

**Global Digital Transformation Partner**

# **FY2025/3 Earnings Conference Presentation**

**(April 1, 2024 – March 31, 2025)**



**April 30, 2025**

**transcosmos inc.**

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# Executive Summary



Consolidated net sales

**¥375.85bn**

(+¥13.65bn YoY)

Consolidated operating profit

**¥14.48bn**

(+¥3.00bn YoY)

transcosmos inc.  
net profit

**¥11.33bn**

(+¥1.23bn YoY)

Dividend per share  
(plan)

**¥106**

(+¥25 YoY)

- **Net sales hit a record high. Operating profit reached record high levels** (excluding three fiscal years impacted by COVID-related jobs from FY2021/3 to FY2023/3)
- **BPO services sales up 7.7% YoY and operating margin up 0.5 points. Captured outsourcing demands in full-time job areas and enhanced expertise through JVs in a society facing structural labor shortages caused by Japan's demographic problems.**
- **CX services sales up 2.8% YoY and operating margin up 0.6 points. Unique and competitive CX platform, trans-DX for Support, hit its target of winning orders from 100 companies.**
- **Overseas sales up 6.5%YoY and shares of overseas sales up 0.7 points, reflecting success in capturing service demands in growing Southeast Asian economies as well as a positive foreign-exchange impact.**
- **Developed trans-Xsynk and other AI-powered solutions and established a joint venture towards developing AI agent platforms.**
- **transcosmos inc. made a turnaround, posted net profit. EPS up from ¥269 to ¥302. Plans to raise the target dividend payout ratio to 35% and pay a dividend of ¥106 per share, up ¥25.**

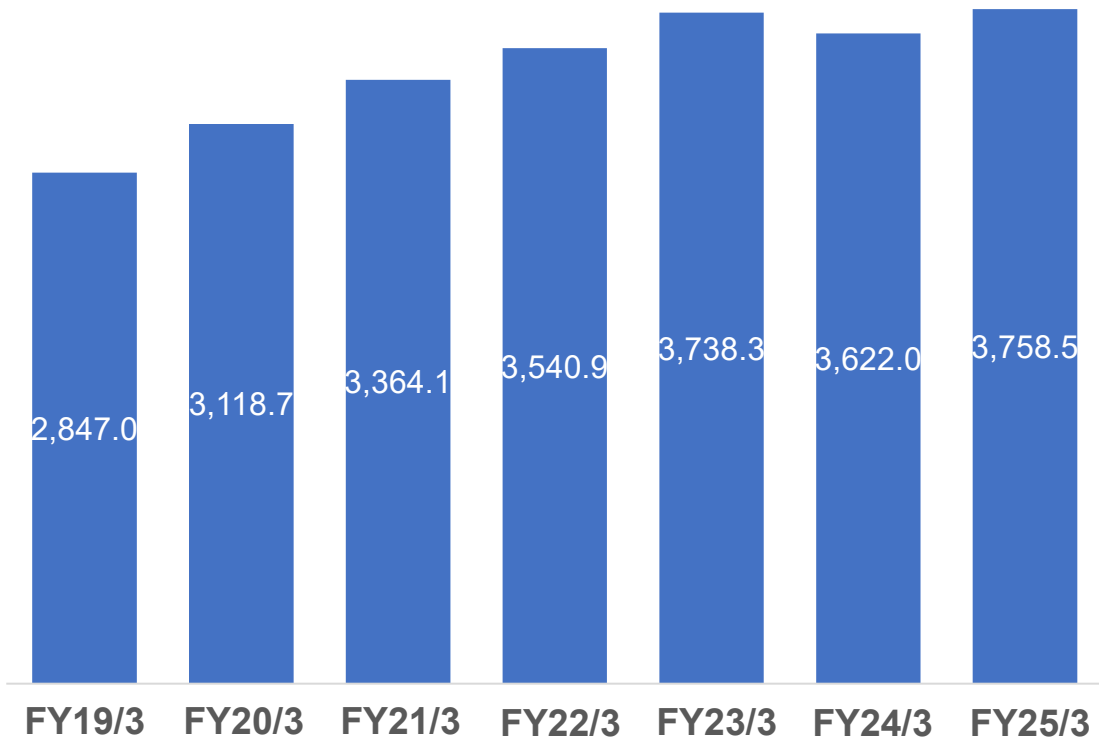
# Reference: Consolidated sales and operating profit trends (FY2019/3 to FY2025/3)



- Consolidates net sales: Hit a record high.
- Consolidate operating profit : Reached record-high levels (w/o three fiscal years impacted by COVID-related jobs from FY2021/3 to FY2023/3)

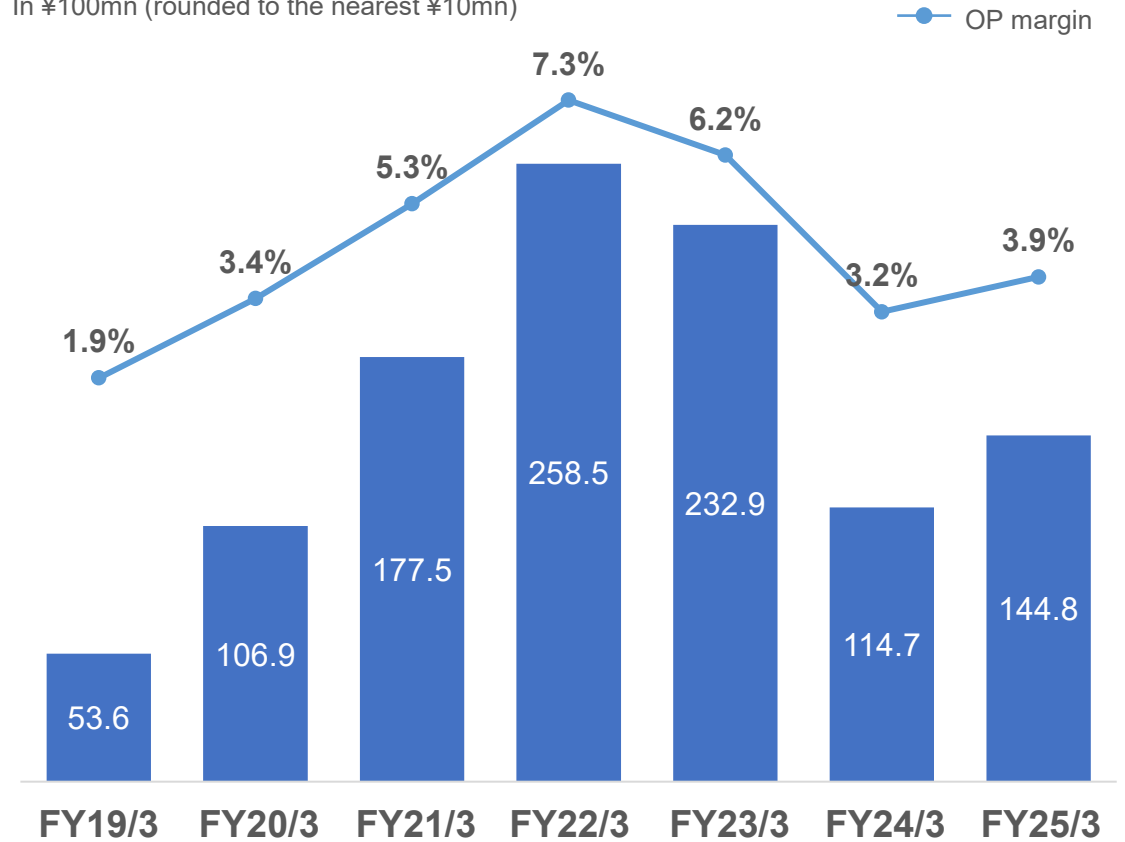
## Consolidated net sales trend

In ¥100mn (rounded to the nearest ¥10mn)



## Consolidated operating profit trend

In ¥100mn (rounded to the nearest ¥10mn)



# FY2025/3 Financial Results Summary



# Consolidated Income Statement Summary



In ¥100mn (rounded to the nearest ¥10mn)	FY2024/3		FY2025/3		Change	
	Amount	Mix	Amount	Mix	Amount	%Change
<b>Net sales</b>	<b>3,622.0</b>	<b>100.0%</b>	<b>3,758.5</b>	<b>100.0%</b>	<b>+136.5</b>	<b>+3.8%</b>
Net sales	2,367.2	65.4%	2,440.2	64.9%	+73.0	+3.1%
Domestic Affiliates	423.1	11.7%	432.9	11.5%	+9.8	+2.3%
Overseas Affiliates	956.7	26.4%	1,022.8	27.2%	+66.1	+6.9%
Elimination of intersegment transaction	-124.9	-3.5%	-137.4	-3.6%	-12.5	-10.0%
<b>Gross profit</b>	<b>682.5</b>	<b>18.8%</b>	<b>722.4</b>	<b>19.2%</b>	<b>+39.9</b>	<b>+5.8%</b>
<b>SG&amp;A expenses</b>	<b>567.8</b>	<b>15.7%</b>	<b>577.7</b>	<b>15.4%</b>	<b>+9.9</b>	<b>+1.7%</b>
<b>Operating profit</b>	<b>114.7</b>	<b>3.2%</b>	<b>144.8</b>	<b>3.9%</b>	<b>+30.0</b>	<b>+26.1%</b>
Net sales	70.0	3.0%	71.2	2.9%	+1.1	+1.6%
Domestic Affiliates	19.2	4.5%	28.7	6.6%	+9.5	+49.3%
Overseas Affiliates	25.5	2.7%	46.4	4.5%	+21.0	+82.4%
Elimination of intersegment transaction	0.1	-	-1.5	-	-1.6	-
<b>Non-operating income (loss)</b>	<b>23.1</b>	<b>0.6%</b>	<b>12.1</b>	<b>0.3%</b>	<b>-11.0</b>	<b>-47.6%</b>
<b>Ordinary profit</b>	<b>137.8</b>	<b>3.8%</b>	<b>156.8</b>	<b>4.2%</b>	<b>+19.0</b>	<b>+13.8%</b>
<b>Extraordinary income (loss)</b>	<b>25.8</b>	<b>0.7%</b>	<b>-0.6</b>	<b>-0.0%</b>	<b>-26.4</b>	<b>-</b>
<b>Profit attributable to owners of parent</b>	<b>101.0</b>	<b>2.8%</b>	<b>113.3</b>	<b>3.0%</b>	<b>+12.3</b>	<b>+12.2%</b>

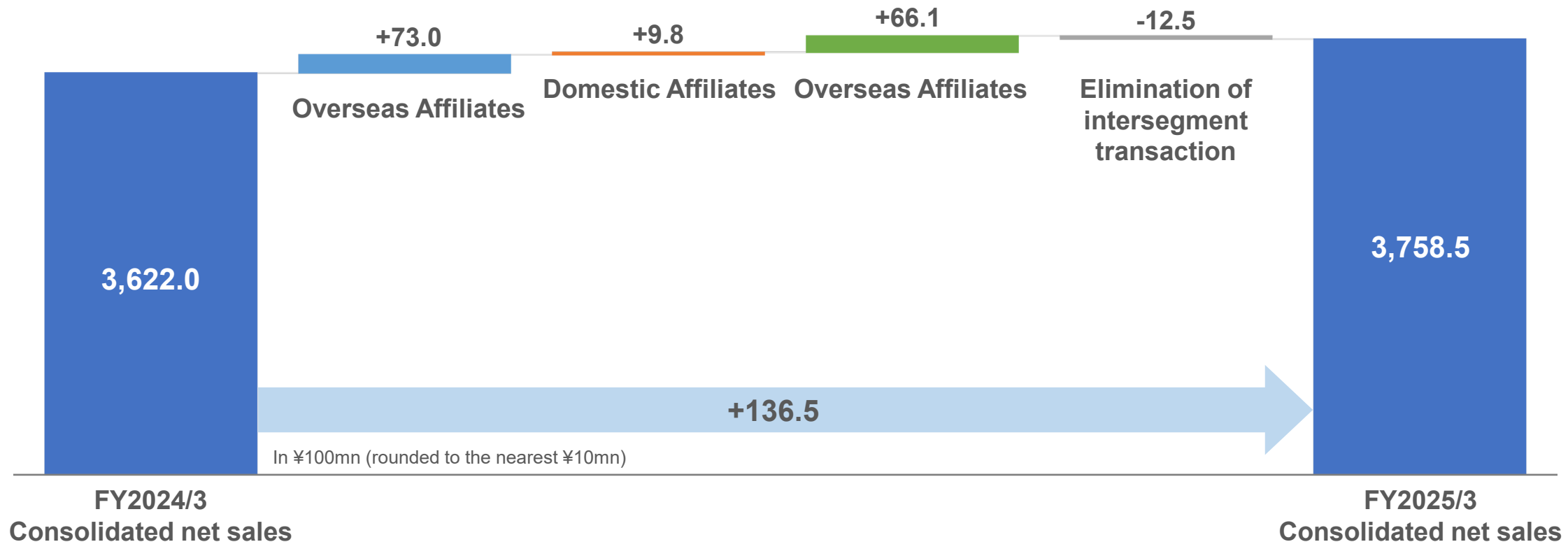
\*For each segment profit row, figures in the Mix columns are profit margins.

# Consolidated Net Sales Analysis



- Net sales up +13,650mn (+3.8%)

<b>Parent Company</b>	Up reflecting higher sales in both BPO and CX services.
<b>Domestic Affiliates</b>	Up reflecting higher sales in listed subsidiaries.
<b>Overseas Affiliates</b>	Up reflecting higher sales in subsidiaries in South Korea, Southeast Asia and China as well as positive impact of currency fluctuations, etc.

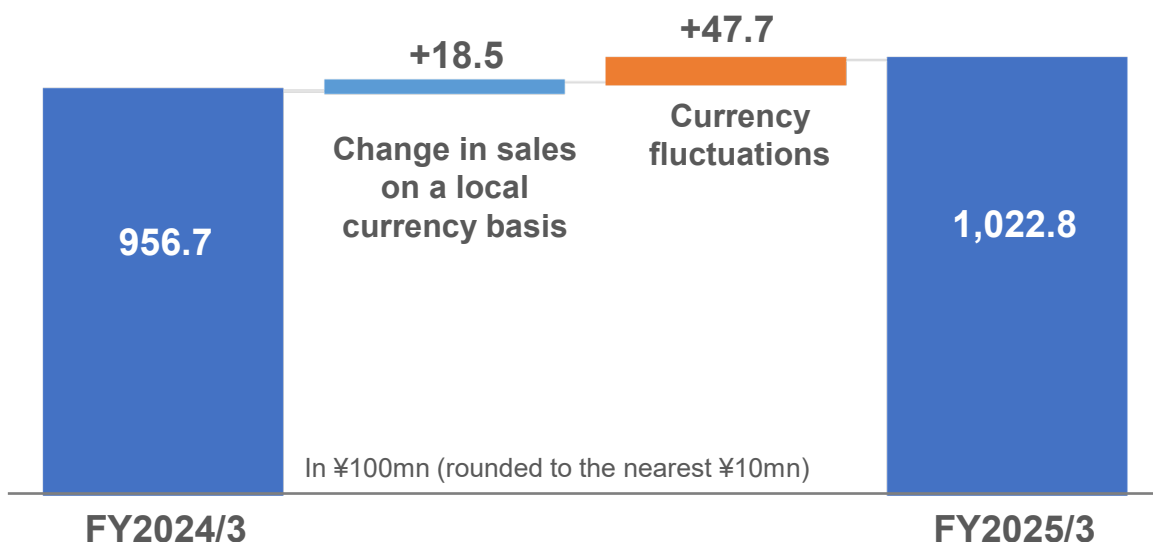


# Reference: Effects of currency fluctuations on Overseas Affiliate sales

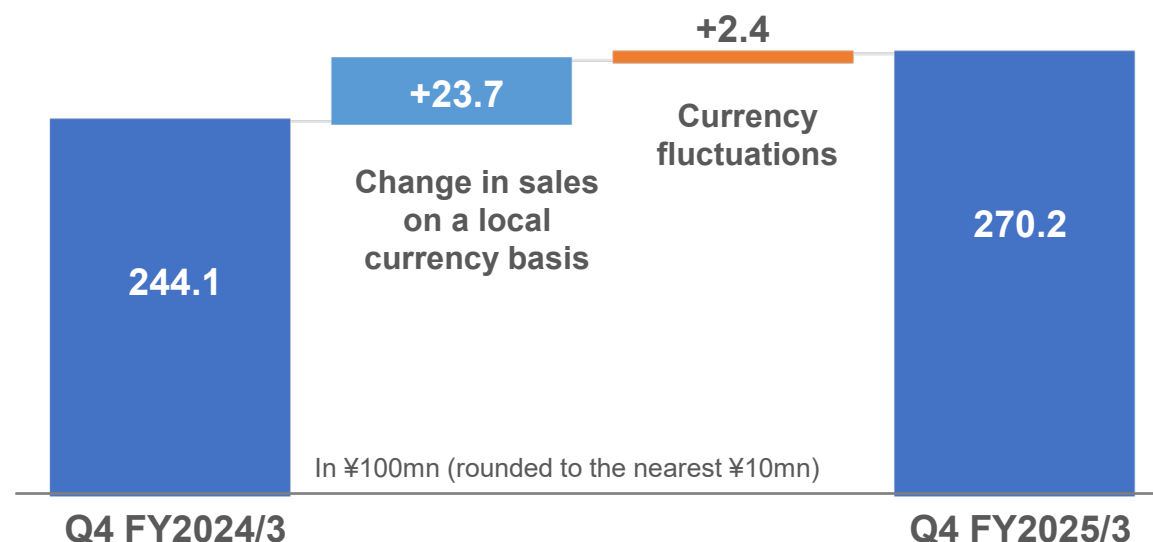


- FY2025/3: Net sales up ¥1,850mn on a local currency basis reflecting higher sales in subsidiaries in Southeast Asia, South Korea, and China. The yen remained weak from the beginning of the year and pushed up sales by ¥4,770mn.
- Q4: Same as above, net sales up ¥2,370mn reflecting higher sales. Currency fluctuations pushed up sales by ¥240mn.

## YoY change in Overseas Affiliates segment sales



## YoY change in Overseas Affiliates segment sales (Q4)



\*The bar charts above only show the effects of currency fluctuations on overseas subsidiaries that have a major impact on the Company's consolidated financial results when translating financial statements into the reporting currency to produce consolidated financial statements. The effects of currency fluctuations have little impact on the consolidated operating profit.

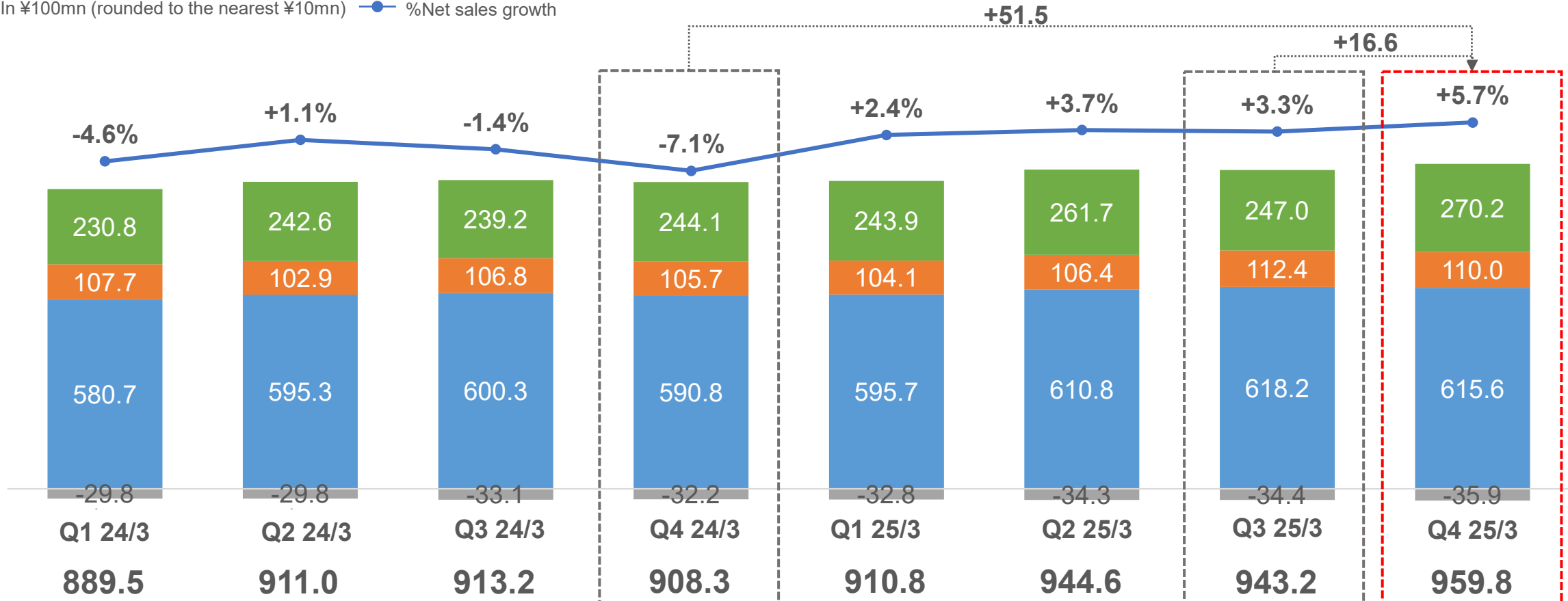
# Consolidated Net Sales Analysis (Quarterly)



- YoY: All segments achieved sales growth, up ¥5,150mn.
- QoQ: Up ¥1,660mn reflecting higher sales in Overseas Affiliates.

## Quarterly net sales trend by segment

In ¥100mn (rounded to the nearest ¥10mn) —●— %Net sales growth



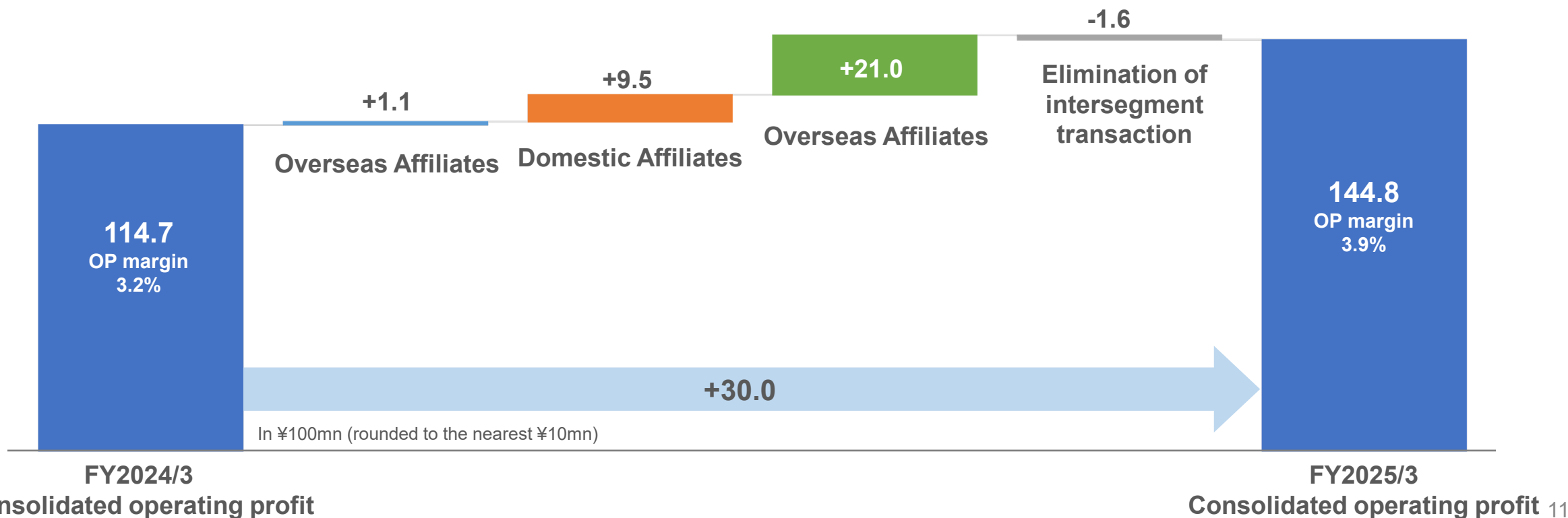
Overseas Affiliates Domestic Affiliates Overseas Affiliates Elimination of intersegment transaction

# Consolidated Operating Profit Analysis



- Operating profit up ¥3,000mn (+26.1%)

- Overseas Affiliates** Up reflecting increased profitability in both BPO and CX services.
- Domestic Affiliates** Up as group companies of a listed subsidiary returned to profitability, etc.
- Overseas Affiliates** Up reflecting increased profitability in Chinese subsidiaries as a result of cost optimization efforts, as well as higher profits in subsidiaries in Southeast Asia and South Korea.

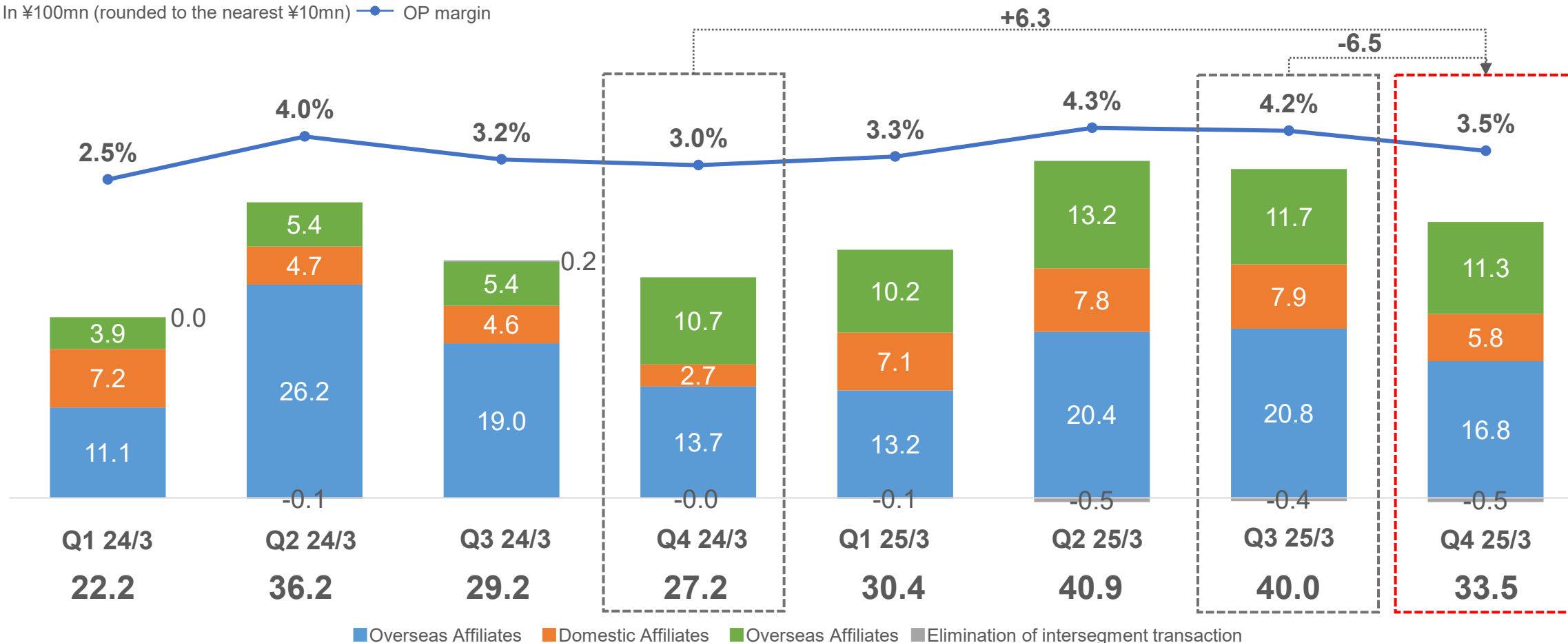


# Consolidated Operating Profit Analysis (Quarterly)

- YoY: Up ¥630mn reflecting higher operating profit across all segments. OP margin up 0.5 points.
- QoQ: Down ¥650mn reflecting lower operating profit across all segments. OP margin down 0.7 points.

## Quarterly operating profit trend by segment

In ¥100mn (rounded to the nearest ¥10mn) — OP margin



# Parent Company Operating Profit Analysis

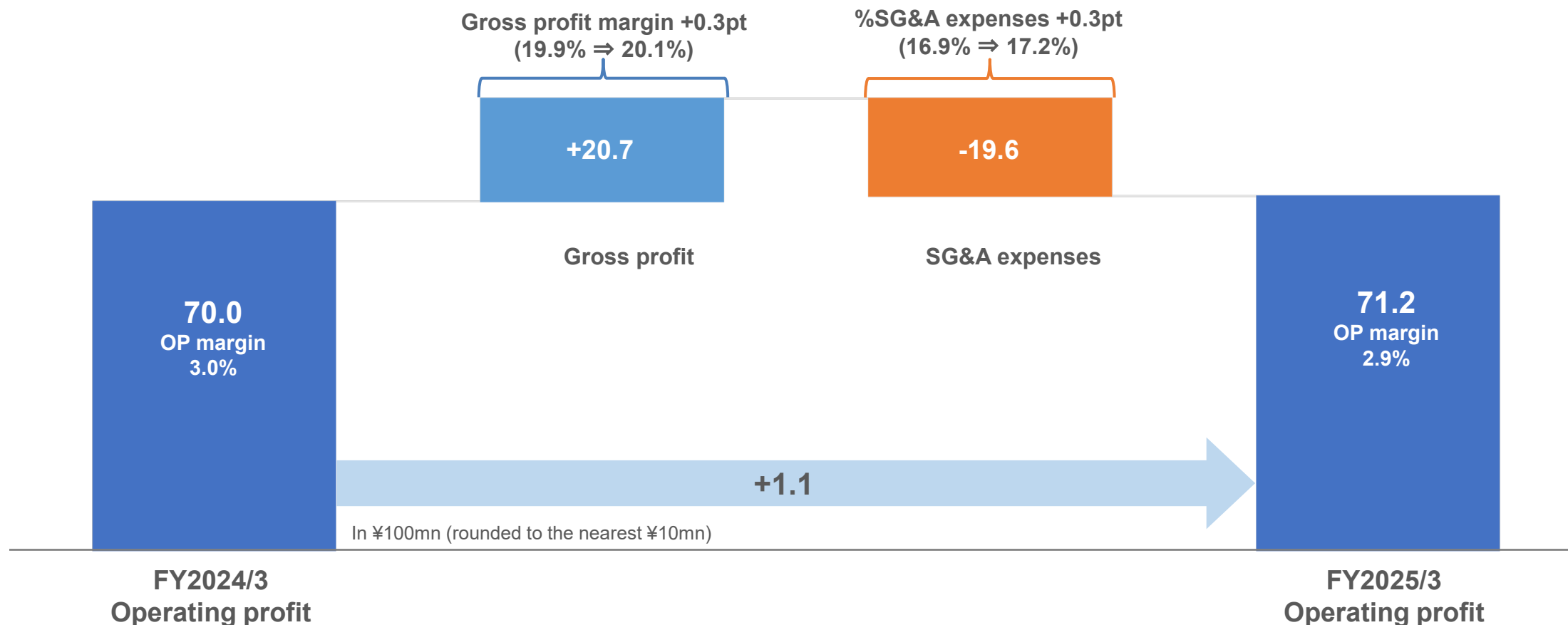
- Operating profit up ¥110mn (+1.6%)

## Gross profit

Up ¥2,070mn reflecting a 0.3 point increase in gross profit margin led by progress in price negotiations and higher utilization rate, in addition to sales growth.

## SG&A expenses

Up ¥1,960mn reflecting increase in 1) personnel expenses as a result of wage hikes, 2) information and digital talent development spending to reinforce management base, and 3) upfront investments for business growth including global expansion and AI adoption. SG&A ratio up 0.3%.

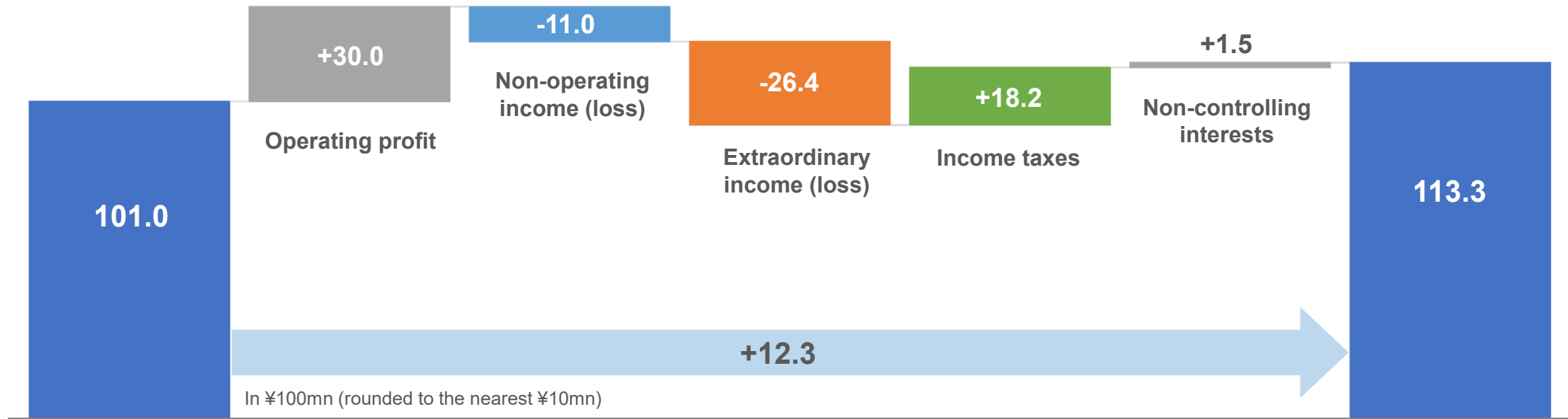


# transcosmos inc. Net Profit Analysis



- transcosmos inc. net profit up 1,230mn (+12.2%)

<b>Non-operating income (loss)</b>	Down ¥1,100mn reflecting a decline in foreign exchange gains.
<b>Extraordinary income (loss)</b>	Down ¥2,640mn mainly due to reactionary decline after posting gain on sale of investment securities (¥3,240mn) last year.
<b>Income taxes</b>	Tax expenses down ¥1,820mn reflecting previous year's valuation losses on some listed stocks included in this year's deductible expenses, etc.



FY2024/3  
transcosmos inc. net profit

FY2025/3  
transcosmos inc. net profit 14

# Consolidated Balance Sheet Summary

- **Current assets:** Cash and deposits mainly reflecting an increase in cash flows from operating activities.
- **Non-current assets:** Tools, furniture and fixtures, net decreased due to depreciation, etc.
- **Liabilities:** The Company's long-term borrowings decreased.
- **Net assets:** Retained earnings increased.

In ¥100mn (rounded to the nearest ¥10mn)	End of Mar. 2024	End of Mar. 2025	Change
<b>Current assets</b>	1,447.9	1,546.6	+98.7
<b>Non-current assets</b>	546.6	533.3	-13.3
<b>Total assets</b>	1,994.5	2,079.8	+85.4
<b>Current liabilities</b>	630.1	620.1	-10.0
<b>Non-current liabilities</b>	183.7	169.0	-14.7
<b>Total liabilities</b>	813.8	789.2	-24.7
<b>Net assets</b>	1,180.7	1,290.7	+110.0
<b>Total liabilities &amp; net assets</b>	1,994.5	2,079.8	+85.4
<b>Cash and deposits</b>	648.4	735.0	+86.6
<b>Interest-bearing liabilities</b>	186.4	165.3	-21.1
<b>Net cash*</b>	462.1	569.7	+107.6
<b>Net cash* to monthly sales ratio</b>	1.5	1.8	+0.3

- Cash and deposits +86.6
- Notes and accounts receivable – trade +17.5

- Property, plant and equipment -11.8
- Investment securities -9.9
- Shares of subsidiaries and associates +11.8

- Accrued expenses -14.8
- Provision for bonuses +6.3

- Long-term borrowings -20.6

- Retained earnings +83.0
- Foreign currency translation adjustment +21.4

\*Net cash = Cash and deposits – interest-bearing liabilities

# Consolidated Cash Flow Statement



- Operating cash flow: Profit before income taxes decreased.
- Investing cash flow: Proceeds from sale of investment securities decreased.
- Financing cash flow: Proceeds from long-term borrowings recorded on last year's consolidated financial statements decreased.

In ¥100M (rounded to the nearest ¥10M)	FY2024/3	FY2025/3	Change
<b>Cash flows from operating activities</b>	182.6	173.1	-9.4
<b>Cash flows from investing activities</b>	-6.0	-36.7	-30.7
<b>Cash flows from financing activities</b>	-37.5	-60.3	-22.7
<b>Balance of cash and cash equivalents</b>	644.2	731.3	+87.1
<b>Free cash flow *</b>	176.6	136.4	-40.1

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

# CAPEX, Amortization/Depreciation, Employees, Service Bases



## ● Capital expenditures/Depreciation expenses

In ¥100mn (rounded to the nearest ¥10mn)	FY2024/3	FY2025/3	%Change
Capital expenditures	53.2	41.5	-22.0%
Depreciation expenses	56.8	61.4	+8.2%

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

## ● Number of Employees

	End of Mar. 2024	End of Mar. 2025	Change
Consolidated basis	40,793	41,682	+889
(Temporary employees)	28,971	28,971	0
Parent Company	17,325	17,910	+585
(Temporary employees)	21,626	21,002	-624

- Consolidated basis  
Employees increased in Parent Company and Overseas Affiliates, mostly in China and South Korea.
- Parent Company  
Employees increased due to new graduate hires. Temporary employees decreased due to COVID project completions.

## ● Service Bases

	End of Mar. 2024	End of Mar. 2025	Change
Service bases	180	184	+4
(Japan)	71	72	+1
(Overseas)	109	112	+3

- Japan  
Opened BPO Center Nagasaki Stadium City
- Overseas  
Opened new operation centers in South Korea and the Greater China region.

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

# Financial Results by Service/Market



<b>CX Services</b> (~70% of consolidated net sales)	
<b>Front-office services: Integrated services covering all digital customer touchpoints across the customer journey from marketing to customer care</b>	
<b>Japan</b>	<b>Digital contact center</b> Customer support
	<b>Digital integration</b> Website & app development, improvement and operations services, social platform operations including LINE apps
	<b>Digital advertisement</b> Internet ads services
	<b>E-commerce one-stop</b> E-commerce site development & operations, and fulfillment services
<b>Overseas (mainly contact center and e-commerce)</b> South Korea, China, Southeast Asia, and Europe and the U.S.	

<b>BPO services</b> (~30% of consolidated net sales)	
<b>Back-office services: Common back-end functions outsourcing (e.g. accounting, HR, IT) as well as industry-specific engineering BPO</b>	
<b>Japan</b>	<b>Common back-end functions digital outsourcing</b> Accounting, HR, procurement & purchasing, order management, sales admin and IT system operations & maintenance
	<b>Industry-specific digital engineering BPO</b> Services to support systems and operations for the manufacturing and construction industries
<b>Overseas</b> South Korea, China, Southeast Asia, and Europe and the U.S.	

**BPO services net sales**

**¥137.95bn**

(+¥9.88bn, +7.7% YoY)

**BPO services operating margin**

**7.0%**

(+0.5pt YoY)

- Industry-specific digital engineering BPO sales up 10.2% YoY, successfully winning accelerated demands for digital transformation in construction, mostly in partnership with a subsidiary Applied Technology Co., Ltd.
- Common back-end functions digital outsourcing sales up 5.5% YoY, reflecting an increase in large-scale bookings for corporate back-office outsourcing such as data processing and HR/procurement. Continued to enhance expertise through forming JVs.
- Platform-powered digital BPO sales reached ¥35,040mn, up 16.3% YoY, and now accounts for 36% of overall sales of BPO services, up 3 points YoY.
- By industry, sales increased in the manufacturing, construction, and service.
- Large-scale bookings increased, particularly for common back-end functions digital outsourcing. Sales volume per company\* increased ¥30mn YoY to ¥570mn.

\*Top 120 companies that account for about 70% of Parent Company's BPO services sales.

# BPO Services: Financial results

\*Net sales for each service are calculated based on the sales mix used for management accounting, and are not adjusted for intersegment transactions.

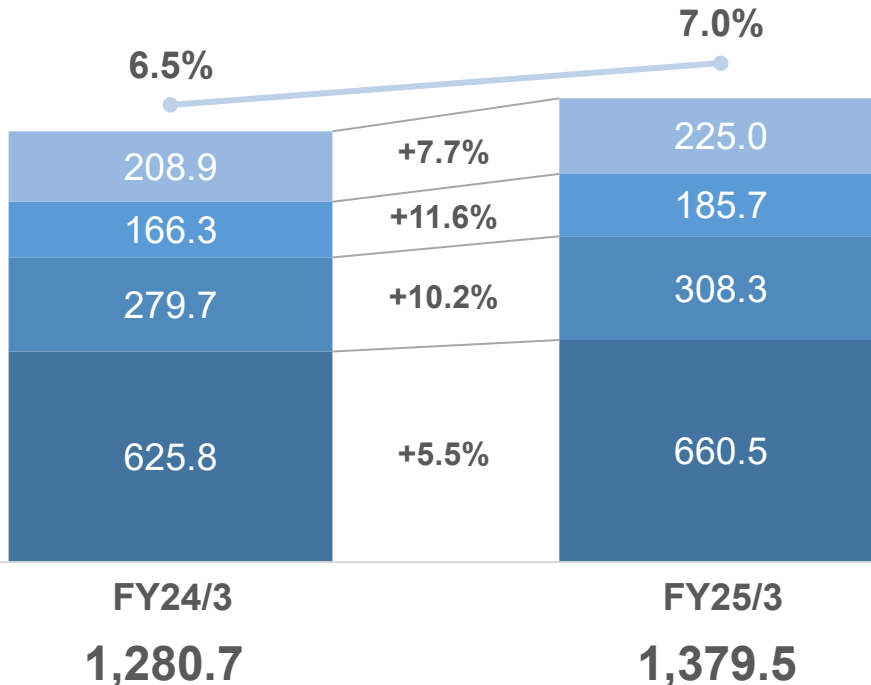


- Overall sales of BPO services up 7.7% YoY reflecting increased sales in both industry-specific digital engineering BPO and common back-end functions digital outsourcing.
- OP margin up 0.5 points YoY reflecting increased orders for high-profit, platform-powered digital BPO services in addition to price adjustment to account for soaring personnel expenses.

## BPO Services: YoY net sales/OP margin

In ¥100mn (rounded to the nearest ¥10mn)

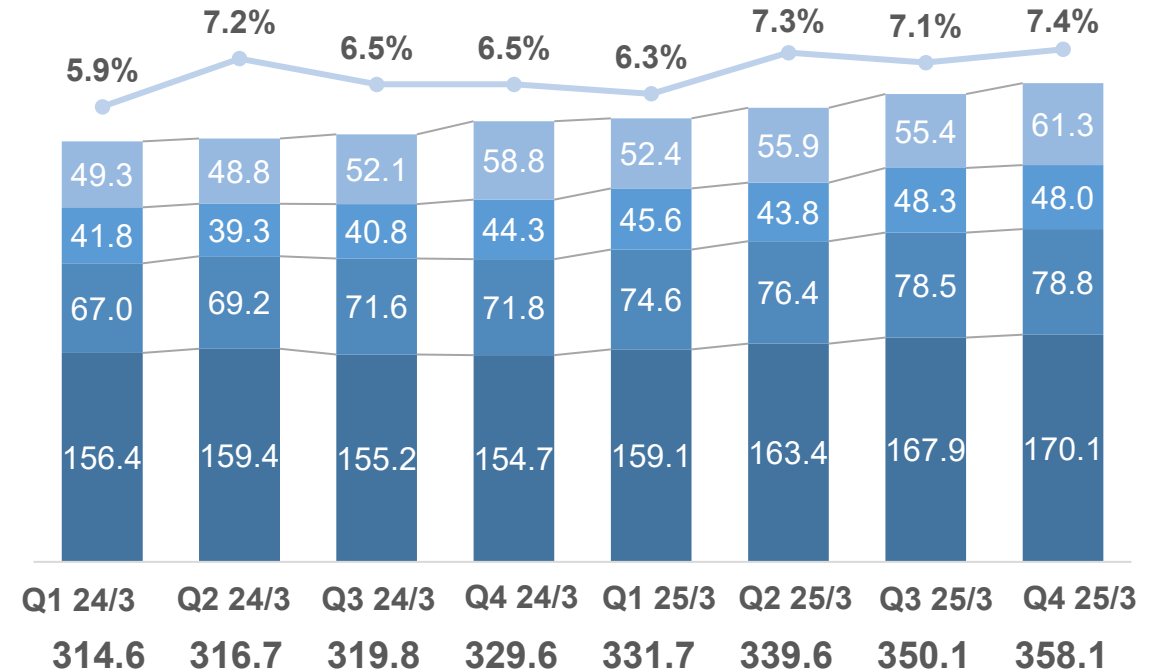
**Net sales: +¥9,880mn, +7.7% OP margin +0.5pt**



## BPO Services: Quarterly net sales/OP margin

In ¥100mn (rounded to the nearest ¥10mn)

**Q4 YoY: Net sales +¥2,850mn OP margin +0.9pt**  
**Q4 QoQ: Net sales + ¥800mn OP margin +0.3pt**



## Medium-Term Business Plan

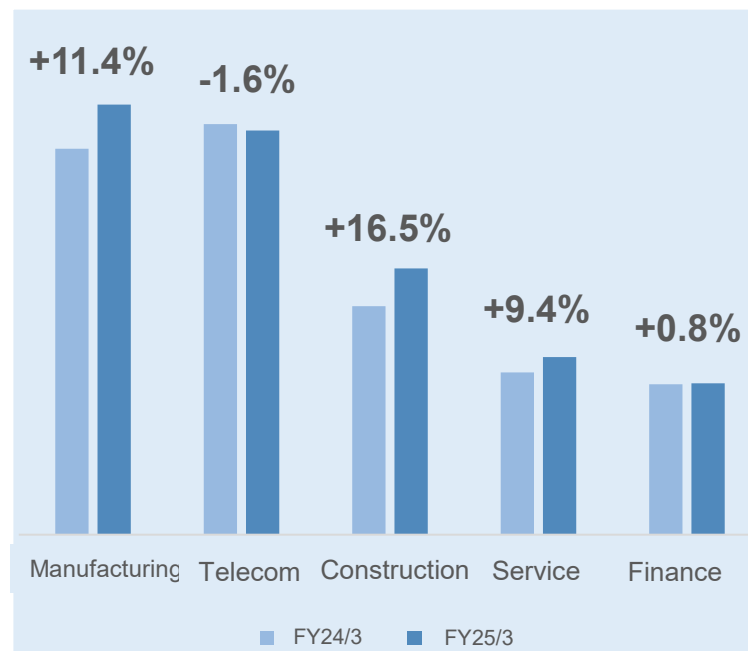
### Platform-powered Digital BPO

Sales  
**¥35,040mn**  
 (+16.3% YoY)

Share of digital  
 transformation-related sales  
**36%**  
 (YoY +3pt)

## Industry

### Top 5 industries by sales



## Client

### FY2025/3 clients

**873** companies  
 (+20 YoY)

Japanese  
 companies on  
 Fortune Global  
 500\*1: 29

### Sales per client\*2

**¥570mn**  
 (+¥30mn YoY)

### % of client relationships five years or more

**69%** (excluding new clients)

\*1: 40 Japanese companies listed on 2024 Fortune Global 500.

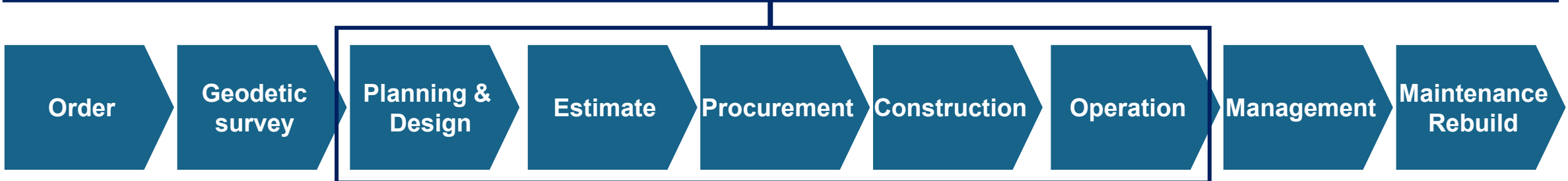
\*2: Top 120 companies that account for about 70% of Parent Company's BPO services sales.

# BPO Services: Industry-specific digital engineering BPO success story



- Helped a major general constructor manage construction processes, implement & embed digital initiatives in construction sites, and ultimately help the client drive digital transformation (DX) in construction.
- Meeting the needs of a range of clients from general constructors working on building construction/civil engineering to specialist subcontractors.

## Major general constructor



- Multi-year, multibillion project bookings increased for common back-end functions digital outsourcing.

## Social welfare organization

### Digitization service for application

Helped the client build new data processing workflows and implement DX with AI-OCR to streamline paper-based and digital application processing.

## Major real estate company

### HR system deployment & management

Helped the client deploy and manage an integrated HR system, COMPANY, to centralize, streamline, and enhance HR operations across client Group.

## National R&D agency

### BPO for procurement & purchasing and accounting functions

Offering BPO services for procurement & purchasing as well as accounting functions. Helped drive business optimization via creating ideal processes and centralizing our service centers, etc.

# BPO Services: Enhanced common back-end functions digital outsourcing via JVs



- Leveraging business insight and expertise gained through forming JVs, enhancing common back-end functions digital outsourcing services while meeting client outsourcing needs for full-time jobs.

**Feb. 2016**  
**Formed JV with Fujitsu**  
 TCI ownership: 51%

**Jul./Nov. 2019**  
**Formed JV with Toshiba**  
 TCI ownership: 80.5%

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TCI ownership: 84.9%

**Oct. 2023**  
**Formed JV with Tohoku Electric Power**  
 TCI ownership: 49%

**Jul. 2025 (planned)**  
**JV with OMRON**

**OMRON TRANSCOSMOS  
 PROCESS INNOVATION Co., Ltd.**  
 (Business outline)  
**Shared services for HR, finance & accounting, and general administration at OMRON Group**

\*Source: transcosmos press release

**Aug. 2025 (planned)**  
**JV with Toshiba Tech**

**TT Tech Creation**  
 (Business description)  
**Sales support services for Toshiba Tech**

\*Source: transcosmos press release

**CX services net sales**

**¥280.50bn**

(+¥7.56bn, +2.8% YoY)

**CX services operating margin**

**2.4%**

(+0.6pt YoY)

- Digital integration sales up 3.9% YoY reflecting higher bookings for unique CX platform, trans-DX for Support. Digital contact centers sales up 0.8% YoY.
- Overseas sales up led by Southeast Asia. Overseas CX services sales up 5.0% YoY.
- trans-DX for Support sales reached ¥49,540mn, up 6.7% YoY. To further help businesses grow sales, now developing trans-DX for Sales with enhanced customer acquisition features.
- By industry, sales increased in the finance, tele communications, and retail & distribution.
- Large-scale bookings increased led by the finance & insurance industry. Sales volume per company\* increased ¥10mn YoY to ¥830mn.

※ Top 150 companies that account for about 70% of Parent Company's CX services sales.

# CX Services: Financial results

\*Net sales for each service are calculated based on the sales mix used for management accounting, and are not adjusted for intersegment transactions.

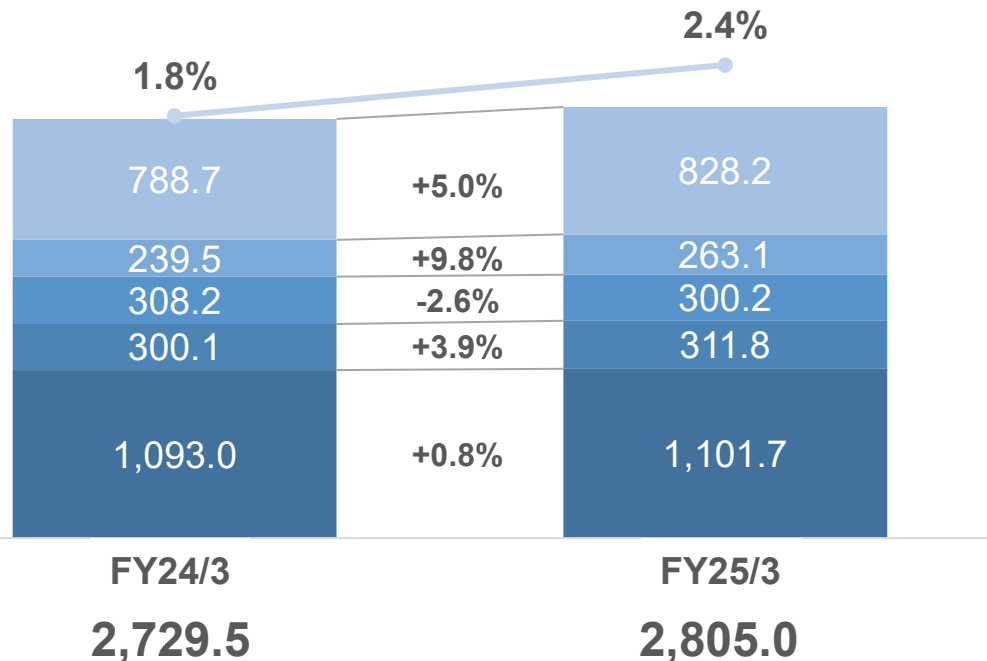


- Overall sales of CX services up 2.8% YoY reflecting higher sales in digital integration and digital contact centers as well as overseas led by Southeast Asia. Digital contact centers returned to growth from the first half to the second half, up +2.6% in Q4.
- OP margin up 0.6 points YoY reflecting increased bookings for a high-profit service, trans-DX Support, and higher productivity backed by generative AI and other digital tech in addition to price adjustment to account for soaring personnel expenses.

## CX Services: YoY net sales/OP margin

In ¥100mn (rounded to the nearest ¥10mn)

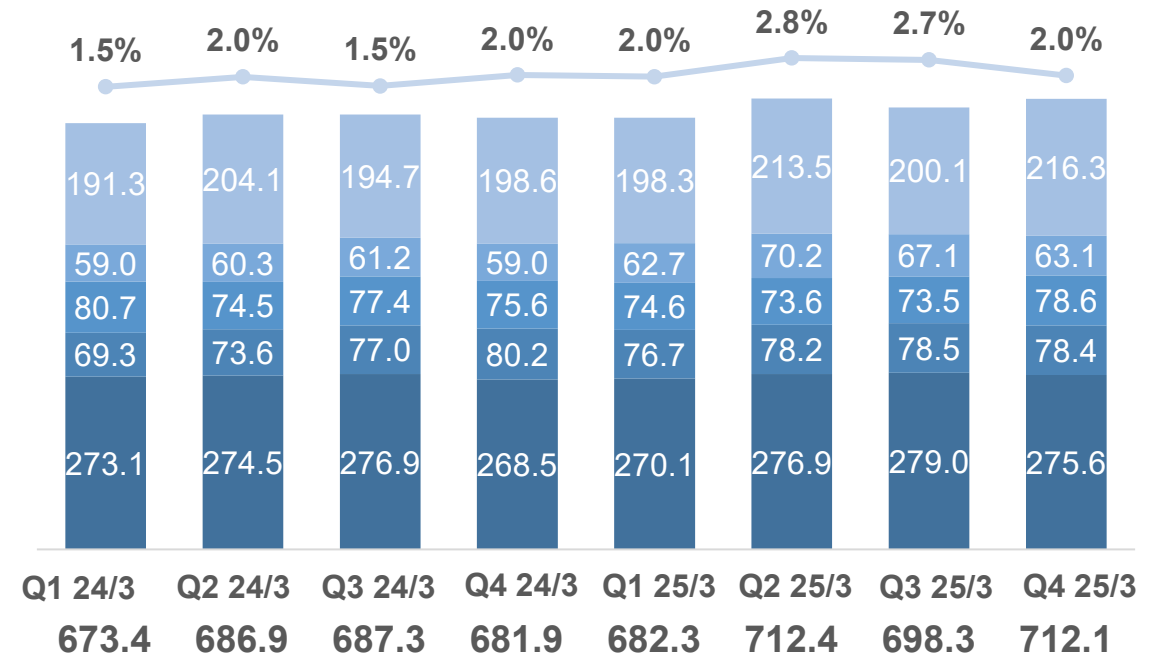
**Net sales +¥7,560mn, +2.8% OP margin +0.6pt**



## CX Services: Quarterly net sales/OP margin

In ¥100mn (rounded to the nearest ¥10mn)

**Q4 YoY: Net sales +¥3,020mn OP margin -0.0pt**  
**Q4 QoQ: Net sales +¥1,380mn OP margin -0.7pt**



## Medium-Term Business Plan

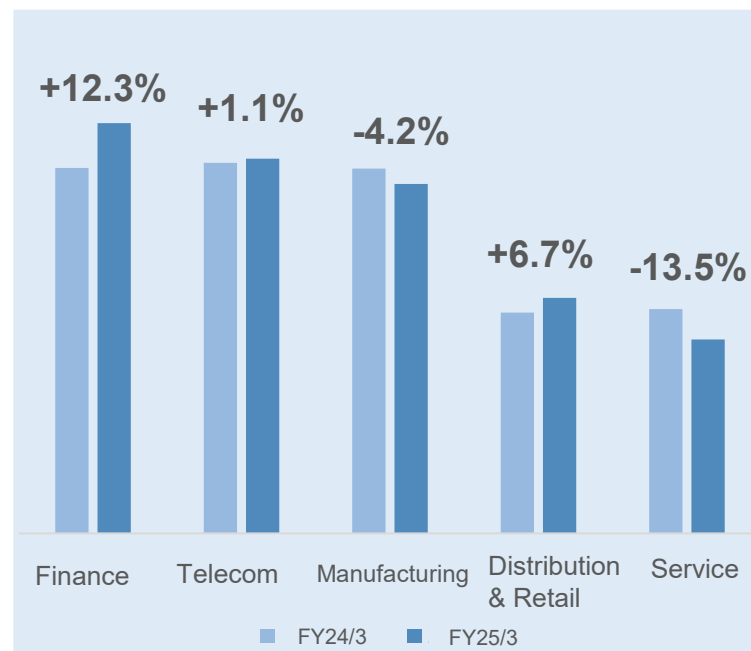
Unique CX platform  
trans-DX for Support

Sales  
**¥49,540mn**  
(+6.7% YoY)

Deployed by  
**100 companies**  
(Achieved FY2025/3 target)

## Industry

### Top 5 industries by sales



## Client

FY2025/3 clients  
**1,750** companies  
(+63 YoY)

Japanese  
companies on  
Fortune Global  
500\*1: 30

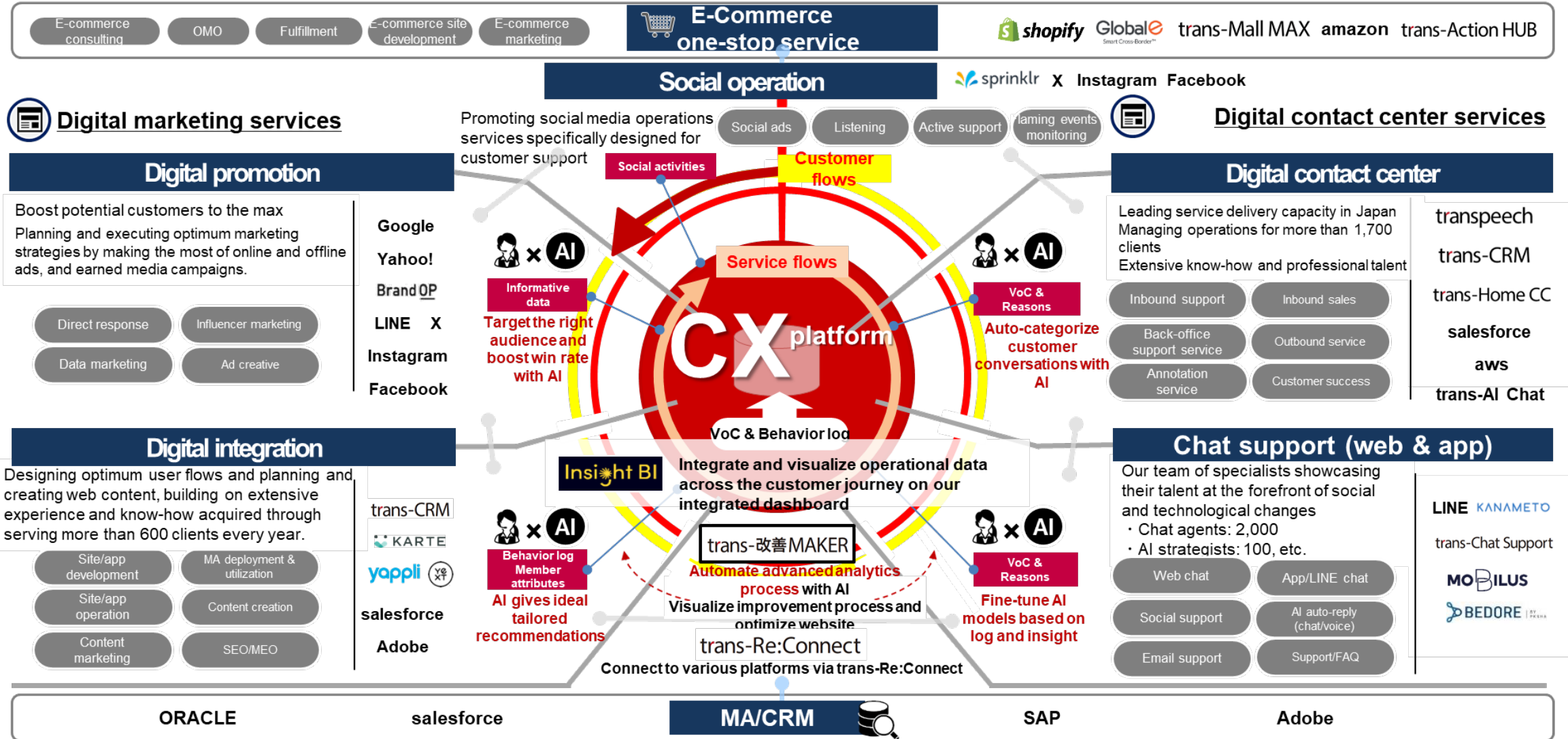
Sales per client\*2  
**¥830mn**  
(+¥10mn YoY)

% of client relationships five  
years or more  
**59%** (excluding new clients)

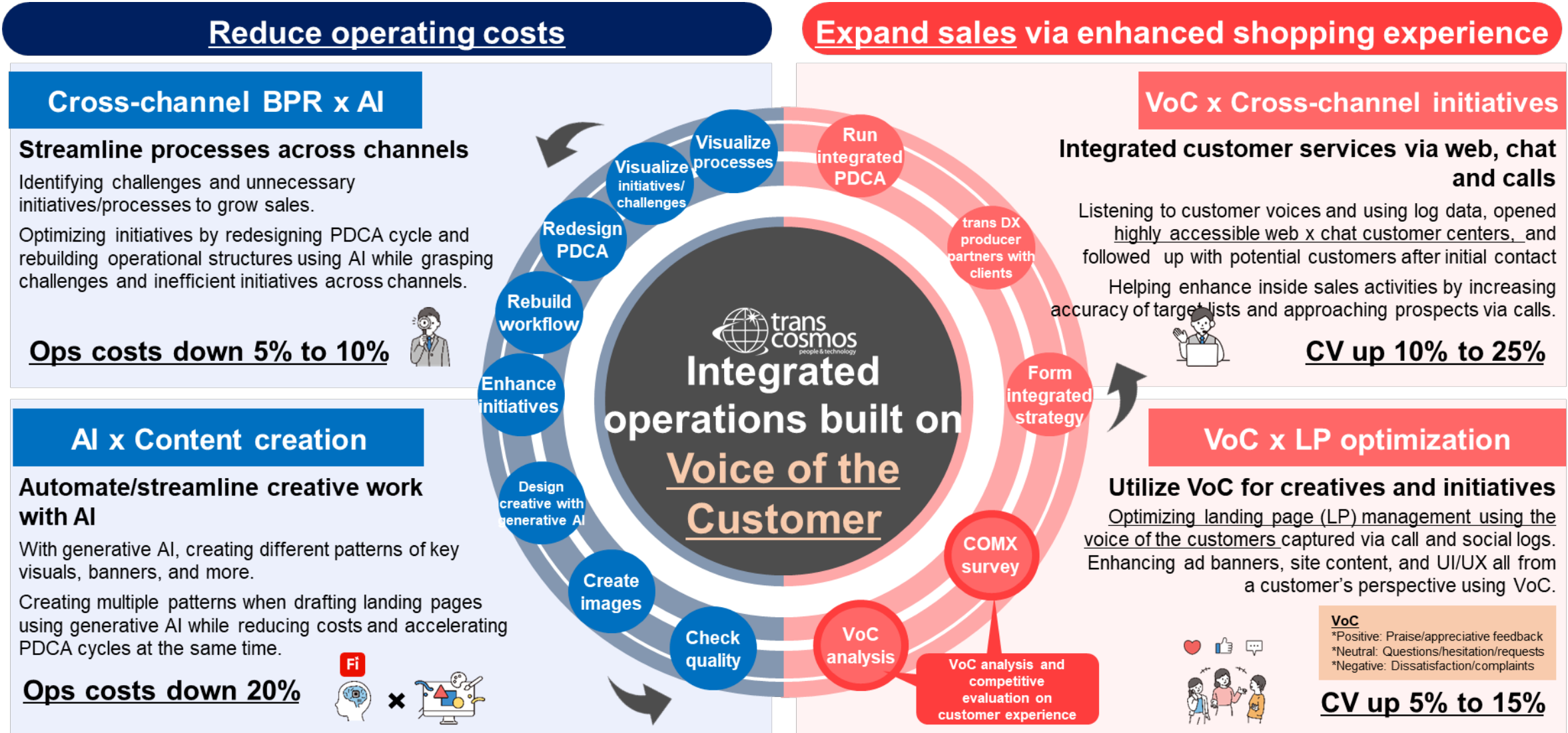
\*1: 40 Japanese companies listed on 2024 Fortune Global 500.

\*2: Top 150 companies that account for about 70% of Parent Company's CX services sales.

- Maximizing the Company's competitive strengths in managing call, web, and chat channels, trans-DX for Support encourages self-service options, thereby delivering higher usability for consumers while saving costs for clients.



- Towards reducing operating costs for digital marketing and expanding sales via enhancing shopping experience using the Company's unique methods (BPR x AI x VoC), currently developing trans-DX for Sales. Ultimately, the new solution will help clients design cohesive shopping experiences and maximize ROI.



- Listening to the voice of the customer (VoC) directly communicated to clients as well as VoC on social media, trans-DX for Support doubles the self-service rate.
- Seamlessly connects hybrid customer service channel – a channel with x3 productivity compared to call channel – with call centers, the platform optimizes CX at every customer touchpoint.

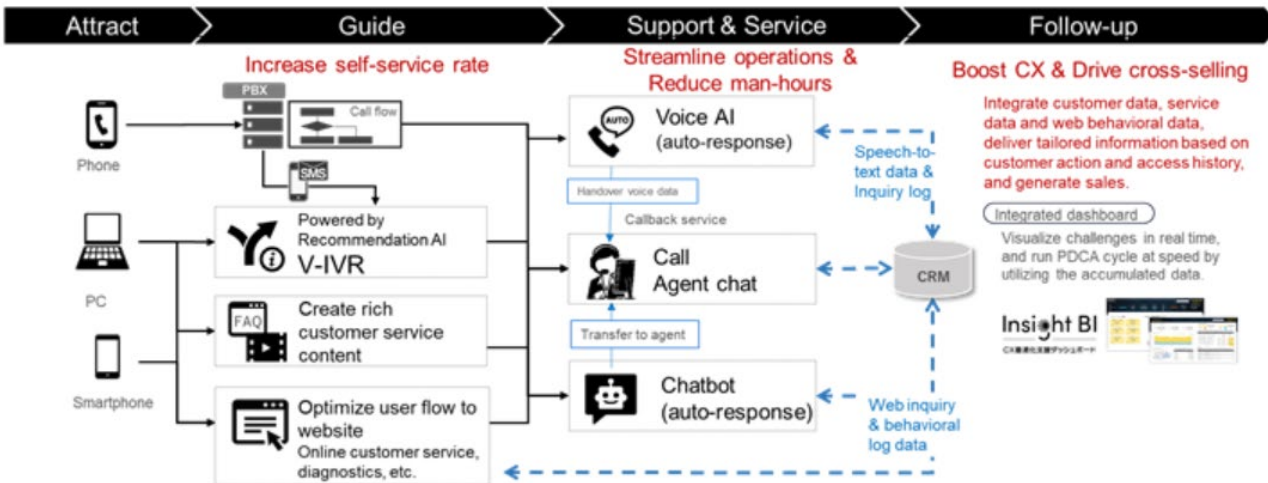
[Patented]

Internally developed trans-DX for Support, a digital platform that solves CX challenges at customer touchpoints  
 ~Boost usability and business costs **without trade-offs**~

## trans-DX for Support

Boost end-user usability and reduce business costs at the same time

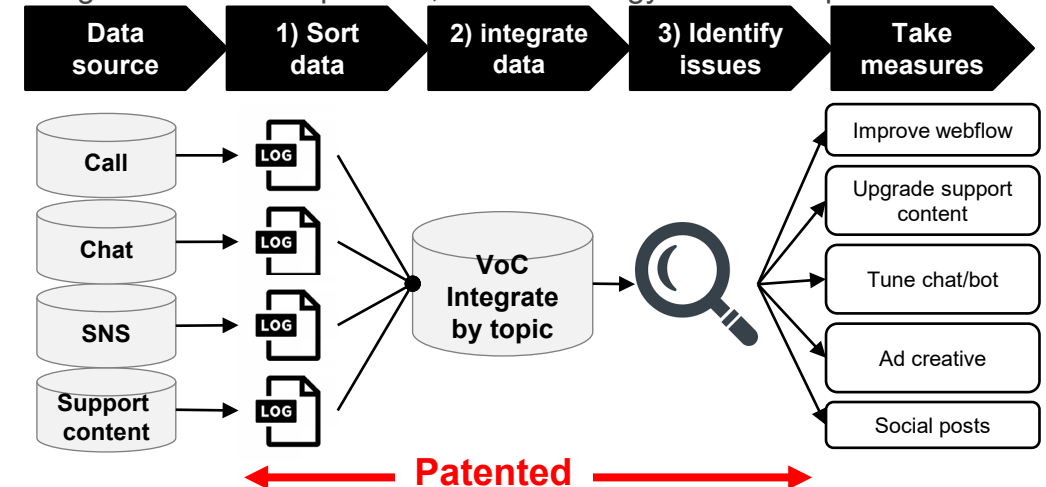
70 companies have deployed trans-DX for support that includes web/app, hybrid chat, and call centers. We aim to deploy our comprehensive service package from web/app development to VoC utilization on social media to 100 companies by the end of the FY2025/3.



## Obtained patent for VoC data utilization technology

(Patent: 7319478 Date of registration: July 24, 2023)

Building on VoC accumulated in contact centers, social media, and chats, we developed a technology which comprehensively analyzes customer experience data collected at diverse customer touchpoints. Highly recognized for its uniqueness, this technology received a patent.



# CX Services: trans-DX for Support success story

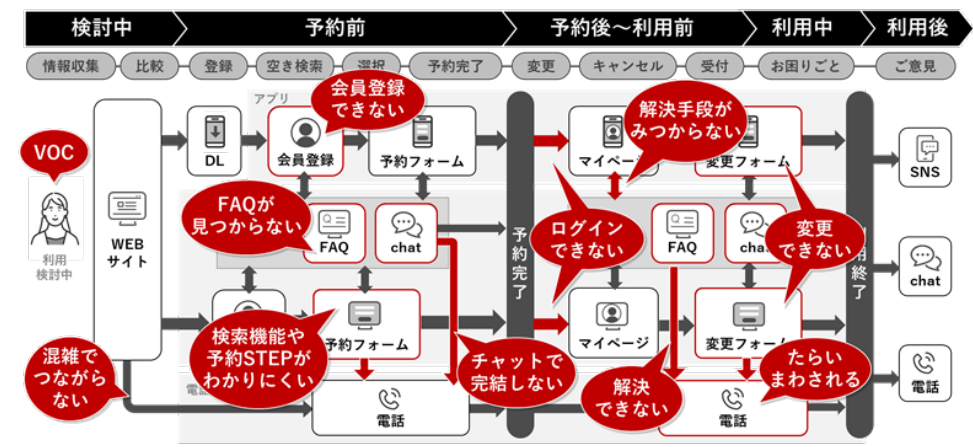
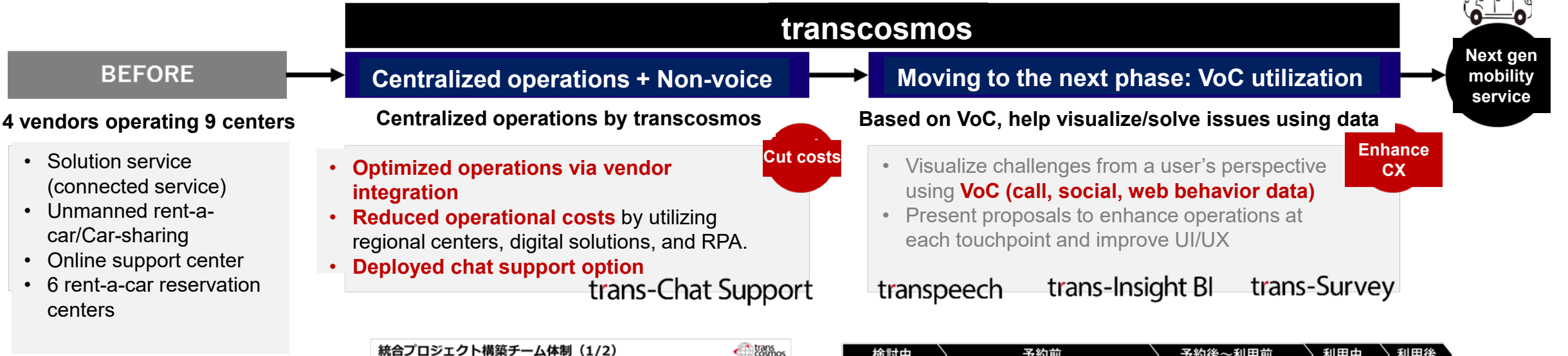


- Helped a major auto client cut operating costs with integrated contact center operations services and the use of digital.
- Promoted the use of VoC to evolve mobility services, helped the client enhance customer touchpoints.



Next gen mobility service

## Toyota Motor Corporation



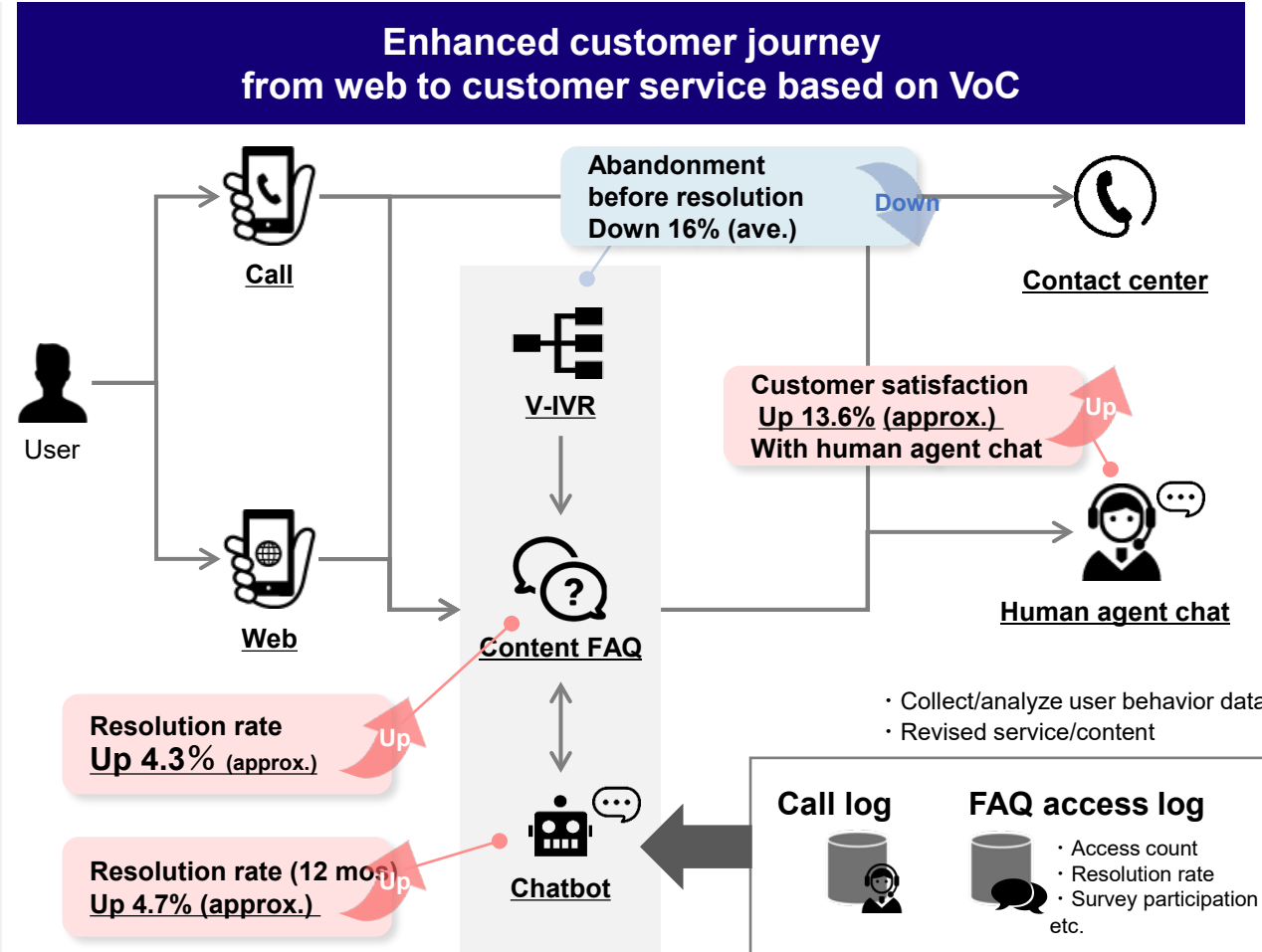
# CX Services: trans-DX for Support success story



- Major bank | To reduce call volumes and boost customer satisfaction, enhanced web and chatbot based on VoC. The self-service ratio doubled. transcosmos DX producer partnered with the client's PM throughout the project, achieving process optimization across web and contact center channels.

## Major bank

Job	<ol style="list-style-type: none"> <li>1. Call center services</li> <li>2. Chat agent customer service</li> <li>3. Chatbot</li> <li>4. FAQ management</li> <li>5. Renovate customer service flow (V-IVR)</li> </ol>															
Initiative	<p><b>Enhance digital operations based on VoC</b></p> <ul style="list-style-type: none"> <li>– Enhance FAQ using VoC captured at contact centers</li> <li>– Enhance webflow (V-IVR) based on script</li> <li>– Apply enhanced FAQs to chatbots</li> <li>– Enhance human agent chat operations based on user flow</li> </ul>															
Result	<table border="1"> <thead> <tr> <th>Score</th> <th>Without VoC</th> <th>With VoC</th> </tr> </thead> <tbody> <tr> <td>Chat satisfaction</td> <td>31.5%</td> <td><b>45.1%</b></td> </tr> <tr> <td>Chatbot resolution</td> <td>28.4%</td> <td><b>33.1%</b></td> </tr> <tr> <td>FAQ self-service</td> <td>48.3%</td> <td><b>52.6%</b></td> </tr> <tr> <td>FAQ self-solution count</td> <td>13,070</td> <td><b>26,499</b></td> </tr> </tbody> </table>	Score	Without VoC	With VoC	Chat satisfaction	31.5%	<b>45.1%</b>	Chatbot resolution	28.4%	<b>33.1%</b>	FAQ self-service	48.3%	<b>52.6%</b>	FAQ self-solution count	13,070	<b>26,499</b>
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# CX Services: trans-DX for Support success story

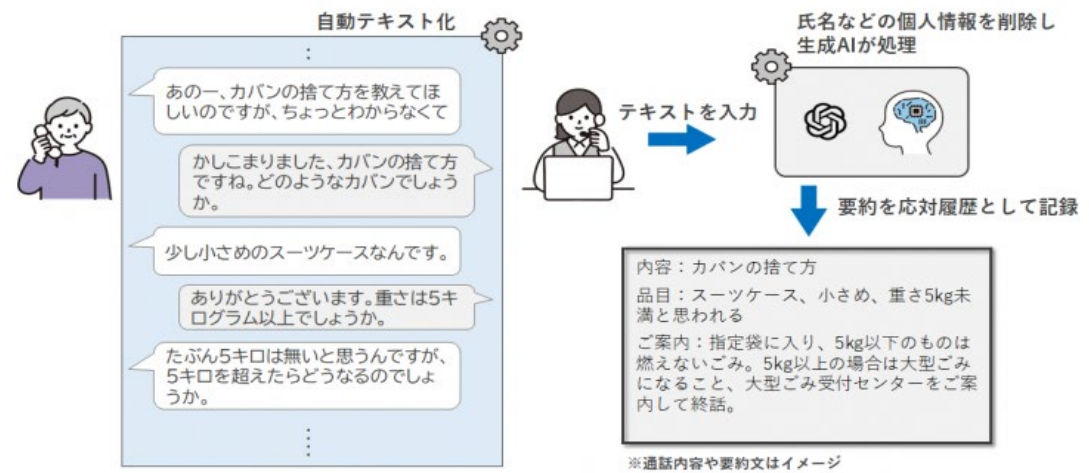
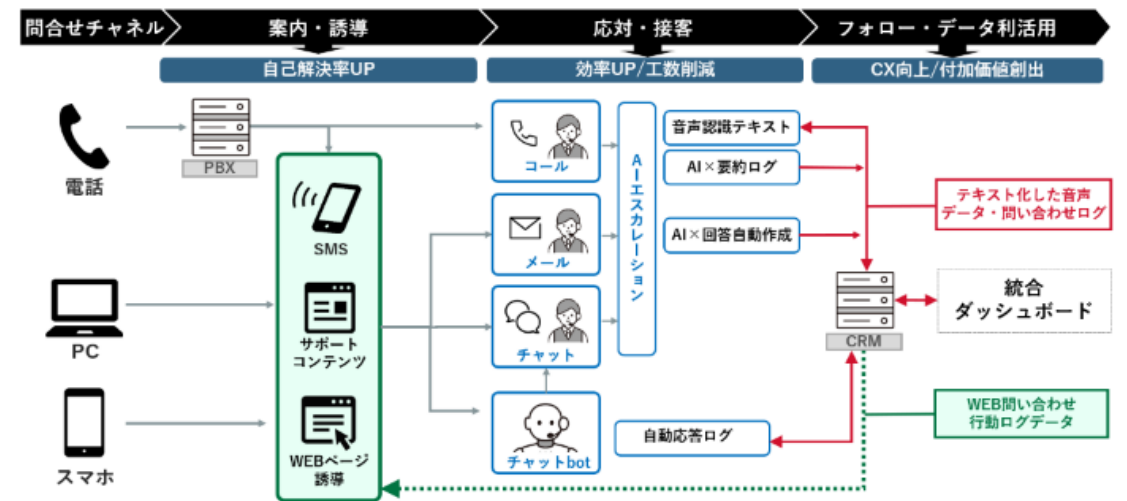


- Local government | Helped the city offer an easy-to-access, self-service model process while streamlining operations by centrally managing more than 1.9 million inquiries with centralized services combining social/web/contact centers.

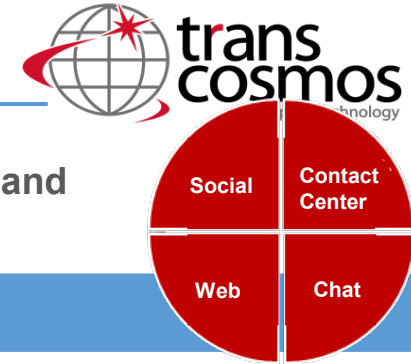


## Kobe City

<b>Job</b>	<ol style="list-style-type: none"> <li>Kobe City main contact center/ward office main center</li> <li>Web portal/FAQ page</li> <li>Chatbot</li> <li>Phone extention directory system development</li> </ol>						
<b>Initiative</b>	<p><b>Drive DX and manage all inquiries via integrated operations</b></p> <ul style="list-style-type: none"> <li>Deployed chatbot/human agent chat channels</li> <li>Enhanced FAQ page, deployed 24/7/365 chatbot service supported by human agent chat service</li> <li>Deployed callback services at contact centers to achieve zero-wait time</li> <li>Achieve a disaster-resilient contact center system by using two locations</li> <li>Adopt generative AI to agent operations</li> </ul>						
<b>Result</b>	<table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th>Score</th> <th>Without trans-DX</th> <th>With trans-DX</th> </tr> </thead> <tbody> <tr> <td>Productivity (CPH)</td> <td>16.6</td> <td>36.3</td> </tr> </tbody> </table>	Score	Without trans-DX	With trans-DX	Productivity (CPH)	16.6	36.3
Score	Without trans-DX	With trans-DX					
Productivity (CPH)	16.6	36.3					



# CX Services: trans-DX for Support success story



- Major general electronics device manufacturer | Based on VoC, elevated usability by enhancing web, chatbots, and other front-end customer touchpoints to manage 100K/year inquiries during online shopping journeys.

## Major general electronics device manufacturer

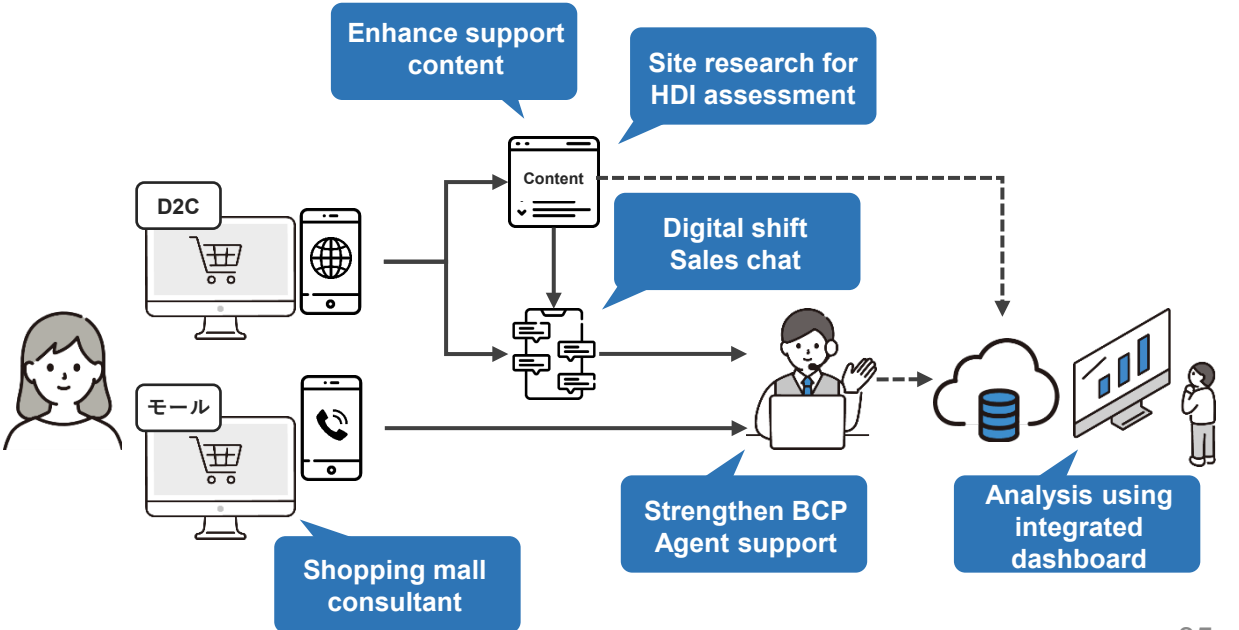
<b>Job</b>	<ol style="list-style-type: none"> <li>1. Online store contact center operations</li> <li>2. Order reception</li> <li>3. Hybrid chat service (auto reply/human agent)</li> <li>4. Content enhancement/VoC analysis</li> </ol>
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<b>Initiative</b>	<p><b>Drive DX and manage all inquiries via integrated operations</b></p> <ul style="list-style-type: none"> <li>– <b>Open 2<sup>nd</sup> center</b> to accommodate growing e-commerce business</li> <li>– Enhance customer support content, <b>promote self-service</b> by aligning FAQ and chatbot script and enabling a <b>handoff to a human agent</b></li> <li>– Deploy sales chat agent to promote online store conversion</li> <li>– <b>Deploy an integrated dashboard (Insight BI)</b> to integrate VoC data. <b>Apply AI for analysis</b> to detect valuable VoC rapidly</li> </ul>
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<b>DX products</b>	<p>trans-Chat Support</p> <p>trans-Insight BI</p>
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## Helped enhance CX throughout online shopping journey

As the client strengthened focus on its e-commerce business, online sales continued to grow. transcosmos helped create/manage customer support framework while keeping the growth rate of inquiries under control.



# CX Services: trans-DX for Support success story



- Major toy manufacturer | Boosted customer satisfaction and NPS by 1) visualizing VoC captured via social, web, and contact centers on an integrated dashboard - Insight BI, and 2) deploying hybrid chat operations services.

## Major toy manufacturer

- Job**
1. Call center operations
  2. Human agent chat center operations
  3. Chatbot
  4. Social listening and VoC analysis

- Initiative**
- Enhance CX via social listening, VoC and human chat**
- Deploy chatbot and human agent chat channels
  - Integrate VoC captured via contact center chat channel and social listening, and analyze the integrated VoC data
  - Enhance service and FAQ content using VoC analysis data, and utilize the data for marketing
  - Reduce analysis time with an integrated dashboard (Insight BI)

**Result**

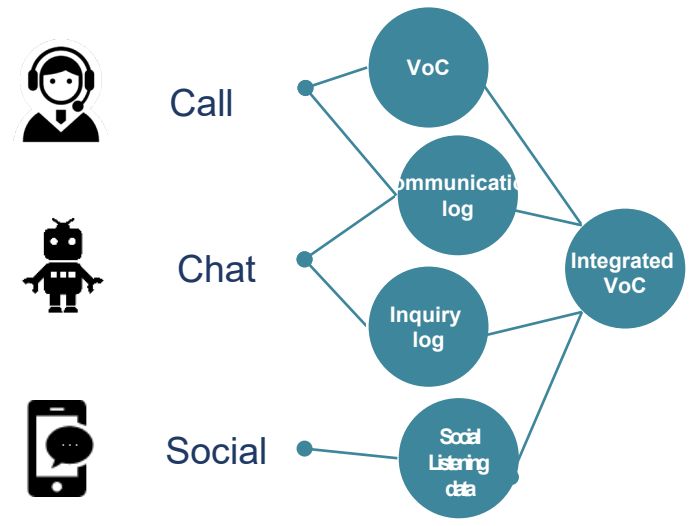
Score	Before	With human agent chat	With Insight BI
Customer satisfaction	90.7%	<b>91.5%</b>	<b>91.7%</b>
NPS	58.1pt	<b>61.3pt</b>	<b>65.6pt</b>



1 Categorize social posts into negative and positive to identify current status



2 Pickup points made on specific products or quality as well as praises and supportive comments



**VoC management across channels**

Integrated VoC management across channels  
Enhance and optimize based on VoC

**Optimize inquiry channels**

Integrate and visualize all logs  
Clarify different usages of channels

**Optimize CX**

Enhance end-to-end CX by utilizing different channels based on VoC

# Overseas: Financial results by geographic markets

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

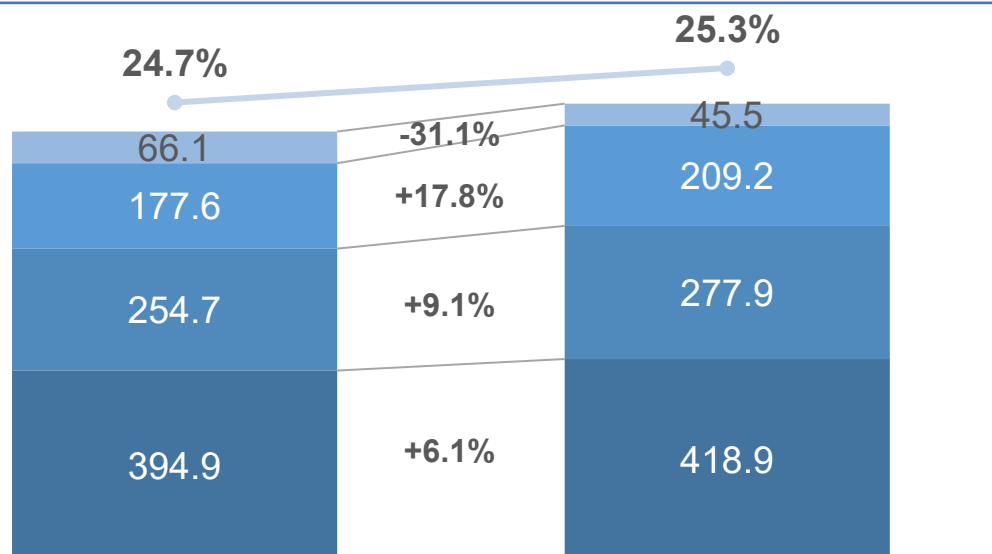


- South Korea: Sales up 6.1%. CX services remain on a growth path.
- China: Sales up 9.1%. Contact center business increased sales.
- Southeast Asia: Sales up 17.8%. Global deals continue to increase sales.
- Europe and the U.S./Other: Sales down 31.1%. Business restructuring going on in Europe and the U.S. to turn a profit.

## YoY net sales by overseas geographic markets

In ¥100mn (rounded to the nearest ¥10mn) — Overseas sales ratio

**Net sales +¥5,840mn, +6.5% %Overseas sales +0.6pt**



FY24/3

**893.2**

FY25/3

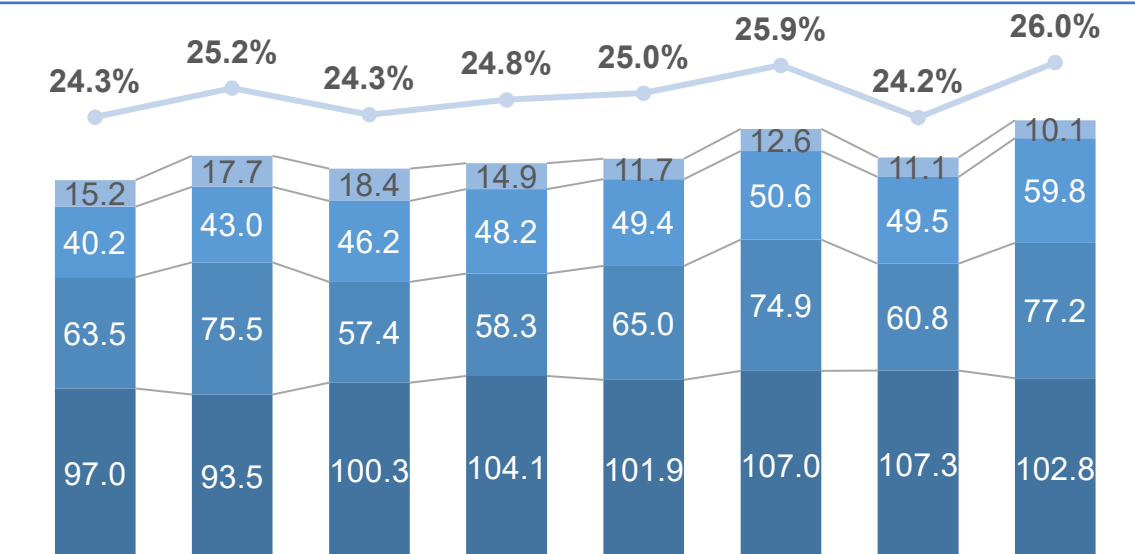
**951.6**

■ South Korea ■ China ■ Southeast Asia ■ Europe and the U.S./Other

## Quarterly net sales by overseas geographic markets

In ¥100mn (rounded to the nearest ¥10mn) — Overseas sales ratio

**Q4 YoY: Net sales +¥2,430mn %Overseas sales +1.2pt**  
**Q4 QoQ: Net sales +¥2,120mn %Overseas sales +1.8pt**



Q1 24/3

**215.8**

Q2 24/3

**229.6**

Q3 24/3

**222.3**

Q4 24/3

**225.5**

Q1 25/3

**228.1**

Q2 25/3

**245.0**

Q3 25/3

**228.7**

Q4 25/3

**249.9**

# Overseas: Growing business with the world's top multinational companies



Clients	HQ location	Coverage (countries/regions)										
		Total	Japan	Greater China (Mainland /Taiwan)	South Korea	Thailand	Indonesia	Vietnam	Philippines	Malaysia	U.S.	Europe
General electronics company	Japan	9	○	○	○	○	○	○	○	○	○	
Tech firm	China	6	○		○	○	○	○		○		
Auto manufacturer	Japan	5	○		○	○	○	○				
E-commerce company	Singapore	5				○	○	○	○	○		
Digital entertainment	Japan	5	○		○	○		○		○		
General electronics company	South Korea	4	○	○	○			○				
Telecom equipment vendor	China	4		○		○			○			○
E-commerce company	U.S.	4				○	○		○	○		
General electronics company	Japan	4	○	○				○		○		
Toy manufacturer	Japan	4	○	○	○						○	
General electronics company	Singapore	2		○	○							
Tech firm	U.S.	2	○		○							
E-commerce company	South Korea	2		○	○							

\*Only shows clients with annual sales of ¥1bn above, and have business with us in multiple countries.

## trans-AI Chat

CX

Seamlessly connects generative AI chatbots and agent chat  
Offered in South Korea, Japan and China

## Generative AI solution for customer services

CX

Saves contact center man-hours and standardizes service quality

## LLM utilization

CX·BPO

Utilize Japan-made LLMs on top of OpenAI, the mainstream of today's AI models

## Quick Support Cloud with GAI

BPO

Streamlines customer services and business processes in IT support jobs

## trans-Xsynk

BPO

Effectively converts non-standard reports into text

## AI agent platform

CX

Established vottia, a joint venture specializing in developing AI agent platforms to enhance trans-DX for Support

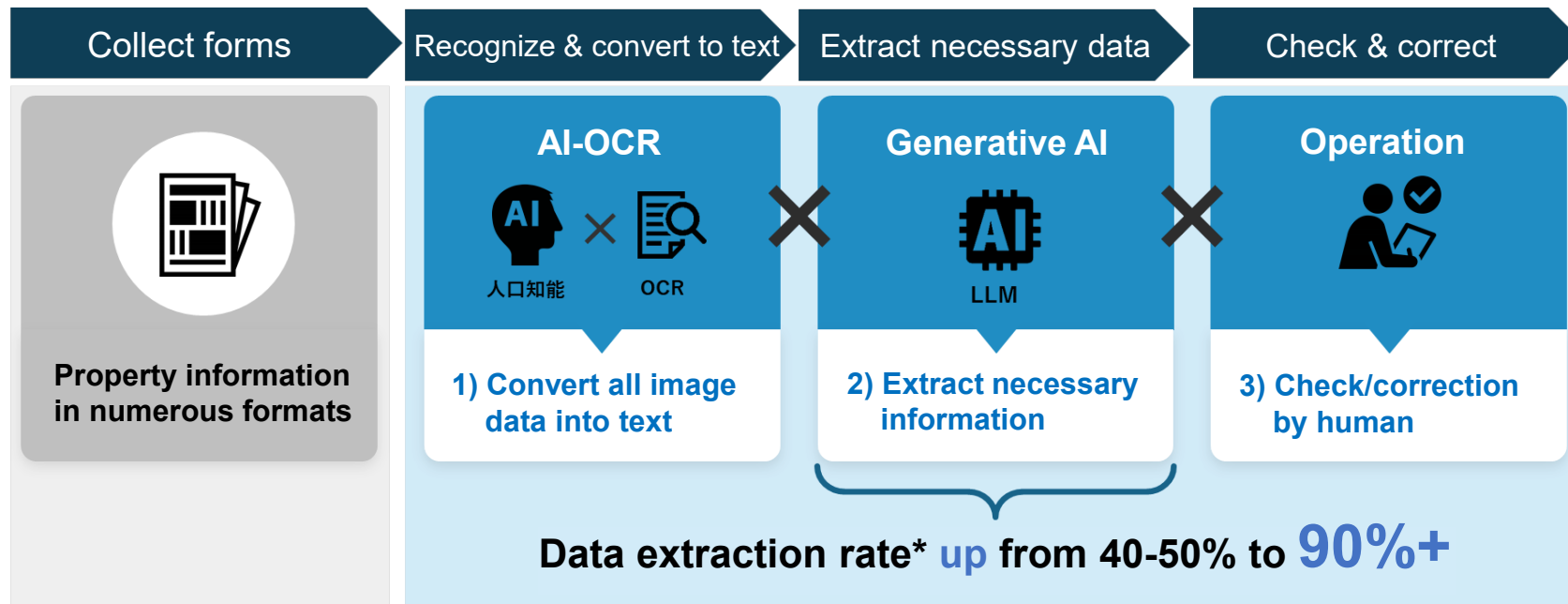
Deliver highly advanced AI-powered solutions by using optimum prompt engineering based on business insight and maximizing the power of generative AI.

# AI utilization: trans-Xsynk powered by AI-OCR x generative AI x operations



- transcosmos experts well-versed in client's business process took the lead and developed trans-Xsynk, an AI-powered solution that effectively converts image data on various formats into text.
- Based on business expertise, applied prompt engineering techniques to enhance generative AI's decision-making capabilities. The data extraction rate significantly increased with the enhanced Generative AI, enabling effective image-to-text conversion from non-standard formats.
- Applying the proven system built on trans-Xsynk, currently working on expanding AI service portfolios with a goal to release new solutions by the end of FY2026/3.

## trans-Xsynk, an AI-powered solution for the real estate industry



## Planned releases in FY2026/3

- AI solutions for accounting function
- AI solution for order management function
- Image-to-text converter for diverse report formats designed for all industries

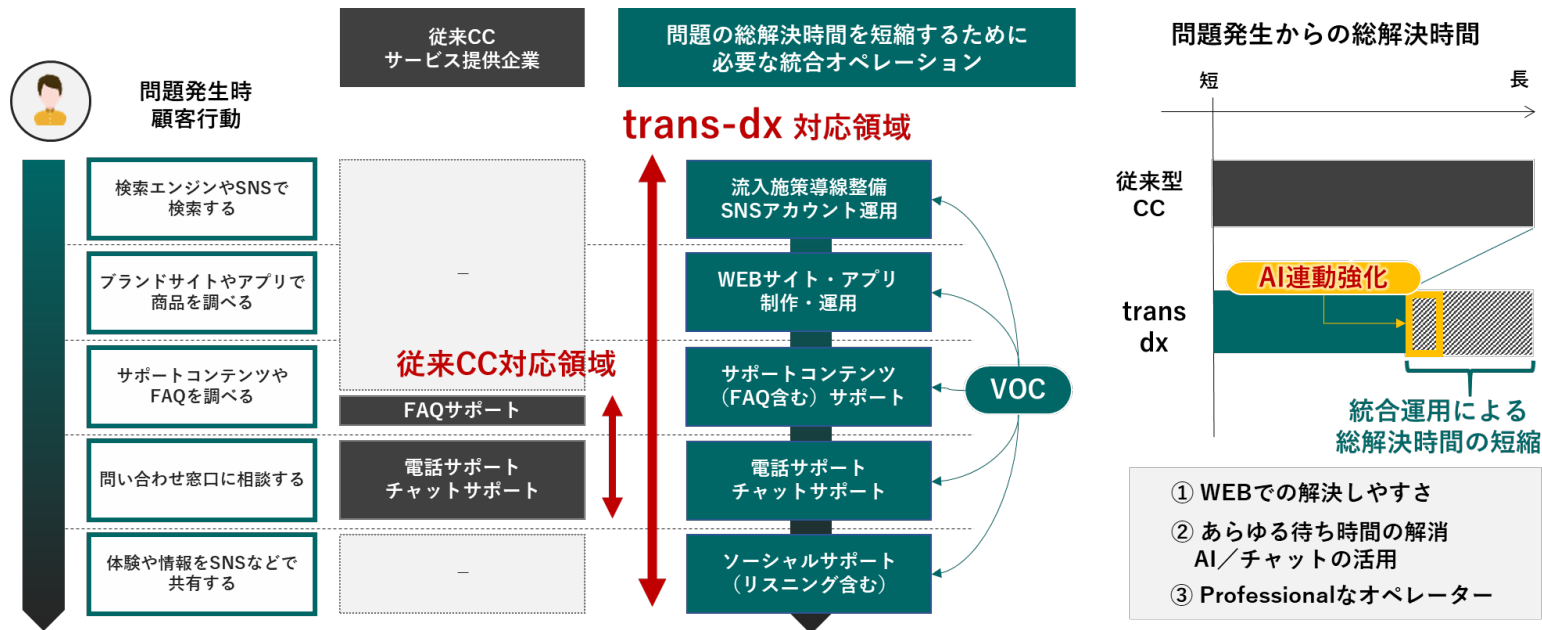
\*Necessary data extraction rate. The rate is around 40-50% with AI-OCR only.

Formed a joint venture with Mobilus Corporation to increase usability for consumers and optimize costs for clients using trans-DX for Support. Launched a project to combine contact center operations expertise with AI. Aiming to reduce total resolution time from initial contact to resolution by embracing AI more than ever.



- Ownership ratio: Mobilus Corporation 50% transcosmos inc. 50%
- Business: Development and operation of AI agent platforms
- Date of foundation: April 21, 2025

Most consumers are not satisfied with **time/efforts** when using customer service  
Typical complaints are “I don’t want to wait,” and “I just want to solve my problem (chatbots can’t solve)”  
 Further embrace the power of AI in addition to integrating and optimizing customer touchpoints to solve challenges



# FY2026/3 Business Plan



# Financial outlook for FY2026/3



## The Company expects

- Net sales and operating profit to increase backed by continued sales growth in CX and BPO services in Japan and overseas.
- To retain operating profit at last year's level by profitability enhancement and necessary investments for growth including security and strategic investments.
- Profit attributable to owners of parent to increase, despite an impact of a temporary drop in tax expenses in FY2025/3.
- To retain the growth trend. Does not expect to achieve numeric targets set under the Medium-Term Business Plan 2024/3-2026/3 (net sales: ¥450bn; operating profit: 6% to 8%) due to China's economic slowdown, businesses' cautious approach to investment in the post-COVID recovery, as well as ongoing price adjustments to absorb personnel expenses that surged more than expected, and technology costs.

In ¥100mn (rounded to the nearest ¥10mn)	FY2025/3 (Actual)		FY2026/3 (Forecast)		Change	
	Amount	Mix	Amount	Mix	Amount	%Change
Net sales	3,758.5	100.0%	4,000.0	100.0%	241.5	+6.4%
Operating profit	144.8	3.9%	155.0	3.9%	10.2	+7.1%
Ordinary profit	156.8	4.2%	170.0	4.3%	13.2	+8.4%
Profit attributable to owners of parent	113.3	3.0%	115.0	2.9%	1.7	+1.5%
EPS (Earnings per share) (yen)	302.4	-	306.9	-	4.5	+1.5%

# Reference: Bookings by service (Parent Company)



- Bookings shown below show sales in management accounting that consist of 1) unrecognized sales of received orders, and 2) highly probable transactions including unofficial orders, both to be generated from existing businesses.

## CX Services

**¥122.39bn**

(Reference)

Parent Company CX Services  
FY2025/3 sales in management accounting

**¥178.67bn**

## BPO Services

**¥79.51bn**

(Reference)

Parent Company BPO Services  
FY2025/3 sales in management accounting

**¥96.88bn**

# Shareholder Returns



## Shareholder returns

- In consideration of investments for growth, shareholder returns, and financial strength, the Company will distribute appropriate levels of dividends in line with its business performance with a target consolidated dividend payout ratio of 35% from dividend for FY2025/3. Also, in light of ensuring equal treatment for all shareholders, the Company will abolish its shareholder benefit program from FY2026/3, and change its dividend policy to concentrate on returning profits to shareholders through dividends and other means.
- To further clarify its commitment, the Company will deliver enhanced returns to shareholders by raising its consolidated dividend payout ratio to a level that exceeds the previous level (consolidated payout ratio of 30%).
- Based on the policy above, the Company plans to distribute a dividend of ¥106 per share for FY2025/3 (+¥25 YoY), and expects to pay a dividend of ¥108 per share for FY2026/3 (+¥2 YoY).

	FY2022/3	FY2023/3	FY2024/3	FY2025/3 (Plan)	FY2026/3 (Forecast)
Dividend per share (yen)	156	117	81	106	108
EPS (Earnings per share) (yen)	518.1	389.2	269.5	302.4	306.9
Consolidated dividend payout ratio (%)	30.1	30.1	30.1	35.1	35.2

- 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 ten million and the percentage is rounded to the first decimal place.



## **IR Contact**

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