

**Global Digital Transformation Partner**

**Earnings Conference for the Six Months  
Ended September 30, 2025  
(April 1, 2025 – September 30, 2025)**



**October 31, 2025**

**transcosmos inc.**

## 1. Executive Summary

## 2. H1 FY2026/3 Financial Results Summary

- Consolidated Income Statement Summary
- Consolidated Net Sales Analysis
- Consolidated Net Sales Analysis (Quarterly Trend)
- Consolidated Operating Profit Analysis
- Consolidated Operating Profit Analysis (Quarterly Trend)
- Parent Company Operating Profit Analysis
- transcosmos inc. H1 Net Profit Analysis
- Consolidated Balance Sheet Summary
- Consolidated Cash Flow Statement
- CAPEX, Amortization/Depreciation, Employees, Service Bases

## 3. Financial Results by Service/Market

- BPO Services
- CX Services
- Overseas by Geographic Markets

## Appendix

- Overseas Net Sales by Country or Region based on Clients' Location

Consolidated net sales

**¥192,110mn**

(YoY: +¥6,570mn/+3.5%)

Consolidated operating profit

**¥8,070mn**

(YoY: +¥940mn/+13.2%)

transcosmos inc. net profit

**¥6,530mn**

(YoY: +¥2,370mn/+57.1%)

- **Net sales grew 3.5% YoY, marking a record high for H1. Operating profit hit a record level for H1, with OP margin rising from 3.8% to 4.2% YoY** (excluding FY2021/3-FY2023/3 impacted by COVID-related jobs).
- **BPO services net sales up 8.3% YoY; OP margin grew by 0.4 points.**
  - Growing outsourcing demand, driven by labor shortages in Japan, led to more new wins and larger project sizes.
  - Two jointly established companies with clients began operations. Further promoted trans-Xsynk, our AI-powered solution. Focused on expanding digital BPO services into supply chain, IT, and manufacturing.
- **CX services net sales up 2.8% YoY; OP margin grew by 0.5 points.**
  - Deployment of our integrated CX platform, trans-DX for Support, increased to 117 companies, supporting sales growth in digital contact center services.
  - Focused on accelerating the rollout of trans-DX for Support, enhancing service value and streamlining operations with AI, and driving sales in digital integration services.
- **Overseas net sales up 0.1% YoY; OP margin declined 0.3 points.**
  - Accelerated the expansion of CX/BPO services in Asia, leading to new orders in China and South Korea. Sales increased, offsetting the impact of foreign exchange rates.
  - Focused on promoting Global CX/BPO services via the Malaysia hub, developing AI-powered services mainly in South Korea, and increasing business with China-based global companies.
- **transcosmos inc. net profit achieved significant growth driven by higher operating profit, foreign exchange gains, and lower extraordinary losses.**

## 2. H1 2026/3 Financial Results Summary



# Consolidated Statement of Income Summary



In ¥100mn (rounded to the nearest ¥100mn)	H1 FY2025/3		H1 FY2026/3		Change		FY2026/3 (outlook)	
	Amount	Mix	Amount	Mix	Amount	%Change	Amount	Progress
<b>Net sales</b>	<b>1,855.5</b>	<b>100.0%</b>	<b>1,921.1</b>	<b>100.0%</b>	<b>+65.7</b>	<b>+3.5%</b>	<b>4,000.0</b>	<b>48.0%</b>
Parent Company	1,206.5	65.0%	1,265.1	65.9%	+58.7	+4.9%		
Domestic Affiliates	210.4	11.3%	218.5	11.4%	+8.1	+3.8%		
Overseas Affiliates	505.7	27.3%	506.2	26.3%	+0.5	+0.1%		
Elimination of intersegment transaction	-67.1	-3.6%	-68.7	-3.6%	-1.6	-2.4%		
<b>Gross profit</b>	<b>353.5</b>	<b>19.0%</b>	<b>372.0</b>	<b>19.4%</b>	<b>+18.6</b>	<b>+5.2%</b>		
<b>SG&amp;A expenses</b>	<b>282.1</b>	<b>15.2%</b>	<b>291.3</b>	<b>15.2%</b>	<b>+9.2</b>	<b>+3.2%</b>		
<b>Operating profit</b>	<b>71.3</b>	<b>3.8%</b>	<b>80.7</b>	<b>4.2%</b>	<b>+9.4</b>	<b>+13.2%</b>	<b>155.0</b>	<b>52.1%</b>
Parent Company	33.5	2.8%	42.3	3.3%	+8.7	+25.9%		
Domestic Affiliates	14.9	7.1%	16.8	7.7%	+1.9	+12.8%		
Overseas Affiliates	23.4	4.6%	21.9	4.3%	-1.6	-6.8%		
Elimination of intersegment transaction	-0.6	-	-0.2	-	+0.4	+69.3%		
<b>Non-operating income (loss)</b>	<b>0.6</b>	<b>0.0%</b>	<b>12.3</b>	<b>0.6%</b>	<b>+11.7</b>	<b>-</b>		
<b>Ordinary profit</b>	<b>72.0</b>	<b>3.9%</b>	<b>93.1</b>	<b>4.8%</b>	<b>+21.1</b>	<b>+29.3%</b>	<b>170.0</b>	<b>54.7%</b>
<b>Extraordinary income (loss)</b>	<b>-8.3</b>	<b>-0.4%</b>	<b>-1.1</b>	<b>-0.1%</b>	<b>+7.2</b>	<b>+86.4%</b>		
<b>Profit attributable to owners of parent</b>	<b>41.5</b>	<b>2.2%</b>	<b>65.3</b>	<b>3.4%</b>	<b>+23.7</b>	<b>+57.1%</b>	<b>115.0</b>	<b>56.8%</b>

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

# Consolidated Net Sales Analysis

- Consolidated net sales up ¥6,570mn (+3.5%)

**Parent Company**

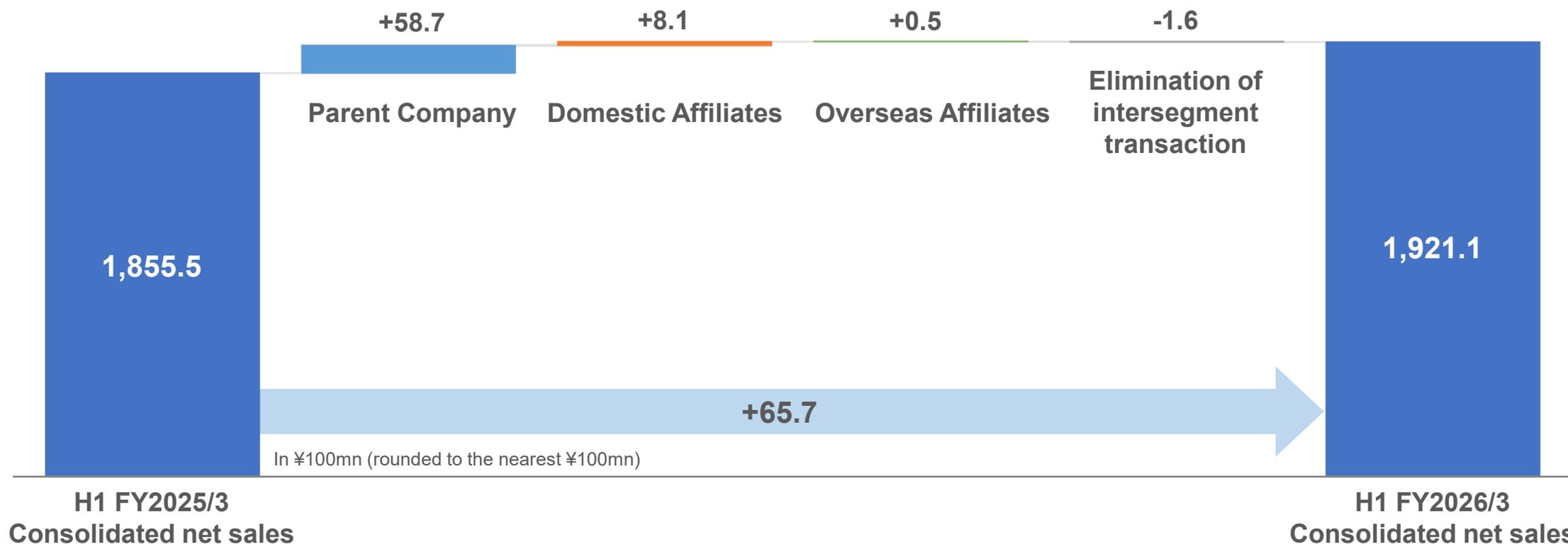
Up, reflecting sales growth in both CX and BPO services.

**Domestic Affiliates**

Up, as BPO-related joint ventures expanded their business scope and new entities were newly consolidated.

**Overseas Affiliates**

Up, reflecting sales growth in subsidiaries in China, despite the impact of foreign exchange rates.

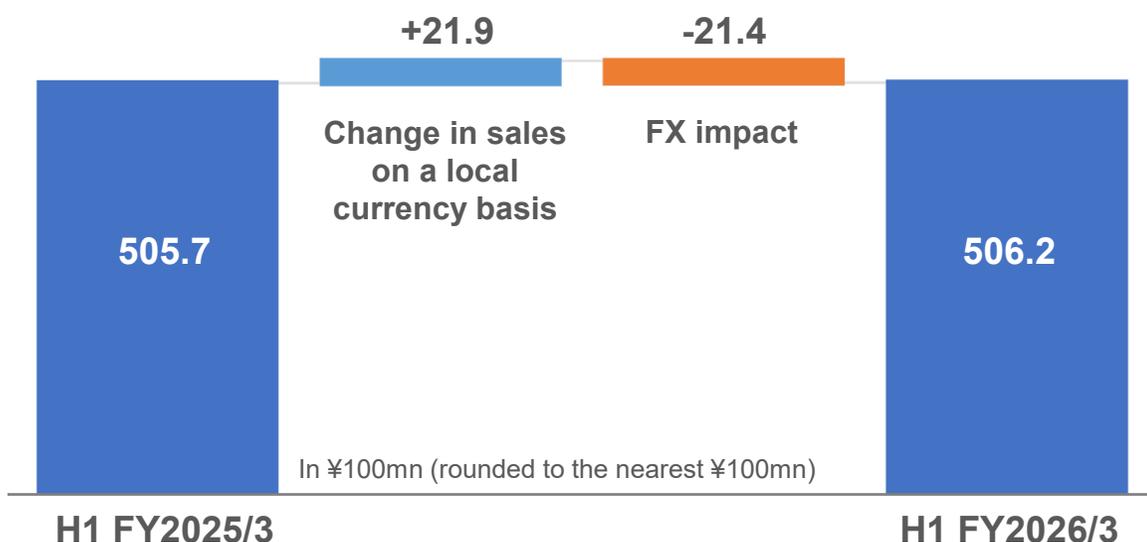


# Reference: Effects of currency fluctuations on Overseas Affiliate sales

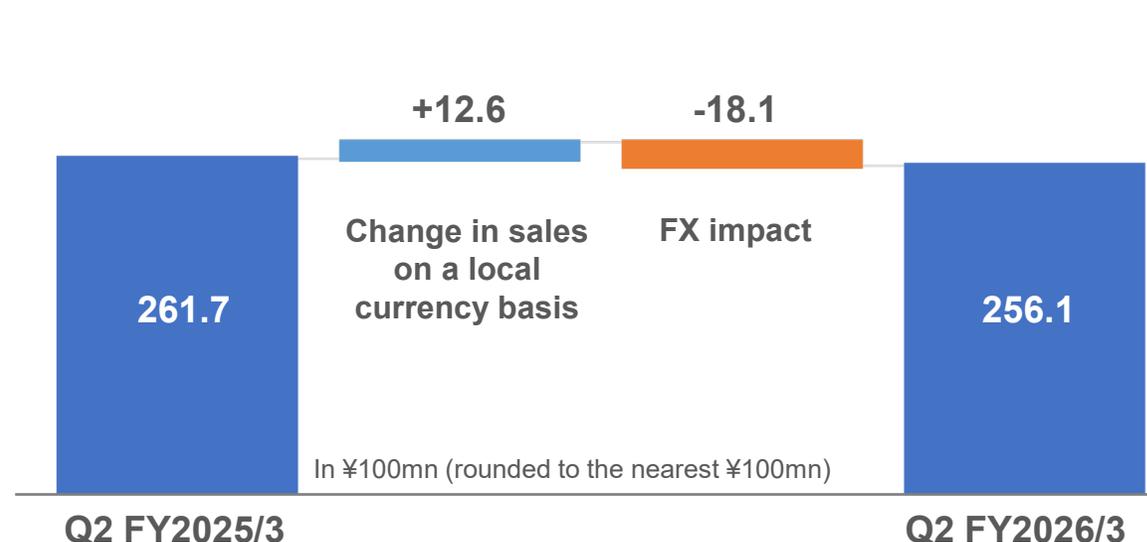


- H1: Net sales up ¥2,190mn on a local currency basis, reflecting sales growth in subsidiaries in South Korea and China. Currency fluctuations had a negative impact of ¥2,140mn on reported sales.
- Q2: Net sales up ¥1,260mn on a local currency basis, reflecting sales growth in subsidiaries in South Korea and China. Currency fluctuations had a negative impact of ¥1,810mn on reported sales.

Overseas Affiliates: YoY net sales (H1)



Overseas Affiliates: YoY net sales (Q2)



\*The bar charts above show the impact of currency fluctuations on overseas subsidiaries that significantly affect the Company's consolidated financial results when translated into the reporting currency. FX impact has minimal effect on consolidated operating profit.

\*Overseas affiliates' profits and losses are translated into the reporting currency using the average exchange rate for January to June 2025. A decline in the average exchange rate of the South Korean won against the Japanese yen, compared to the same period last year, significantly impacted reported sales.

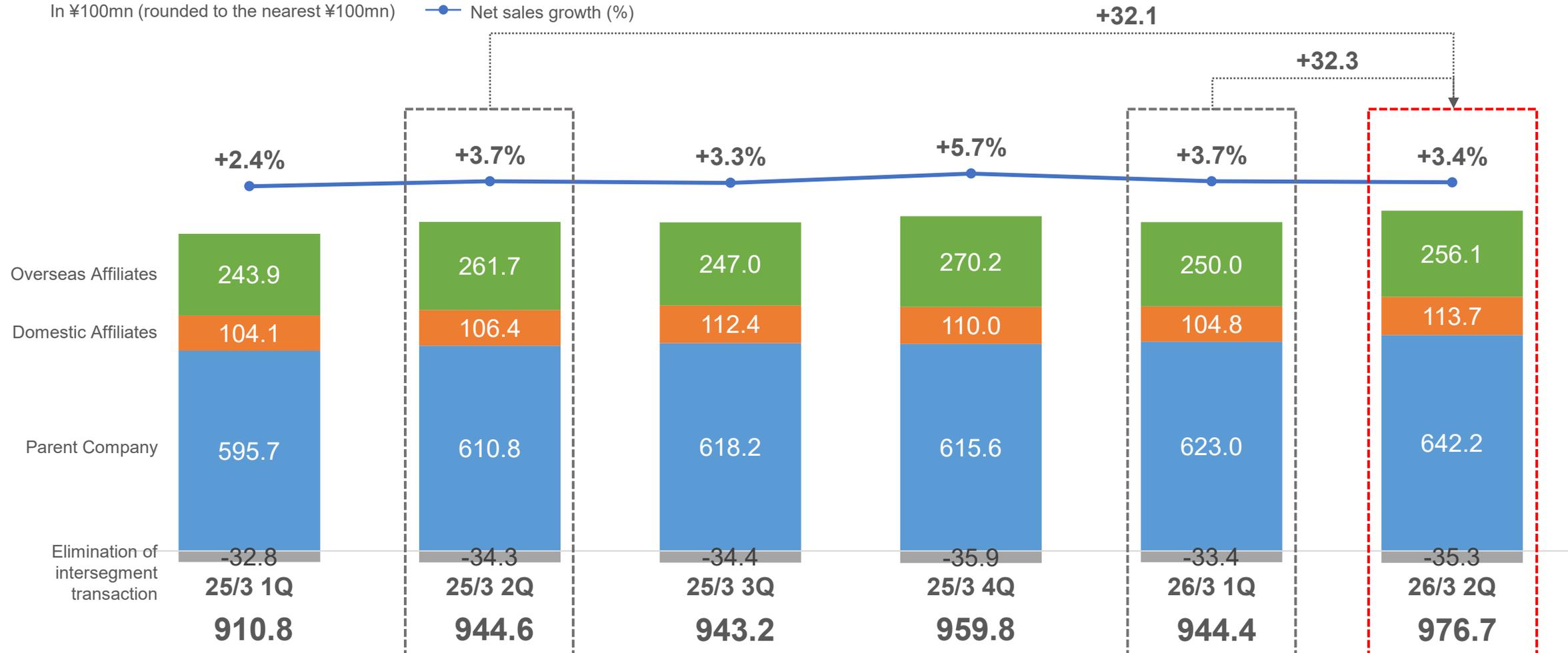
# Consolidated Net Sales Analysis (Quarterly Trend)



- YoY: Up ¥3,210mn, reflecting sales growth in the Parent Company and Domestic Affiliates, achieving growth for six consecutive quarters from Q1 FY2025/3.
- QoQ: Up ¥3,230mn, reflecting sales growth in all segments.

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

— Net sales growth (%)



# Consolidated Operating Profit Analysis

- Operating profit up ¥940mn (+13.2%)

**Parent Company**

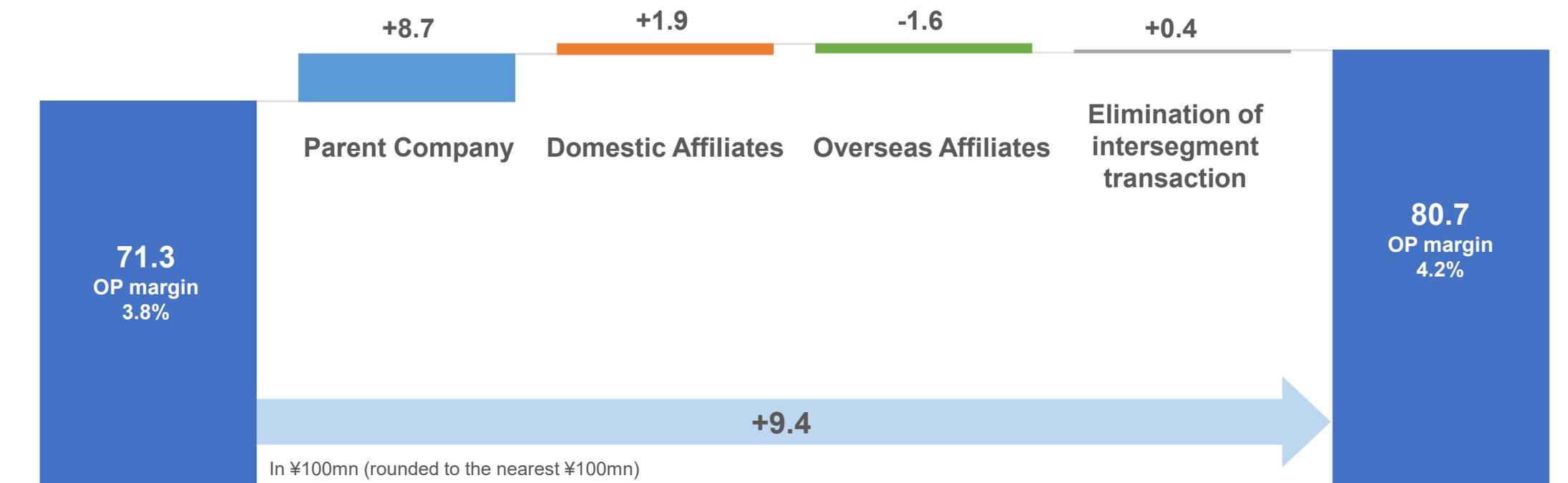
Up, reflecting increased profitability in both CX and BPO services.

**Domestic Affiliates**

Up, reflecting profit growth in a listed subsidiary.

**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, overall operating profit declined due to lower profit in subsidiaries in Southeast Asia.



H1 FY2025/3  
Consolidated operating profit

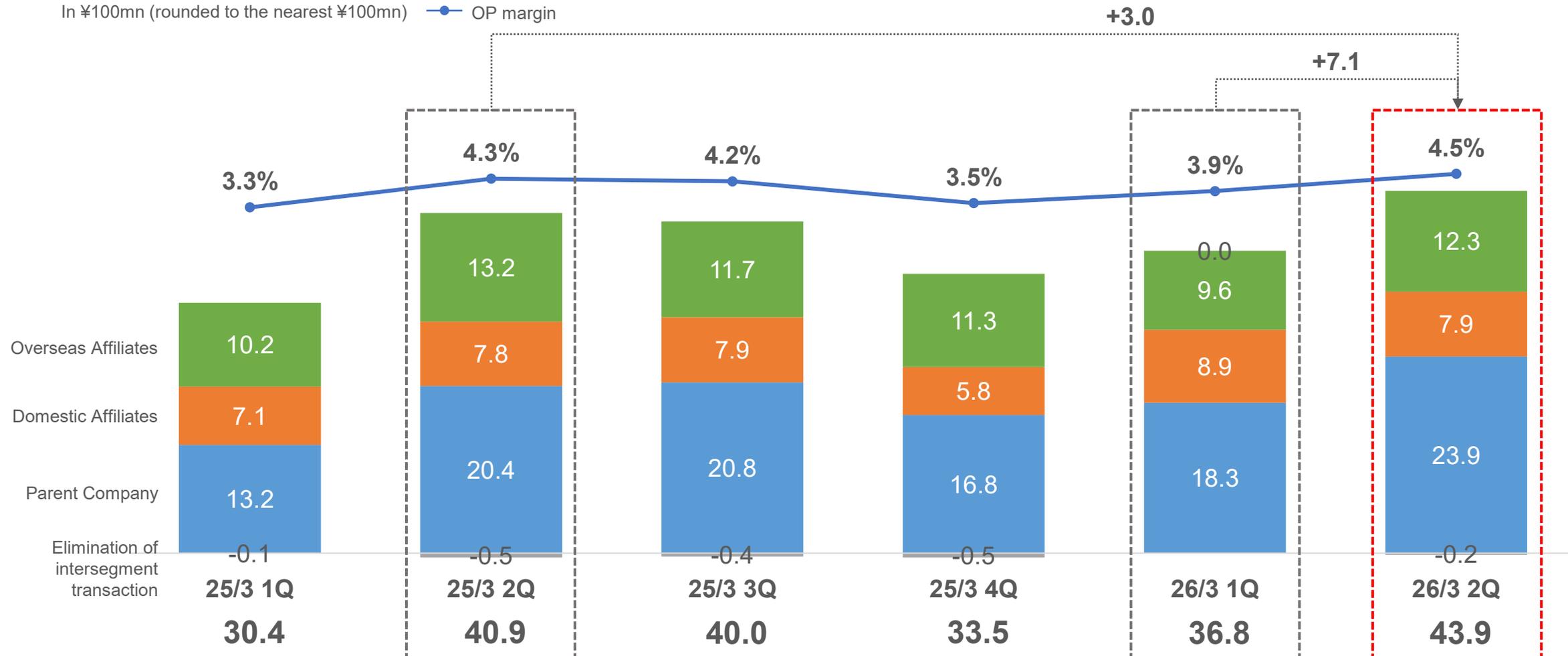
H1 FY2026/3  
Consolidated operating profit 9

# Consolidated Operating Profit Analysis (Quarterly Trend)



- YoY: Up ¥300mn, reflecting profit growth in the Parent Company and Domestic Affiliates. OP margin grew by 0.2 points.
- QoQ: Up ¥710mn, reflecting profit growth in the Parent Company and Overseas Affiliates. OP margin grew by 0.6 points.

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



# Parent Company Operating Profit Analysis

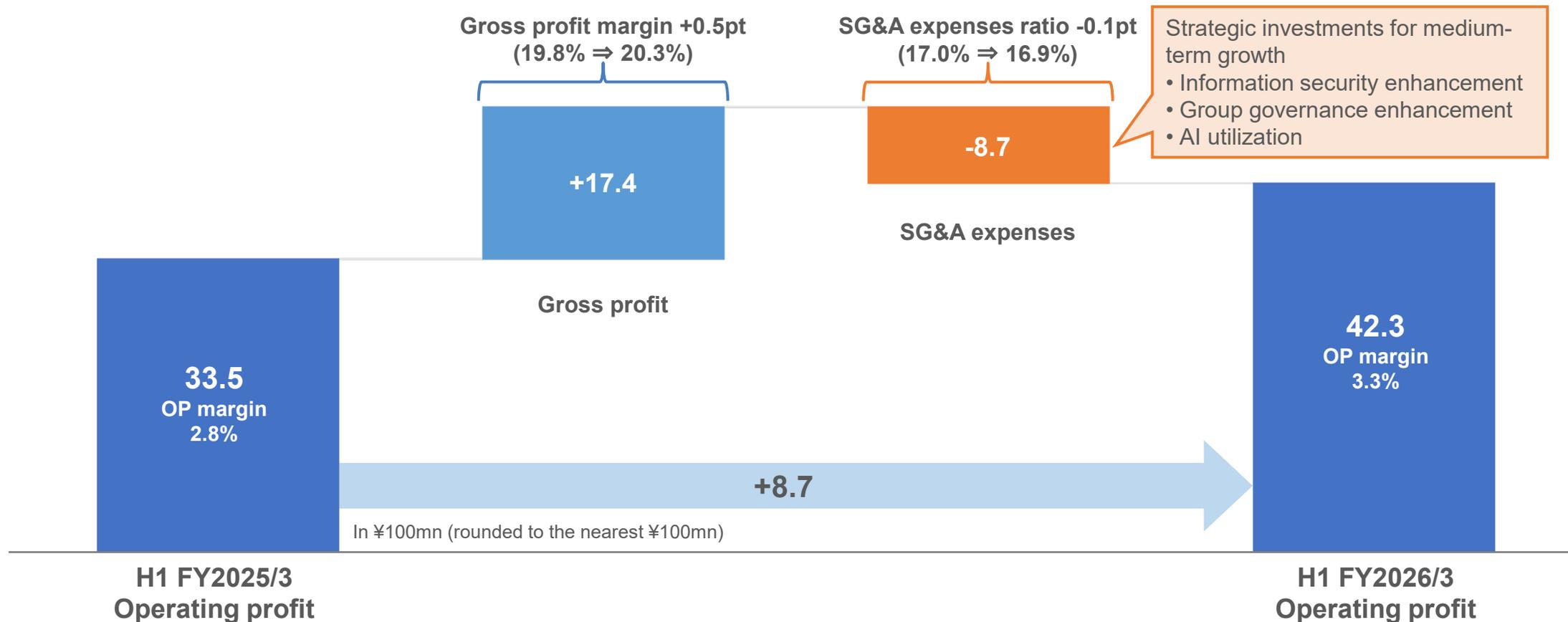
- Operating profit up ¥870mn (+25.9%)

## Gross profit

Up ¥1,740mn, reflecting a 0.5-point increase in gross profit margin, led by progress in price negotiations and higher utilization rate, in addition to sales growth.

## SG&A expenses

SG&A expense ratio decreased 0.1 points despite a ¥870mn increase in SG&A expenses. The increase includes investments to strengthen the management base such as information systems and digital talent development, along with upfront investments for business expansion, including AI utilization.

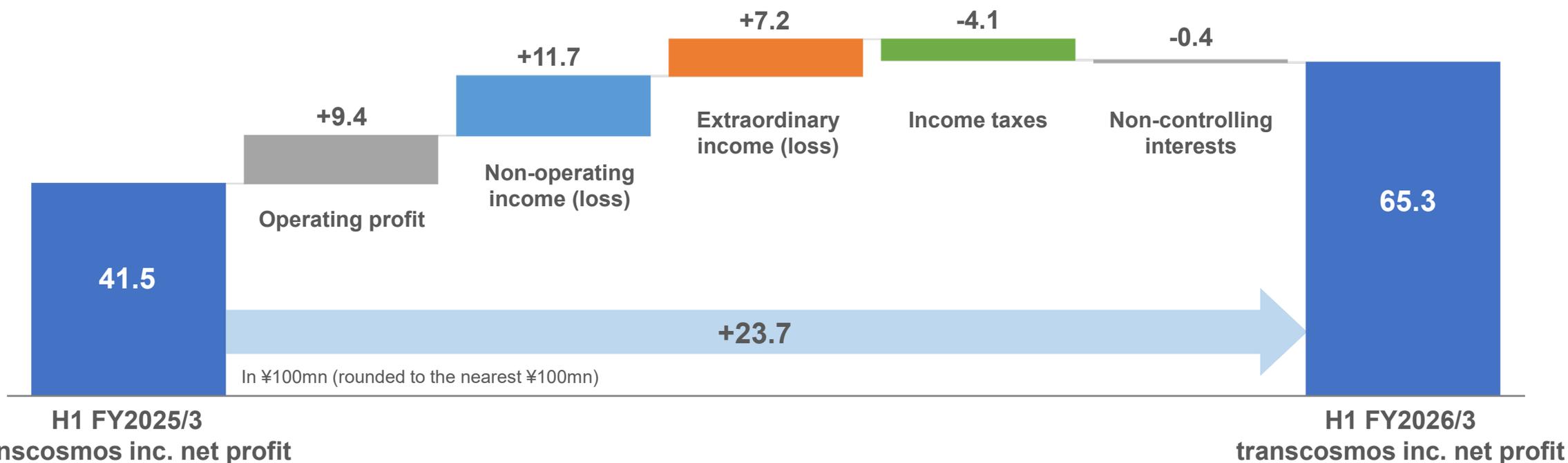


# transcosmos inc. H1 Net Profit Analysis



- transcosmos inc. net profit up ¥2,370mn (+57.1%)

<b>Non-operating income (loss)</b>	Up ¥1,170mn, mainly due to the posting of foreign exchange gains* (posted foreign exchange losses in the same period last year).
<b>Extraordinary income (loss)</b>	Up ¥720mn, mainly due to a decrease in loss on valuation of securities.
<b>Income taxes</b>	Up ¥410mn, due to an increase in profit before income taxes.



\*Most of the foreign currency-dominated bonds held by the Company are translated into the reporting currency using the exchange rate at the end of this quarter, which was the end of September 2025. As the Japanese yen declined primarily against the US dollar during the first half of FY2026/3 compared to the same period last year, foreign exchange gains were posted.

# Consolidated Balance Sheet Summary

- **Assets:** Notes and accounts receivable - trade and contract assets, cash and deposits, as well as prepaid expenses included under current assets, increased.
- **Liabilities:** Accounts payable - trade and provisions for bonuses increased.
- **Net assets:** Retained earnings increased. Foreign currency translation adjustment decreased.

In ¥100mn (rounded to the nearest ¥100mn)	End of Mar. 2025	End of Sep. 2025	Change
<b>Current assets</b>	1,546.6	1,573.2	+26.6
<b>Non-current assets</b>	533.3	530.3	-3.0
<b>Total assets</b>	2,079.8	2,103.5	+23.6
<b>Current liabilities</b>	620.1	664.9	+44.8
<b>Non-current liabilities</b>	169.0	147.8	-21.2
<b>Total liabilities</b>	789.2	812.7	+23.5
<b>Net assets</b>	1,290.7	1,290.7	+0.1
<b>Total liabilities &amp; net assets</b>	2,079.8	2,103.5	+23.6
<b>Cash and deposits</b>	735.0	739.1	+4.1
<b>Interest-bearing liabilities</b>	165.3	144.1	-21.2
<b>Net cash*</b>	569.7	595.0	+25.3
<b>Net cash* to monthly sales ratio</b>	1.8	1.9	+0.1

- Cash and deposits +4.1
- Notes and accounts receivable - trade +4.7

- Property, plant and equipment -7.5
- Investment securities +4.5
- Shares of subsidiaries and associates -9.7

- Accounts payable - trade +21.1
- Provision for bonuses +6.1

- Long-term borrowings -20.3

- Retained earnings +25.5
- Foreign currency translation adjustment -30.1

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

# Consolidated Cash Flow Statement



- Operating cash flow: Profit before income taxes increased, trade payables increased year-over-year, and accrued liabilities increased.
- Investing cash flow: Proceeds from the refund of guarantee deposits decreased. Payments for acquisition of businesses were incurred in H1.
- Financing cash flow: Dividends paid increased.

In ¥100mn (rounded to the nearest ¥100mn)	H1 FY2025/3	H1 FY2026/3	Change
Cash flows from operating activities	30.8	113.1	+82.3
Cash flows from investing activities	-18.8	-32.6	-13.8
Cash flows from financing activities	-55.7	-66.3	-10.6
Balance of cash and cash equivalents	613.5	736.7	+123.3
Free cash flow *	12.0	80.5	+68.5

\*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 ¥100mn)	H1 FY2025/3	H1 FY2026/3	Change
Capital expenditures	19.2	20.5	+6.6%
Depreciation expenses	28.4	27.6	-2.8%

- **CAPEX**  
Capital expenditures increased in overseas subsidiaries.
- **Depreciation**  
Depreciation expenses decreased in both domestic and overseas subsidiaries.

## ● Number of employees

	End of Mar. 2025	End of Sep. 2025	Change
Consolidated basis	41,682	43,059	1,377
(Temporary employees)	28,971	28,357	-614
Parent Company	17,910	18,315	405
(Temporary employees)	21,002	20,958	-44

- **Consolidated basis**  
Employees increased, primarily in the Parent Company. Temporary employees decreased in Southeast Asia due to the downsizing of some projects.
- **Parent Company**  
Employees increased due to new graduate hires.

## ● Service bases

	End of Mar. 2025	End of Sep. 2025	Change
Service bases	184	184	-
(Japan)	72	71	-1
(Overseas)	112	113	+1

- **Japan**  
Some centers were integrated.
- **Overseas**  
A new center was opened in Indonesia.

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

## 3. 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**

**¥72,690mn**

(+¥5,560mn, +8.3% YoY)

**BPO services OP margin**

**7.2%**

(+0.4pt YoY)

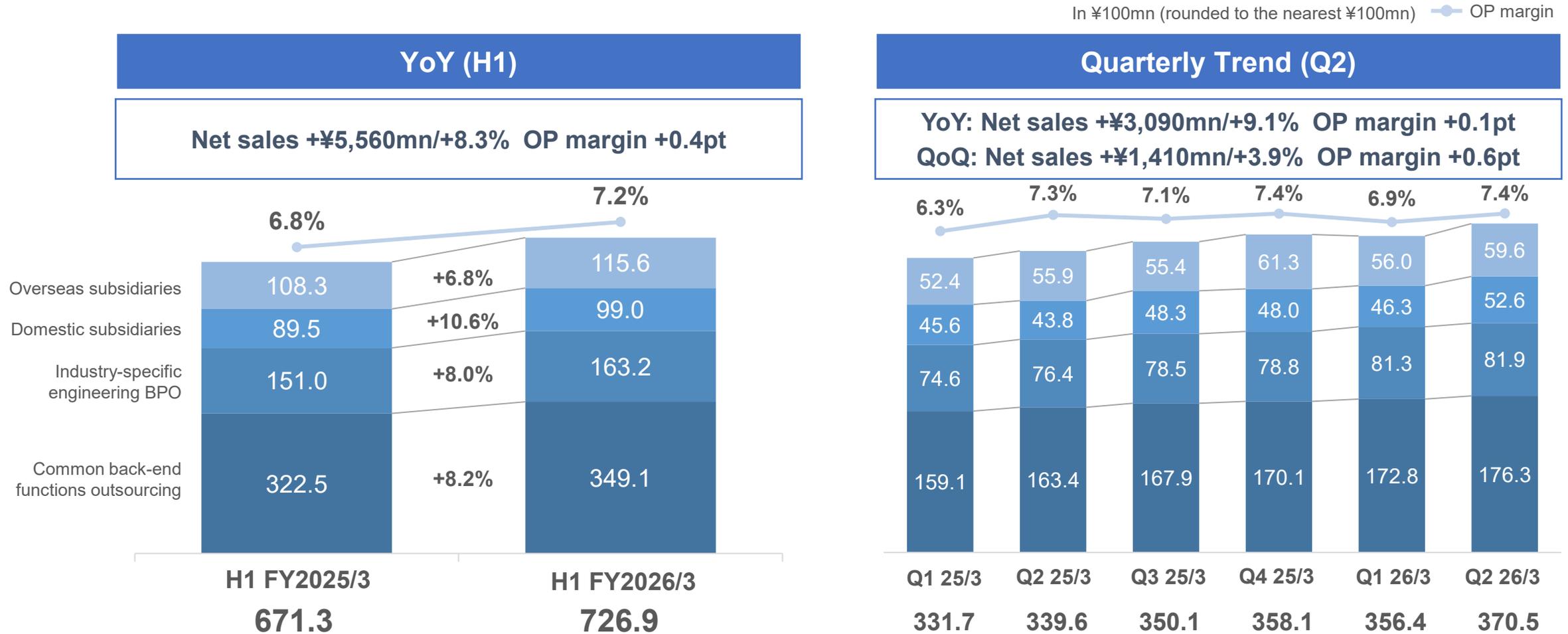
- Both common back-end functions digital outsourcing and industry-specific digital engineering BPO grew sales. This is driven by wider penetration of digital BPO services, which combine IT and operations, resulting in more new wins and larger project sizes.
- Continued to promote joint business models with clients. Two new joint ventures began operations.
- Our AI-powered solution for the real estate industry, trans-Xsynk, further expanded into other industries.
- Launched new services that help solve logistics challenges in the supply chain.
- Focused on offering services that support security measures and promote DX in manufacturing.

# BPO Services: Financial results

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



- BPO services net sales up 8.3% YoY, OP margin grew by 0.4 points.
- Both common back-end functions digital outsourcing and industry-specific digital engineering BPO grew sales. This is driven by wider penetration of digital BPO services, which combine IT and operations, resulting in more new wins and larger project sizes.



- As part of our joint business model with clients, two new joint ventures began operations.
- We aim to continue building sustainable relationships with clients, increase service platforms with deep expertise by advancing into new business areas, and develop DX solutions that optimize end-to-end processes.

## New joint ventures launched operations

### OMRON TRANSCOSMOS PROCESS INNOVATION

[Established] July 2025 [HQ] Kyoto [Employees] ~100  
[Business] Shared services for OMRON Group's HR, Accounting & Finance, and General affairs



[Established] August 2025 [HQ] Kanagawa [Employees] ~200  
[Business] Sales support services for Toshiba Tech

## Benefits of a joint business (JV) model

### Clients

- Focus on core operations
- Promote digitization through fundamental process reform
- Reduce costs by converting fixed costs to valuable costs
- Enhance quality

### transcosmos

- Build sustainable relationships with clients and ensure continuous business
- Increase service platforms with deep expertise by advancing into new business areas
- Develop DX solutions that optimize end-to-end processes

# Reference: BPO services-related joint ventures

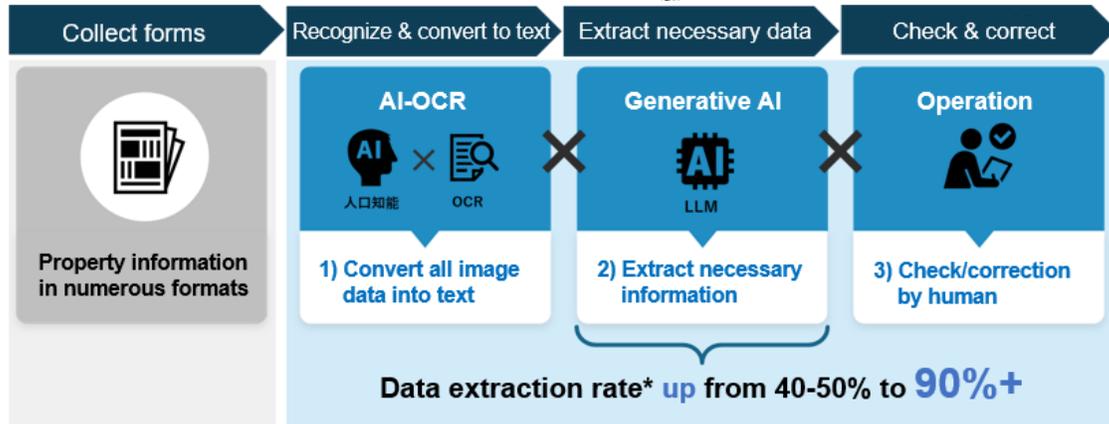
Company name	 <b>FJ transcosmos Human Resource Professionals</b>	 <b>TT Process Management</b>	 <b>TT Human Asset Service</b>	 <b>Tohoku Electric Power Trans Cosmos Management Partner</b>	 <b>OMRON TRANSCOSMOS PROCESS INNOVATION</b>	 <b>TT Tech Creation</b>
Founded/equity participation	February 2016	November 2019	November 2019	April 2023	July 2025	August 2025
Ownership ratio	51% Fujitsu 49%	84.9% Toshiba 15.1%	80.5% Toshiba Digital Solutions 19.5%	49% Tohoku Electric Power 51%	49% OMRON 51%	85.1% Toshiba Tech 14.9%
Headquarters	Kanagawa	Kanagawa	Kanagawa	Miyagi	Kyoto	Kanagawa
Employees	~750	~150	~200	~200	~100	~200
Services	<ul style="list-style-type: none"> <li>• HR</li> <li>• Accounting</li> <li>• General affairs</li> </ul>	<ul style="list-style-type: none"> <li>• HR</li> </ul>	<ul style="list-style-type: none"> <li>• General BPO</li> <li>• Healthcare support</li> <li>• Document solutions</li> </ul>	<ul style="list-style-type: none"> <li>• HR</li> <li>• Accounting</li> <li>• General affairs</li> <li>• Procurement</li> </ul>	<ul style="list-style-type: none"> <li>• HR</li> <li>• Accounting</li> <li>• General affairs</li> </ul>	<ul style="list-style-type: none"> <li>• Sales support</li> </ul>
Consolidation accounting	Included as a consolidated subsidiary	Included as a consolidated subsidiary	Included as a consolidated subsidiary	Included as non-operating income (loss)	Included as non-operating income (loss)	Included as a consolidated subsidiary

# BPO services: Expanded the scope of AI-powered solutions originally designed for the real estate industry

- Promoted our AI-powered solution, originally designed for the real estate industry to convert data from various irregular forms into text data, to other industries.
- Helped an auto parts manufacturer optimize their Group's logistics routes and costs by organizing packaging data via trans-Xsynk, enabling the client to utilize the data across the Group based on their DX vision.

## AI-powered solution for the real estate industry

### trans-Xsynk



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

Expanded to other industries

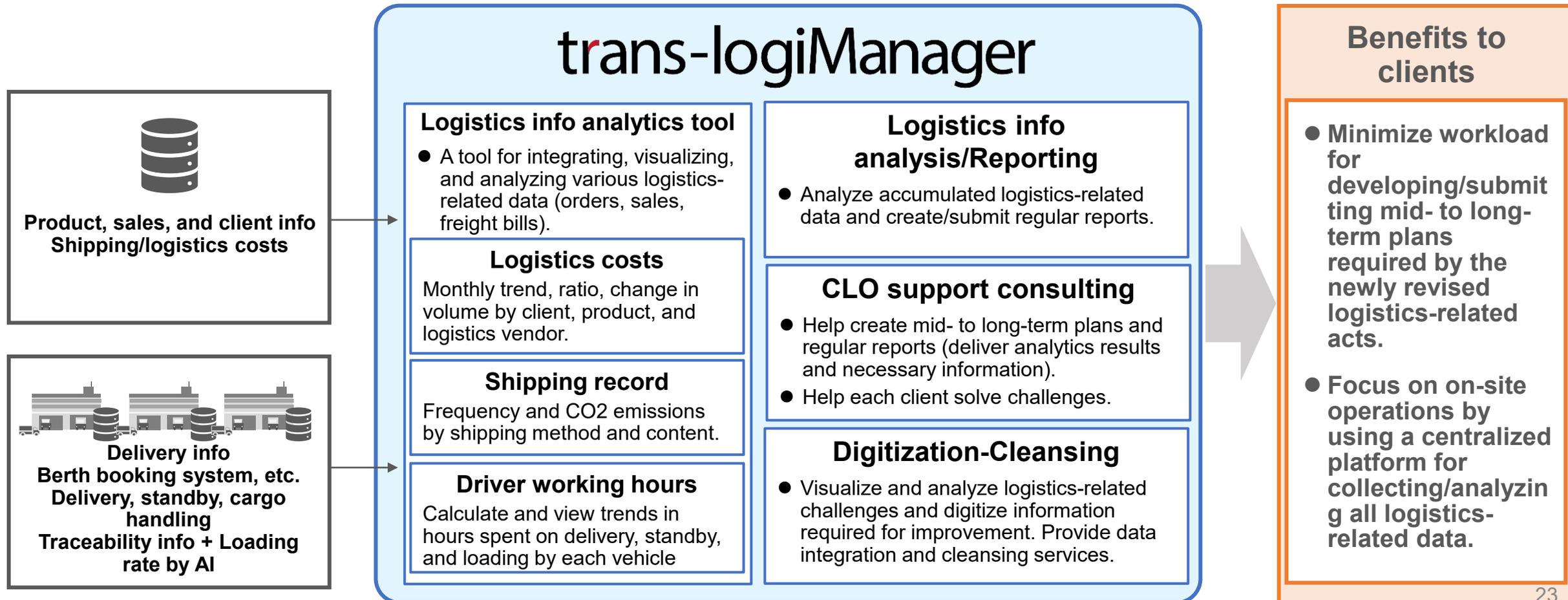


## (Success story: Auto parts manufacturer) Helped client deliver its DX vision via trans-Xsynk

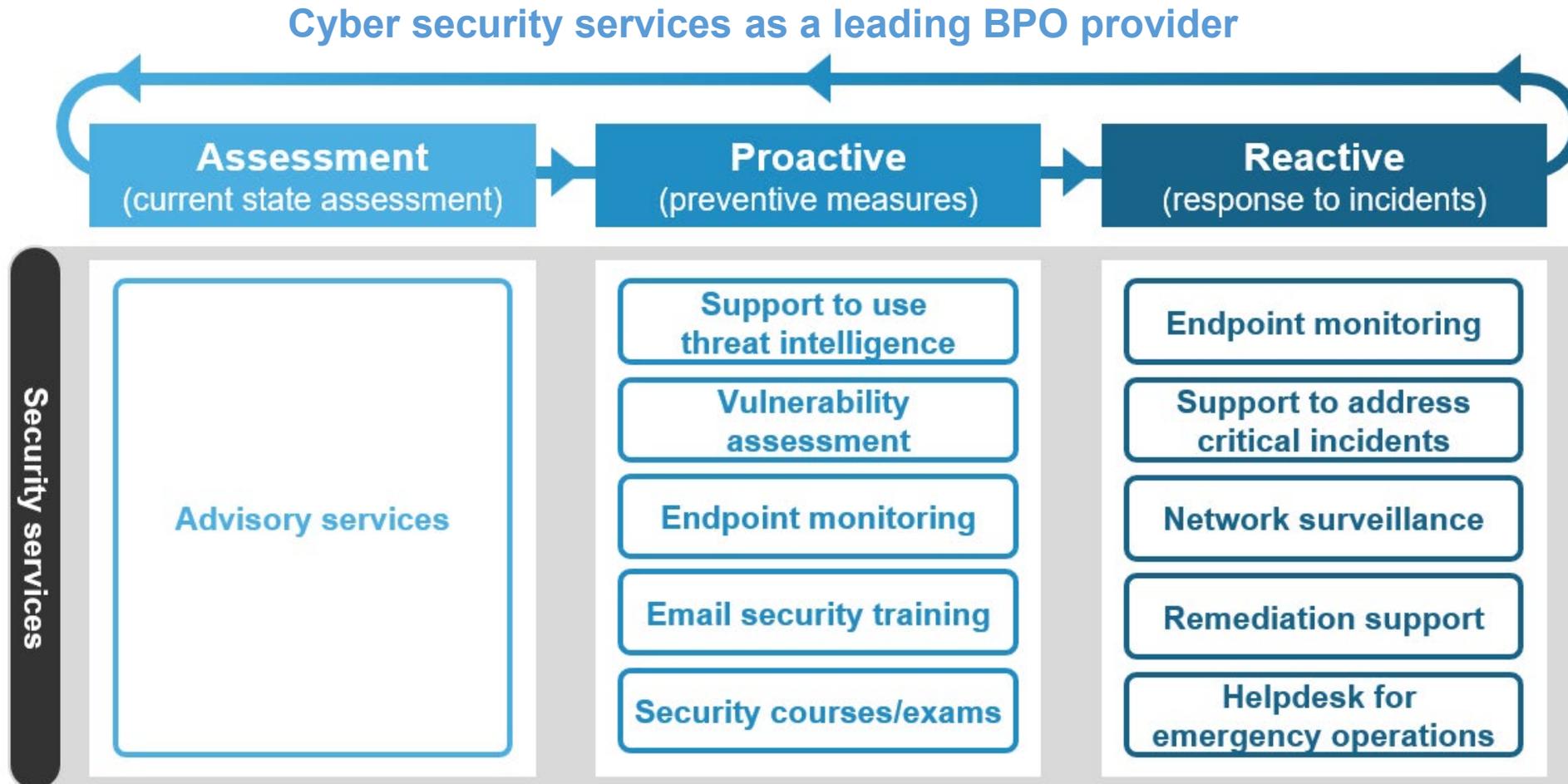
<b>Operations</b>	<ul style="list-style-type: none"> <li>● Optimized truck loading operations that used to prioritize delivery schedules and rely on operators' intuition.</li> <li>● Transformed packaging operations based on DX vision and mid- to long-term strategy.</li> </ul>
<b>Initiatives</b>	<ul style="list-style-type: none"> <li>● Digitized packing specifications.</li> <li>● <b>Extracted necessary data such as packaging, size, filling, and weight, and delivered optimized data for utilization using trans-Xsynk.</b></li> </ul>
<b>Outcome</b>	<ul style="list-style-type: none"> <li>● Optimized the group-wide logistics routes</li> <li>● Reduced staff, costs, and CO2 emissions</li> </ul>

# BPO services: Common back-end functions outsourcing: Released new services to help clients overcome logistics challenges

- **SCM back-office services cover procurement, production, order processing, supply/demand/shipment arrangement, billing/collection, and customer services. We aim to capture new demand by helping clients comply with two revised logistics laws: the Motor Truck Transportation Business Act and the Act on Advancement of Integration and Streamlining of Distribution Business.**
- **Launched trans-logiManager, new logistics DX solutions that help clients comply with the two revised laws requiring specified business operators to develop and submit their mid- to long-term plans for streamlining logistics operations.**



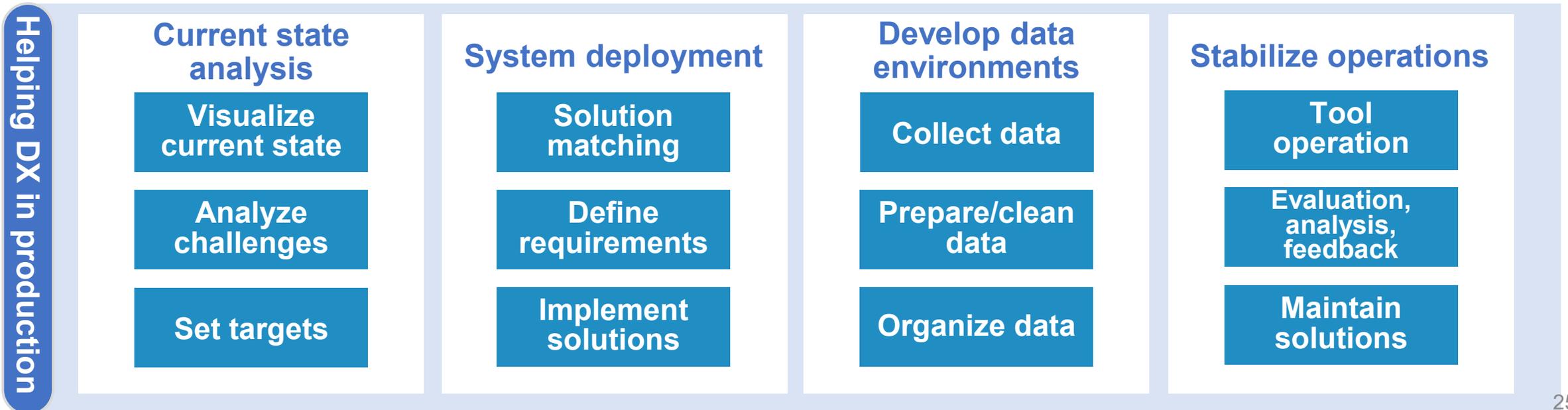
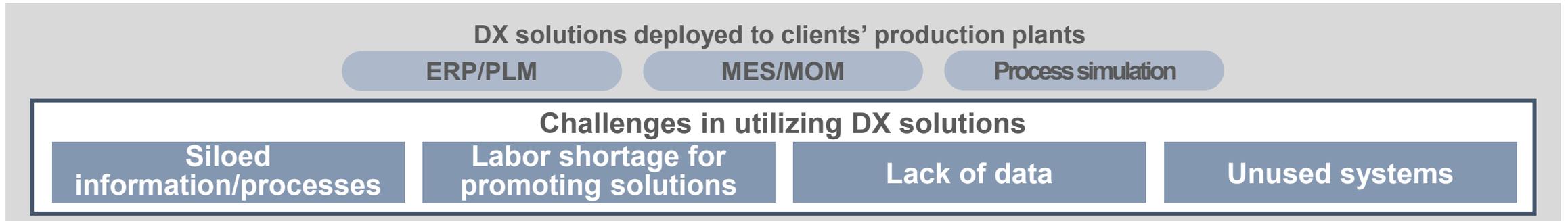
- Building on experience and expertise in IT operations, including industry-leading IT help desk services, promoted security services to satisfy rising client demand for implementing cyber security measures.
- Enhanced assessment, proactive and reactive security services to address evolving threats amid increasingly advanced and complex cyber-attack threats that companies face along with progress in DX and generative AI.



# BPO services: Industry-specific engineering BPO: Promoted services that help achieve DX in production



- Promoted services that help manufacturing companies achieve DX in on-site production processes.
- Helped clients transform productivity through digital BPO services addressing factory-floor challenges such as labor shortages, unused systems, lack of data, and siloed data and processes. Services include DX solution implementation and operation, data environment development, and current state analysis - all at one stop.



**CX services net sales**

**¥143,320mn**

(YoY +¥3,850mn/+2.8%)

**CX services OP margin**

**2.9%**

(YoY +0.5pt)

- **Deployment of trans-DX for Support, our integrated CX platform that fully supports diversifying customer touchpoints, rose to 117 companies, including replacements. This led to service growth in digital contact center services driven by sales activities aimed at increasing orders.**
- **Focused on enhancing hybrid chat and VoC analytics features with AI to accelerate the rollout of trans-DX for Support.**
- **Promoted AI utilization, primarily in digital contact center operations and digital integration services.**
- **Digital integration services focused on swift recovery in sales through AI utilization and VoC via trans-DX for Support.**

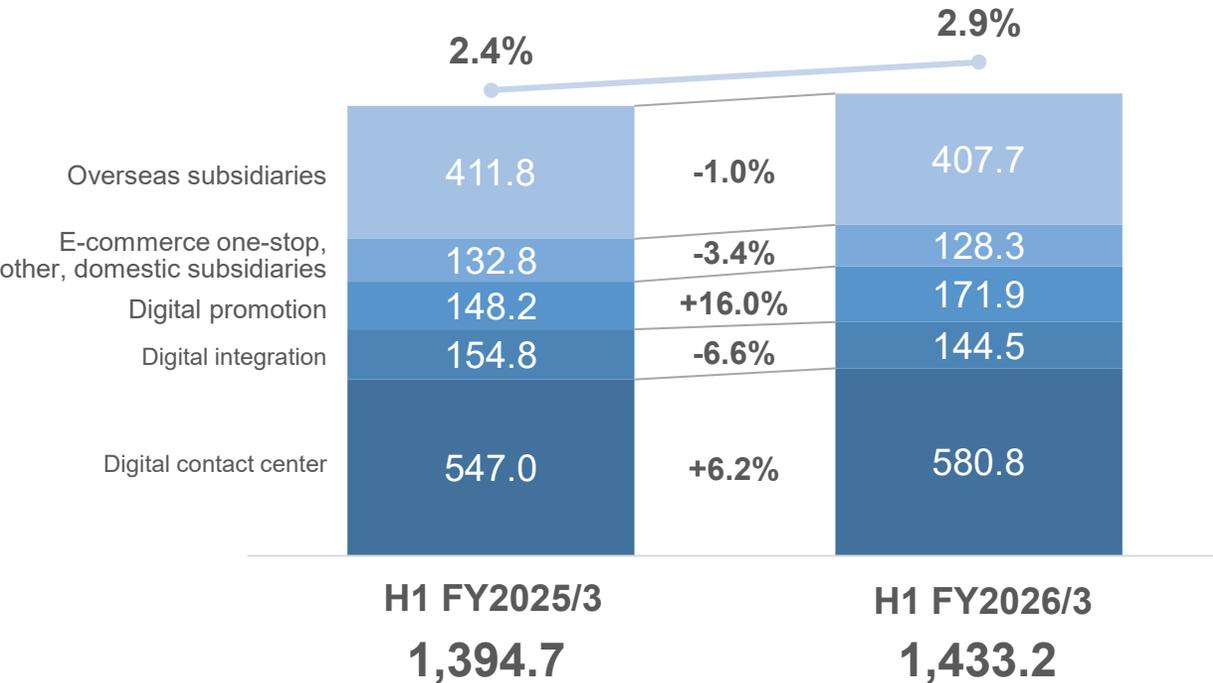
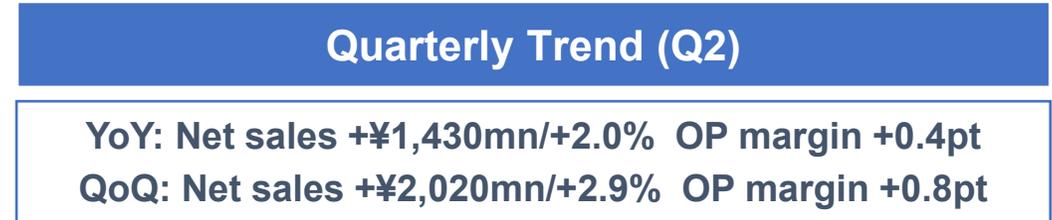
# CX Services: Financial results

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



- CX services net sales up 2.8% YoY, OP margin grew by 0.5 point.
- Deployment of our unique, competitive integrated trans-DX for Support platform reached 117 companies, led by growth in replacements from competitors and in-house platforms. Digital contact center returned to sales growth, backed by sales activities that contributed to total deal wins.
- Although sales declined in digital integration services, focused on AI adoption and VoC utilization via trans-DX for Support to accelerate the recovery in sales.

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

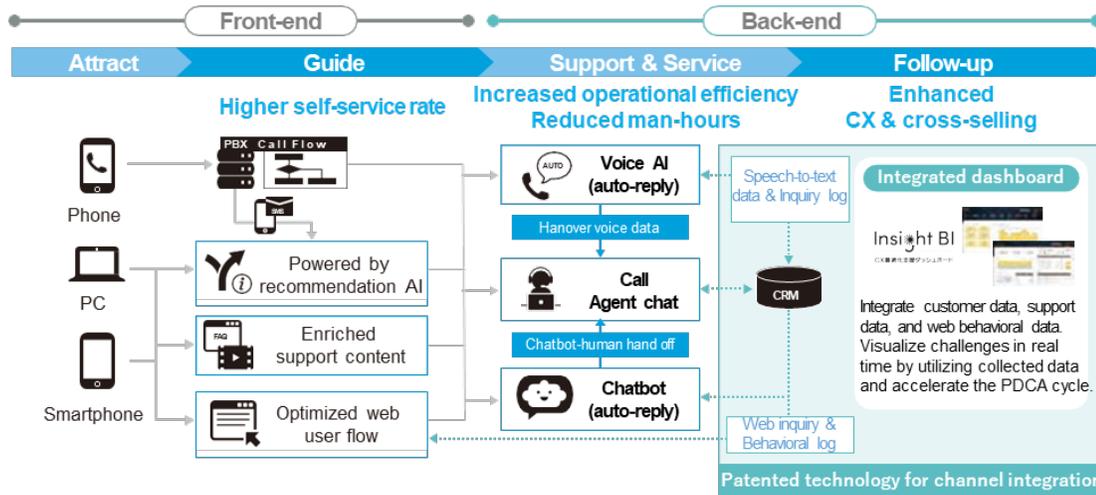


# CX Services: trans-DX for Support, an integrated CX platform covering all digital front

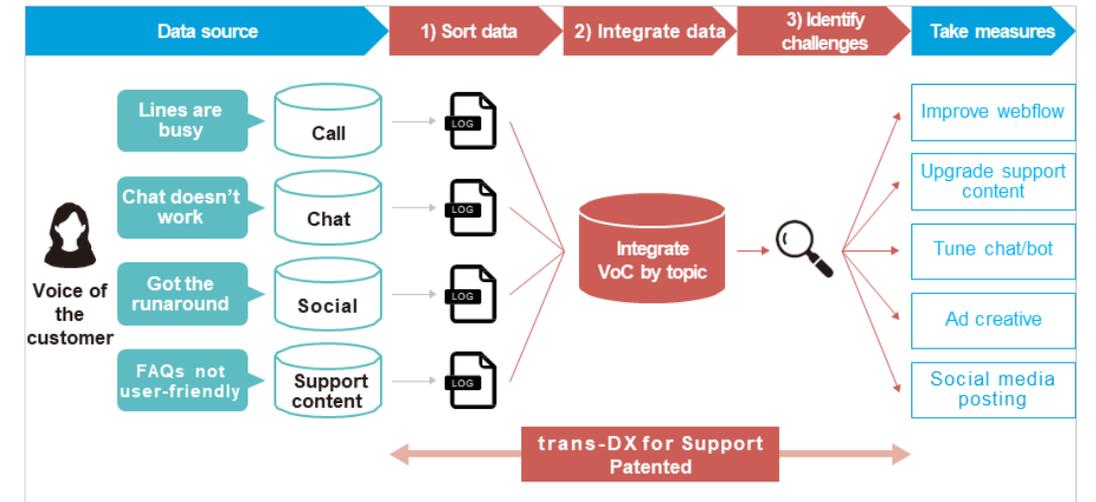
- Expanded deployment of trans-DX for Support, an integrated CX platform that comprehensively covers diversified customer touchpoints, to 117 companies.
- Customers' self-service rate on website/app doubled by utilizing VoC from social platforms in addition to feedback directly conveyed to clients.
- Optimized CX at customer touchpoints by seamlessly integrating hybrid chat channels, which have about 3x higher productivity than call services, with contact centers.

[Patented] Internally developed trans-DX for Support, a digital platform that solves CX challenges at customer touchpoints  
 ~Boost usability and reduce clients' costs **without trade-offs**~

## trans-DX for Support Enhance end-user usability and reduce clients' costs simultaneously



## Obtained patent for VoC data utilization technology (Patent: 7319478 Date of registration: July 24, 2023)



	End of FY2024/3	H1 FY2025/3	End of FY2025/3	H1 FY2026/3
# of clients	60 companies	70 companies	100 companies	<b>117 companies</b>

- Helped a leading retail company shift their communication channels to digital via trans-DX for Support.
- As e-commerce and online customer service became increasingly important, built operational processes and an environment that can handle growing customer inquiries along with increasing e-commerce sales. Helped the client reduce the number of inquiries by enhancing usability and developing a website that enables customers to self-solve their problems online.

## Major retailer: Achieved more than 20% digital shift in communication channels

<b>Operations</b>	<ul style="list-style-type: none"> <li>● Built a next-gen contact center that supports a seamless shopping experience.</li> <li>● Enhanced customer satisfaction and streamlined contact center operations.</li> <li>● Built an operational process and environment that enable handling of increased inquiries due to growing e-commerce sales.</li> </ul>
<b>Initiatives</b>	<ul style="list-style-type: none"> <li>● Promoted digital shift based on VoC analysis (call and social) and user flow on websites (shift to non-voice by expanding chat usage rate, and enhancing support content).</li> <li>● Enhanced agent performance by improving AI support features.</li> </ul>
<b>Outcome</b>	<ul style="list-style-type: none"> <li>● Chat usage rate increased to 22.3% from 0.8%.</li> <li>● Shortened average chat time by 40% by reviewing scenarios. Productivity increased to 1.8x from 1.3x compared to calls.</li> <li>● Reduced inquiries by about 20% by increasing self-service rate with enhanced support content. PV on website almost doubled.</li> </ul>

**Our multi-year services helped the client achieve a steady digital shift**  
 Starting with current state analysis in 2018, we first enhanced the client's digital touchpoints by introducing various digital channels. Since then, we have gradually enhanced scenarios and website support content and helped achieve a steady digital shift.

2018	2019	2020	2021	2022	2023	2024	Outcome
Grasp current state							<b>Chat rate</b> 0.8% → 22.3%
	Increased inquiries handled per hour via web and LINE chat						<b>Elevated productivity</b> Ave. chats per hour 40% down Vs. call 1.3 x → 1.8 x
			Increased response rate by reducing call volumes		Streamlined reporting/Enhanced VoC insights		
			Optimized workflow by controlling traffic				
			Reduced after call work using speech-to-text				<b>Reduced # of inquiries</b> ~ 20% PV up ~ 2 x

- Further evolved trans-DX for Support features with the power of AI.

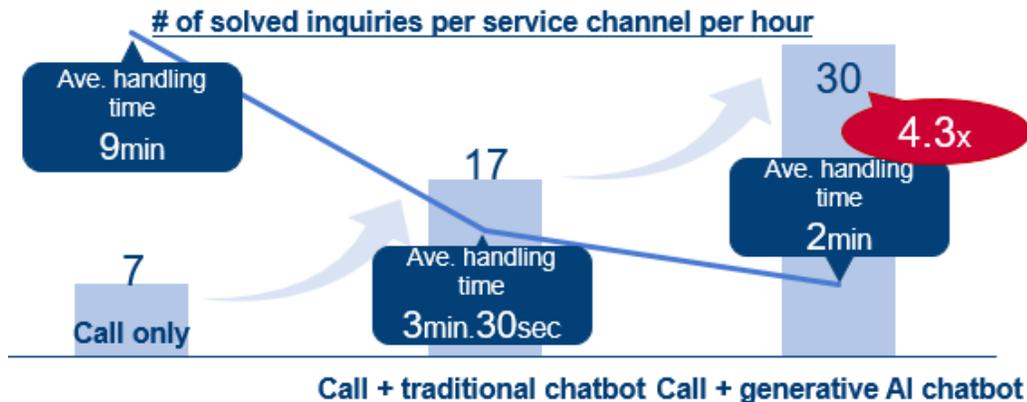
## trans-Chat Support Increase productivity with hybrid chat x generative AI

- Deployed hybrid chat services equipped with a generative chatbot to COOP Gift online service by Japanese Consumers' Co-operative Union. Productivity increased 4.3x compared to call-only services.
- Continuously evolving trans-Chat Support by utilizing different services for different purposes, including OpenAI and other LLMs and Japan's domestic SLM like tsuzumi.

## CX cockpit Cut analytics workload with VoC analysis x generative AI

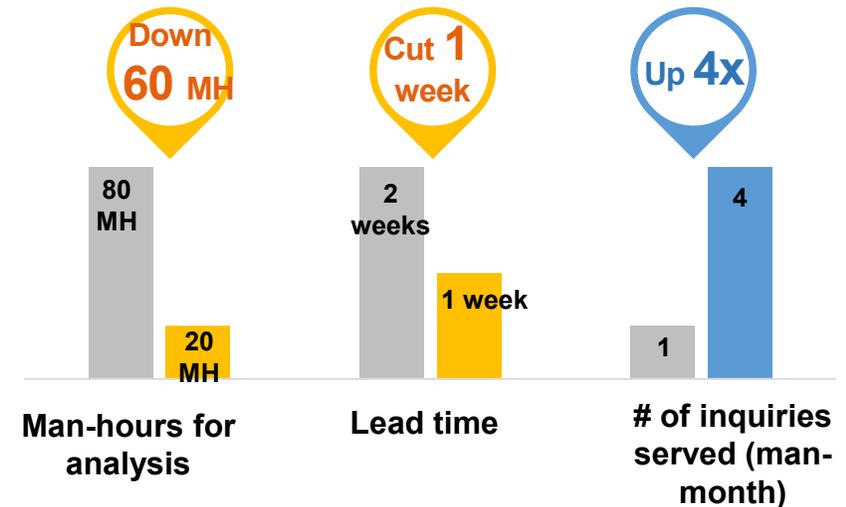
- Used AI for VoC data diagnostics, including call logs. Based on the identified trend of inquiries, assessed potential for self-services. Helped clients optimize support costs and elevate customer satisfaction.
- AI realized swift analysis and standardized service quality. Also helped shift employees from simple tasks to high-value operations.
- Utilized trans-DX Support, a platform that enhances customer satisfaction and optimizes support costs, for planning.

### trans-Chat Support performance



[Data collection period]  
Pre-deployment: Thu. Sep 21– Sun. Dec. 31 2023 Post-deployment: Fri. Oct 25 – Wed. Nov. 20, 2024

### CX cockpit performance



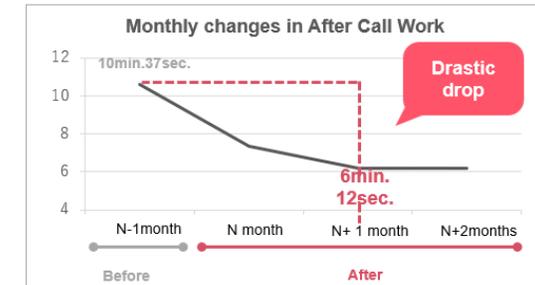
- Evolved transpeech, our unique speech-to-text solution, into AI-powered agent assistant solutions by adding AI-powered features to extract VoC, generate FAQs, alert harassment by customers (customer harassment), and prevent false guidance.
- transpeech has become an integrated, automated platform that helps end-to-end agent operations such as extracting VoC and generating FAQs that used to be performed manually or using different tools. As a result, the renewed transpeech dramatically enhanced operational productivity and efficiency.



□ Additional features powered by AI technology.

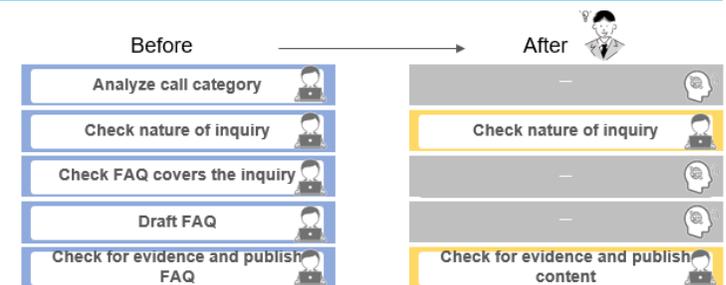
## Operational productivity in speech-to-text, auto summarization, and VoC extraction processes

Before vs. After  
Up  
**170%**



## Efficiency in FAQ generation processes

Before vs. After  
Up  
**130%/month**



# CX Services: AI utilization in digital integration services

- Delivered trans-AI Hack, a solution that helps increase marketing initiatives and CVR by using AI in digital marketing processes, including the creation of key visuals, banners and videos and programming.



- Aiming to grow both new orders and replacements from other vendors by enhancing operational efficiency and quality with the power of AI, and steadily enhancing CX by utilizing VoC via trans-DX for Support.

Success story: Replaced website operations service from other vendors at a financial company

Challenge: Insufficient value created in upstream processes. Internal resources were occupied with routine tasks such as QC.

## Streamlined operations and higher quality with AI



- ◆ Increased operational speed and enhanced quality with expertise in creative work and the power of AI.
- ◆ Streamlined microapp development, accelerated creative work, and semi-automated operations by integrating expertise in creative work with AI.

### Client's perspective

Streamlined routine tasks by the power of AI enables the client to **focus more on tasks that create value in upstream processes.**

## Enhanced CX using VoC via trans-DX for Support



- ◆ Extracted core needs from VoC and incorporated them into initiatives.
- ◆ Partnered with our contact center team to enhance websites from customer and UI/UX perspectives.

### Client's and end-user perspectives

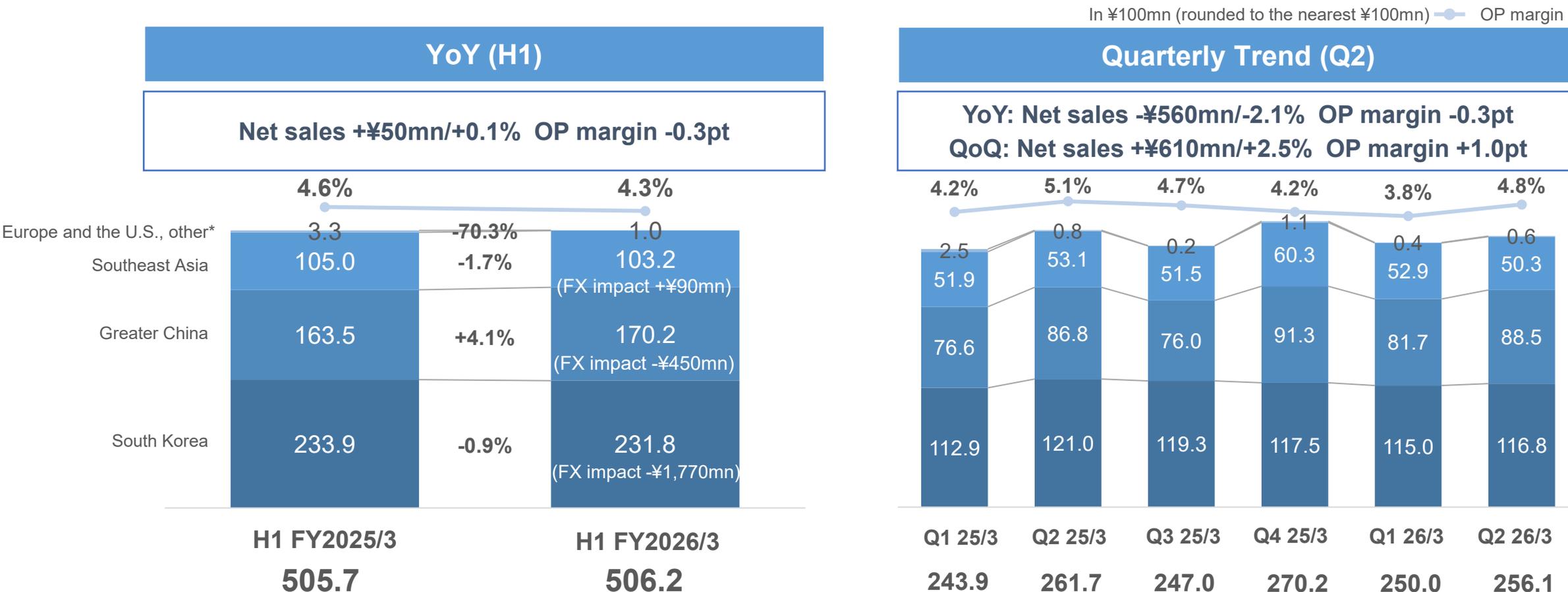
**A website that helps achieve goals such as growing sales for the client and one that helps end-users self-solve problems and encourages continuous use.**

\*For overseas net sales by country or region based on clients' location, refer to p40.



# Overseas: Financial results by geographic markets (Overseas Affiliates segment)

- South Korea: Down 0.9% YoY. Although sales decreased on a reported basis, they rose 6.7% on a local currency basis, driven by growth in digital contact centers.
- Greater China: Up 4.1% YoY. Up 6.9% on a local currency basis, led by growth in digital contact center sales.
- Southeast Asia: Down 1.7% YoY. On a local currency basis, sales declined 2.6% due to weaker performance in large-scale global projects.
- Europe and the U.S., other: Down 70.3% YoY. Business restructuring is underway to eliminate the deficit in Europe and the U.S.



\*Figures for "Europe and the U.S., other" are adjusted for intersegment transactions.

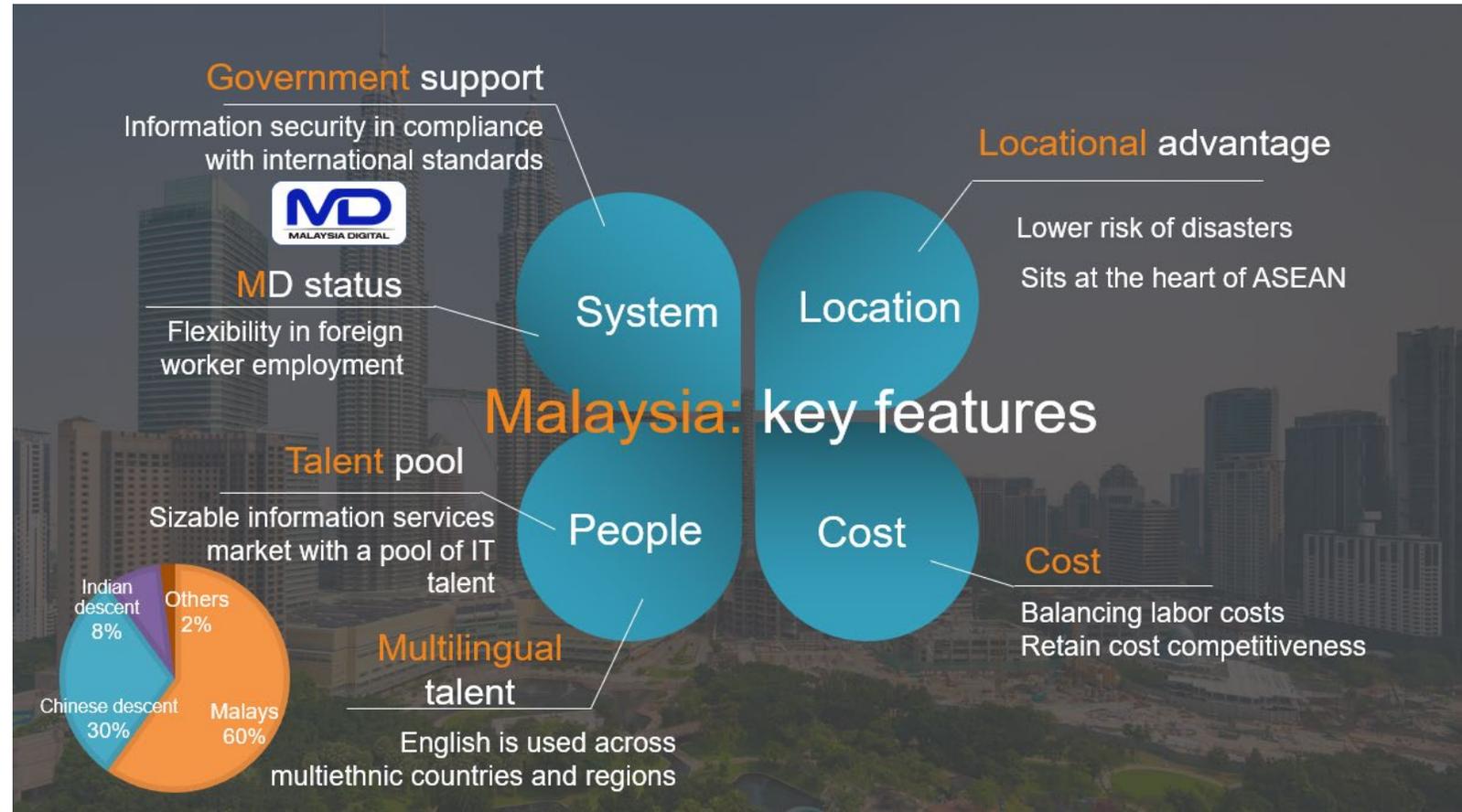
# Overseas: Provided global CX/BPO services through our hub in Malaysia

- Promoted delivery of CX/BPO services to global markets through Malaysia, a hub for our global services.

Providing services globally, including APAC and North America



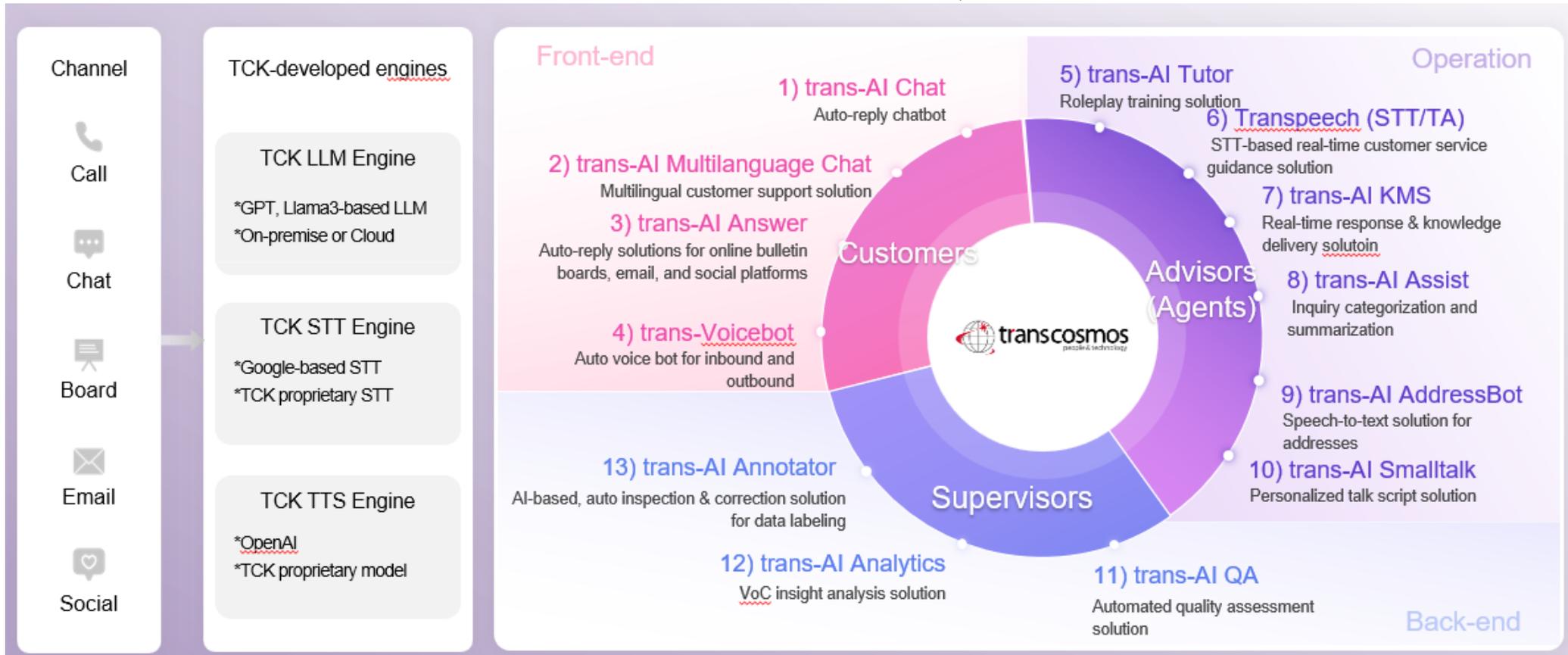
## Why make Malaysia our hub for our global services?



	<div style="text-align: center;">BPO</div> <b>Centralized accounting tasks/Standardized processes</b> (Client: a major global entertainment)	<div style="text-align: center;">BPO</div> <b>Centralized HR back-office operations</b>	<div style="text-align: center;">CX</div> <b>Centralized multilingual operations</b> (Client: a global manufacturer)
Challenge	<ul style="list-style-type: none"> <li>● Standardize accounting tasks currently performed separately in South Korea, Taiwan, Hong Kong, and Singapore.</li> </ul>	<ul style="list-style-type: none"> <li>● Standardize different HR programs and systems across five ASEAN countries and regions and optimize cost.</li> </ul>	<ul style="list-style-type: none"> <li>● Optimize customer support operations costs across 16 APAC countries and regions.</li> </ul>
Initiative	<ul style="list-style-type: none"> <li>● Centralized accounting operations to Malaysia.</li> <li>● Standardized business processes via BPR (visualized and standardized processes, set common rules, designed and deployed a framework to use AI/RPA).</li> </ul>	<ul style="list-style-type: none"> <li>● Centralized policies and systems considering local regulations in each country/region. Integrated operations.</li> </ul>	<ul style="list-style-type: none"> <li>● Centralized language support services for 16 countries and regions to Malaysia.</li> <li>● Effectively obtained work visas in Malaysia using our MD status. Assigned local staff for operations.</li> </ul>
Outcome	<ul style="list-style-type: none"> <li>● Established sustainable competitiveness with mid- to long-term cost advantages.</li> </ul>	<ul style="list-style-type: none"> <li>● Centralized all processes except for local regulations and standardized 70-80% of HR programs and systems.</li> <li>● Reduced duplicate costs and helped clients elevate employee satisfaction.</li> </ul>	<ul style="list-style-type: none"> <li>● 30% reduction in management costs.</li> <li>● Lean management and communication. Centralized operational processes and KPIs.</li> </ul>

- Promoted generative AI utilization in China, South Korea, and Southeast Asia. South Korea has been focusing on the development and operations of AI-powered contact centers (AICC) since 2023. Today, it has developed **13 AICC solutions** in-house.
- Held events inviting several hundred visitors in 2024. Today, the solutions empower **OVER 70** companies across industries, including finance, distribution, manufacturing, public sector, and IT. Also focused on developing industry-specific solutions.

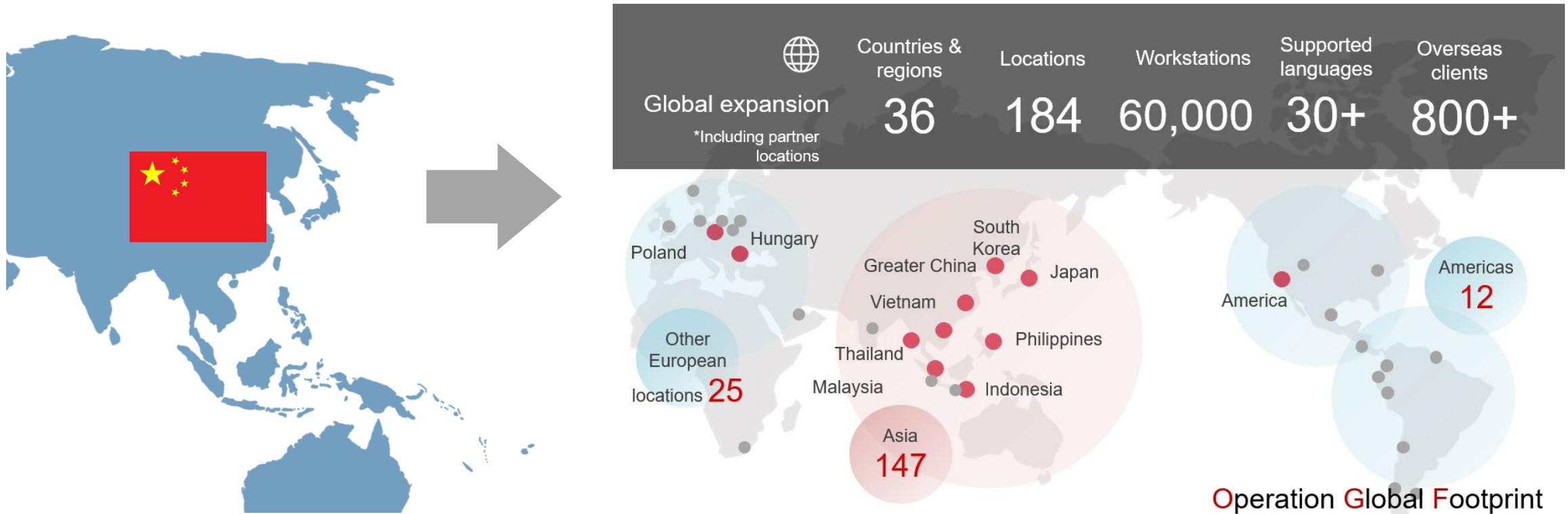
## South Korea's AI Contact Center, AICC solutions



- As Chinese companies accelerate global expansion, we are focusing on winning Chinese global companies' demand for services in Asian and European markets, leveraging our global locations.

Number of Chinese global clients (2024 China's top 100 brands expanding internationally\*): **19**

=> Aiming to expand the client base and grow business volume in their destination markets.



\*Top 100 Chinese companies were co-announced by the Federation of Shenzhen Industries, China Academy of Information and Communication Technology, and 龍觀國際品牌諮詢 (the first international brand consulting firm in China) at the 13<sup>th</sup> World Industrial Development Forum. Global companies with 30% or more overseas sales to net sales, or net sales of 3 billion yuan or more, are nominated.

# Appendix

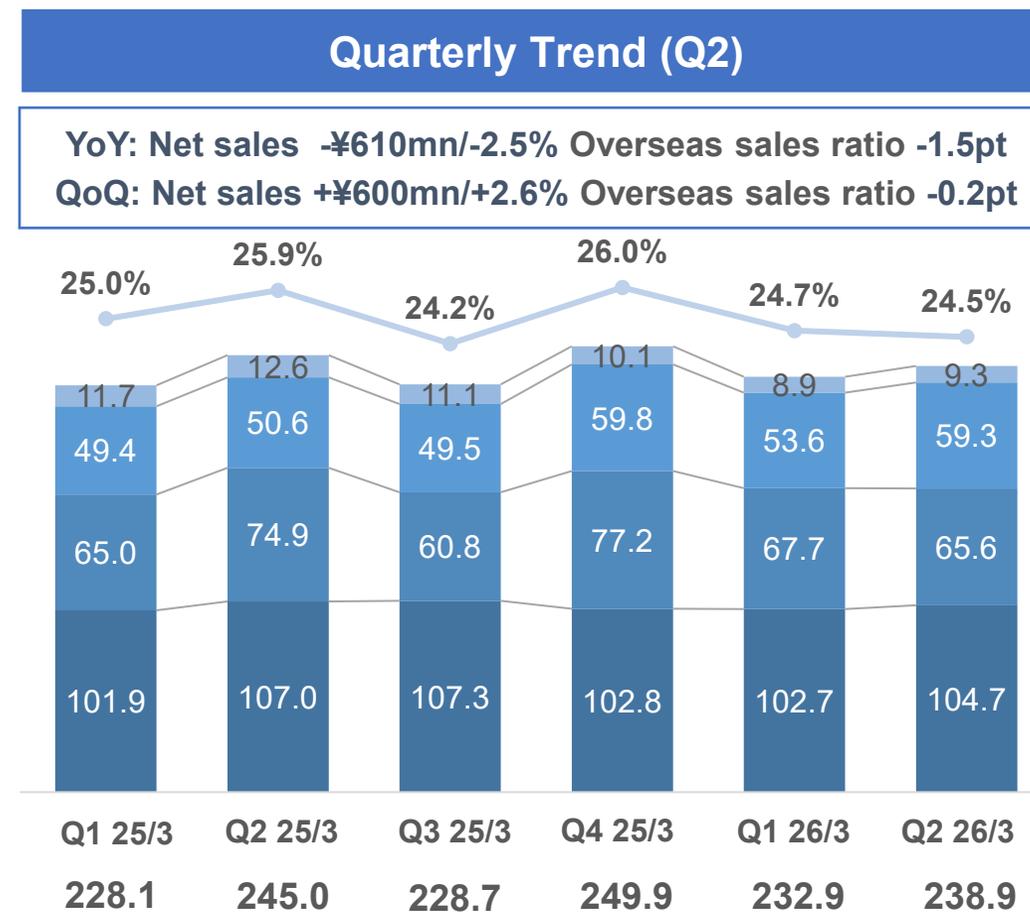
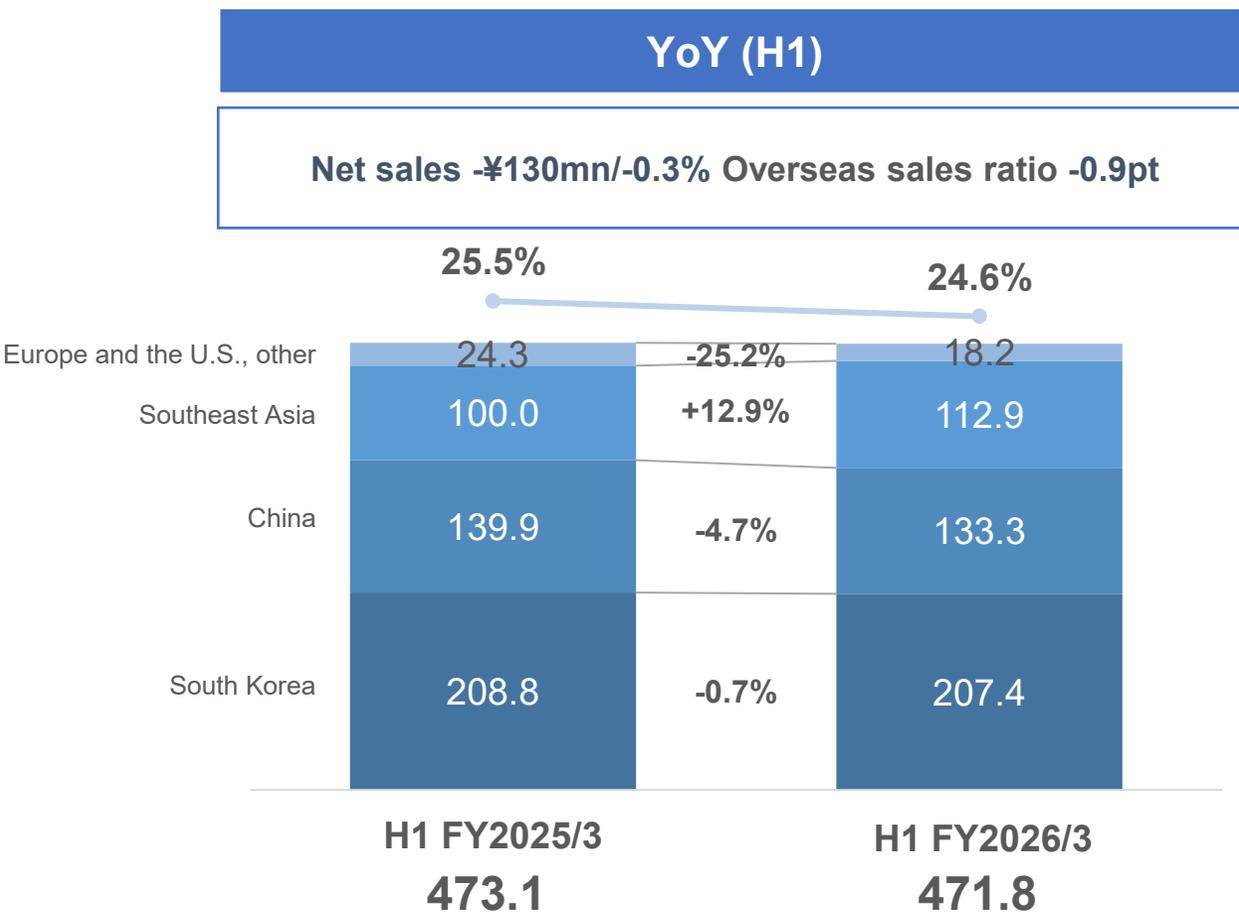


# Overseas net sales by country or region based on clients' location



- Overseas net sales by country or region based on clients' location declined 0.3% YoY to ¥47,180mn. Overseas sales ratio decreased 0.9 points YoY to 24.6%.

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



- 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.



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