

**Global** Digital Transformation **Partner**

**Supplemental Material for the  
Consolidated Financial Results for the  
Three Months Ended June 30, 2025  
(April 1, 2025 – June 30, 2025)**



**July 31, 2025**

**transcosmos inc.**

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**Consolidated net sales**  
**¥94,440mn**  
(YoY: +¥3,360mn)

**Consolidated operating profit**  
**¥3,680mn**  
(YoY: +¥640mn)

**transcosmos inc. net profit**  
**¥3,400mn**  
(YoY: +¥1,790mn)

- **Net sales grew 3.7% YoY, hitting record high for Q1. Operating profit also marked highest ever for Q1, OP margin up from 3.3% to 3.9% YoY.** (excluding three fiscal years impacted by COVID-related jobs from FY2021/3 to FY2023/3)
- **BPO services net sales up 7.4% YoY due to continued strong outsourcing demands, mainly in highly specialized areas usually managed by full-time employees. OP margin up 0.6 points.**
- **CX services net sales up 3.6% YoY reflecting solid bookings for trans-DX for Support while digital contact centers returned to positive growth. OP margin up 0.5 points.**
- **Overseas net sales by geographic markets up 2.1% YoY backed by sales growth in Southeast Asia, China and South Korea. Europe and the U.S. contributed to higher profitability, along with progress in business restructuring processes.**
- **transcosmos inc. net profit achieved significant growth boosted by an increase in operating profit and a decrease in extraordinary losses and tax expenses.**

## 2. Consolidated Statement of Income Summary

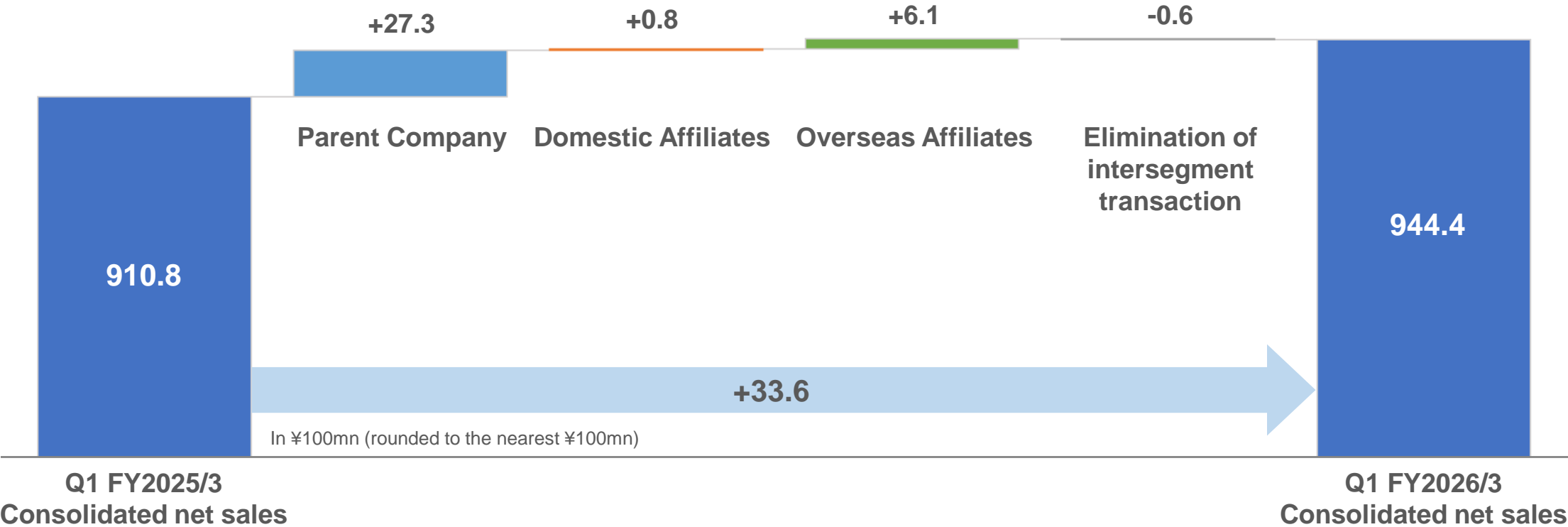
In ¥100mn (rounded to the nearest ¥100mn)	Q1 FY2025/3		Q1 FY2026/3		Change		FY2026/3 (outlook)	
	Amount	Mix	Amount	Mix	Amount	%Change	Amount	Progress
<b>Net sales</b>	<b>910.8</b>	<b>100.0%</b>	<b>944.4</b>	<b>100.0%</b>	<b>+33.6</b>	<b>+3.7%</b>	<b>4,000.0</b>	<b>23.6%</b>
Parent Company	595.7	65.4%	623.0	66.0%	+27.3	+4.6%		
Domestic Affiliates	104.1	11.4%	104.8	11.1%	+0.8	+0.7%		
Overseas Affiliates	243.9	26.8%	250.0	26.5%	+6.1	+2.5%		
Elimination of intersegment transaction	-32.8	-3.6%	-33.4	-3.6%	-0.6	-1.7%		
<b>Gross profit</b>	<b>173.8</b>	<b>19.1%</b>	<b>181.4</b>	<b>19.2%</b>	<b>+7.7</b>	<b>+4.4%</b>		
<b>SG&amp;A expenses</b>	<b>143.3</b>	<b>15.7%</b>	<b>144.6</b>	<b>15.3%</b>	<b>+1.3</b>	<b>+0.9%</b>		
<b>Operating profit</b>	<b>30.4</b>	<b>3.3%</b>	<b>36.8</b>	<b>3.9%</b>	<b>+6.4</b>	<b>+21.0%</b>	<b>155.0</b>	<b>23.8%</b>
Parent Company	13.2	2.2%	18.3	2.9%	+5.1	+38.9%		
Domestic Affiliates	7.1	6.8%	8.9	8.5%	+1.8	+25.5%		
Overseas Affiliates	10.2	4.2%	9.6	3.8%	-0.6	-6.0%		
Elimination of intersegment transaction	-0.1	-	0.0	-	+0.1	-		
<b>Non-operating income (loss)</b>	<b>7.2</b>	<b>0.8%</b>	<b>7.3</b>	<b>0.8%</b>	<b>+0.1</b>	<b>+1.2%</b>		
<b>Ordinary profit</b>	<b>37.6</b>	<b>4.1%</b>	<b>44.1</b>	<b>4.7%</b>	<b>+6.5</b>	<b>+17.2%</b>	<b>170.0</b>	<b>26.0%</b>
<b>Extraordinary income (loss)</b>	<b>-5.1</b>	<b>-0.6%</b>	<b>-0.4</b>	<b>-0.0%</b>	<b>+4.7</b>	<b>+92.5%</b>		
<b>Profit attributable to owners of parent</b>	<b>16.1</b>	<b>1.8%</b>	<b>34.0</b>	<b>3.6%</b>	<b>+17.9</b>	<b>+111.4%</b>	<b>115.0</b>	<b>29.6%</b>

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

### 3. Consolidated Net Sales Analysis

- Consolidated net sales up ¥3,360mn (+3.7%)

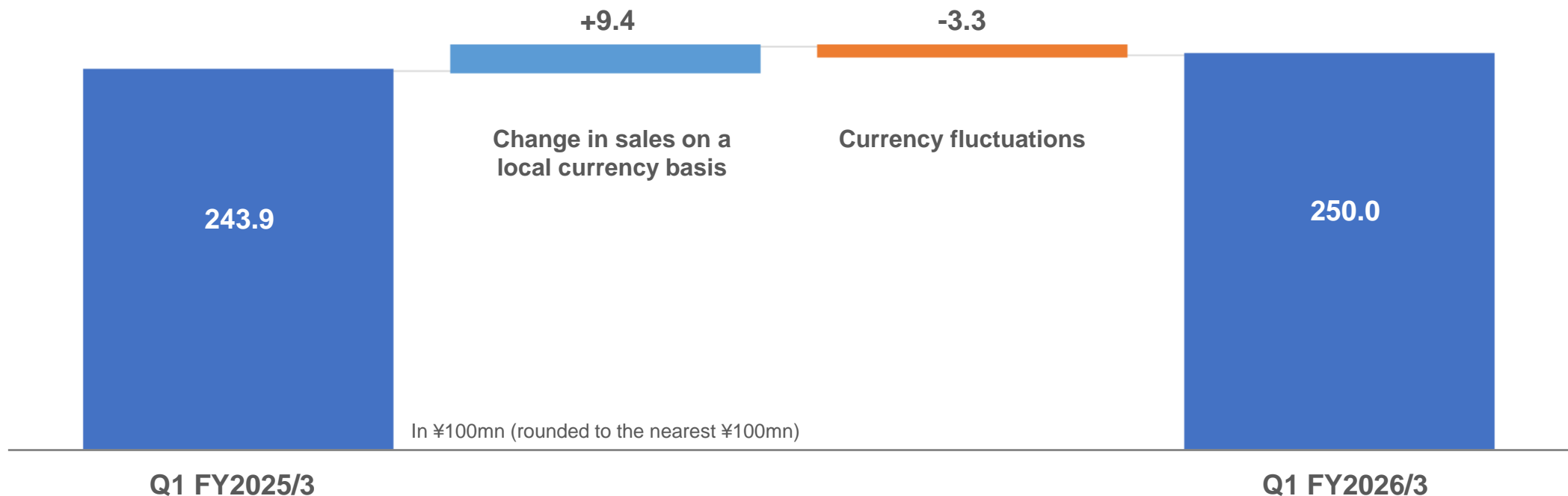
Parent Company	Up reflecting sales growth achieved by both CX and BPO services.
Domestic Affiliates	Up reflecting higher sales in a subsidiary specialized in IT consulting and one in system development, etc.
Overseas Affiliates	Up reflecting sales growth in subsidiaries in China, South Korea, and Southeast Asia.



# Reference: Effects of currency fluctuations on Overseas Affiliate sales



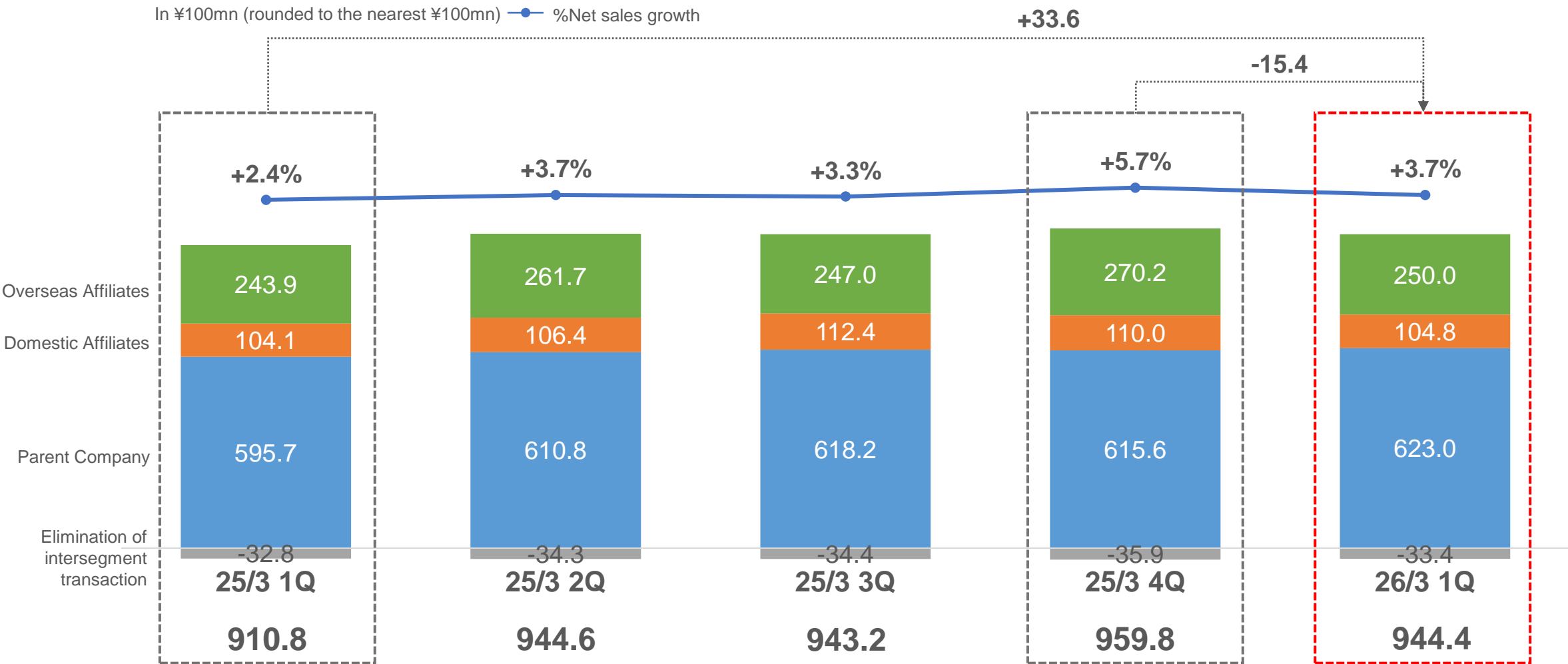
- Net sales up ¥940mn on a local currency basis reflecting sales growth in subsidiaries in South Korea and China. Currency fluctuations negatively affected sales by ¥330mn.



\*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.

## 4. Consolidated Net Sales Analysis (Quarterly Trend)

- YoY: Up ¥3,360mn due to higher sales achieved by all segments.
- QoQ: Despite Parent Company achieving sales growth, net sales dropped ¥1,540mn QoQ due to a decline in Overseas Affiliates, etc.



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

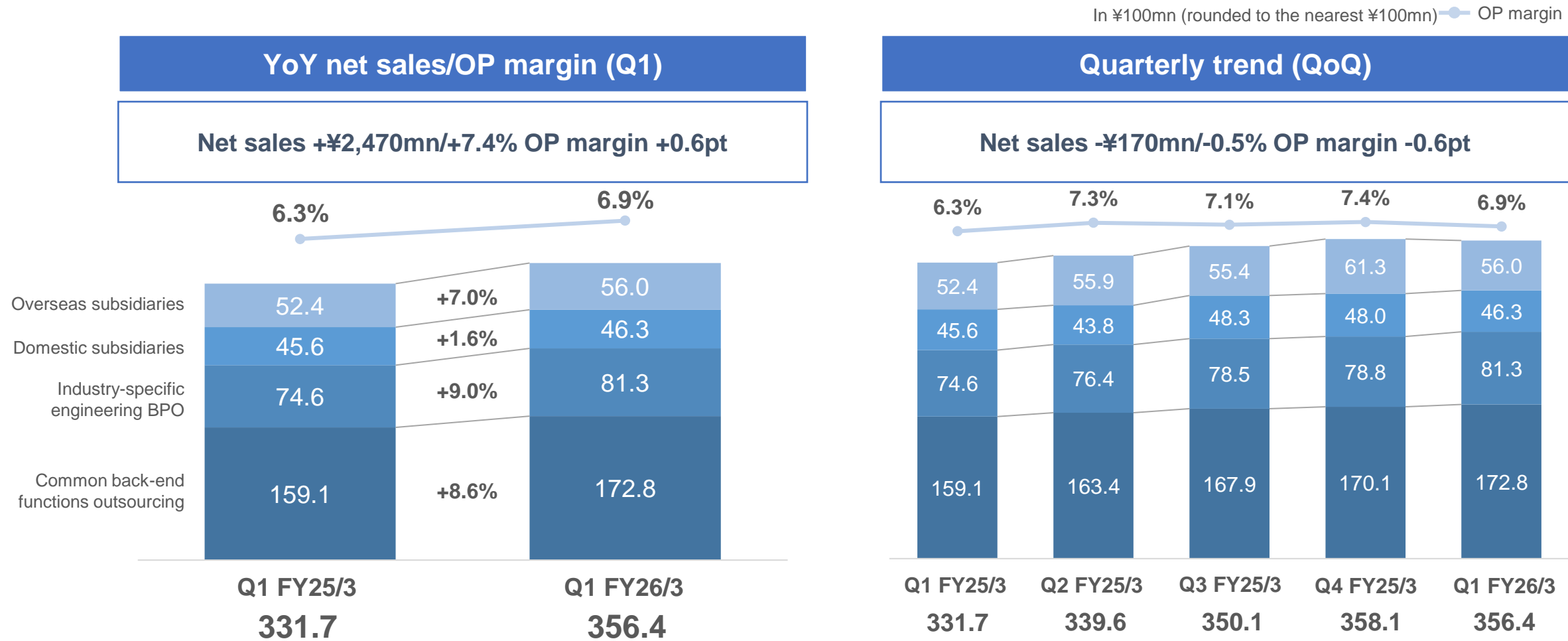
BPO services (~30% of consolidated net sales)	
Back-office services: Common back-end functions outsourcing (e.g. accounting, HR, IT) as well as industry-specific engineering BPO	
Japan	Common back-end functions digital outsourcing Accounting, HR, procurement & purchasing, order management, sales admin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

## 5. Consolidated Net Sales Analysis (BPO Services)

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



- BPO services net sales up 7.4% YoY with a 0.6 point increase in OP margin.
- In Japan, both industry-specific digital engineering BPO and common back-end functions digital outsourcing services continued to achieve higher sales by capturing outsourcing demands in highly specialized job areas usually performed by full-time employees. In the overseas market, sales grew in China offshore development business.

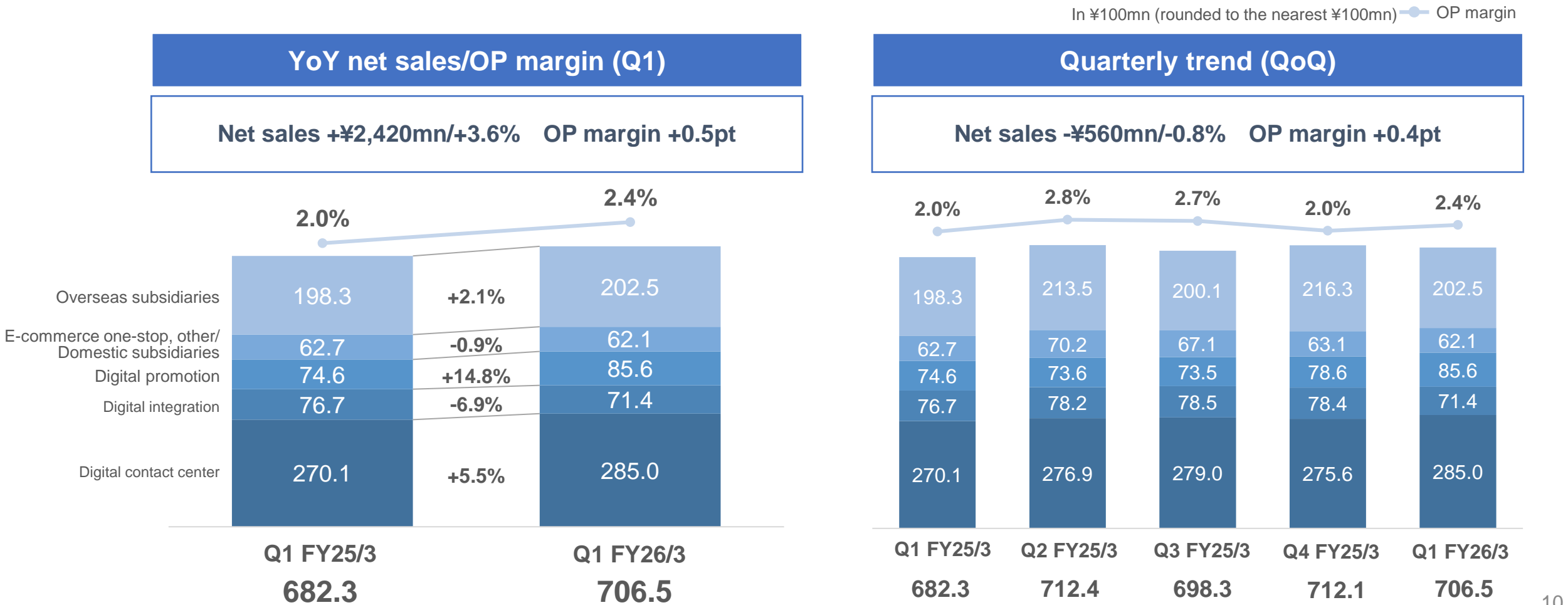


## 6. Consolidated Net Sales Analysis (CX Services)

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



- CX services net sales up 3.6% YoY with a 0.5 point increase in OP margin.
- trans-DX for Support achieved solid bookings and digital contact centers returned to positive growth. Profitability increased due to progress in price negotiations, higher productivity achieved with the use of generative AI and other digital technologies. Digital integration sales dropped due to the downsizing of an existing large project.



## 7. Consolidated Net Sales Analysis (Overseas by Geographic Market)

- South Korea: Up 0.8% YoY. Digital contact center sales increased.
- China: Up 4.1% YoY. Digital contact center sales increased.
- Southeast Asia: Up 8.4% YoY. E-commerce business sales increased in Thailand.
- Europe and the U.S., other: Down 24.3% YoY. Business restructuring underway to eliminate deficit in Europe and the U.S.

### YoY net sales/OP margin (Q1)

Net sales +¥480mn/+2.1% %Overseas net sales -0.4pt

25.0%

24.7%

Europe and the U.S., other

11.7

-24.3%

8.9

Southeast Asia

49.4

+8.4%

53.6

China

65.0

+4.1%

67.7

South Korea

101.9

+0.8%

102.7

Q1 FY25/3

228.1

Q1 FY26/3

232.9

### Quarterly trend (QoQ)

Net sales -¥1,700mn/-6.8% %Overseas net sales -1.4pt

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

25.0%

25.9%

24.2%

26.0%

24.7%

11.7

49.4

65.0

101.9

12.6

50.6

74.9

107.0

11.1

49.5

60.8

107.3

10.1

59.8

77.2

102.8

8.9

53.6

67.7

102.7

Q1 FY25/3

228.1

Q2 FY25/3

245.0

Q3 FY25/3

228.7

Q4 FY25/3

249.9

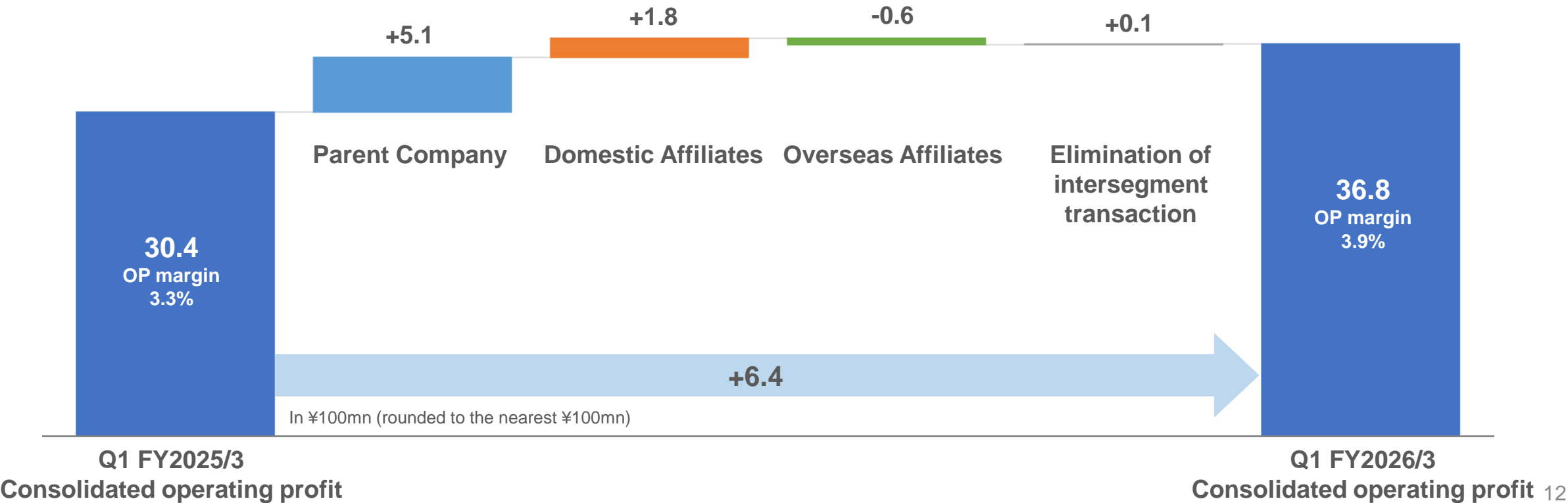
Q1 FY26/3

232.9

## 8. Consolidated Operating Profit Analysis

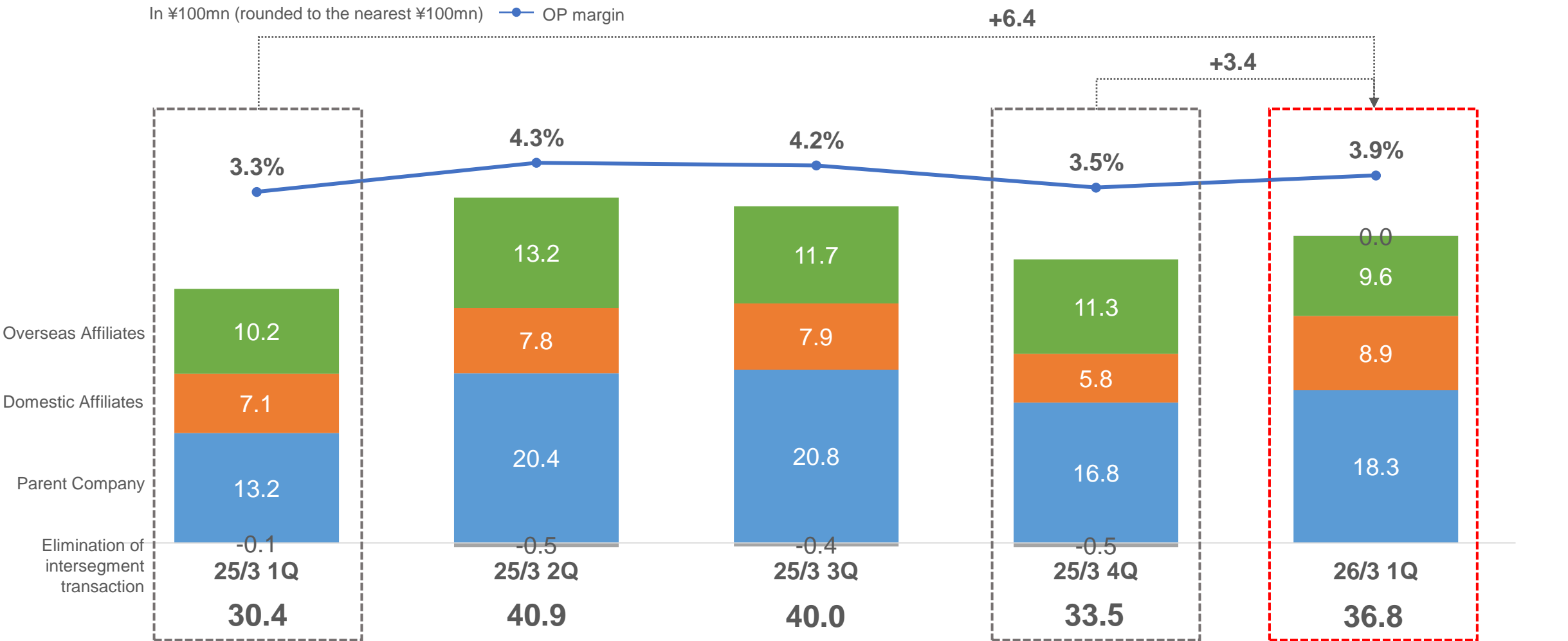
- Operating profit up ¥640mn (+21.0%)

Parent Company	Up reflecting increased profitability in both CX and BPO services.
Domestic Affiliates	Up reflecting profit growth in a listed subsidiary, etc.
Overseas Affiliates	Profits up in subsidiaries in China and South Korea. Profitability increased in subsidiaries in Europe and the U.S. due to progress in business restructuring. Despite these increases, operating profit down due to a decline in subsidiaries in Southeast Asia.



## 9. Consolidated Operating Profit Analysis (Quarterly Trend)

- YoY: Up ¥640mn reflecting profit growth in Parent Company and Domestic Affiliates. OP margin up 0.6 points.
- QoQ: Up ¥340mn reflecting profit growth in Parent Company and Domestic Affiliates. OP margin up 0.4 points. Profit in Overseas Affiliates dropped due to a decline in profits in Southeast Asia.



# 10. Parent Company Operating Profit Analysis



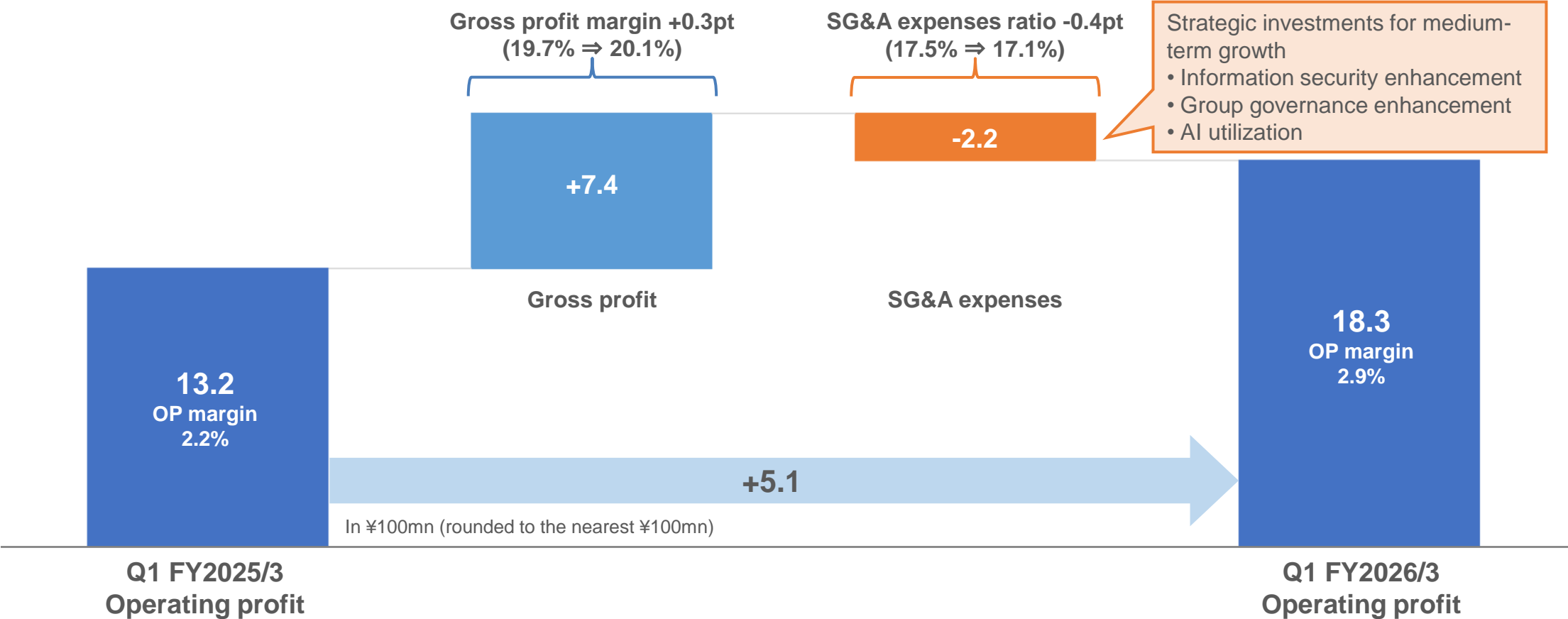
- Operating profit up ¥510mn (+38.9%)

Gross profit

Up ¥740mn reflecting a 0.3 point increase in gross profit margin led by progress in price negotiations, higher utilization rate, etc. in addition to sales growth.

SG&A expenses

SG&A expense ratio decreased 0.4 points despite a ¥220mn increase in SG&A expenses, which includes investments in strengthening management base including information systems and digital talent development, as well as upfront investments in business expansion including the use of AI.

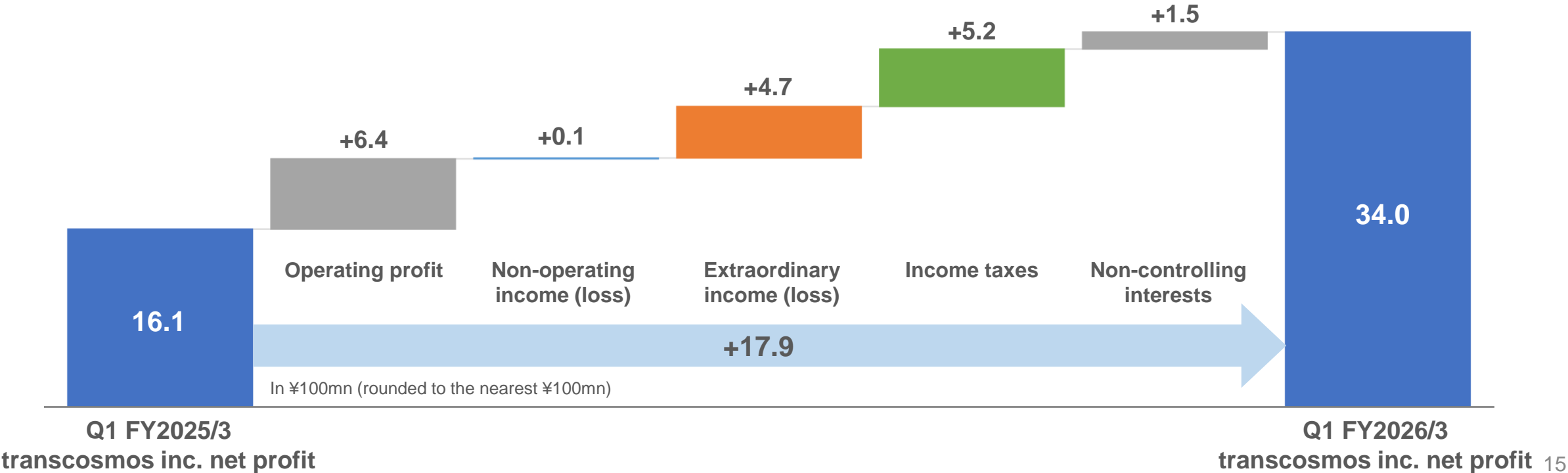


# 11. transcosmos inc. Profit Analysis



- transcosmos inc. net profit up ¥1,790mn (+111.4%)

Non-operating income (loss)	Up ¥10mn reflecting the posting of share of profit of entities accounted for using equity method, etc. (posted share of loss of entities accounted for using equity method in the same period last year)
Extraordinary income (loss)	Up ¥470mn due to a decline in loss on valuation of investment securities, etc.
Income taxes	Down ¥520mn due to a decrease in tax expenses, as last year's valuation losses on stocks are included in deductible expenses for tax purposes.



## 12. Consolidated Balance Sheet Summary

- **Assets:** Notes and accounts receivable - trade, and contract assets decreased after the collection of trade receivables at the end of last fiscal year, etc.
- **Liabilities:** Long-term borrowings decreased after the repayment of borrowings. The increase in provision for bonuses reflects reserves for bonus payments calculated and provided for based on estimated payment amounts for the current fiscal period.
- **Net assets:** Foreign currency translation adjustment decreased.

In ¥100mn (rounded to the nearest ¥100mn)	End of Mar. 2025	End of Jun. 2025	Change	
<b>Current assets</b>	1,546.6	1,526.9	-19.7	• Notes and accounts receivable – trade -36.1
<b>Non-current assets</b>	533.3	529.0	-4.3	• Property, plant and equipment -7.9
<b>Total assets</b>	2,079.8	2,055.8	-24.0	• Investment securities +6.6
<b>Current liabilities</b>	620.1	649.8	+29.6	• Shares of subsidiaries and associates -9.1
<b>Non-current liabilities</b>	169.0	148.0	-21.0	• Accrued expenses -11.7
<b>Total liabilities</b>	789.2	797.8	+8.6	• Provision for bonuses +24.5
<b>Net assets</b>	1,290.7	1,258.0	-32.6	• Long-term borrowings -20.1
<b>Total liabilities &amp; net assets</b>	2,079.8	2,055.8	-24.0	• Retained earnings -5.7
<b>Cash and deposits</b>	735.0	726.3	-8.7	• Foreign currency translation adjustment -29.7
<b>Interest-bearing liabilities</b>	165.3	144.9	-20.5	• Decreased due to dividend payments, repayments of borrowings, etc.
<b>Net cash*</b>	569.7	581.5	+11.8	
<b>Net cash* to monthly sales ratio</b>	1.8	1.8	+0.0	

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

# 13. CAPEX, Amortization/Depreciation, Employees, Service Bases

## ● Capital expenditures/Depreciation expenses

In ¥100mn (rounded to the nearest ¥100mn)	Q1 FY2025/3	Q1 FY2026/3	%Change
Capital expenditures	9.8	6.0	-38.7%
Depreciation expenses	14.1	13.7	-2.8%

### ● CAPEX

Capital expenditures decreased in Parent Company.

### ● Depreciation

Depreciation expenses decreased in Domestic and Overseas Affiliates.

## ● Number of Employees

	End of Mar. 2025	End of Jun. 2025	Change
Consolidated basis	41,682	42,100	418
(Temporary employees)	28,971	28,135	-836
Parent Company	17,910	18,412	502
(Temporary employees)	21,002	20,880	-122

### ● Consolidated basis

Employees increased primarily in Parent Company. Temporary employees decreased in Southeast Asia due to downsizing of some projects.

### ● Parent Company

Employees increased due to new graduate hires.

## ● Service Bases

	End of Mar. 2025	End of Jun. 2025	Change
Service bases	184	182	-2
(Japan)	72	71	-1
(Overseas)	112	111	-1

### ● Japan

Contact centers decreased.

### ● Overseas

Integrated some centers in China.

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

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



## **IR Contact**

IR Department, Corporate Headquarters, transcosmos inc.

E-Mail. [ir\\_info@trans-cosmos.co.jp](mailto:ir_info@trans-cosmos.co.jp)