

May 10, 2011

To all concerned,

Company Name: transcosmos, Inc.  
 Representative: President and COO, Masataka Okuda  
 (Code No.9715, Tokyo Stock Exchange, 1<sup>st</sup> Section)  
 Inquires: Hitoshi Honda, Corporate Officer,  
 Accounting and Finance Division Chief  
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## Announcement regarding Revision of Earnings Forecast and Occurrence of One Time Charges

In light of recent earnings trends, please be advised that the earnings forecast announced on May 14, 2010 has been revised as shown below.

In addition, this also includes notification regarding the occurrence of one time charges.

### Record

#### 1. Revision of Earnings Forecast

- (1) Revision of consolidated earnings forecast figures for full year ending March 2011 (April 1, 2010 - March 31, 2011)

(Units: ¥ million)

	Sales volume	Operating income	Current income	Current net income	Current net income per share
Previous forecast (A)	151,600	6,500	5,700	1,700	41.31
Revised forecast (B)	151,600	6,200	6,500	4,400	106.94
Amount change (B – A)	0	Δ 300	800	2,700	
Percentage change (%)	0.0	Δ 4.6	14.0	158.8	
(Reference) Prior period results (period ending March 2010)	151,589	4,448	4,539	2,135	54.30

- (2) Revision of separate earnings forecast figures for full year ending March 2011 (April 1, 2010 - March 31, 2011)

(Units: ¥ million)

	Sales volume	Operating income	Current income	Current net income	Current net income per share
Previous forecast (A)	125,000	6,250	5,600	1,900	46.18
Revised forecast (B)	123,600	5,000	4,900	2,800	68.05
Amount change (B – A)	Δ 1,400	Δ 1,250	Δ 700	900	
Percentage change (%)	Δ 1.1	Δ 20.0	Δ 12.5	47.4	
(Reference) Prior period results (period ending March 2010)	124,280	5,487	5,533	1,253	31.88

- (3) Reasons for revision

- 1) Reasons for revision of consolidated earnings forecast

Full year

Sales are expected to attain the original forecast.

With regard to profits, operating income is expected to decline by ¥300 million as compared to the original forecast, and current income is expected to increase by ¥800

million as compared to the original forecast due to improvements in the non-operating balance of payments. In addition, even though impairment losses were posted, current net income is expected to reach ¥4.4 billion, far exceeding the originally forecast amount of ¥1.7 billion, as a result of posting gains on the sale of investment securities.

2) Reasons for revision of separate earnings forecast

Full year

Sales are expected to decline by ¥1.4 billion from the original forecast.

With regard to profits, sales failed to meet goals in spite of measures including elimination of inactive personnel, and as a result, operating income is expected to decline by ¥1.25 billion and current income is expected to decline by ¥700 million as compared to the original forecast. In addition, even though losses were posted, including impairment losses and affiliate company stock valuation losses, current net income is expected to reach ¥2.8 billion, far exceeding the originally forecast amount of ¥1.9 billion, as a result of posting gains on the sale of investment securities.

2. Occurrence of One Time Charges and related Details

(Consolidated) Impairment losses on noncurrent assets of ¥1.776 billion

Impairment losses of ¥1.776 billion have been posted as one time charges; this includes business assets of our company, assets scheduled for retirement due to elimination and consolidation of business locations, and software and other assets held by some consolidated subsidiaries.

(Separate) Impairment losses on noncurrent assets of ¥1.306 billion, Affiliate company stock valuation losses of ¥989 million

Impairment losses of ¥1.306 billion have been posted as one time charges; this includes business assets and assets scheduled for retirement due to elimination and consolidation of business locations. In addition, affiliate company stock valuation losses of ¥989 million have been posted as one time charges because of write-downs to actual values reflecting the financial condition of some consolidated subsidiaries among our affiliated company stock holdings.

\* The earnings forecast shown above has been prepared based on all information available as of the announcement date; however, actual results may differ from the forecast figures due to various contributing factors in the future.

The End