



transcosmos inc.  
Securities Code: 9715

FY **2025/3**

# Business Report

April 1, 2024 ▶▶▶ March 31, 2025

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**Global Digital Transformation Partner**

Note: This English translation is for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.



# Dear Stakeholders,

We would like to express our sincere appreciation to shareholders and investors for your continued exceptional support. Along with greetings to our shareholders and investors, we hereby present a report on our performance for the fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025).



## Summary of Business Results

In the fiscal year under review, the Japanese economy recovered at a moderate pace with improving employment conditions and income situation. Despite this, the economic outlook remains uncertain as the impact of shifts in U.S. policies including trade policies, China's economic concerns, and prolonged price hikes pose downside risks to private consumption as a result of downturn in consumer sentiment, etc.

In the business environment where our Group operates, demands for services that use digital technology to increase productivity, cost competitiveness, and sales continue to grow as digital technologies evolve while labor shortages persist.

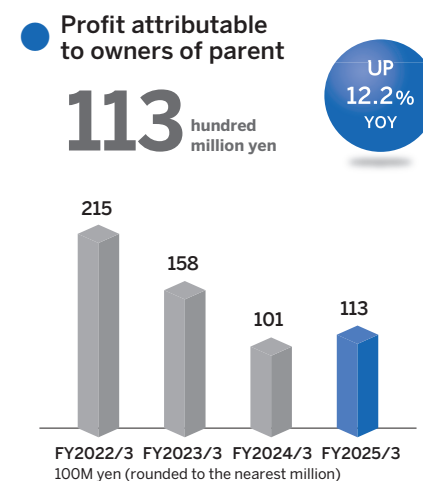
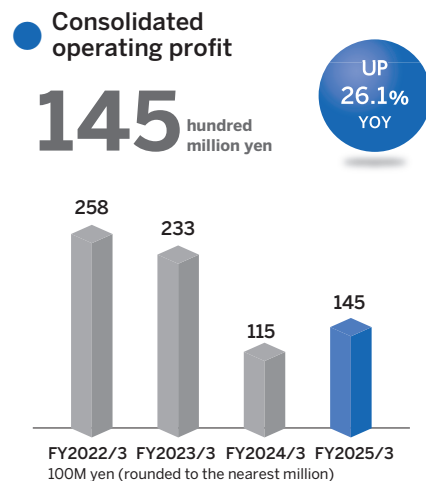
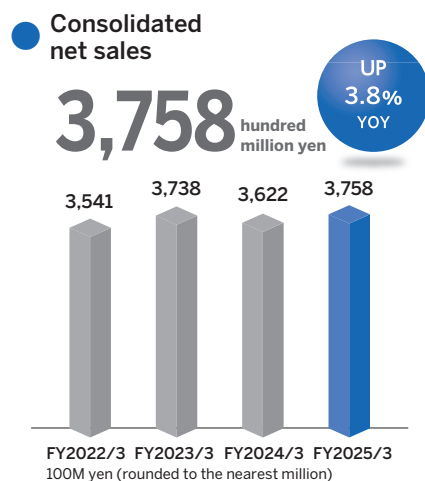
Against this backdrop, our Group proactively delivered both Customer Experience (CX) and Business Process Outsourcing (BPO) services that help clients transform their businesses, and successfully grew bookings. We also pushed forward

initiatives toward achieving our Medium-term Business Plan 2024/3-2026/3.

## Initiatives towards evolving into a Technology Solutions Company

To evolve into a Technology Solutions Company, in the CX services domain, we have actively promoted our unique and competitive CX platform—trans-DX for Support—hitting the target to implement the platform to 100 companies. We also focused on developing and providing services powered by generative AI and other digital technologies. Specifically, we have released trans-AI Chat, a proprietary developed chatbot solution that seamlessly connects generative AI chatbot and agent chat in South Korea, Japan, and China. In addition, by incorporating generative AI into our contact center operations, we have developed a solution that assists contact center supervisors and agents in performing their work as well as elevating service quality with greater efficiency.

In the BPO services domain, we have pushed forward trans-Xsynk, a solution that converts data on non-standard formats into text with the combined power of AI-powered optical character recognition (OCR), generative AI, and operations. At the same time, we also focused on reinforcing expertise through forming joint ventures (JV) with clients as well as strengthening the service delivery framework to push our digital BPO services. More specifically, we have agreed with OMRON Corporation to establish OMRON TRANSCOSMOS PROCESS INNOVATION Co., Ltd., a joint venture aimed at streamlining back-office operations across OMRON group. Consolidating all business process operations for HR, finance and accounting, and general administration functions across OMRON group to the new company, the new company will act as a shared services center that will further enhance operational quality and optimize operations with the combination of our operational expertise and know-how in IT-driven automation and optimization. As for the service delivery framework, we have opened BPO Center Sapporo Kita-Hachijo in Sapporo City, Hokkaido, specifically designed for helping the construction industry plan and embed digital initiatives. In addition, we have opened BPO Center Nagasaki



Stadium City, a flagship center toward digital transformation (DX) in the BPO business in an office tower in Nagasaki Stadium City.

### Initiatives towards growing the Global Business

We have expanded businesses with world-leading multinational companies in the global market, particularly in Asia, and grew orders in multiple countries and regions. We also increased the number of centers to reinforce the service delivery framework on a global scale, opening operation centers in China, South Korea, and Vietnam. With these openings, we now have a service delivery network of 112 bases (as of March 2025) across 35 countries and regions overseas. Through the enhanced network, we will continue to provide CX and BPO services to local companies as well as companies expanding into new markets.

### A Message to our Shareholders

Over the past years, we have been paying a stable dividend based on our current fundamental dividend policy. Aiming to deliver enhanced returns to shareholders, we have decided to further clarify our commitment to returning profits to shareholders by raising the consolidated dividend payout ratio to a level that substantially exceeds the previous levels. Accordingly, we have changed our fundamental dividend policy to distribute appropriate levels of dividends in line with our business performance with a target consolidated dividend payout ratio of 35% from dividend for the fiscal year ended March 31, 2025. In line with this renewed policy, we will pay a year-end dividend of 106 yen per share for the fiscal year ended March 31, 2025.

Under the Medium-term Business Plan 2024/3-2026/3, we have set KPI targets of net sales of at least ¥450.0 billion and an operating margin of 6.0-8.0% in FY2026/3. However, we

now expect it would be challenging to achieve the targets due to various factors including China's economic slowdown, continued cautious business attitudes to investing in the post-COVID-19 years, a higher-than-expected rise in personnel expenses, and still ongoing price adjustments for technology-related services. For the fiscal year ending March 31, 2026, we aim to achieve net sales of ¥400.0 billion, up 6.4% from this year, operating profit of ¥15.5 billion, up 7.1% from this year, and operating margin of 3.9%. Driving our strategic initiatives set under the current medium-term business plan, we will maintain an upward trend in both sales and profits and build a solid foundation towards the next medium-term business plan.

Thank you for your continued support.

# Our Business

## Global Digital CX Services

### Digital Marketing Services

We offer total support services from digital marketing campaigns to website development, management and analytics with our 3,000 people, one of the largest service networks in Asia.

- Blended delivery model using onsite, offshore bases across Asia, and nearshore.
- Optimum services tailored to each industry and business model built on our extensive experience and know-how gained from working with over 600 clients each year.
- Cutting-edge services, including ad tech and MA, services for LINE/other social media, and integrated marketing powered by CDP.

#### Main Group companies



### E-Commerce One-Stop Services

Our one-stop services provide all the required features for e-commerce, in line with e-commerce and brand strategies of each business.

- 46 countries/regions, with a focus on e-commerce growth markets.
- Support services for e-commerce businesses tailored to characteristics & culture of each target market in partnership with leading firms in Asia and Europe and America.
- Full-packaged services for e-commerce, from developing business framework to operations.

#### Main Group companies



## Global Digital BPO Services

### Business Process Outsourcing Services

We provide a range of services that underpin clients' end-to-end business foundation. With a high level of expertise at the core, we fully optimize business processes with a data-driven approach, combining cross-industry and industry-specific BPO services while utilizing the latest digital technologies.

- Highly competitive service framework with one of Japan's largest offshore service networks (18 bases in Asia) and domestic nearshore centers.
- Superior quality backed by operational excellence and a strong track record built over 58 years since our foundation.
- Highly specialized services from IT and back-office that are common across a range of industries to industry-specific services including design, construction, and production works.

#### Main Group companies



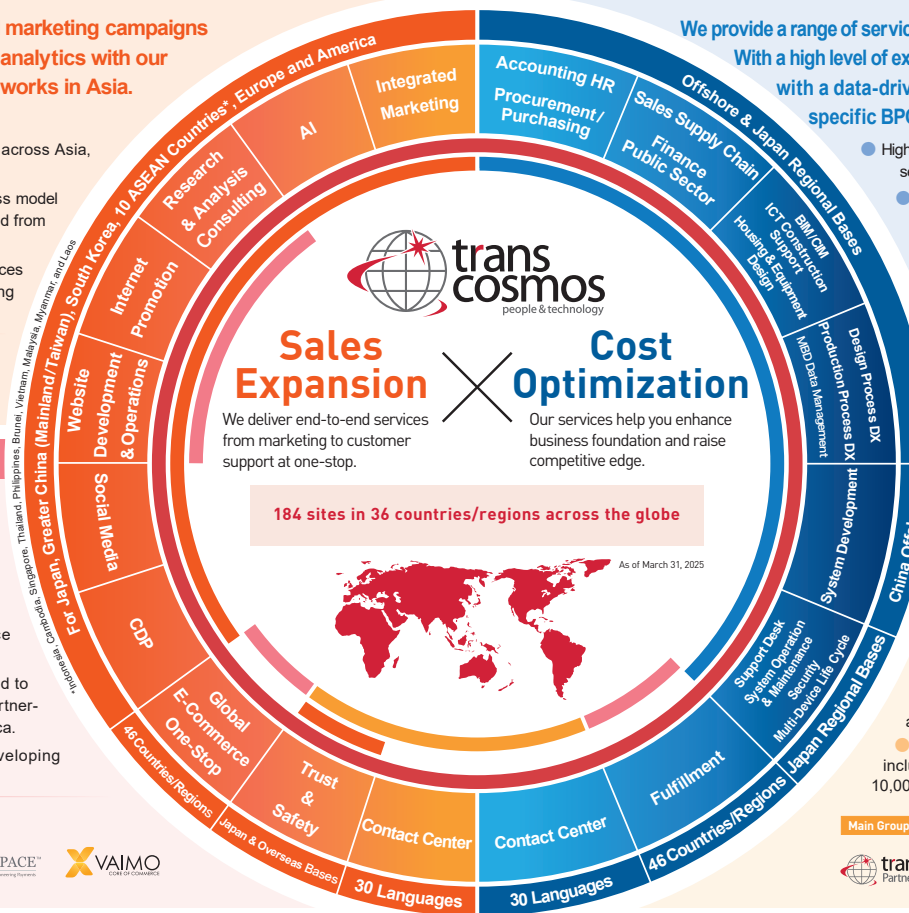
### Contact Center Services

We optimize communication between businesses and their customers, and digitize customer touchpoints with our operational network, one of the largest in Asia.

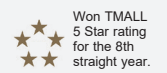
- 32 bases in Japan and 45 bases overseas (42,050 workstations in total). \*Including bases of partners/associates.
- Superior quality underpinned by our people development programs and many years of center management operations as the No.1 contact center services player in Japan (\*1).
- Diverse CX solutions powered by various digital technologies including chat and speech recognition in 30 languages, with over 10,000 home-based contact center workstations.

\*1 Source: FY2023 Call Center Sales Ranking, TSUHAN SHIMBUNSYA

#### Main Group companies



Named a Leader for the 4th year in a row in CXM service providers in the Asia Pacific region by Everest Group.

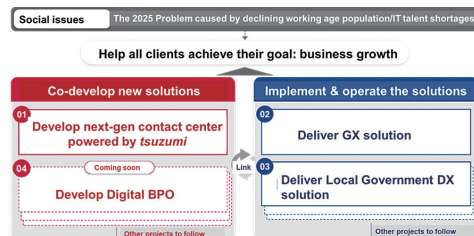


Won TMALL 5 Star rating for the 8th straight year.

# H1 FY2025/3 Highlights

## Entered into strategic partnership agreement with NTT Com in Digital BPO Solution services domain in AI-driven age

Under the agreement, we will combine NTT Com's AI and other technologies and infrastructures with our advanced business expertise and DX talent to provide Digital BPO solutions that support businesses more than ever before. We will deepen the partnership in developing new solutions as well as in implementing and operating solutions for clients to drive their DX initiatives, and ultimately contribute to creating a prosperous society.



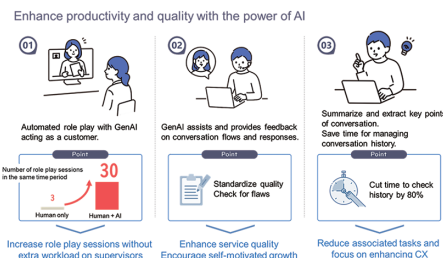
## Selected as Noteworthy DX Company 2024 under Digital Transformation Stock Selection (DX Stock) program by METI & TSE

As part of their effort to encourage Japanese companies to strategically utilize IT in order to improve corporate value and fortify competitiveness on a mid-to long-term basis, METI and TSE jointly select DX Stocks each year, i.e. outstanding companies that execute advanced digital transformation (DX) initiatives. In addition, among the selected DX Stocks, companies that have received high overall scores, and ones that carried out noteworthy initiatives are named Noteworthy DX Companies. The Noteworthy DX Company 2024 marked the second time we won the award after receiving the award in 2022 for the first time.



## Enhances GenAI-powered contact center operations features at CX Squares

We have developed a solution that helps contact center supervisors and agents and drastically enhances service quality by deploying generative AI to our contact center management platform. We will start delivering this solution to clients for which we manage all customer touchpoints across customer service channels at our centers — CX Square—throughout Japan.



## Named Leader in Everest Group's CXM Services in APAC PEAK Matrix® Assessment 2024

We were named a Leader for the fourth year in a row in Customer Experience Management (CXM) service providers in the Asia Pacific region by Everest Group in its research paper "Customer Experience Management (CXM) Services PEAK Matrix® Assessment 2024," published in September 2024.



# H2 FY2025/3 Highlights

## OMRON and transcosmos to form a joint venture OMRON TRANSCOSMOS PROCESS INNOVATIONS Co., Ltd.\*1

We have agreed with OMRON to establish a joint venture, OMRON TRANSCOSMOS PROCESS INNOVATION Co., Ltd.\*1, to streamline back-office operations across OMRON Group. The new company to be established on July 1, 2025, and begin operations on the same day.

As a shared services center, the new company will manage back-office operations of HR, F&A, and GA functions at OMRON. Combining our operational expertise and know-how in automation and efficiency using IT, the new company will enhance the Group's operational quality and optimize business processes.

\*1: Name of the company is subject to change.

## Formed a joint venture vottia inc. with Mobilus to deliver AI agent platforms

We have agreed with Mobilus to form a joint venture, vottia inc., to deliver AI agent platforms for contact centers. With AI, vottia will innovate customer experience and transform customer touchpoints including chat.



## Celebrated the opening of BPO Center Nagasaki Stadium, DX flagship center in BPO business

We celebrated the opening of BPO Center Nagasaki Stadium City, our new center in an office tower in Nagasaki Stadium City, which celebrated its grand opening on October 24, 2024. The center becomes our fourth base in Nagasaki.

As a DX flagship, the center will promote Business Transformation (BX), offering service models that combine existing services, BPaaS, data utilization, AI, and various digital tools. Connecting diverse people and technology, we aim to deliver maximum synergy.



## Won the highest gold award in the PRIDE Index 2024, indicator evaluating LGBTQ+ initiatives at workplaces

We have received a gold award, the highest award in the PRIDE Index 2024, an overall indicator of workplace commitment to LGBTQ+ and other sexual minority-inclusive initiatives. The PRIDE INDEX was established in 2016 by a voluntary organization, work with Pride, as the first performance index to measure LGBTQ inclusion efforts at workplaces in Japan.



\*LGBTQ is an abbreviation for lesbian, gay, bisexual, transgender (used to describe someone whose gender does not match the body they were born with), and queer or questioning. It is an umbrella term which refers to sexual minorities.

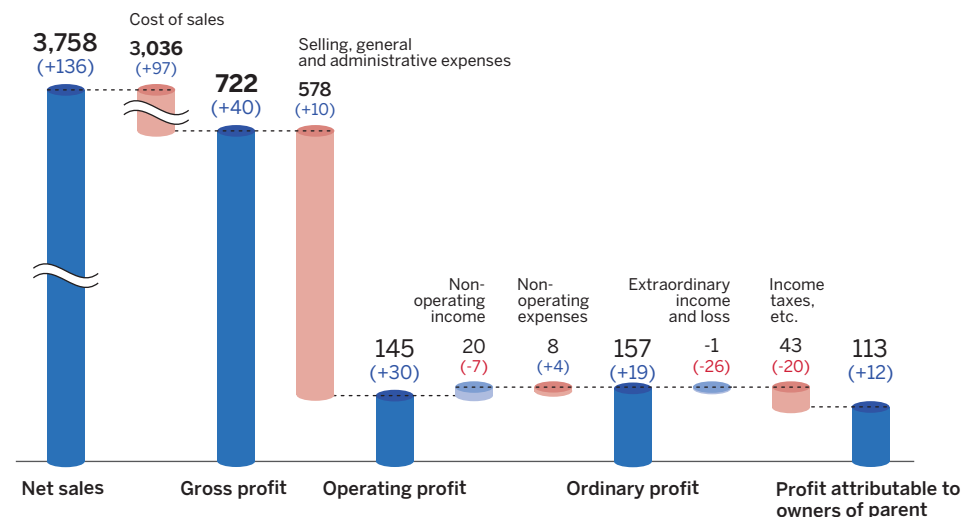


# Consolidated Financial Results

## Consolidated Statement of Income

100M yen (rounded to the nearest 100M yen)

FY2025/3 (April 1, 2024 – March 31, 2025)



Notes: 1. Bar graphs are not proportionate to corresponding values for ease of understanding.  
2. Figures in parentheses are year-over-year changes.

### Net sales

Net sales increased 3.8% year-over-year. Looking into results by segment, the Parent Company segment sales increased reflecting higher sales achieved by both BPO and CX services. The Domestic Affiliate segment sales increased supported by higher sales achieved by listed subsidiaries. The Overseas Affiliates segment sales increased reflecting higher sales achieved by subsidiaries in South Korea, Southeast Asia, and China as well as currency fluctuations.

### Operating profit

Operating profit increased 26.1% year-over-year. Looking closer by segment, profit increased in the Parent Company segment reflecting higher profitability achieved by both BPO and CX services. In the Domestic Affiliates segment, profit increased as group companies of a listed subsidiary turned a profit. The Overseas Affiliates segment also grew profit led by higher profitability in Chinese subsidiaries as a result of cost optimization efforts, as well as increased profits posted by subsidiaries in Southeast Asia and South Korea.

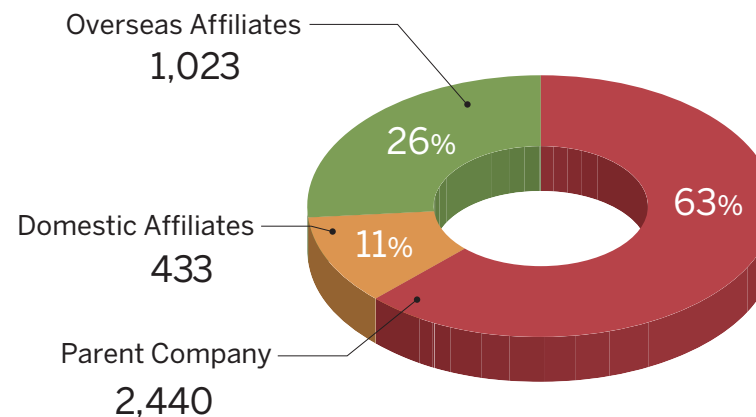
### Profit attributable to owners of parent

Net profit attributable to owners of parent increased 12.2% year-over-year reflecting higher operating profit and lower income taxes, offsetting a decline in non-operating income and extraordinary income.

## Net Sales by Segment

100M yen (rounded to the nearest 100M yen)

FY2025/3 (April 1, 2024 – March 31, 2025)



Notes: Figures are not adjusted for -13.7 billion yen of transactions between segments.

**Parent Company**

Outsourcing operations offered by the Company.

**Domestic Affiliates**

Outsourcing operations offered by domestic Group companies.

**Overseas Affiliates**

Outsourcing operations offered by overseas Group companies.

# Corporate & Stock Information

## Corporate Information (As of March 31, 2025)

Registered Name	transcosmos inc.
Date of Foundation	June 18, 1985
Paid-in Capital	¥29,065 million
Employees	Group : 70,653 (Japan: 43,612; Overseas: 27,041)
Major Banks	Sumitomo Mitsui Banking Corporation MUFG Bank, Ltd. Mizuho Bank, Ltd.
Headquarters	Sunshine 60 Bldg. 3-1-1, Higashi-Ikebukuro, Toshima-ku, Tokyo 170-6016 Japan Tel. +81-50-1751-7700 (Main phone number)
Main Office	Shibuya First Tower 1-2-20, Higashi, Shibuya-ku, Tokyo 150-0011 Japan

## Stock Information (As of March 31, 2025)

Shares Authorized for Issue	150,000,000
Shares Issued	43,863,116
Stockholders	8,857

## Principal Stockholders (As of March 31, 2025)

Name	Number of shares (thousand shares)	Ratio of shares (%)
transcosmos foundation	6,753	15.40
Masataka Okuda	6,404	14.60
The Master Trust Bank of Japan, Ltd. (Account in Trust)	3,439	7.84
Mihoko Hirai	1,463	3.34
Custody Bank of Japan, Ltd. (Account in Trust)	1,410	3.22
THE BANK OF NEW YORK MELLON 140042	1,082	2.47
STATE STREET BANK AND TRUST COMPANY 505001	899	2.05
CEPLUX- THE INDEPENDENT UCITS PLATFORM 2	800	1.82
Employee Shareholding Association of transcosmos inc.	722	1.65
Limited Company HM Kosan	722	1.65

Notes: 1. Other than the above, the Company retains 6,390 thousand shares of its own stock.  
2. Number of shares less than one thousand is rounded down to the nearest thousand.  
3. Shareholding ratio is rounded off to two decimal places.

## About abolishment of the shareholder benefit program

We have been offering a shareholder benefit program as part of shareholder returns. After careful consideration, in light of ensuring equal treatment for all shareholders, however, we have decided to abolish the program and concentrate on returning profits to shareholders through dividends and other means. We remain committed to returning profits to shareholders as one of our top management priorities, and continue to enhance our corporate value. Thank you very much for your kind understanding.

For more information, please visit here: [https://www.trans-cosmos.co.jp/english/ir/news/pdf/ir250430\\_e.pdf](https://www.trans-cosmos.co.jp/english/ir/news/pdf/ir250430_e.pdf)



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