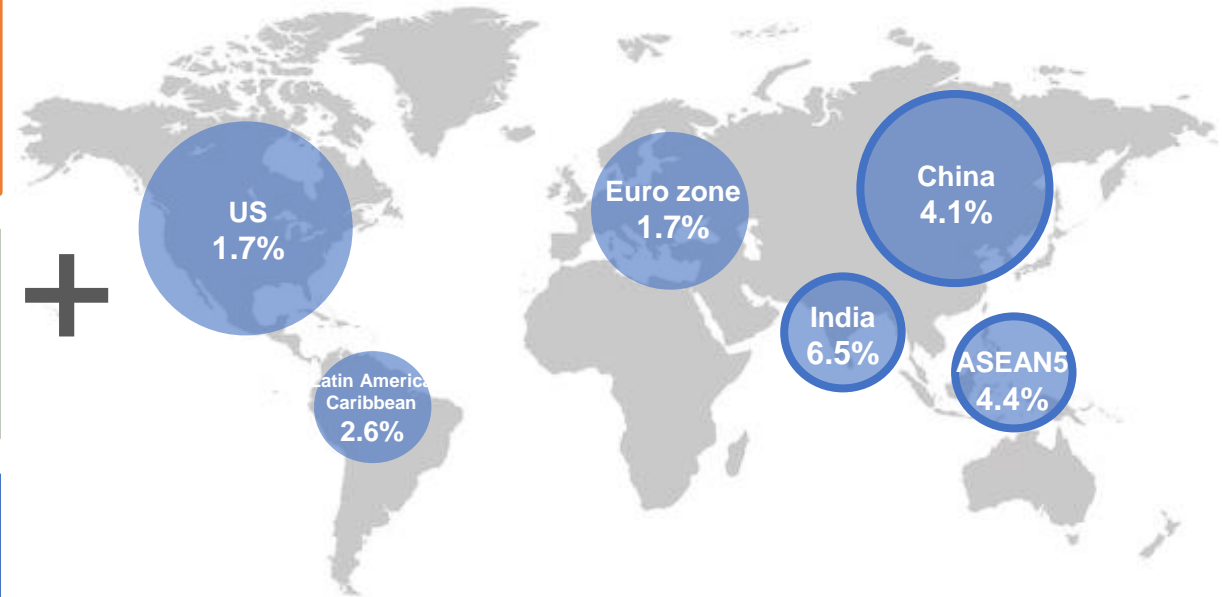
Market trends impacting transcosmos business

- Domestic markets related to the Company's CX and BPO Services are expected to reach ¥9,531.5B in 2025 with a high average growth rate of 6.5% along with accelerated demands for CX and DX.
- Among overseas markets, Asia - the Company's core overseas market that includes China, India and ASEAN-5 - is projected to achieve strong economic growth.

2025 Domestic Market Outlook related to CX & BPO Services*



2025 World Economic Outlook: Growth Projections (Real GDP) Source: IMF World Economic Outlook Update January 2024



*Sources: Created by transcosmos inc. based on historical and projected data provided by the following reports. CAGR: FY2021/3 to FY2025/3. *1 Reports: Call Center Market 2023 (Yano Research Institute Ltd.), Business Process Outsourcing (BPO) Market 2023-2024 (Yano Research Institute Ltd.) *2 Internet Advertising & Web Solutions Market 2023 (Deloitte Tohmatsu MIC Research Institute Co., Ltd.)

Demand trends: Adapt to changing consumer behavior

- Amid growing attention on CX, helped clients solve CX challenges with CX services that embrace changing consumer behavior.

Business Challenges

Business leaders who plan to prioritize investments in CX



Companies that believe digital is critical to improve CX



Companies that believe measuring CX is important



*Sources: Zendesk CX Trends Report 2023, ZDNET Japan article (Japan Teradata) <https://japan.zdnet.com/article/35172518/>, Harvard Business Review Analytics Services Research September 2021

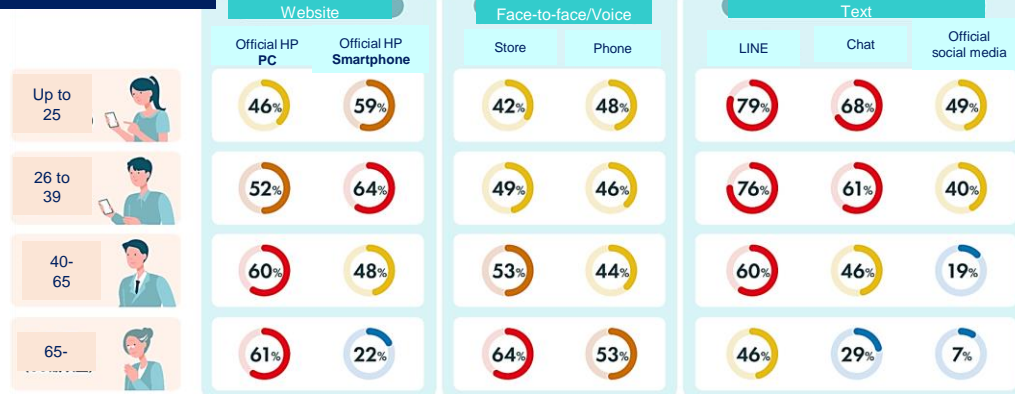
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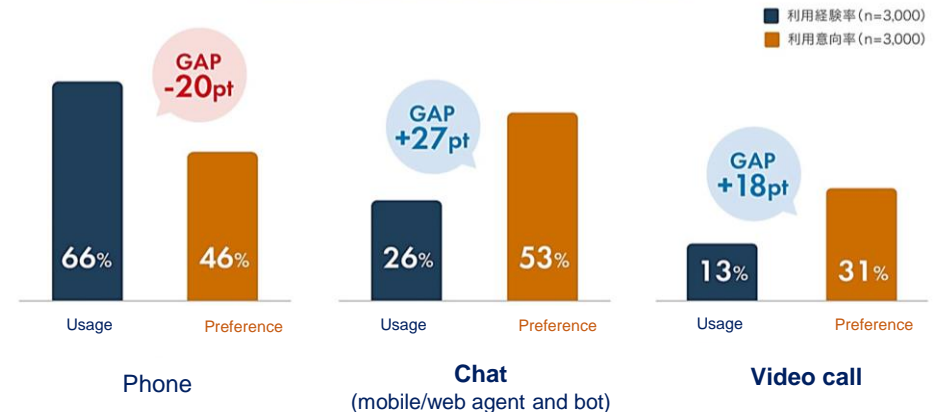
Helped clients address and enhance CX value with integrated CX services covering all digital customer touchpoints across the customer journey.

Consumer Behavior

Preferred channel by age



Gap between actual use and preference

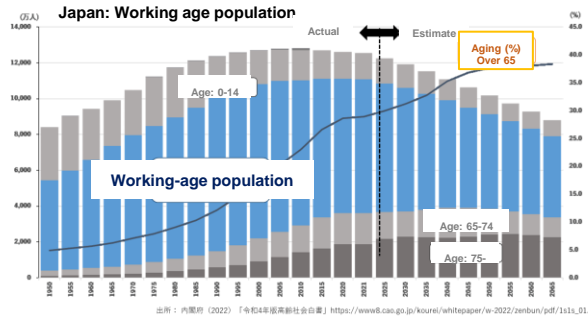


*Source: Consumer to Business Communications Trend Survey 2023-2024 by transcosmos inc.

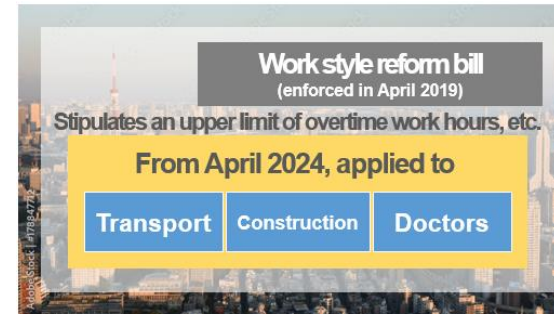
- Helped clients address labor shortages, work style reform, and ultimately enhanced labor productivity with Digital BPO services.

Business Challenges

Aging & Declining working-age population



Work style reform

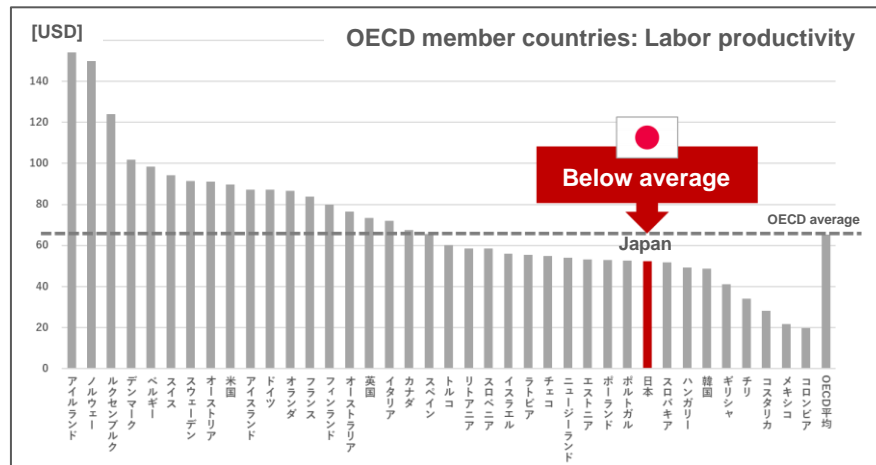


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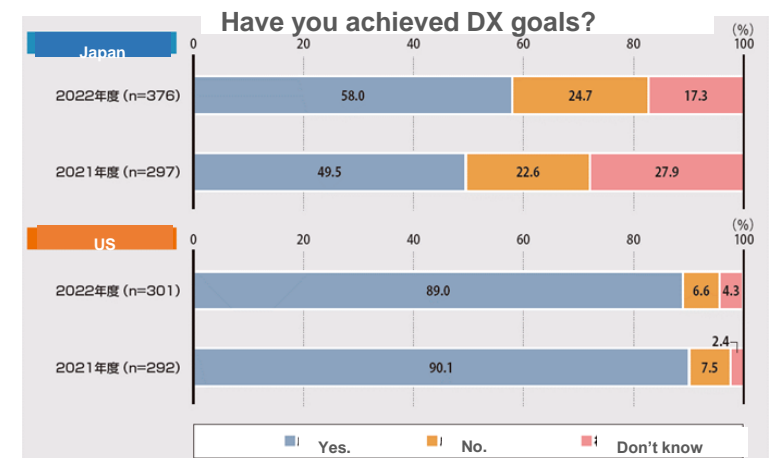
Helped clients address worker shortages/work style reform, and enhanced labor productivity with Digital BPO services that combine expertise and digital technology.

Labor Productivity



Results of DX initiatives
(Japan vs. US)

Gap in results
between
Japan and US.



1

FY2024/3 Financial Results

1-1

Financial Results Overview

1-2

Dividend Policy

2

Medium-Term Business Plan: Progress & Priorities

2-1

Market Landscape

2-2

FY2025/3 Priorities

2-3

Medium-to Long-term Numeric Targets



- (1) Secure competitive edge with differentiated services**
- (2) Drive growth focusing on burgeoning Asian market**
- (3) Accelerate growth strategy by making the most of AI**
- (4) Win new & expand existing clients with robust sales capability**
- (5) Further integrate Sustainability Management into business and strengthen the Group's management base**

- Achieve sustainable business growth by 1) capturing demands with the Company's unique service portfolio and global service network and 2) executing medium-term business strategies effectively.

CX Services

- Offer integrated services covering all digital customer touchpoints across the consumer journey from marketing to customer care.
- Focus on promoting TCI-DX, the Company's proprietary platform built on VoC, which now empowers 85 client companies.

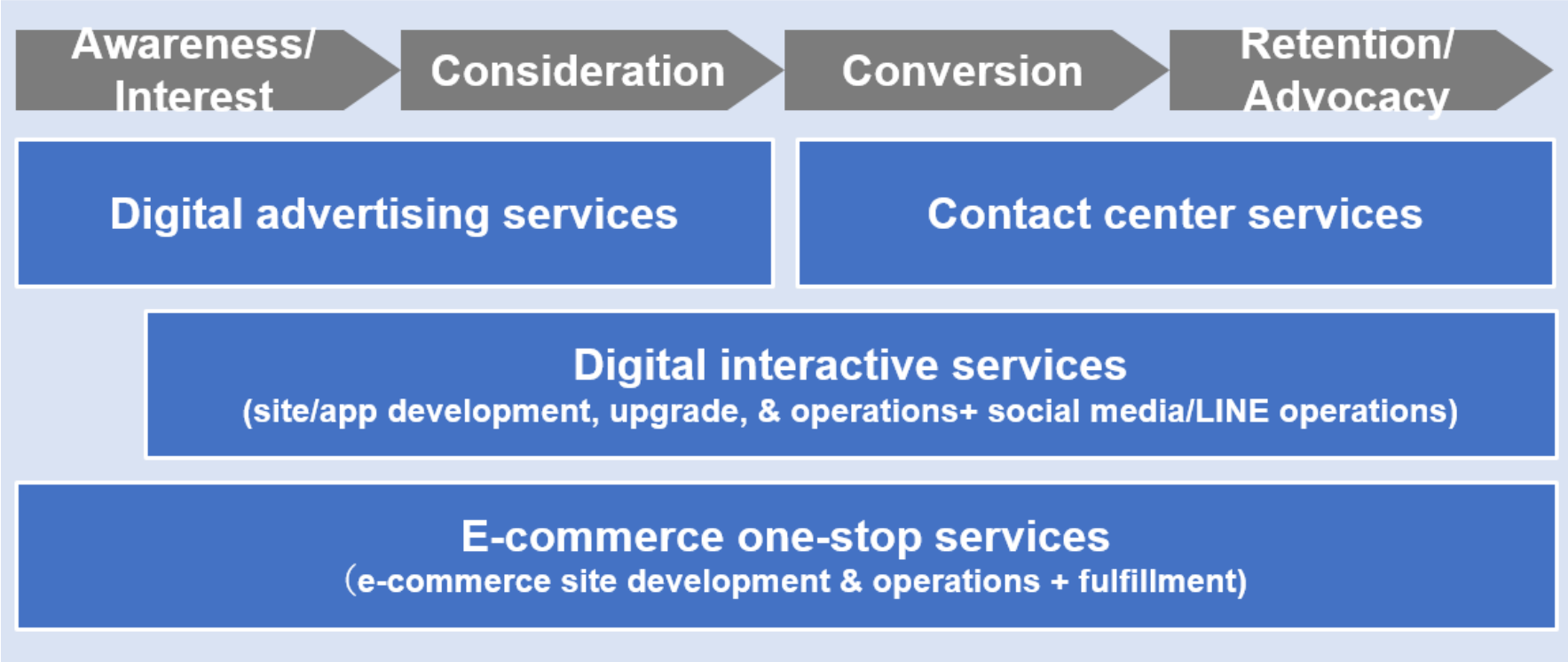
BPO Services

- Offer common IT & back-office support services across all industries as well as industry specific services from design, construction to manufacturing.
- Focus on promoting Digital BPO Services that combine expertise and digital technology.

CX Services: Service portfolio covering all digital customer touchpoints

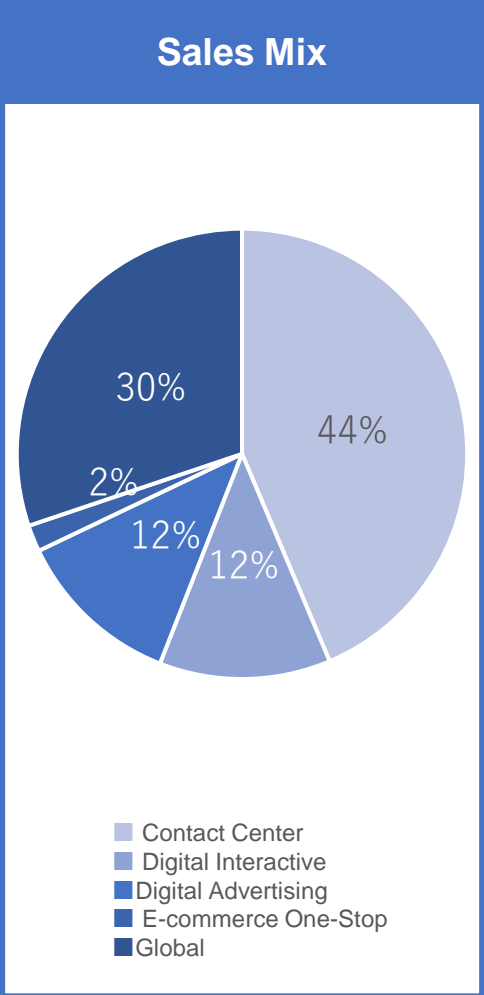


- Deliver integrated services covering all digital customer touchpoints across consumer journey from marketing to customer care.

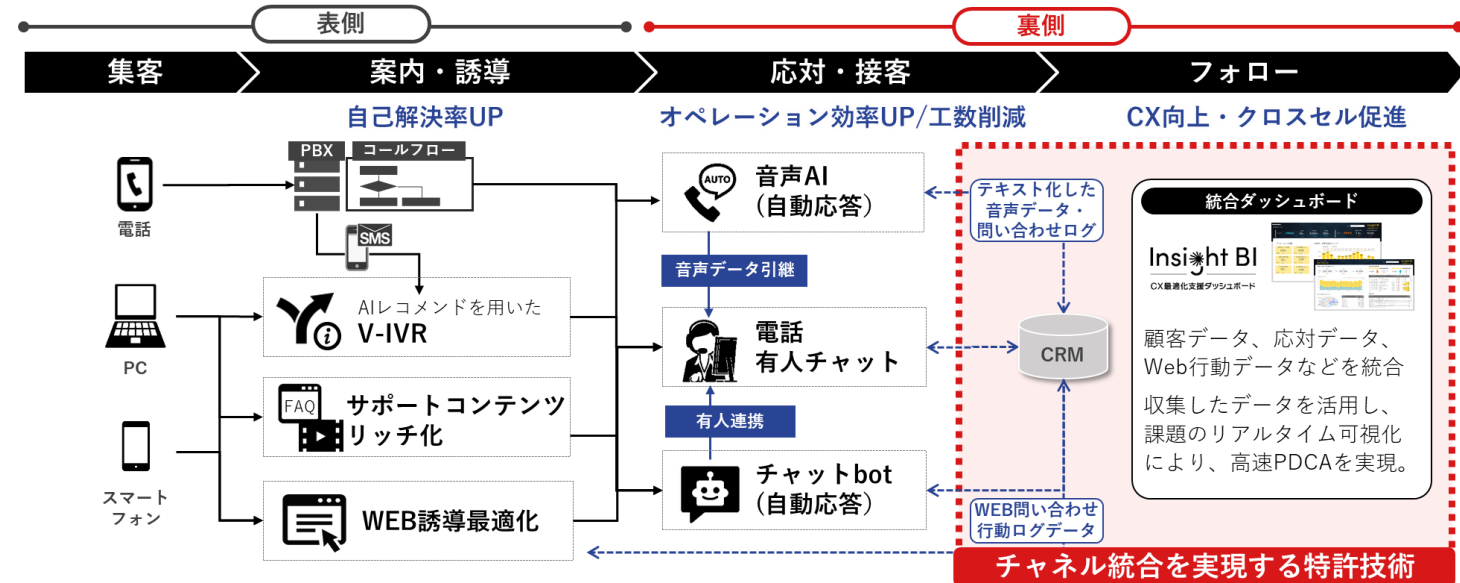
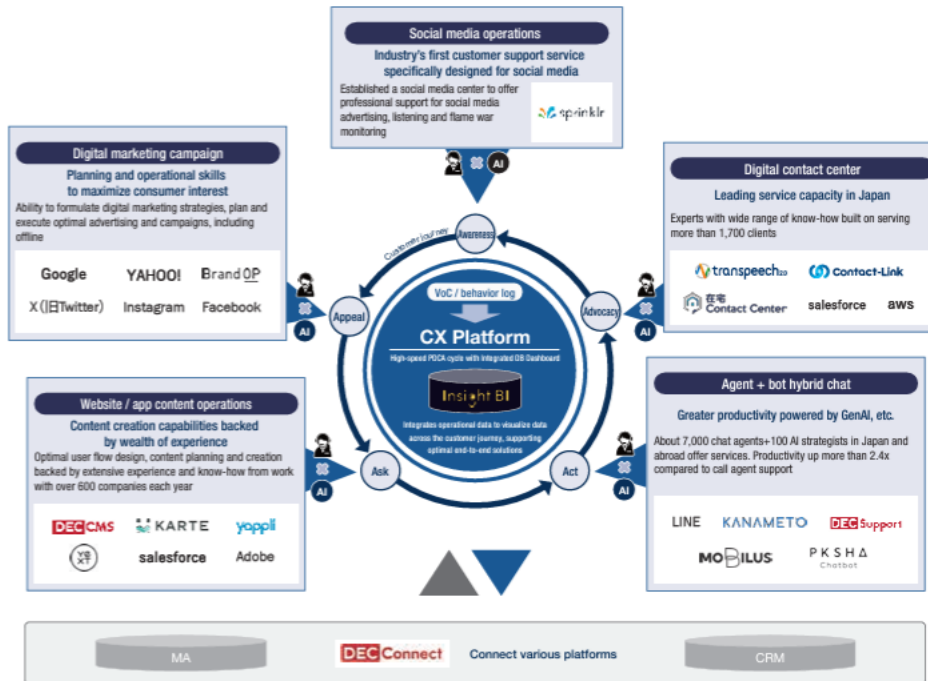


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Delivering across the globe



- Built a unique platform based on customer journey success cases achieved in serving thousands of clients.
- The platform optimizes CX at every customer touchpoint by doubling online/app self-service rate with the use of VoC data on social media, and seamlessly connecting call centers and hybrid chat channels that deliver roughly three times higher productivity than the call channel.
- Delivered an unrivaled platform that integrates ever diversifying customer channels and ensures optimum operations with cutting-edge technologies and patented technology. The proprietary platform enhances usability and saves man-hours at the same time.



Mid-term Business Plan
KPI progress

Sales: ¥460,000M (progress rate 62%) Clients: 85 (progress rate 57%)

- Meeting clients' CX needs in Japan and abroad with one of the largest operations networks in Asia.

Japan 71 bases

Contact Center	33 Bases	19,340 Workstations
Business Process Outsourcing	29 Bases	9,580 Workstations
Digital Marketing	9 Bases	
E-Commerce One Stop	2 Bases	

*Including a base providing two or more services

Okinawa Area

Contact Center	4 Bases	3,900 Workstations
Business Process Outsourcing	4 Bases	820 Workstations
Digital Marketing	2 Bases	

Central / West Area

Contact Center	5 Bases	2,340 Workstations
Business Process Outsourcing	8 Bases	1,750 Workstations

Kyushu Area

Contact Center	5 Bases	2,900 Workstations
Business Process Outsourcing	8 Bases	3,030 Workstations
Digital Marketing	2 Bases	
E-Commerce One Stop	1 Base	

Global 109 bases across 34 countries/regions

Contact Center	42 Bases	21,640 Workstations
Business Process Outsourcing	28 Bases	
Digital Marketing	17 Bases	
E-Commerce One Stop	42 Bases	
System Development	10 Bases	

*Including a base providing two or more services

Asia 72 Bases

Contact Center	39 Bases	21,040 Workstations
Business Process Outsourcing	23 Bases	
Digital Marketing	16 Bases	
E-Commerce One Stop	12 Bases	
System Development	10 Bases	



Europe other 24 Bases

Contact Center	2 Bases	420 Workstations
Business Process Outsourcing	4 Bases	
E-Commerce One Stop	19 Bases	

North America / South America 13 Bases

Contact Center	1 Base	180 Workstations
Digital Marketing	1 Base	
E-Commerce One Stop	11 Bases	

*Including bases of partners/associates. As of March 31, 2024

Global Contact Center

75 centers with
41,000 seats (approx.)

Global chat/social media services

11,000 seats (approx.)

Work-At-Home Center

10,000 seats (approx.)

Virtual Contact Center

Contact centers on the
metaverse

Global Digital Marketing
(Digital ads/Digital interactive)

26 centers with
3,300 agents (approx.)

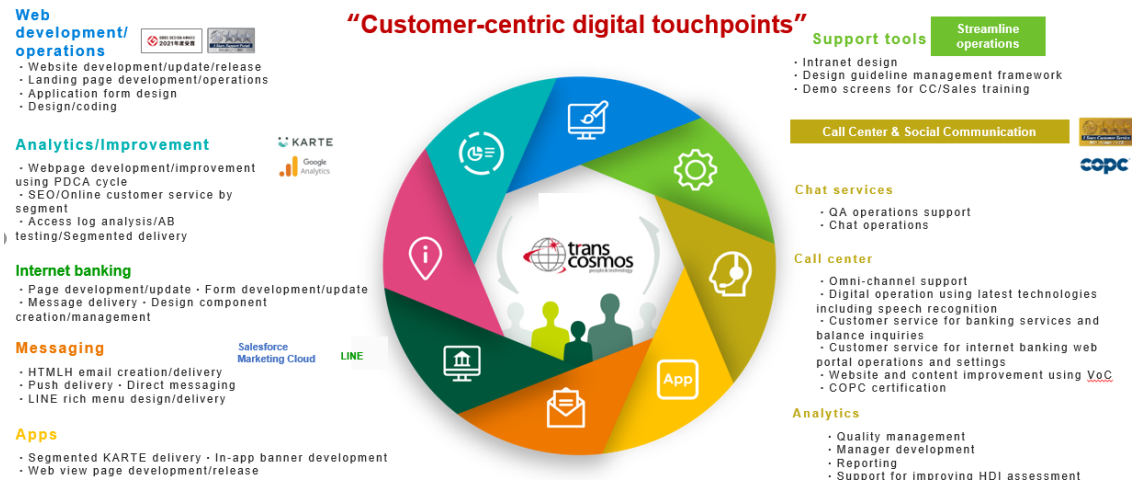
Global E-commerce One-stop services

46 countries and
regions

Offered one-stop services covering all digital customer touchpoints

(Client: A leading financial institution)

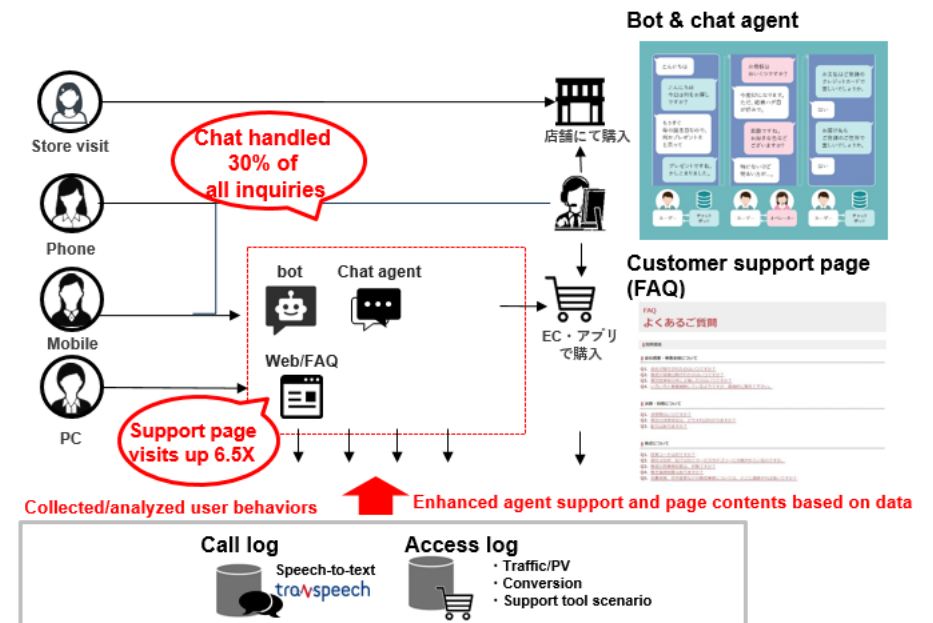
- Managed all digital customer touchpoints at one-stop.
- 360-degree support covering all customer touchpoints from web/apps, social, to call centers with digital tools and operations.



Delivered VoC analytics & digitization services to achieve higher self-service completion rate

(Client: A leading distributor)

- Achieved contact center DX to increase user self-service rate and reduce call volumes.
- Along with an increase in registered members, overall inquiries went up. Among all inquiries, **supported about 30% via chat** (bots + agents). On pages with a user self-service feature (FAQ, etc.), **PV up approximately 6.5X**.



- Achieve sustainable business growth by 1) capturing demands with the Company's unique service portfolio and global service network and 2) executing medium-term business strategies effectively.

CX Services

- Offer integrated services covering all digital customer touchpoints across the consumer journey from marketing to customer care.
- Focus on promoting TCI-DX, the Company's proprietary platform built on VoC, which now empowers 85 client companies.

BPO Services

- Offer common IT & back-office support services across all industries as well as industry specific services from design, construction to manufacturing.
- Focus on promoting Digital BPO Services that combine expertise and digital technology.

BPO Services: Service portfolio covering a range of business processes



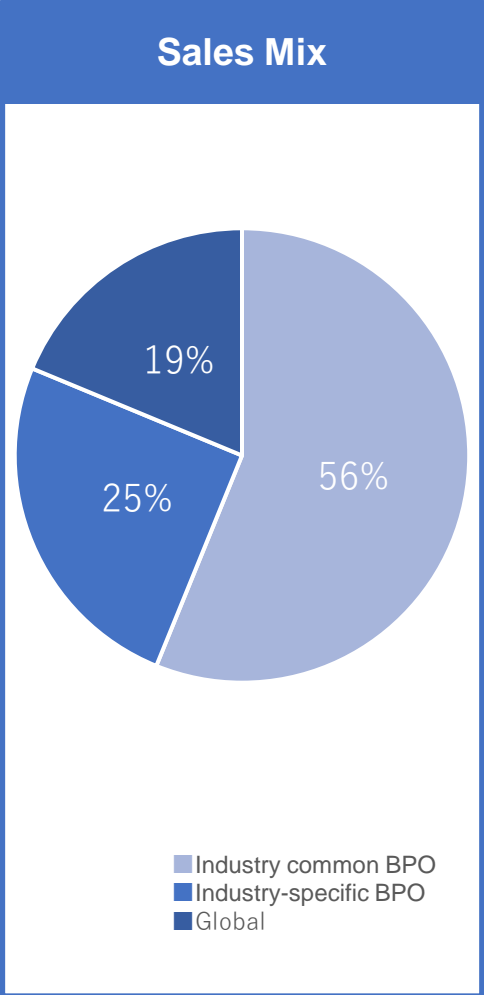
- Deliver services ranging from common IT & back-office support across all industries as well as industry specific services from design, construction to manufacturing.

Industry common BPO		
Logistics	Selling/ customer care	Corporate
SCM Back-office services	Selling process support services	Corporate back-office services
IT infrastructure		
IT outsourcing services		

Industry specific BPO	
Manufacturing	Construction
Engineering transformation services	Urban solution services

+

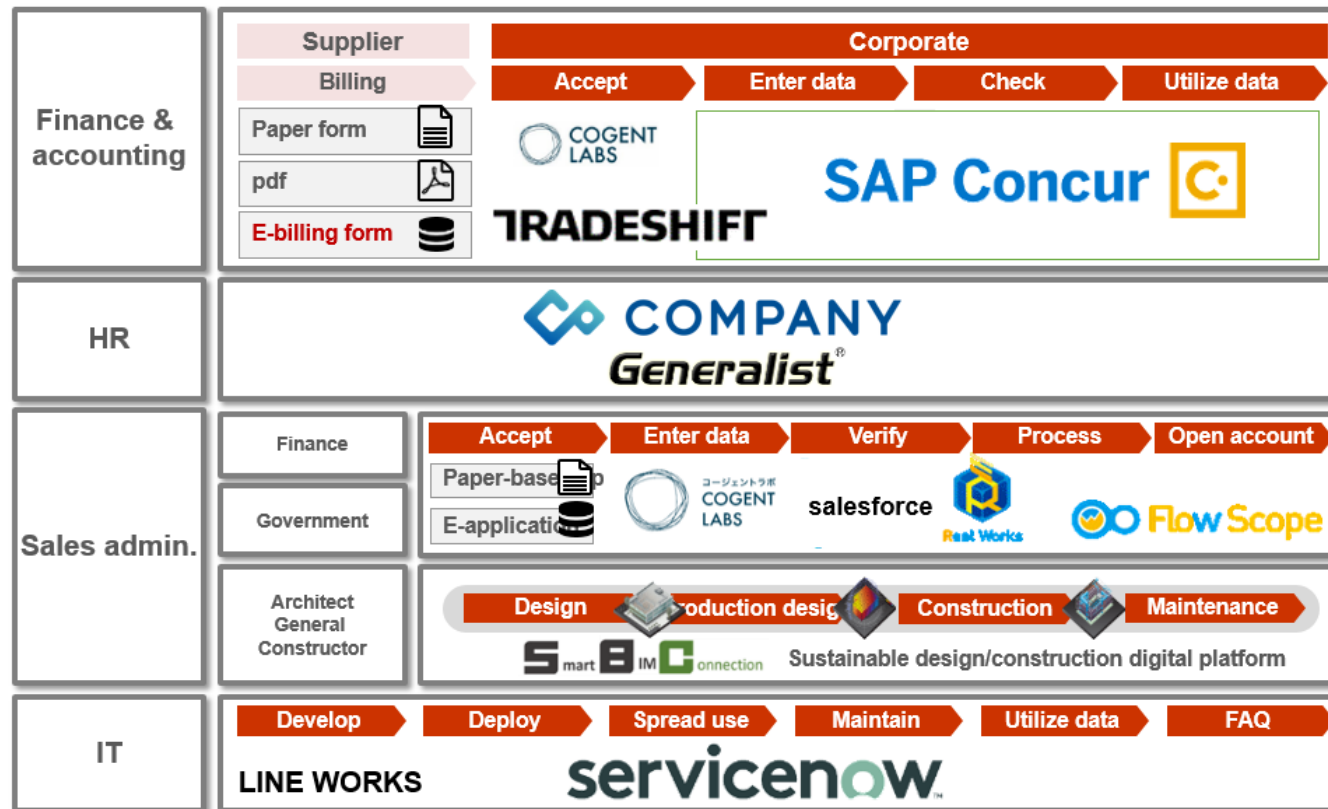
Delivering across the globe



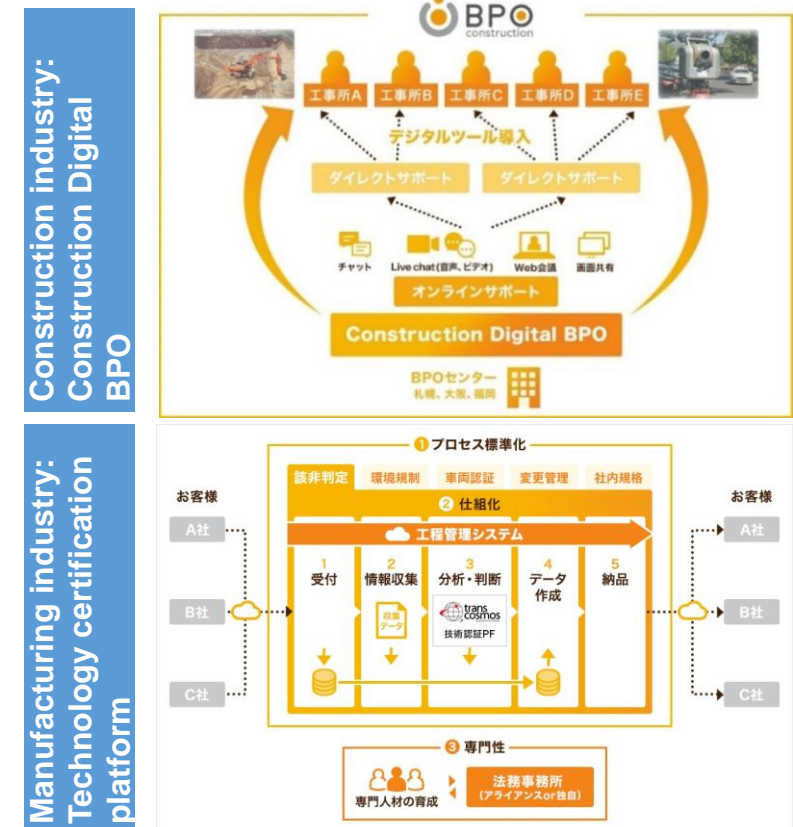
BPO Services: Platform

- Industry common BPO: Combining versatile SaaS platform and the Company's operational excellence, delivering platform services from designing business processes, to implementation to operations.
- Industry specific BPO: Delivering proprietary platform services specifically designed for highly specialized processes in the construction and manufacturing industries.

Industry common platforms



Industry specific platforms



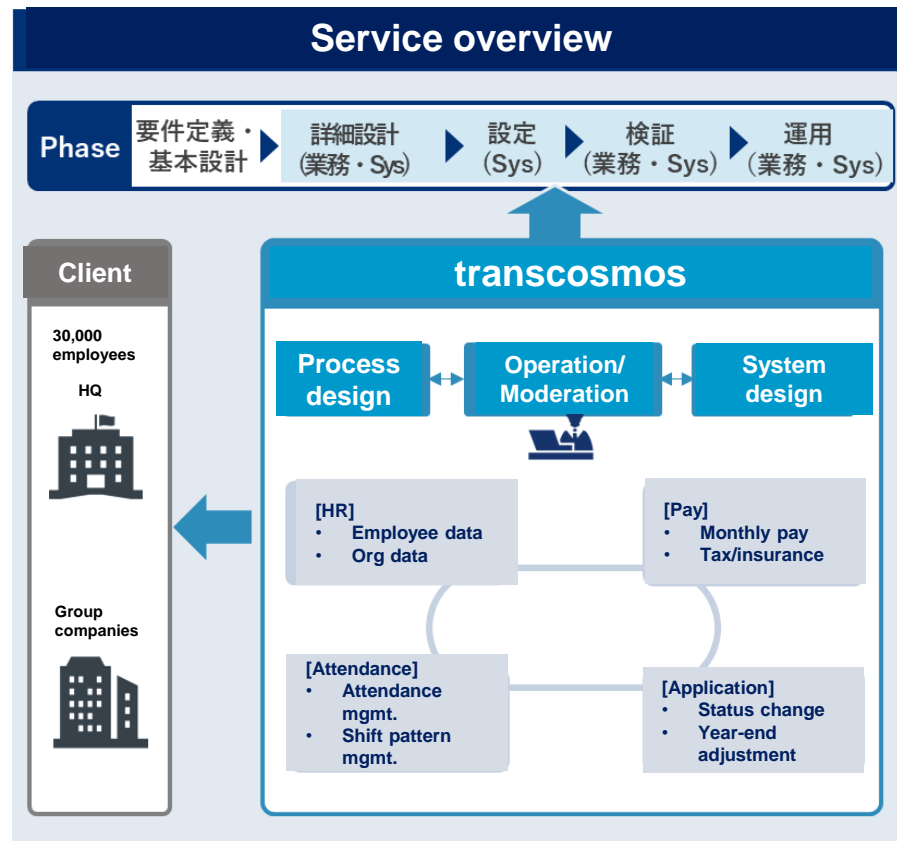
Mid-term Business Plan KPI progress

Sales in DX area: ¥260,000M (progress rate 56%) Sales mix: 27%(progress rate 70%)

*Sales and sales mix include DX-related tools and services in addition to sales from platform services.
Progress rate: progress made against the target set for the final year of the mid-term plan (fiscal year ending March 31, 2026).

Case study: Digital BPO services for HR (Client: A leading chemical manufacturer)

- Delivered the optimum system design with high usability focusing on business processes.
- Reduced BPO costs while addressing challenges in the existing systems and operational processes.



Client's requests

- Seamlessly renew HR system together with the replacement of core systems.
- Optimize HR operational costs with the HR system renewal.
- Adapt to new policies and enhance operations continuously and at speed.

Solutions

- Maker-certified engineers deployed systems smoothly.
- Operations moderators helped system design process with their expert knowledge of systems and operations.
- The same vendor manages both operations and systems. Able to manage changes in laws and regulations and policies seamlessly.

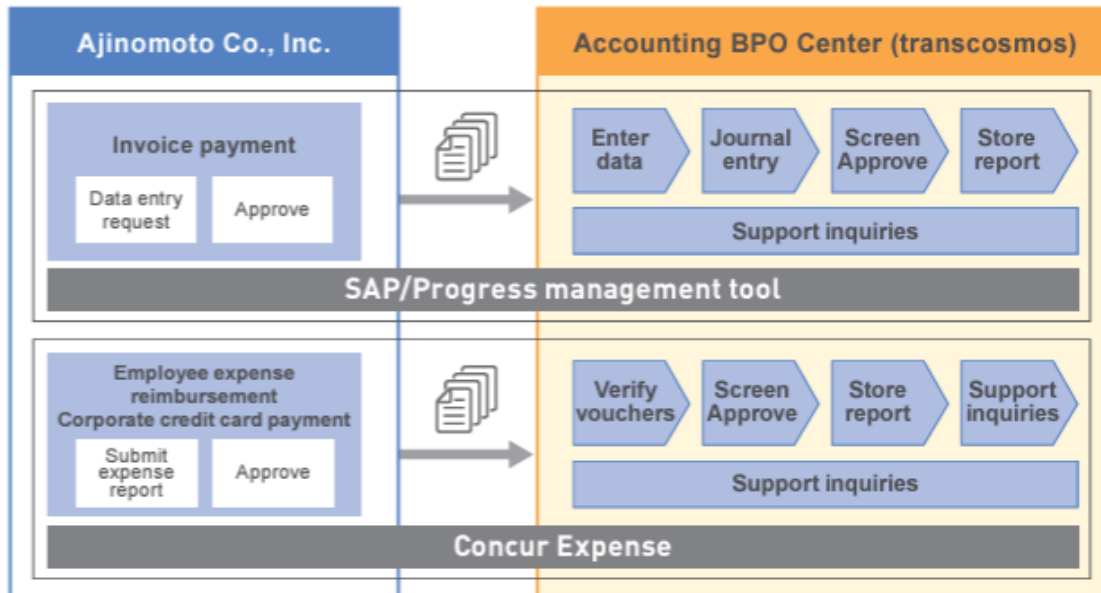
Benefits

- Optimized BPO costs
-> Saved **10-15%*** mainly in application/reporting processes.
- Ensured swift system updates to support new policies, laws and regulations.

*Subject to client's policies and system settings.

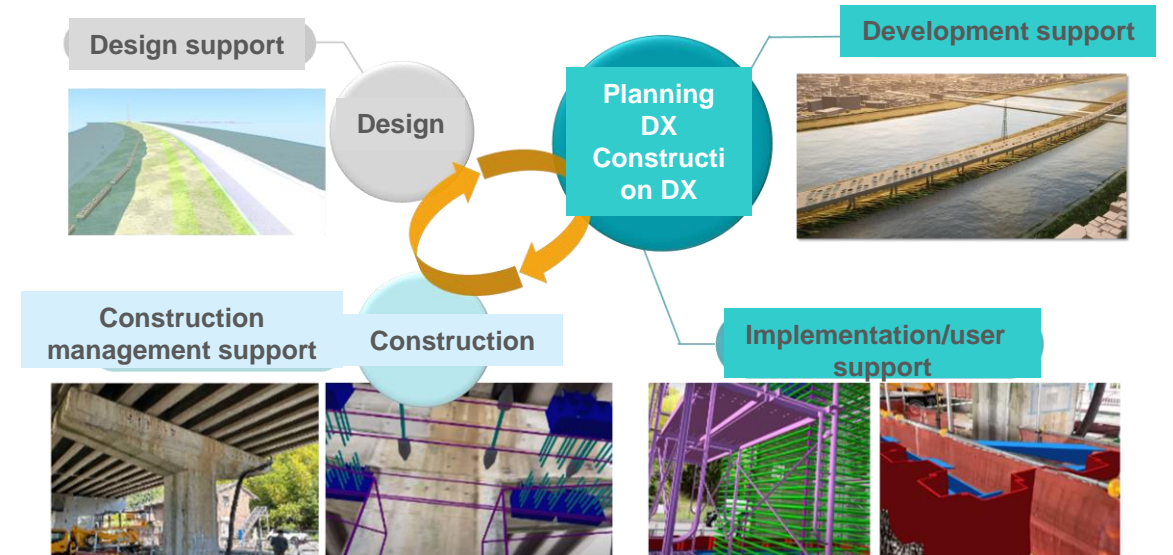
Case study: Digital BPO services for accounting (Client: Ajinomoto Co. Inc.)

- Helped Ajinomoto achieve work style reform by stabilizing expense processing operations and shifting and centralizing management resources.
- Visualized adequate man-hours & costs based on research and analytics.
- Stabilized expense processing operations with BPO.
- **Freed-up 80% of operations hours*** in the Accounting and Finance dept., and shifted resources. *General accounting work.



Case study: Construction DX (Client: A leading constructor)

- Helped a leading general constructor developed DX projects in its design and construction processes.
- Offered diverse services such as design support for BIM/CIM data creation, on-site construction management support for preparing data and documents, and on-site deployment support for digital twin apps, etc. Aiming to deliver the solution to other players.



Priority (2) Drive growth focusing on burgeoning Asian market

- Delivering CX & BPO Services tailored to each market across 34 overseas countries and regions with 109 locations.
- Launched the India Business to capture India's strong economic growth.
- Drive Select & Focus approach in the global services framework including intensive investments in Asia and reorganization in unprofitable markets.

Global 109 bases across 34 countries/regions

Contact Center	42 Bases	21,640 Workstations
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Launched the India Business in March, 2024

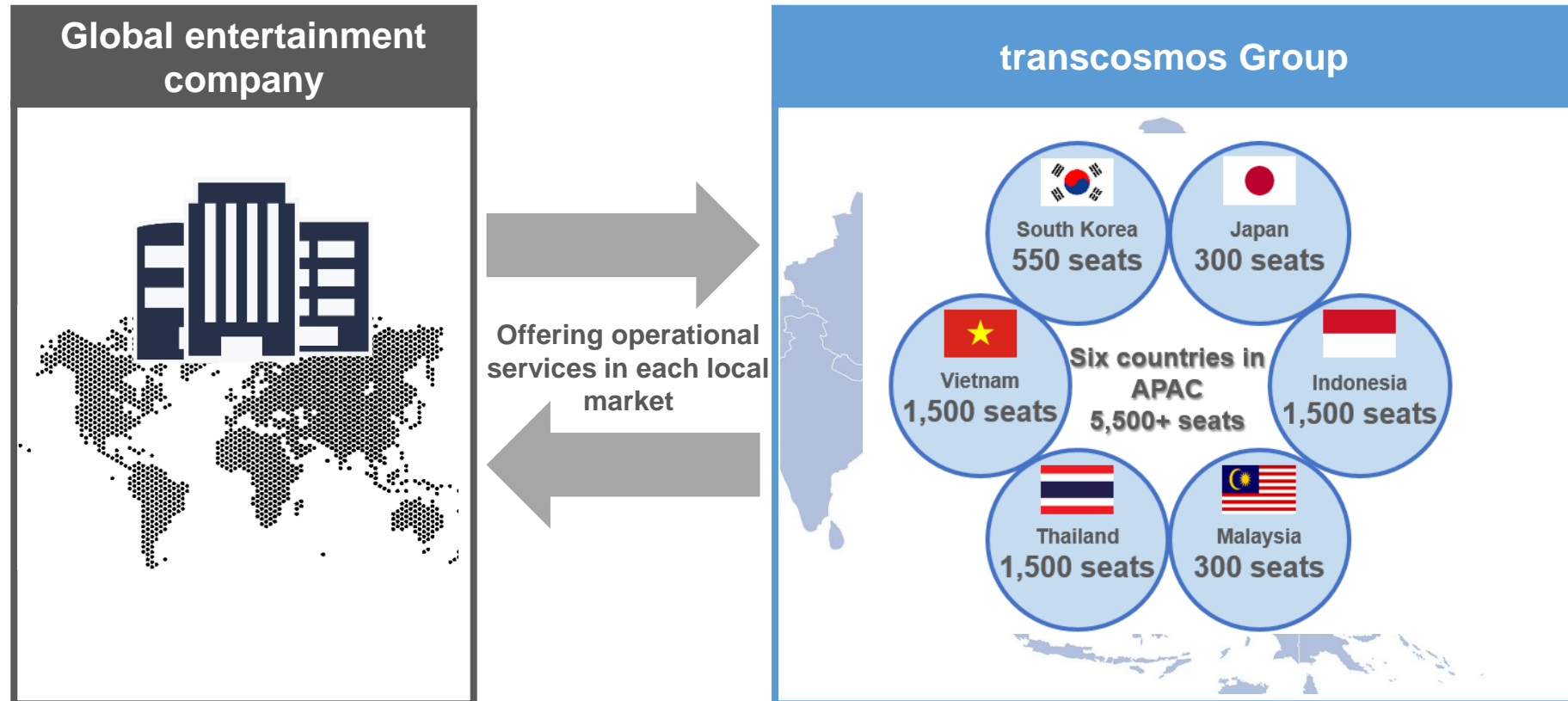
- In March, 2024, opened Bangalore Center, an operations center with 300 workstations.
- Launched CX Services (contact center) for the India local market.
- Introducing CX Services for the India market to clients in Japan, China, South Korea, and ASEAN.



On October 17, 2023, established transcosmos India Private Limited. Operating CX Services and other related businesses.

Case study: Global account

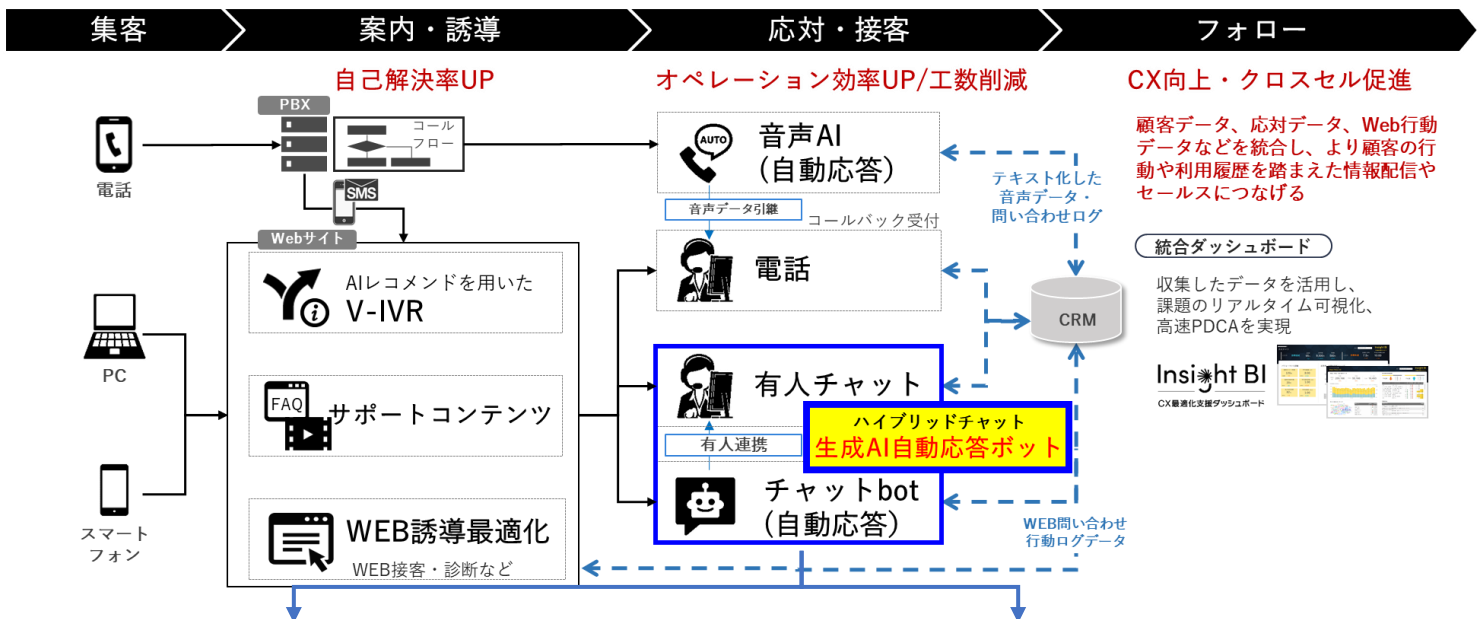
- Offering Trust & Safety services for a global entertainment company from six countries in APAC.
- Launched operation in 2020. Highly recognized for our capabilities in adapting to local cultures and changing operational policies as well as its ability to scale quickly. Today, the service network expanded to include as many as 5,500+ workstations.



Priority (3) Accelerate growth strategy by making the most of AI (achievements & success cases)



- Consolidating expertise gained through operating one of the largest call center service networks in Asia, developed T-GPT, a proprietary chatbot powered by generative AI (Gen AI).
- Integrating T-GPT into TCI-DX platform that optimizes CX across all customer touchpoints, launched the service in South Korea and Japan.
- Starting from 85 clients already on the platform, aiming to deploy the service to 300 clients globally by FY2026/3.



T-GPT, Gen-AI powered chatbot Features

- Promptly provide optimal responses to user inquiries in natural language.
- Save end users' problem-solving time by responding to inquiries summarizing diverse operational knowledge (FAQ, etc.). Ultimately boost user satisfaction.
- Just update the operational knowledge base for Gen AI, then T-GPT will respond to inquiries based on the latest information. Increase bot service completion rate and save operational costs continuously.
- Seamless shift to chat agents. Businesses can offer consistent support services without disturbing end-user experience.

T-GPT in South Korean (for illustration purposes only)

T-GPT in Japan (for illustration purposes only)

Before: 通常のチャットBot

メニューを数回選択して回答提示

問題解決までに時間がかかる

After: 生成AIを活用したDECSupport

質問文を入力すれば一発で回答を提示

Botから有人チャットへ対応引継ぎ

Botから有人チャットへシームレスな切り替えが可能

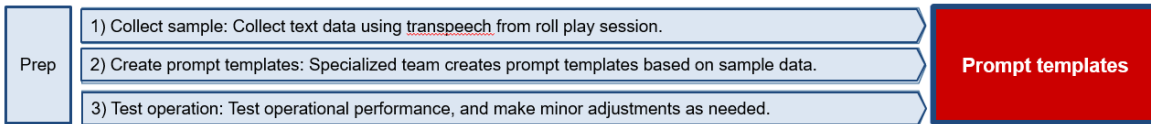
ユーザーの問題解決時間短縮と満足度向上に貢献できるハイブリッドチャット

Priority (3) Accelerate growth strategy by making the most of AI (achievements & success cases)



Case study: Streamlined operations with an AI summarization tools (Client; Housing maker)

- Saved after-call-work **10%+ (more than 60sec.)** with an AI-powered summarization tool, replacing manual CRM data entry process.
- Achieved higher efficiency by converting customer dialogue into text with speech recognition tools such as transpeech, input the text data to the AI-powered summarization tool, and pasting the summarized data to CAM data.

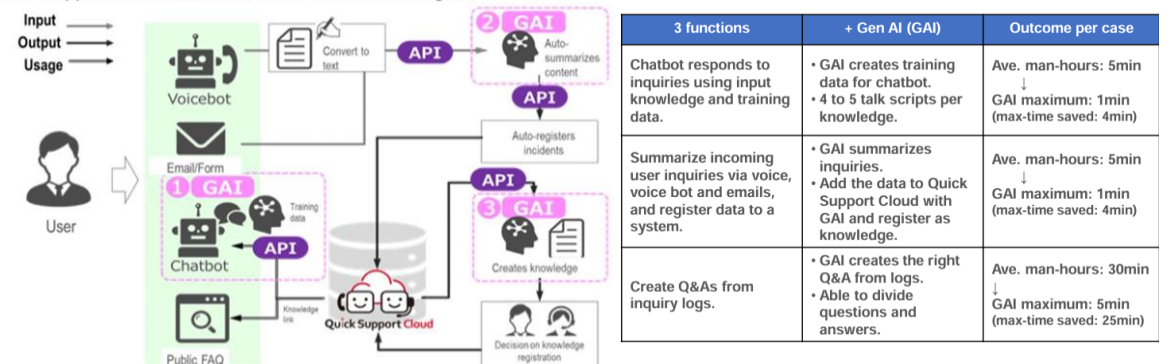


Tool for assisting support desk agents Quick Support Cloud with GAI

- Released Quick Support Cloud with GAI, a tool for assisting support desk agents with the power of generative AI.
- Combining generative AI (GAI) with 3 features, save man-hours for manual operations, boost productivity and ensure stable service quality.



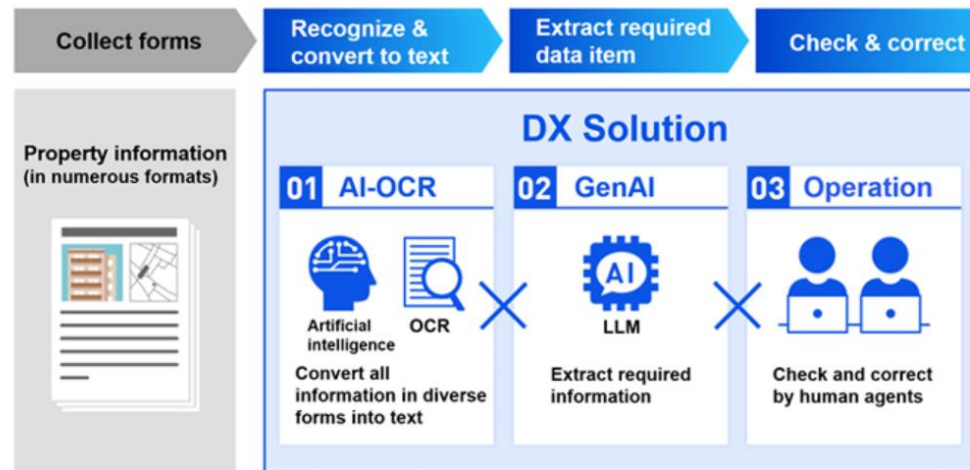
Quick Support Cloud with GAI: Feature correlation diagram



Case study: AI-OCR x Gen AI (Client: Tokyo Tatemono Real Estate Sales Co., Ltd.)

- Automated most of the property information registration processes by 1) converting the information from atypical formats to text data using AI-OCR and 2) extracting and summarizing necessary text data using Gen AI.
- PoC results saw accuracy of data conversion into text increased from **60% to 90%** with the power of AI-OCR and Gen AI. Also **saved man-hours by 80%** in the check & correct process.

Automate data entry process to the greatest extent possible with the power of DX solution



China: AI-powered live streaming

- 24/7 AI-powered live streaming achieved **3X ROI** at a lower hourly rate.
- Increased brand fans and conversion with interactive features by pre-setting product information and expected Q&As.



Priority (3) Accelerate growth strategy by making the most of AI (Next steps)

- Promote the use of generative AI to evolve services and boost profitability.

Initiatives to date

Tried to use AI in various aspects

Developed unique chatbots

Deployed AI-powered operations support systems
(summarization, knowledge generation)

Applied third party AI tools for clients' operations
(AI OC)

Utilized AI for creating videos/images for ads/website production work

Developed platforms/rules for internal AI use

Findings

Our advantage: On-site testing

AI cannot replace humans with the current technology

AI can boost productivity in certain tasks
(e.g. summarization)

AI is highly beneficial in very specific areas. Ability to conduct on-site testing is our competitive advantage.

Nest steps

Humans make the decision where to apply AI tools. Develop services embracing AI tools that ensure high ROI, and promote the services to clients.

Identify tasks that require business knowledge. Decide the right approach from 1) use third party tools or 2) develop unique products internally.

- Win new deals and expand existing projects in Japan and abroad with a robust Sales organization.

Sales members in Japan and abroad
562

New clients*¹
Annual ave. **500**
(FY2024/3: 578)

Cross-selling
Annual **500**

Existing clients
Annual **3,500**

Our clients

<p>Spreads across all industries</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <tr> <td style="font-size: 8px;">1st</td> <td style="font-size: 8px;">2nd</td> <td style="font-size: 8px;">3rd</td> </tr> <tr> <td style="font-size: 8px;">Telecom</td> <td style="font-size: 8px;">Manufacturing</td> <td style="font-size: 8px;">Finance/ Insurance</td> </tr> <tr> <td style="font-size: 8px;">4th</td> <td style="font-size: 8px;">5th</td> <td style="font-size: 8px;">6tg</td> </tr> <tr> <td style="font-size: 8px;">Service</td> <td style="font-size: 8px;">Retail/ Wholesale</td> <td style="font-size: 8px;">Construction/ Public/Other</td> </tr> </table>	1st	2nd	3rd	Telecom	Manufacturing	Finance/ Insurance	4th	5th	6tg	Service	Retail/ Wholesale	Construction/ Public/Other	<p>Leading companies with sales of ¥100B or more</p> <p>626 clients</p>	<p>All 41 Japanese companies on the Fortune Global 500</p> <p>100%</p>	<p>Robust relations, five years or longer</p> <p>about 70%</p>
1st	2nd	3rd													
Telecom	Manufacturing	Finance/ Insurance													
4th	5th	6tg													
Service	Retail/ Wholesale	Construction/ Public/Other													

*1: Number of new client companies includes those who have started business with new services.

Priority (4) Win new & expand existing clients with robust sales capability



- Identify client wants & needs through close communication and maximize business opportunity.

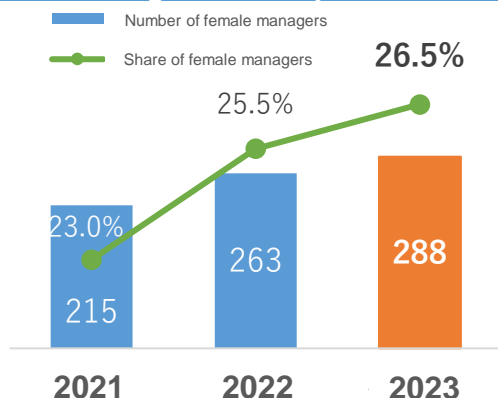
Offer services that meet market trends and client needs



Priority (5) Further integrate Sustainability Management into business and strengthen the Group's management base

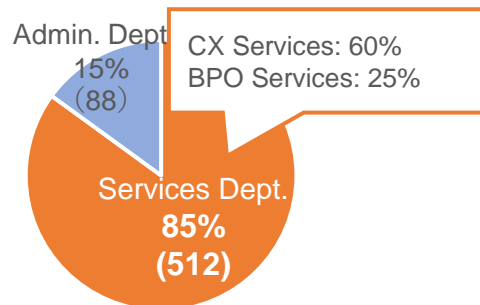
Diversity, Equity & Inclusion

Female manager ratio is one of the highest in Japan



Actively hiring disabled persons/assigning to profit center

Persons with disabilities: **600**



FY2024/3 Assignment of persons with disabilities

Taking action to raise LGBTQ awareness

Received Silver Award at PRIDE Index 2023.

work with Pride



Promoting Human Capital Management

Certified as a Health & Productivity Management Outstanding Organization 2024 (large enterprise)



Group Governance

- Set the Group Governance Committee to enhance governance, prevent/mitigate risks, and maintain/enhance corporate value as a Group.



Develop and implement the Fundamental Group Governance Policy, Group Code of Conduct, and other standard rules, develop systems, develop/execute risk measures, manage major incidents, check/report governance matters.

Environment

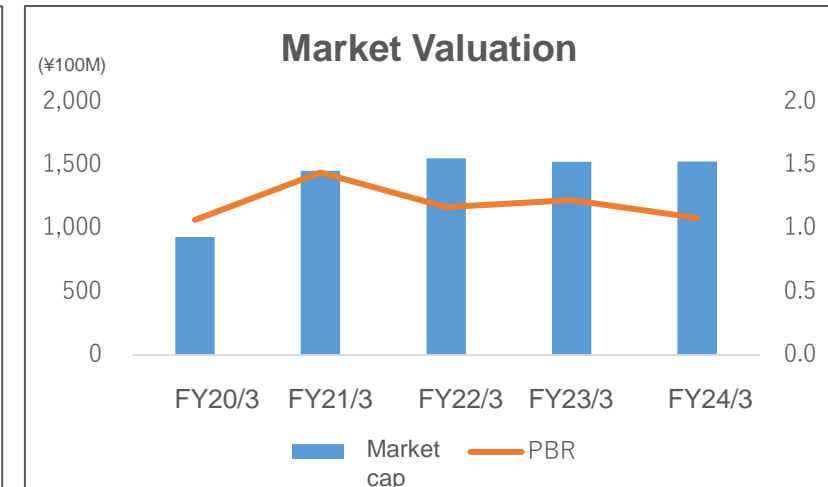
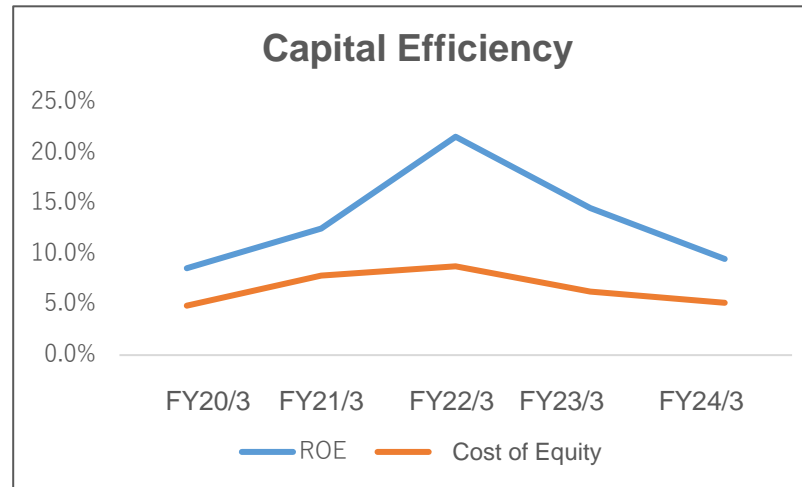
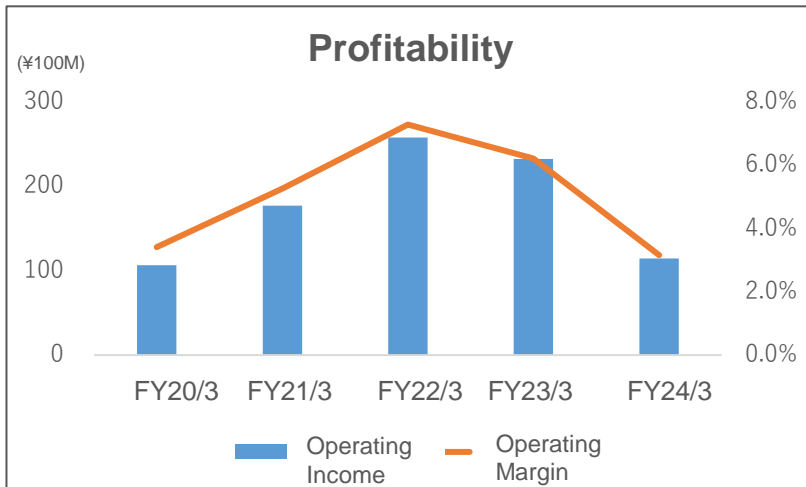
- Won B-score in the CDP Climate Change Assessment 2023.
- The third highest score across eight levels, recognized as a company managing its environmental impact and undertaking actions.



Reference: Action to Implement Management that is Conscious of Cost of Capital and Stock Price



- Enhance capital efficiency by 1) growing business and increasing profitability through steady execution of the medium-term business plan and 2) making capital allocation, striking a right balance between growth investment, financial health and shareholder returns.
- Take proactive IR activities to promote Sustainability Management and enhance dialogue with capital market participants.



1

FY2024/3 Financial Results

1-1

Financial Results Overview

1-2

Dividend Policy

2

Medium-Term Business Plan: Progress & Priorities

2-1

Market Landscape

2-2

FY2025/3 Priorities

2-3

Medium-to Long-term Numeric Targets



transcosmos Group Target
Sales: ¥1 trillion



**FY2024/3
Actuals**

**FY2026/3
Targets**

Sales	¥362.2B	➔	¥450.0B or higher
Operating Margin	3.2%	➔	6.0~8.0%

Global Digital Transformation Partner

Deliver the optimum customer experience and productivity reform to clients with cutting-edge digital technologies, and contribute in creating a sustainable society.

Vision

Evolve to a Technology Solutions Company from a company with operational excellence

Become an unparalleled leader in Asia and a Top 5 global CX/BPO services player

Meet all stakeholder expectations including clients, employees and shareholders, and serve society

Commit to fairness, trust, quality, eternity, innovation, customer success and growth, remain a partner for solving social problems with a diverse business and service portfolio

Strategy

Pivot to a platform business model (platform as-a-service)

Structural reform for greater quality/profits by service standardization

Develop new business and drive R&D by maximizing our global network

Reinforce systems and develop people to win in a growing global market

Develop a global management base (Finance, HR, Marketing, ESG)

- Forward-looking statements included in this document are based on information available on the date of the announcement and estimates based on reasonable assumptions. Actual future results may differ materially from these forecasts depending on Japanese economic conditions, trends in the stock market and information services industry, evolution of new services or technologies, and other diverse other factors. The company assumes no obligation to update or revise any forward-looking statements.
- In this document, yen is rounded to the nearest hundred million (figures shown in million yen is rounded to the nearest million) and the percentage is rounded to the first decimal place.



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