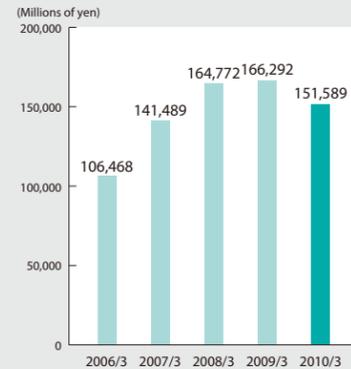
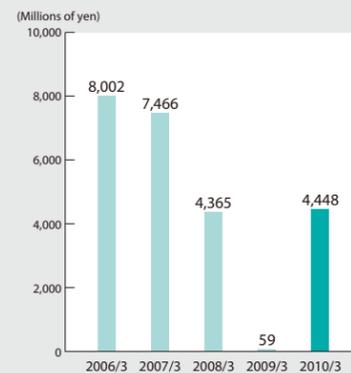


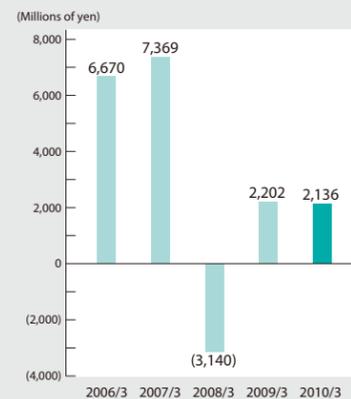
Net Sales



Operating Income



Net Income



Operating Results

Net Sales, Operating Income and Net Income

In the fiscal year under review, conditions in the Japanese economy remained severe. This was due to various factors, including the ongoing effects of the global financial crisis, the appreciation of the yen, and the advance of deflation. Spurred by the economic stimulus measures devised by government and the financial authorities personal spending recovered to a certain extent; and corporate earnings are improving as a result of efforts to curb capital spending and reduce costs. On the other hand, the effects of deflation have not abated, unemployment remains high, and there are other disquieting factors as well, so that the economic environment continues to be unstable. Overseas, although China quickly entered a recovery path and has maintained a high rate of economic growth, the economic environment in the advanced countries of the West and elsewhere continues to be severe.

Under these circumstances, the information services industry, to which our corporate group belongs, experienced a continuing decline in demand for IT services. This was due in part to an emerging trend among certain corporations: to curb their IT investments, they are insourcing their outsourced operations by reassigning personnel and other means. In response, transcosmos sought to offer and expand new services aimed at helping corporations reduce their costs, streamline their management, and strengthen their competitiveness. At the same time, we reorganized and restructured our corporate group so as to reestablish our earnings.

As a result, our consolidated net sales during the fiscal year under review were ¥151,589 million, a decrease of ¥14,703 million, or 8.8%, from the previous fiscal year. On the other hand, our consolidated operating income totaled ¥4,448 million, a significant increase of ¥4,389 million. Consolidated net income totaled ¥2,136 million, down ¥66 million or 3.0%. This was due to the fact that, although we recorded a profit from, among other things, the assignment of our DART business, we also recorded an impairment loss and more under non-operating income (expenses).

With regard to accounting, we have previously recorded the amounts from securities sales in our corporate venture capital business as net sales, and the book value of securities sold as cost of sales. However, together with our withdrawal from that business, we changed this method: starting from the fiscal year under review, we recorded the net amounts of profit and loss from securities sales under non-operating income (expenses).

As a result, during the fiscal year under review, net sales and sales costs both decreased, by ¥405 million and ¥1,137 million, respectively, while gross profit and operating income each increased ¥731 million. Moreover, write-downs of investments in securities increased ¥825 million.

Viewing our results by region, in Japan net sales totaled ¥141,041 million, decreasing ¥13,419 million, or 8.7%, from the previous fiscal year. This decrease was due to, among other things, a drop in income from our business process outsourcing services. On the other hand, due to cost reductions and other factors, operating income reached ¥10,885 million, an increase of ¥3,665 million, or 50.8%.

In the United States, due to our withdrawal from the CVC business, net sales amounted to ¥268 million, a decrease of ¥1,374 million, or 83.7%. Moreover, operating income totaled ¥2 million (in the previous fiscal year there was an operating loss of ¥2,192 million).

In Asia, net sales reached ¥10,279 million, an increase of ¥91 million, or 0.9%. In the area of operating income, there was an operating loss of ¥160 million due to an increase in the start-up costs for new businesses (in the previous fiscal year, operating income totaled ¥216 million).

Segment Information

In the previous fiscal year, we withdrew from the corporate venture capital business. Our business is thus no longer divided into separate segments. Accordingly, segment information will no longer be provided.

Financial Position

Assets, Liabilities and Shareholders' Equity

Total assets increased 4.0% from the end of the previous fiscal year, to ¥91,638 million.

Current assets increased 17.3%, to ¥58,716 million. This was due mainly to an increase in cash and time deposits resulting from, among other things, an improvement in cash flows from operating activities, a curbing of new investments, and the sale of certain businesses. Fixed assets decreased 13.5%, to ¥32,922 million. The main reasons for this were the depreciation of tangible and intangible fixed assets, and impairment accounting conducted based on the elimination and consolidation of workplaces and a reorganization of certain business operations.

Total liabilities increased 3.5% from the end of the previous fiscal year, to ¥50,212 million.

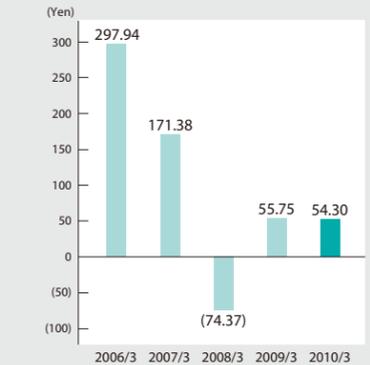
Current liabilities increased 8.3%, to ¥28,021 million. This was due mainly to an increase in short-term debt and other factors. Non-current liabilities decreased 2.1%, to ¥22,191 million, due primarily to a decrease in corporate bonds and long-term debt and despite the establishment of a litigation losses reserve.

Moreover, in conjunction with our withdrawal from the corporate venture capital business at the end of the previous fiscal year, at the start of the fiscal year under review we took ¥5,133 million from "Investments in securities for operating purposes" (Current assets) and transferred ¥4,088 million of it into "Investments in securities" (Investments and advances) and ¥1,044 million into "Investments in and advances to unconsolidated subsidiaries and affiliates" (Investments and advances). In addition, we transferred ¥234 million from "Deferred tax liabilities" (Other current liabilities) to "Deferred tax liabilities" (Non-current liabilities).

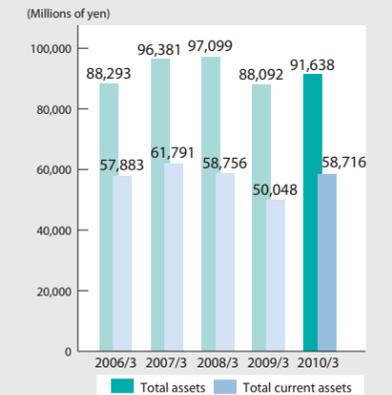
Total net assets increased 4.7% from the end of the previous fiscal year, to ¥41,426 million. This was due to our issuing treasury stock to minority stockholders in conjunction with a reorganization of our group businesses and also to an increase in our retained earnings resulting from an increase in our net income.

Moreover, our equity ratio increased from 38.9% at the end of the previous fiscal year to 41.4%.

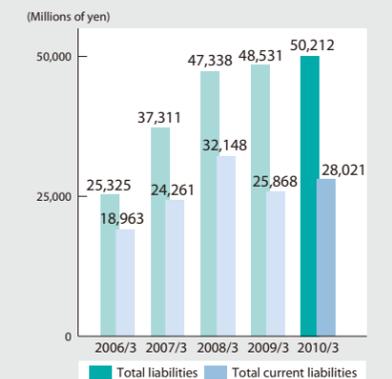
Net Income Per Share



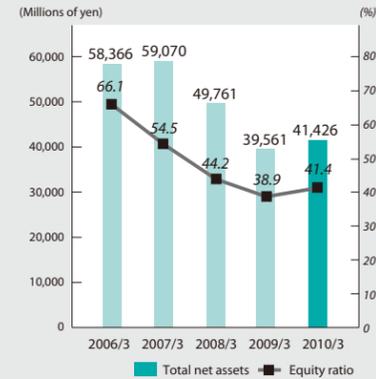
Total Assets / Total Current Assets



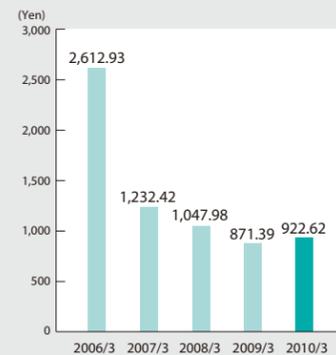
Total Liabilities / Total Current Liabilities



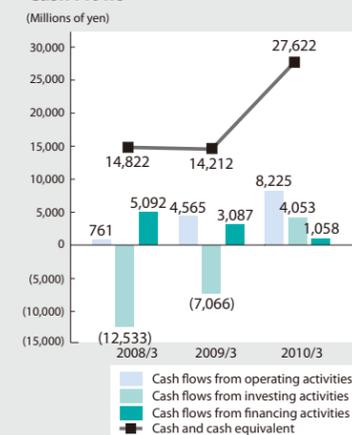
Total Net Assets / Equity Ratio



Total Net Assets Per Share



Cash Flows



Cash Flows

Net cash flows from operating activities totaled ¥8,225 million, an increase of ¥3,660 million from the previous fiscal year. This increase was mainly due to an increase in income before income taxes and minority interests and a decrease in the amount of income tax paid.

Net cash flows from investing activities totaled ¥4,053 million, an increase of ¥11,119 million from the previous fiscal year. This increase was mainly due to an increase in income from the assignment of businesses.

Net cash flows from financing activities amounted to ¥1,058 million, a decrease of ¥2,029 million from the previous fiscal year. This decrease was mainly due to a decline in proceeds from short-term bank loans.

As a result of the above, the balance of cash and cash equivalents, including foreign currency translation adjustments, at the end of the fiscal year under review was ¥27,623 million, an increase of ¥13,411 million from the end of the previous fiscal year.

Five-year Summary

CONSOLIDATED STATEMENTS OF INCOME

For the years ended 31 March	Millions of yen (except per share data)				Thousands of U.S. dollars*1 (except per share data)	
	2010	2009	2008	2007	2006	2010
Net sales	¥151,589	¥166,292	¥164,772	¥141,489	¥106,468	\$1,629,292
Gross profit	28,351	29,067	33,592	34,079	28,261	304,718
Operating income	4,448	59	4,365	7,466	8,002	47,810
Net income (loss)	2,136	2,202	(3,140)	7,369	6,670	22,954
Net income (loss) per share	54.3	55.8	(74.4)	171.4	297.9	0.58

CONSOLIDATED BALANCE SHEETS

At 31 March	Millions of yen				Thousands of U.S. dollars	
	2010	2009	2008	2007	2006	2010
Total current assets	¥58,716	¥50,048	¥58,756	¥61,791	¥57,883	\$631,082
Total current liabilities	28,021	25,867	32,148	24,261	18,963	301,173
Total non-current liabilities	22,191	22,664	15,190	13,050	6,362	238,509
Total net assets*2	41,426	39,561	49,761	59,070	58,366	445,247

NON-CONSOLIDATED STATEMENTS OF INCOME

For the years ended 31 March	Millions of yen (except per share data)				Thousands of U.S. dollars (except per share data)	
	2010	2009	2008	2007	2006	2010
Net sales	¥124,281	¥137,060	¥133,021	¥109,822	¥95,252	\$1,335,778
Gross profit	21,170	22,614	27,298	23,914	24,448	227,533
Operating income	5,487	3,801	8,050	5,428	8,693	58,975
Net income (loss)	1,254	(11,126)	3,318	7,503	4,707	13,474
Basic net income (loss) per share	31.9	(281.7)	78.6	174.5	210.2	0.34
Cash dividends per share	10.0	-	40.0	40.0	70.0	0.11
Weighted average number of shares (in thousands)	39,328	39,497	42,218	43,001	22,376	-

NON-CONSOLIDATED BALANCE SHEETS

At 31 March	Millions of yen				Thousands of U.S. dollars	
	2010	2009	2008	2007	2006	2010
Total current assets	¥45,136	¥38,127	¥31,435	¥35,161	¥34,039	\$485,125
Total current liabilities	23,579	19,139	24,467	17,835	15,130	253,430
Total non-current liabilities	20,788	22,754	14,635	12,182	5,205	223,427
Total net assets*2	39,462	37,165	51,758	53,898	56,919	424,144

Notes:(*1) U.S.dollars amounts are translated from yen, solely for convenience of the reader, at the rate of ¥93.04=U.S.\$1.

(*2) Effective from the year ended March 2007, the Company adopted a new accounting standard, "Accounting Standard for Presentation of Net Assets in the Balance Sheet" (Statement No.5 issued by the Accounting Standards Board of Japan), and the implementation guidance for the accounting standard for presentation of net assets in the balance sheet (the Financial Accounting Standard Implementation Guidance No.8 issued by the Accounting Standards Board of Japan).

Consolidated Balance Sheets

At 31 March 2010 and 2009	2010	Millions of yen 2009	Thousands of U.S. dollars 2010
ASSETS			
Current assets:			
Cash and time deposits	¥28,249	¥14,646	\$303,627
Securities	81	-	869
Investments in securities for operating purposes	-	5,133	-
Notes and accounts receivable :			
Third parties	24,791	24,318	266,461
Unconsolidated subsidiaries and affiliates	74	50	795
	24,865	24,368	267,256
Less: allowance for doubtful accounts	(156)	(196)	(1,678)
	24,709	21,172	265,578
Merchandise and finished goods	20	260	216
Work and software in progress and merchandise	654	662	7,025
Supplies	18	17	195
Deferred tax assets	3,398	1,881	36,517
Other current assets	1,587	3,277	17,055
Total current assets	58,716	50,048	631,082
Investments and advances:			
Investments in securities	4,347	957	46,718
Investments in and advances to unconsolidated subsidiaries and affiliates	3,769	4,504	40,512
Investments in other securities of unconsolidated subsidiaries and affiliates	49	97	529
Investments in affiliates	352	384	3,787
Long-term loans receivable	203	291	2,182
Other investments	406	633	4,361
Less: allowance for doubtful accounts	(432)	(380)	(4,648)
Total investments and advances	8,694	6,486	93,441
Property and equipment, at cost less accumulated depreciation	9,107	11,678	97,881
Leasehold deposits	4,873	5,424	52,374
Software	3,193	2,376	34,313
Software in progress	105	2,944	1,131
Intangibles and other	291	342	3,132
Deferred tax assets	3,728	5,138	40,070
Prepaid pension costs	1,846	2,109	19,842
Goodwill	1,085	1,547	11,663
Total assets	¥91,638	¥88,092	\$984,929

U.S.dollars amounts are translated from yen, solely for convenience of the reader, at the rate of ¥93.04=U.S.\$1.

At 31 March 2010 and 2009	2010	Millions of yen 2009	Thousands of U.S. dollars 2010
LIABILITIES AND NET ASSETS			
Current liabilities:			
Short-term debt	¥792	¥4,799	\$8,507
Current portion of long-term debt	8,544	683	91,831
Current portion of bonds	1,070	846	11,500
Accounts payable:			
Third parties	6,458	7,769	69,413
Unconsolidated subsidiaries and affiliates	50	81	535
	6,508	7,850	69,948
Income taxes payable	536	377	5,764
Accrued expenses	5,214	5,281	56,040
Accrued bonuses for employees	2,712	3,133	29,146
Provision for loss on litigation	-	125	-
Advances received from customers	546	531	5,873
Other current liabilities	2,099	2,242	22,564
Total current liabilities	28,021	25,867	301,173
Non-current liabilities:			
Bonds	2,730	3,700	29,342
Long-term debt	16,085	18,210	172,888
Provision for loss on litigation	2,549	-	27,393
Security deposits received	44	11	477
Reserve for retirement benefits	111	117	1,196
Other non-current liabilities	672	626	7,213
Total non-current liabilities	22,191	22,664	238,509
Commitments and contingent liabilities			
Net assets :			
Stockholders' equity:			
Common stock :			
Authorized: 150,000,000 shares at 31 March 2010 and 2009			
Issued: 48,794,046 shares at 31 March 2010 and 2009	29,066	29,066	312,403
Capital surplus	20,511	23,010	220,457
Retained earnings	6,258	4,155	67,256
Treasury stock, at cost:			
7,646,736 and 9,484,713 shares at 31 March 2010 and 2009, respectively	(15,922)	(19,749)	(171,130)
Total stockholders' equity	39,913	36,482	428,986
Valuation and translation adjustments:			
Unrealized gains on marketable securities and investments in securities	207	408	2,227
Net deferred hedge losses	-	(5)	-
Foreign currency translation adjustments	(2,157)	(2,631)	(23,181)
Total valuation and translation adjustments	(1,950)	(2,228)	(20,954)
Stock subscription right	-	0	-
Minority interests	3,463	5,307	37,215
Total net assets	41,426	39,561	445,247
Total liabilities and net assets	¥91,638	¥88,092	\$984,929

Consolidated Statements of Income

For the years ended 31 March 2010, 2009 and 2008

	Millions of yen			Thousands of U.S. dollars
	2010	2009	2008	2010
Net sales	¥151,589	¥166,292	¥164,772	\$1,629,292
Cost of sales	123,238	137,225	131,180	1,324,574
Gross profit	28,351	29,067	33,592	304,718
Selling, general and administrative expenses	23,903	29,008	29,227	256,908
Operating income	4,448	59	4,365	47,810
Non-operating income (expenses):				
Interest income	67	101	183	723
Interest expense	(507)	(492)	(281)	(5,450)
Dividend income	18	24	6	189
Gain on sale/disposal of investments in securities	157	11	260	1,685
Loss on sale/disposal of investments in securities	-	(51)	(0)	-
Loss on disposal of property and equipment	(179)	(219)	(523)	(1,926)
Gain on sales of non-current assets	97	10	-	1,047
Loss on sales of non-current assets	(3)	(60)	-	(36)
Loss on impairment of fixed assets	(2,248)	(2,583)	(1,393)	(24,161)
Gain on sale/disposal of investments in affiliates	457	6	458	4,909
Reversal of allowance for doubtful accounts	95	23	79	1,020
Write-downs of investments in affiliates	(356)	(526)	(506)	(3,821)
Equity in loss of unconsolidated subsidiaries and affiliates	(73)	(499)	(658)	(786)
Gain on subsidy accounts	690	191	93	7,415
Development grant	-	133	-	-
A picture business investment loss	-	(365)	(123)	-
Loss on valuation of derivatives	-	(341)	-	-
Gain on dissolution of subsidiary	-	2,940	-	-
Office move eviction compensation money	-	-	219	-
Write-downs of marketable securities and investments in securities	(888)	(167)	(133)	(9,547)
Gain on issuance of shares to investees	34	171	487	363
Loss on issuance of shares to investees	(112)	(101)	(5)	(1,199)
Provision of allowance for doubtful accounts	(76)	(767)	-	(819)
Gain on valuation of derivatives	141	-	-	1,511
Foreign exchange losses	(198)	-	-	(2,130)
Gain on transfer of business	3,960	-	-	42,557
Provision for loss on litigation	(2,549)	-	-	(27,393)
Other income	735	534	394	7,910
Other expenses	(1,931)	(982)	(678)	(20,751)
Total non-operating income (expenses)	(2,669)	(3,009)	(2,121)	(28,690)
Income(loss) before income taxes and minority interests	1,779	(2,950)	2,244	19,120
Income taxes:				
Current	411	535	3,791	4,412
Deferred	(72)	(5,028)	2,104	(769)
	1,440	1,543	(3,651)	15,477
Minority interests in net income (loss) of consolidated subsidiaries	(696)	659	511	(7,477)
Net income (loss)	¥2,136	¥2,202	¥(3,140)	\$22,954

U.S.dollars amounts are translated from yen, solely for convenience of the reader, at the rate of ¥93.04=U.S.\$1.

Consolidated Statement of Changes in Net Assets

For the years ended 31 March 2010 and 2009

	Number of shares of common stock in issue	Millions of yen									Total net assets
		Common stock	Capital surplus	Retained earnings	Treasury stock at cost	Unrealized gains on marketable securities and investments in securities	Net deferred hedge losses	Foreign currency translation adjustments	Stock subscription rights	Minority interests	
Balance at 31 March 2008	48,794,046	¥29,066	¥23,058	¥3,650	¥(17,835)	¥311	¥(7)	¥4,716	¥-	¥6,802	¥49,761
Cash dividends	-	-	-	(1,640)	-	-	-	-	-	-	(1,640)
Net income for the year ended 31 March 2009	-	-	-	2,202	-	-	-	-	-	-	2,202
Change of scope of consolidation	-	-	-	(41)	-	-	-	-	-	-	(41)
Acquisition of treasury stock	-	-	-	-	(1,993)	-	-	-	-	-	(1,993)
Disposal of treasury stock	-	-	(48)	-	79	-	-	-	-	-	31
Others	-	-	-	(16)	-	-	-	-	-	-	(16)
Other changes	-	-	-	-	97	2	(7,347)	0	(1,495)	(8,743)	
Balance at 31 March 2009	48,794,046	¥29,066	¥23,010	¥4,155	¥(19,749)	¥408	¥(5)	¥(2,631)	¥0	¥5,307	¥39,561
Changes by share exchanges	-	-	(2,495)	-	3,818	-	-	-	-	-	1,323
Changes by merger	-	-	(0)	-	0	-	-	-	-	-	0
Net income for the year ended 31 March 2010	-	-	-	2,136	-	-	-	-	-	-	2,136
Change of scope of consolidation	-	-	-	(33)	-	-	-	-	-	-	(33)
Acquisition of treasury stock	-	-	-	-	(0)	-	-	-	-	-	(0)
Disposal of treasury stock	-	-	(4)	-	9	-	-	-	-	-	5
Other changes	-	-	-	-	(201)	5	474	(0)	(1,844)	(1,566)	
Balance at 31 March 2010	48,794,046	¥29,066	¥20,511	¥6,258	¥(15,922)	¥207	-	¥(2,157)	-	¥(3,463)	¥41,426

	Thousands of U.S. dollars									
	Common stock	Capital surplus	Retained earnings	Treasury stock at cost	Unrealized gains on marketable securities and investments in securities	Net deferred hedge losses	Foreign currency translation adjustments	Stock subscription rights	Minority interests	Total net assets
Balance at 31 March 2008	\$312,403	\$247,824	\$39,229	\$(191,685)	\$3,338	\$(77)	\$50,692	\$-	\$73,109	\$534,833
Cash dividends	-	-	(17,623)	-	-	-	-	-	-	(17,623)
Net income for the year ended 31 March 2009	-	-	23,666	-	-	-	-	-	-	23,666
Change of scope of consolidation	-	-	(438)	-	-	-	-	-	-	(438)
Acquisition of treasury stock	-	-	-	(21,430)	-	-	-	-	-	(21,430)
Disposition of treasury stock	-	(515)	-	849	-	-	-	-	-	334
Other	-	-	(169)	-	-	-	-	-	-	(169)
Other changes	-	-	-	-	1,043	25	(78,971)	3	(16,072)	(93,972)
Balance at 31 March 2009	\$312,403	\$247,309	\$44,665	\$(212,266)	\$4,381	\$(52)	\$(28,279)	\$3	\$57,037	\$425,201
Changes by share exchanges	-	(26,807)	-	41,037	-	-	-	-	-	14,230
Changes by merger	-	(2)	-	3	-	-	-	-	-	1
Net income for the year ended 31 March 2010	-	-	22,954	-	-	-	-	-	-	22,954
Change of scope of consolidation	-	-	(363)	-	-	-	-	-	-	(363)
Acquisition of treasury stock	-	-	-	(2)	-	-	-	-	-	(2)
Disposition of treasury stock	-	(43)	-	98	-	-	-	-	-	55
Other changes	-	-	-	-	(2,154)	52	5,098	(3)	(19,822)	(16,829)
Balance at 31 March 2010	\$312,403	\$220,457	\$67,256	\$(171,130)	\$2,227	-	\$(23,181)	-	\$37,215	\$445,247

Consolidated Statements of Cash Flows

For the years ended 31 March 2010, 2009 and 2008	2010	Millions of yen 2009	Thousands of U.S. dollars 2008	Thousands of U.S. dollars 2010
Cash flows from operating activities:				
Income/(loss) before income taxes and minority interests	¥1,779	¥(2,950)	¥2,244	\$19,120
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities:				
Depreciation	2,699	3,032	2,551	29,006
Loss on impairment of fixed assets	2,248	2,583	1,393	24,161
Amortization of goodwill	535	566	563	5,750
Amortization of intangible assets	1,495	1,126	1,008	16,065
Reversal of allowance for doubtful accounts	85	4	(144)	913
Increase/(Decrease) in accrued bonuses for employees	(421)	(18)	316	(4,528)
Increase/(Decrease) in reserve for retirement benefits	254	(152)	(546)	2,730
Increase/(Decrease) in provision for loss on litigation	2,549	-	-	27,393
Accrued interest and dividends income	(85)	(125)	(189)	(912)
Accrued interest expenses	507	492	281	5,450
Foreign exchange losses	196	(9)	(33)	2,108
Equity in earnings of unconsolidated subsidiaries and affiliates	73	499	658	786
Loss on disposal of property and equipment	179	219	523	1,926
Loss/(Gain) on sale/disposal of investments in securities, net	(156)	41	(260)	(1,679)
Loss on write-down of investments in securities, net	888	-	-	9,547
Loss/(Gain) on sale of investments in unconsolidated subsidiaries and affiliates, net	(407)	23	(458)	(4,376)
Gain on liquidation of affiliates	-	(2,940)	-	-
write-down of investments of affiliates	356	526	506	3,821
Gain on dilution of equity interest	78	(70)	(482)	837
Loss/(Gain) on transfer of business	(3,960)	-	-	(42,557)
(Increase)/Decrease in notes and accounts receivable	(647)	1,266	(3,167)	(6,951)
(Increase)/Decrease in investments in securities for operating purposes	-	117	(3,912)	-
Write-downs of investments in securities for operating purposes	-	3,944	2,556	-
(Increase)/Decrease in work and software in progress and merchandise	251	332	169	2,699
Increase / (Decrease) in accounts payable	(637)	(1,698)	1,300	(6,848)
Other, net	405	1,242	1,385	4,366
Subtotal	8,264	8,050	6,262	88,827
Interest and dividends received	279	170	179	3,000
Interest paid	(511)	(488)	(292)	(5,497)
Income taxes paid	(367)	(3,167)	(5,388)	(3,942)
Income taxes refunded	560	-	-	6,016
Net cash provided by operating activities	¥8,225	¥4,565	¥761	\$88,404

U.S.dollars amounts are translated from yen, solely for convenience of the reader, at the rate of ¥93.04=U.S.\$1.

For the years ended 31 March 2010, 2009 and 2008	2010	Millions of yen 2009	Thousands of U.S. dollars 2008	Thousands of U.S. dollars 2010
Cash flows from investing activities:				
Deposit of long-term deposits	¥(383)	¥(324)	¥(486)	\$(4,121)
Withdrawal of long-term time deposits	193	254	116	2,078
Purchases of property and equipment	(739)	(3,162)	(4,764)	(7,942)
Purchases of intangibles	(938)	(2,504)	(3,151)	(10,078)
Purchases of investments in securities	(194)	(143)	(806)	(2,088)
Proceeds from sale of investments in securities	689	488	327	7,408
Proceeds from repayment of investments in securities	32	-	-	344
Purchases of investments in affiliates	(1)	(546)	(3,317)	(5)
Proceeds from sale of investments in affiliates	487	27	786	5,238
Proceeds from liquidation of subsidiaries and affiliates	33	-	-	358
Payments for purchases of stock from minority shareholders	(324)	(618)	-	(3,484)
Payments for purchases of investments in subsidiaries resulting in change in scope of consolidation	-	(302)	(892)	-
Proceeds from purchases of investments in subsidiaries resulting in changes in scope of consolidation	-	-	83	-
Payments for sale of investments in subsidiaries resulting in change in scope of consolidation	(179)	(204)	-	(1,924)
Proceeds from transfer of business	4,192	-	-	45,055
Purchases of other investments and guarantee deposits	(332)	(1,099)	(128)	(3,565)
Proceeds from other investments and guarantee deposits	1,517	1,067	(301)	16,286
Net cash used in investing activities	4,053	(7,066)	(12,533)	43,560
Cash flows from financing activities:				
Repayment of short-term bank loans	(15,167)	(89,802)	(5,874)	(163,013)
Proceeds from short-term bank loans	11,160	92,747	6,548	119,948
Repayment of long-term bank loans	(675)	(101)	(126)	(7,254)
Proceeds from long-term bank loans	6,549	4,210	7,500	70,384
Repayment of bonds	(836)	(5,322)	(66)	(8,985)
Proceeds from issuance of straight bond	100	4,500	-	1,075
Repurchases of treasury stock	(0)	(1,994)	(2,067)	(2)
Proceeds from sale of treasury stock	5	31	25	55
Cash dividends paid	-	(1,640)	(1,705)	-
Dividends paid to minority interests	(5)	(12)	(11)	(56)
Proceeds from stock issuance to minority interests	-	470	868	-
Other, net	(73)	-	-	(780)
Net cash (used in) provided by financing activities	1,058	3,087	5,092	11,372
Effect of exchange rate changes on cash and cash equivalents	75	(1,242)	(281)	806
Net increase/(decrease) in cash and cash equivalents	13,411	(656)	(6,961)	144,142
Cash and cash equivalents at beginning of year	14,212	14,822	21,783	152,751
Increase due to increase in consolidated subsidiaries	-	46	-	-
Cash and cash equivalents at end of year	¥27,623	¥14,212	¥14,822	\$296,893

Non-Consolidated Balance Sheets

At 31 March 2010 and 2009	2010	Millions of yen 2009	Thousands of U.S. dollars 2010
ASSETS			
Current Assets:			
Cash and time deposits	¥20,121	¥5,684	\$216,263
Investments in securities for operating purposes	-	8,264	-
Notes and accounts receivable:			
Third parties	20,343	19,596	218,651
Subsidiaries and affiliates	92	102	986
	20,435	19,698	219,637
Less: allowance for doubtful accounts	(54)	(80)	(576)
	20,381	19,618	219,061
Short-term loans receivable from subsidiaries	204	130	2,193
Work and software in progress and merchandise	84	173	898
Merchandise	4	2	38
Supplies	12	12	124
Prepaid expenses	585	968	6,289
Accounts receivable-other	157	1,112	1,689
Deferred tax assets	3,305	1,612	35,517
Other current assets	283	552	3,053
Total current assets	45,136	38,127	485,125
Investments and Advances:			
Investments in securities	6,264	781	67,322
Investments in and advances to subsidiaries and affiliates	13,937	17,333	149,792
Investments in other securities of subsidiaries and affiliates	196	197	2,104
Long-term loans receivable from subsidiaries	4,656	3,098	50,041
Other investments	94	210	1,019
Less: allowance for doubtful accounts	(3,054)	(3,226)	(32,824)
Total investments and advances	22,093	18,393	237,454
Property and equipment, at cost, less accumulated depreciation	4,061	6,150	43,649
Leasehold deposits	3,243	3,676	34,861
Deferred charges, intangibles and other	3,816	5,383	41,016
Deferred tax assets	3,634	5,220	39,054
Prepaid pension costs	1,846	2,109	19,842
Total assets	¥83,829	¥79,058	\$901,001

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At 31 March 2010 and 2009	2010	Millions of yen 2009	Thousands of U.S. dollars 2010
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Short-term debt	¥ -	¥2,500	\$ -
Current portion of long-term bank loans	8,485	583	91,197
Current portion of bonds	1,050	800	11,285
Accounts payable:			
Third parties	4,630	5,200	49,766
Subsidiaries and affiliates	944	1,058	10,142
	5,574	6,258	59,908
Income taxes payable	333	101	3,581
Accrued expenses	4,064	4,329	43,676
Accrued bonuses for employees	2,436	2,854	26,187
Other current liabilities	1,637	1,714	17,596
Total current liabilities	23,579	19,139	253,430
Non-Current Liabilities:			
Bonds	2,650	3,700	28,482
Long-term debt	15,433	17,917	165,870
Provision for loss on debt guarantees	2,549	1,069	27,393
Other non-current liabilities	156	68	1,682
Total non-current liabilities	20,788	22,754	223,427
Total liabilities	44,367	41,893	476,857
Net assets:			
Stockholders' Equity			
Common stock:			
Authorized 150,000,000 shares at 31 March 2010 and 2009			
Issued 48,794,046 shares at 31 March 2010 and 2009	29,066	29,066	312,403
Other capital surplus	20,511	23,010	220,457
Retained earnings	5,608	4,354	60,270
Treasury stock, at cost, 7,646,736 and 9,484,713 shares at 31 March 2010 and 2009, respectively	(15,922)	(19,750)	(171,130)
Total stockholders' equity	39,263	36,680	422,000
Valuation and translation adjustments:			
Valuation difference on available-for-sale securities:	199	485	2,144
Total net assets	39,462	37,165	424,144
Total liabilities and net assets	¥83,829	¥79,058	\$901,001

Non-Consolidated Statements of Income

For the years ended 31 March 2010, 2009 and 2008

	2010	Millions of yen 2009	2008	Thousands of U.S. dollars 2010
Net Sales	¥124,281	¥137,060	¥133,021	\$1,335,778
Cost of Sales	103,111	114,446	105,723	1,108,245
Gross profit	21,170	22,614	27,298	227,533
Selling, general and administrative expenses	15,683	18,813	19,248	168,558
Operating income	5,487	3,801	8,050	58,975
Non-operating income (expenses):				
Interest income	102	169	124	1,096
Interest expense	(395)	(389)	(217)	(4,241)
Dividend income	218	54	41	2,341
Interest income on securities	2	-	-	19
Interest on bonds	(69)	(51)	-	(746)
Commitment fee	(98)	(192)	-	(1,057)
Loss on investment of voluntary association	-	(380)	-	-
Loss on investments in partnership	(219)	-	-	(2,349)
Loss on sale/disposal of property and equipment	(152)	(116)	(425)	(1,630)
Provision for loss on litigation	(2,549)	-	-	(27,393)
Loss on impairment of fixed assets	(1,582)	(140)	-	(16,999)
Gain on sale of non-current assets	10	7	-	108
Loss on sale of non-current assets	-	(59)	-	-
Gain on subsidy account	553	159	33	5,943
Gain on sale/disposal of investment in securities	125	11	5	1,339
Loss on sale/disposal of investment in securities	-	(52)	-	-
Gain on sale/disposal of investment in affiliates	-	-	74	-
Write-down of investment in affiliates	(1,202)	(1,493)	(662)	(12,922)
Loss on dissolution of subsidiary	(93)	(15,531)	-	(1,005)
Gain on dissolution of subsidiary	499	32	188	5,363
Write-down of marketable securities and investment in securities	(1,491)	(31)	(119)	(16,023)
Reversal of reserve for loss on liabilities for guarantee	-	(1,069)	-	-
Provision for loss on debt guarantees	1,069	-	-	11,489
Limited liability partnership investment loss	-	-	(70)	-
Loss in investment in movie business fund	-	(365)	(123)	-
Compensation for eviction and relocation of offices	-	-	219	-
Gain on transfer of business	3,960	-	-	42,557
Loss on extinguishment of tie-in share	(1,110)	-	-	(11,931)
Other, income	666	96	198	7,158
Other, expenses	(2,317)	(1,011)	(720)	(24,898)
Total non-operating income (expenses)	(4,073)	(20,351)	(1,454)	(43,781)
Income(loss) before income taxes	1,414	(16,550)	6,596	15,194
Income taxes				
- Current	70	44	3,206	755
- Deferred	90	(5,468)	72	965
Net income (loss)	¥1,254	¥(11,126)	¥3,318	\$13,474

Yen

U.S. dollars

Per share:

Basic net income(loss) per share	¥31.88	¥(281.69)	¥78.60	\$0.34
Cash dividends	¥10.0	¥ -	¥40.0	\$0.11
Weighted average number of shares (in thousands)	39,328	39,497	42,218	-

U.S. dollars amounts are translated from yen, solely for convenience of the reader, at the rate of ¥93.04=U.S.\$1.

Non-Consolidated Statements of Changes in Net Assets

For the years ended 31 March 2010 and 2009

	Number of shares of common stock in issue	Millions of yen						
		Common stock	Other capital surplus	Retained earnings	An earned surplus reserve	Treasury stock, at cost	Unrealized gains on marketable securities and investments in securities	Total
Balance at 31 March 2008	48,794,046	¥29,066	¥23,058	¥16,949	¥171	¥(17,835)	¥349	¥51,758
Cash dividends	-	-	-	(1,804)	164	-	-	(1,640)
Acquisition of treasury stock	-	-	-	-	-	(1,994)	-	(1,994)
Disposal of treasury stock	-	-	(48)	-	-	79	-	31
Net loss for the year ended 31 March 2009	-	-	-	(11,126)	-	-	-	(11,126)
Other changes	-	-	-	-	-	-	136	136
Balance at 31 March 2009	48,794,046	¥29,066	¥23,010	¥4,019	¥335	¥(19,750)	¥485	¥37,165
Changes by share exchanges	-	-	(2,495)	-	-	3,819	-	1,324
Changes by merger	-	-	(0)	-	-	-	-	-
Acquisition of treasury stock	-	-	-	-	-	(0)	-	(0)
Disposal of treasury stock	-	-	(4)	-	-	9	-	5
Net income for the year ended 31 March 2010	-	-	-	1,254	-	-	-	1,254
Other changes	-	-	-	-	-	-	(286)	(286)
Balance at 31 March 2010	48,794,046	¥29,066	¥20,511	¥5,273	¥335	¥(15,922)	¥199	¥39,462

Thousands of U.S. dollars

Balance at 31 March 2008	\$312,403	\$247,824	\$182,169	\$1,833	\$(191,685)	\$3,747	\$556,291
Cash dividends	-	-	(19,385)	1,762	-	-	(17,623)
Acquisition of treasury stock	-	-	-	-	(21,429)	-	(21,429)
Disposal of treasury stock	-	(515)	-	-	849	-	334
Net loss for the year ended 31 March 2009	-	-	(119,583)	-	-	-	(119,583)
Other changes	-	-	-	-	-	1,460	1,460
Balance at 31 March 2009	\$312,403	\$247,309	\$43,201	\$3,595	\$(212,265)	\$5,207	\$399,450
Changes by share exchanges	-	(26,807)	-	-	41,036	-	14,229
Changes by merger	-	(2)	-	-	3	-	1
Acquisition of treasury stock	-	-	-	-	(2)	-	(2)
Disposal of treasury stock	-	(43)	-	-	98	-	55
Net income for the year ended 31 March 2010	-	-	13,474	-	-	-	13,474
Other changes	-	-	-	-	-	(3,063)	(3,063)
Balance at 31 March 2010	\$312,403	\$220,457	\$56,675	\$3,595	\$(171,130)	\$2,144	\$424,144

CORPORATE INFORMATION

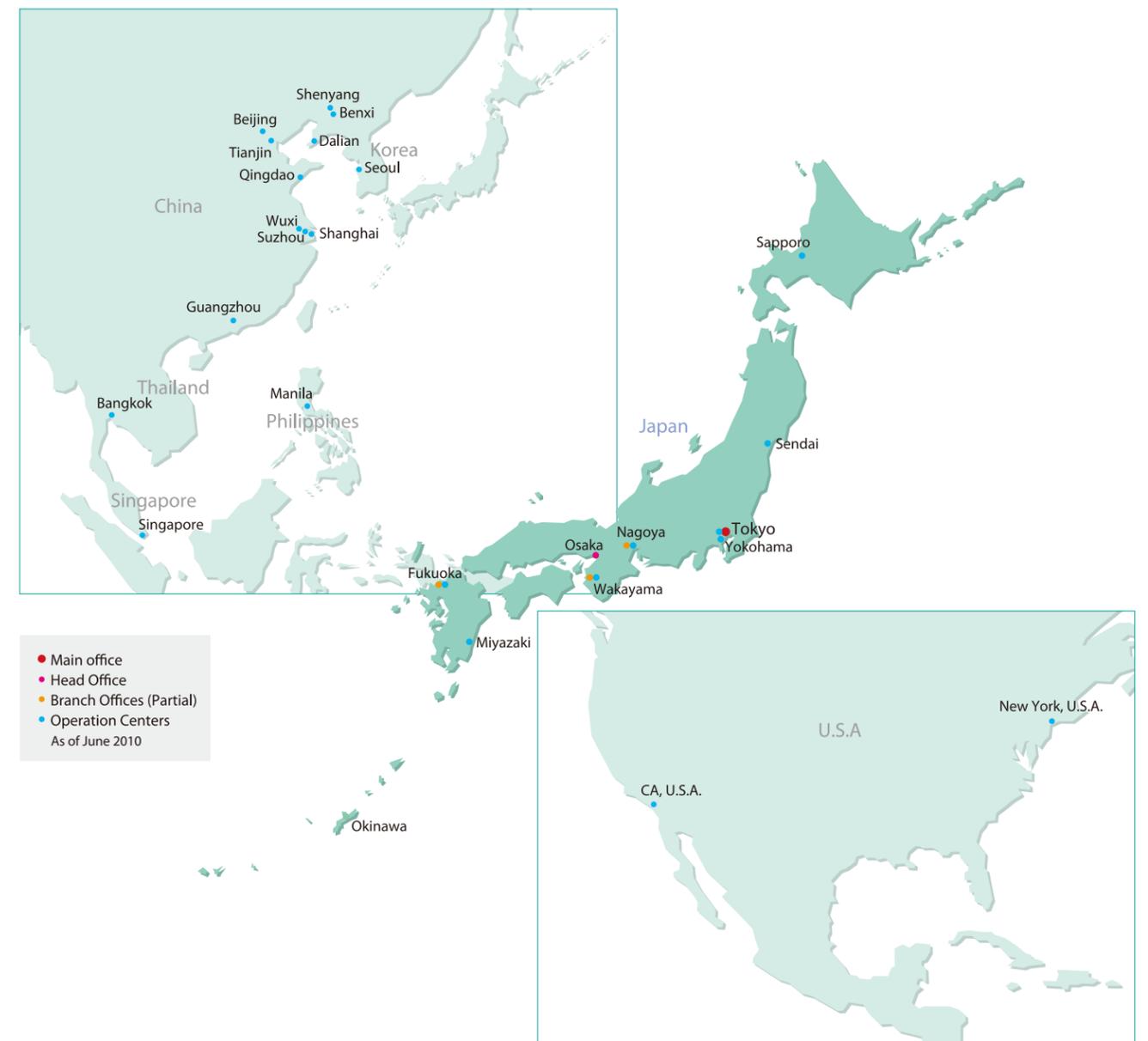
Name	transcosmos inc.
Head Office	3-25-18, Shibuya, Shibuya-ku, Tokyo 150-8530 Japan
Incorporated	18 June 1985
Capital	¥29,065,968,631
Employees	15,634(group), 9,035(parent) (as of 31 March 2010)
Major Banks	Sumitomo Mitsui Banking Corporation Mizuho Corporate Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd.

STOCK INFORMATION

Accounting Year-end	31 March
Month of General Stockholders' Meeting	June
Issued Common Stocks	48,794,046
Number of Stockholders	27,097 (as of 31 March 2010)
Stock Exchange Listing	Tokyo Stock Exchange
Auditing Corporation	Ernst & Young ShinNihon

OFFICERS

Founder & Group CEO	Koki Okuda
Chairman & CEO	Koji Funatsu
President & COO	Masataka Okuda
Senior Executive Managing Director	Koichi Iwami
Executive Managing Director	Hiroyuki Mukai Masakatsu Moriyama Shinichi Nagakura
Member, Board of Director	Takeshi Natsuno Jutaro Takinami Taiki Yoshioka
Corporate Senior Officer	Kunio Shimofusa Masaaki Muta Hiroshi Kaizuka Kokkei Nakayama Yoichi Kawano
Corporate Officer	Masatoshi Kouno Masahito Nonomura Yasuhiro Hayami Kazuhiro Yamaki Masayuki Tada Hitoshi Honda Kazuhiro Umemura Kazuhiro Shimizu
Standing Auditor	Hideaki Ishioka
Auditor	Kichiro Takao Kazushi Watanabe Toshiaki Nakamura



As of 1 July 2010

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