

# FY2026 Earnings Conference Presentation

(April 1, 2025 - March 31, 2026)



April 30, 2026

**transcosmos inc.**

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# 1. Executive Summary



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Consolidated net sales  
**¥393,870mn**  
(+¥18,020mn/+4.8% YoY)

Consolidated  
Operating profit  
**¥16,560mn**  
(+¥2,080mn/+14.4% YoY)

transcosmos inc.  
net profit  
**¥13,080mn**  
(+¥1,750mn/+15.5% YoY)

Dividend per share  
(plan)  
**¥140.0**  
(+¥34 YoY)

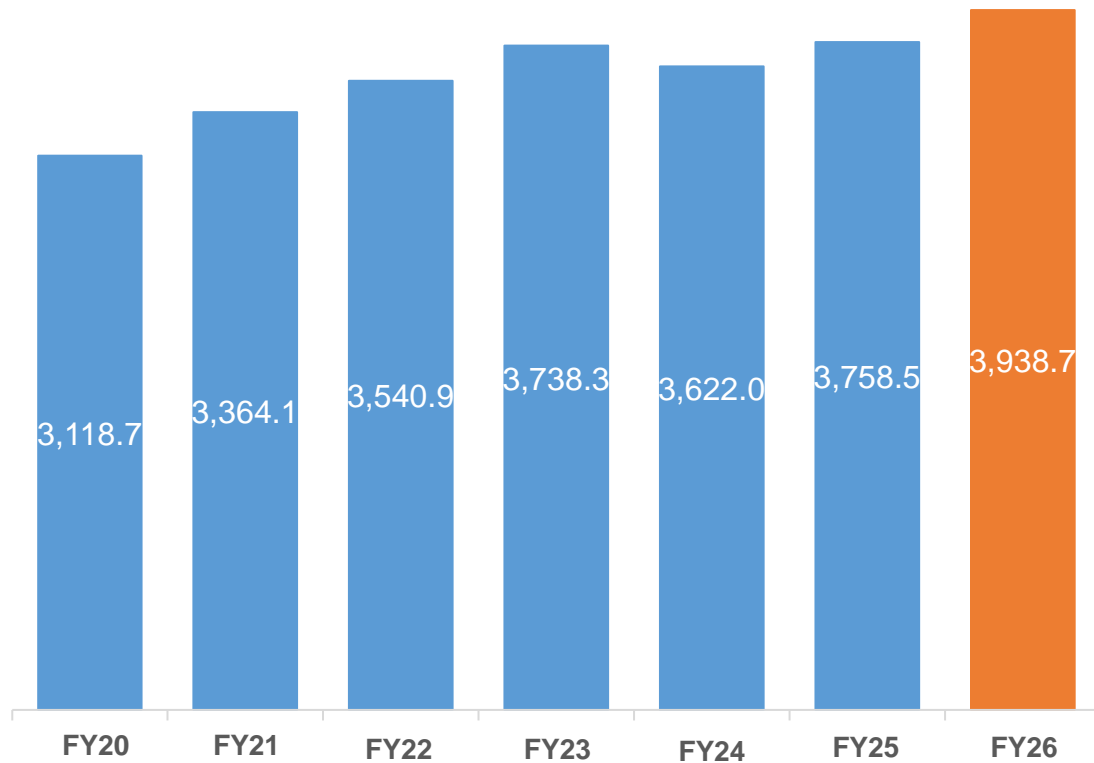
- **Net sales grew 4.8% YoY, reaching a new record. Operating profit also reached a record level, with the OP margin rising from 3.9% to 4.2% YoY** (excluding FY2021-FY2023 impacted by COVID-related jobs).
  - Domestic BPO business grew sales, driven by highly specialized back-office operations and digitally enabled BPO services built on capabilities acquired through joint ventures.
  - Domestic CX business grew sales, driven by an increase to 125 clients deploying our integrated CX platform, trans-DX for Support, which boosted sales in digital contact centers.
  - Global business increased sales across both CX and BPO businesses.
  - Other affiliates saw enhanced profitability at listed subsidiaries, including Applied Technology.
- **transcosmos inc. net profit increased by ¥1,750mn YoY, driven by higher FX gains in addition to an increase in operating profit. EPS increased from ¥302.4 to 349.2. With the dividend payout target raised to 40%, dividend per share is expected to increase to ¥140, up ¥34.**

# Consolidated Net Sales & Operating Profit Trends (FY2020~2026)

- Net sales hit a new record.
- Operating profit reached a record level (excluding FY2021-FY2023 impacted by COVID-related jobs).

## Consolidated net sales trends

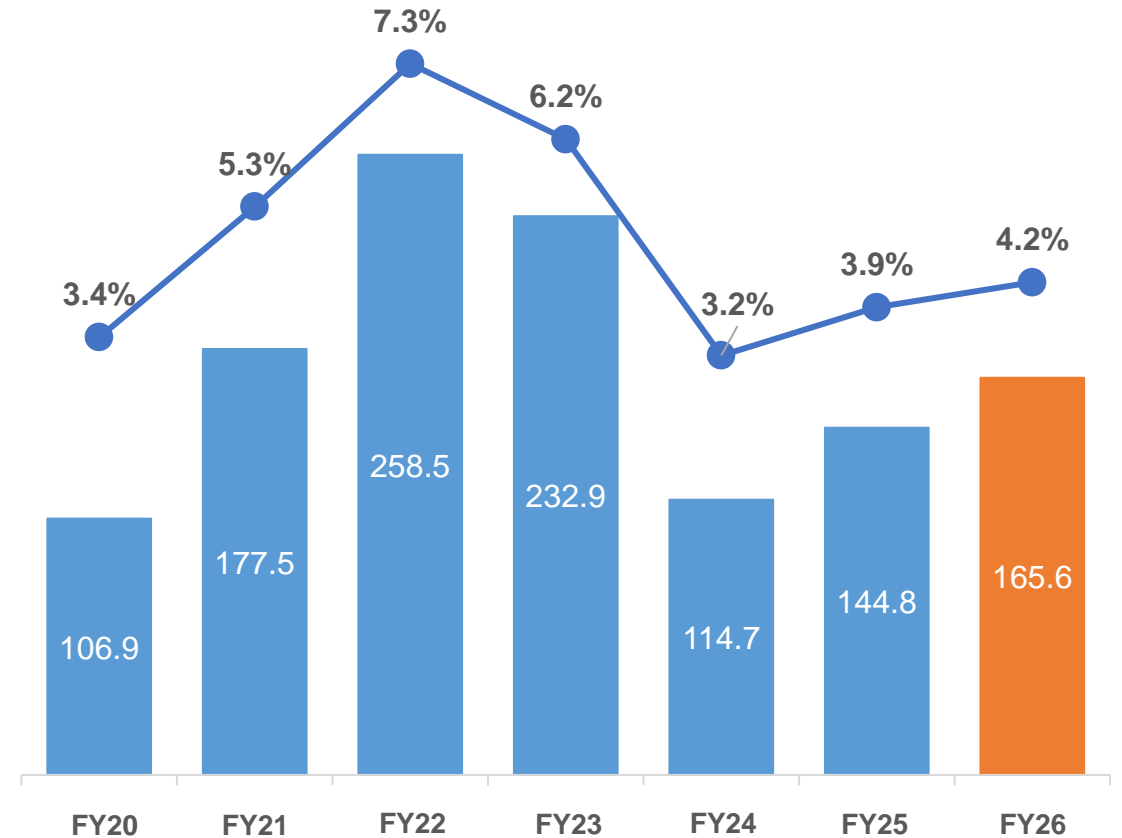
In ¥100mn (rounded to the nearest ¥10mn)



## Consolidated operating profit trends

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

—●— Operating Margin



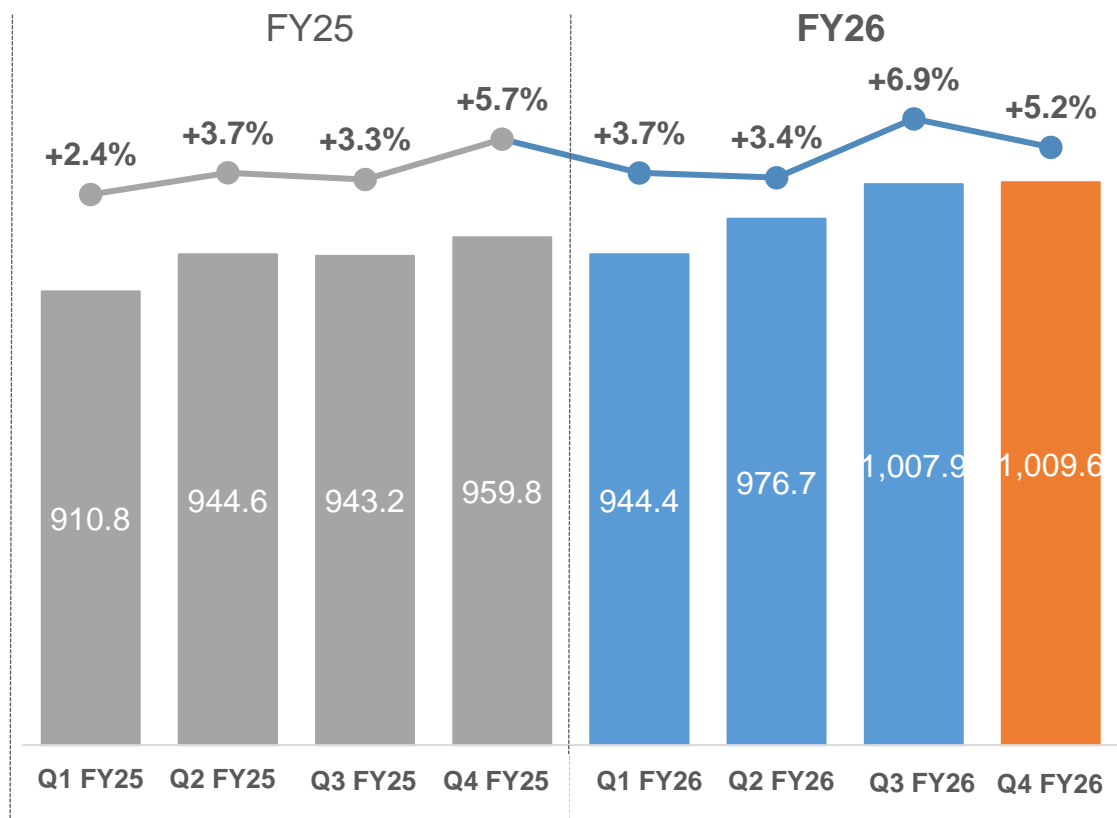
# Consolidated Sales & Profit Quarterly Trends

- Q4 net sales up 5.2% YoY to ¥100,960mn, reaching a new quarterly record. Marked eight consecutive quarters of growth since Q1 FY25.
- Q4 operating profit down ¥200mn YoY, with a 0.4-point margin decrease, due to lump-sum payments related to personnel system revisions at the parent company. On a QoQ basis, down ¥2,190mn, with a 2.2-point margin decline.

## Consolidated net sales quarterly trends

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

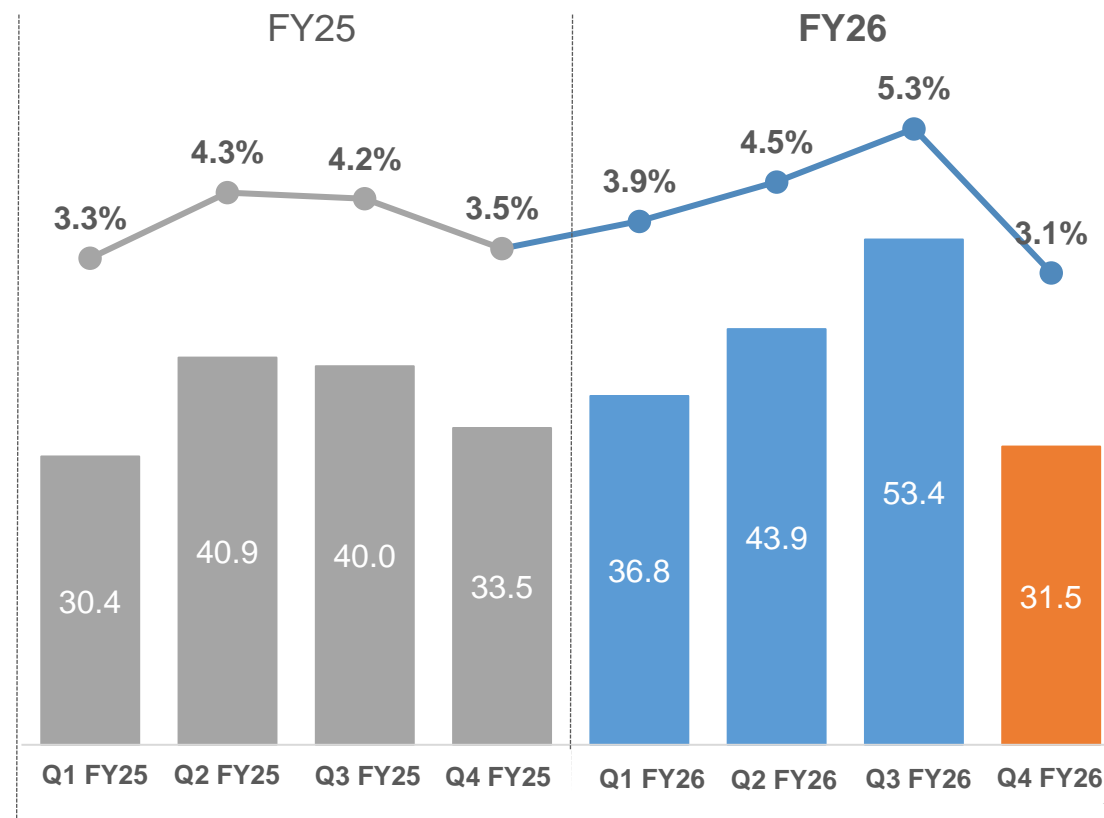
— Sales Growth Rate



## Consolidated operating profit quarterly trends

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

— Operating Margin



## 2. FY2026 Financial Results Summary



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# Consolidated Income Statement

In ¥100mn (rounded to the nearest ¥10mn)	FY2025		FY2026		YoY		FY2026 (Outlook)	
	Amount	% of Sales	Amount	% of Sales	Change	%Change	Amount	%Progress
<b>Net sales</b>	<b>3,758.5</b>	<b>100.0%</b>	<b>3,938.7</b>	<b>100.0%</b>	<b>+180.2</b>	<b>+4.8%</b>	<b>4,000.0</b>	<b>98.5%</b>
Net sales	2,440.2	64.9%	2,554.8	64.9%	+114.7	+4.7%		
Domestic Affiliates	432.9	11.5%	470.9	11.9%	+38.1	+8.8%		
Overseas Affiliates	1,022.8	27.2%	1,054.4	26.8%	+31.6	+3.1%		
Elimination of intersegment transaction	-137.4	-3.6%	-141.5	-3.6%	-4.1	-3.0%		
<b>Gross profit</b>	<b>722.4</b>	<b>19.2%</b>	<b>766.4</b>	<b>19.5%</b>	<b>+44.0</b>	<b>+6.1%</b>		
<b>SG&amp;A expenses</b>	<b>577.7</b>	<b>15.4%</b>	<b>600.8</b>	<b>15.3%</b>	<b>+23.2</b>	<b>+4.0%</b>		
<b>Operating profit</b>	<b>144.8</b>	<b>3.9%</b>	<b>165.6</b>	<b>4.2%</b>	<b>+20.8</b>	<b>+14.4%</b>	<b>155.0</b>	<b>106.8%</b>
Net sales	71.2	2.9%	86.9	3.4%	+15.7	+22.1%		
Domestic Affiliates	28.7	6.6%	33.4	7.1%	+4.7	+16.4%		
Overseas Affiliates	46.4	4.5%	46.3	4.4%	-0.1	-0.3%		
Elimination of intersegment transaction	-1.5	-	-1.0	-	+0.5	+36.3%		
<b>Non-operating income (loss)</b>	<b>12.1</b>	<b>0.3%</b>	<b>24.1</b>	<b>0.6%</b>	<b>+12.0</b>	<b>+99.6%</b>		
<b>Ordinary profit</b>	<b>156.8</b>	<b>4.2%</b>	<b>189.7</b>	<b>4.8%</b>	<b>+32.9</b>	<b>+21.0%</b>	<b>170.0</b>	<b>111.6%</b>
<b>Extraordinary income (loss)</b>	<b>-0.6</b>	<b>-0.0%</b>	<b>-3.6</b>	<b>-0.1%</b>	<b>-3.0</b>	<b>-</b>		
<b>Profit attributable to owners of parent</b>	<b>113.3</b>	<b>3.0%</b>	<b>130.8</b>	<b>3.3%</b>	<b>+17.5</b>	<b>+15.5%</b>	<b>115.0</b>	<b>113.8%</b>

\*For each segment profit row, figures in the % of Sales columns are calculated as a percentage of the respective segment's sales.

- Net sales: FX had a negative impact of ¥2,400mn on overseas affiliates, primarily due to the YoY decline in the average South Korean won against the yen. On a local currency basis, net sales increased by 5.4%.
- Non-operating income (loss): FX gains increased on foreign-currency-denominated bonds owned by the Company, primarily due to the YoY depreciation of the yen against the U.S. dollar.

## Consolidated net sales

Key currency pairs: JPY/KRW; JPY/CNY

	FY2025	FY2026		FX Impact	Local Currency Basis		
		Change	%Change		Change	%Change	
Overseas affiliates	1,022.8	1,054.4	+31.6	+3.1%	-24.0	+55.6	+5.4%

\*The table above shows the FX impact on overseas subsidiaries that significantly affect the Company's consolidated financial results when translated into the reporting currency. FX fluctuations have minimal impact on consolidated operating profit.

\*Overseas affiliates' profit and loss are translated into the reporting currency using the average exchange rate for January to December 2025.

## Non-operating profit (loss)

Key currency pair: USD/JPY

	FY2025	FY2026	
		Change	
FX gains	1.8	11.6	+9.8

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

\*Major foreign-currency-denominated bonds owned by the Company are translated into the reporting currency using the exchange rate as of the end of the fiscal year.

# Parent Company Operating Profit Analysis

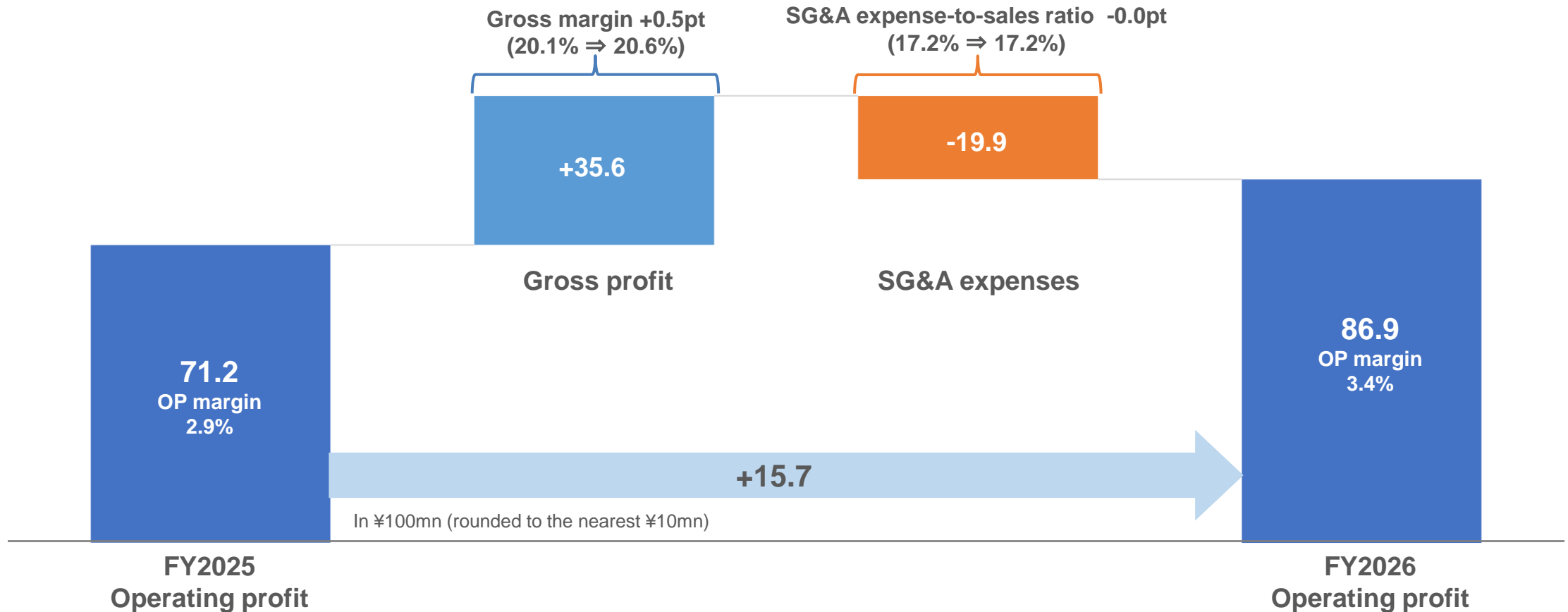
- Operating profit up ¥1,570mn (+22.1%)

**Gross profit**

Up ¥3,560mn, driven by a 0.5-point margin increase from enhanced target management, focusing on high-growth and high-profitability projects, in addition to sales growth, a higher utilization rate, and progress in price negotiations.

**SG&A expenses**

Maintained the SG&A expense-to-sales ratio at FY2025 levels, despite a ¥1,990mn increase, reflecting investments to support medium-term business growth, such as enhancing information security, strengthening Group governance, and increasing AI utilization



# transcosmos inc. Net Profit Analysis

- transcosmos inc. net profit up ¥1,750mn (+15.5%)

**Non-operating income (loss)**

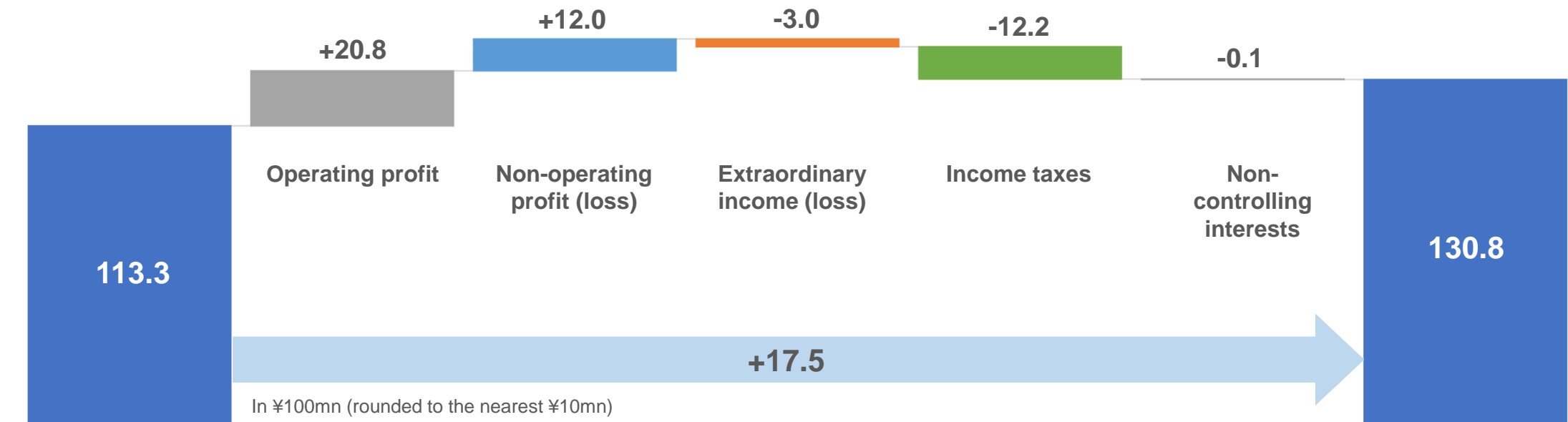
Up ¥1,200mn, due to an increase in FX gains.

**Extraordinary income (loss)**

Down ¥300mn, due to a decrease in gains on the sale of investment securities.

**Income taxes**

Up ¥1,220mn, reflecting an increase in profit before income taxes.



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

FY2025

transcosmos inc. net profit

FY2026

transcosmos inc. net profit 11

## [Japan Market]

## [Overseas Market]

### Domestic BPO Business

Delivering common back-end functions (accounting, HR, IT) and industry-specific engineering BPO services. Strengthening business expertise through JVs.

#### Common back-end functions digital outsourcing

Accounting, HR, procurement & purchasing, order management, sales admin, IT system operations & maintenance

#### Industry-specific Digital Engineering BPO

Systems and operations services for the automotive, machinery, and construction industries

### Domestic CX Business

Delivering integrated services, incl. trans-DX series, managing digital customer touchpoints across the customer journey from marketing to customer care.

#### Digital Contact Center

Customer support via phone, email, chat, social media

#### Digital Integration

Website & app development and operations; social platform operations

#### Digital Promotion

Internet advertising agency services

#### E-commerce Support

Store development & operations, fulfillment

### Other Affiliates

Subsidiaries/affiliates, incl. some listed companies, delivering BPO/CX businesses across industries.



Other

### Global Business

Delivering CX/BPO services for both local markets and offshore operations across Asia, North America, and Europe.

#### CX Business

CX services in Greater China, South Korea, Southeast Asia, North America, and Europe.

#### BPO Business

BPO services in Greater China, South Korea, and Southeast Asia, including offshore services.

## Domestic BPO Business

- **Net sales: ¥120,010mn, +12.3% YoY**
  - Driven by enhanced expertise through JVs and digital capabilities, with growth across common back-end functions outsourcing, industry-specific engineering BPO, and affiliates.
- **Operating margin: 7.1% -0.3pt YoY**
  - Down due to a fewer industry-specific engineering BPO projects and upfront investments.

## Domestic CX Business

- **Net sales: ¥193,870mn, +6.2% YoY**
  - Orders for trans-DX expanded, and sales grew in digital contact centers.
- **Operating margin: 2.8%, +0.6pt YoY**
  - Profitability increased in digital contact centers and digital promotion.

## Other Affiliates

- **Net sales: ¥38,380mn, +1.7% YoY**
  - Up, led by growth at playground, despite sales declines at listed companies, Applied Technology and J-Stream.
- **Operating margin: 6.8%, +1.6pt YoY**
  - Applied Technology, a listed company, and playground increased profitability.

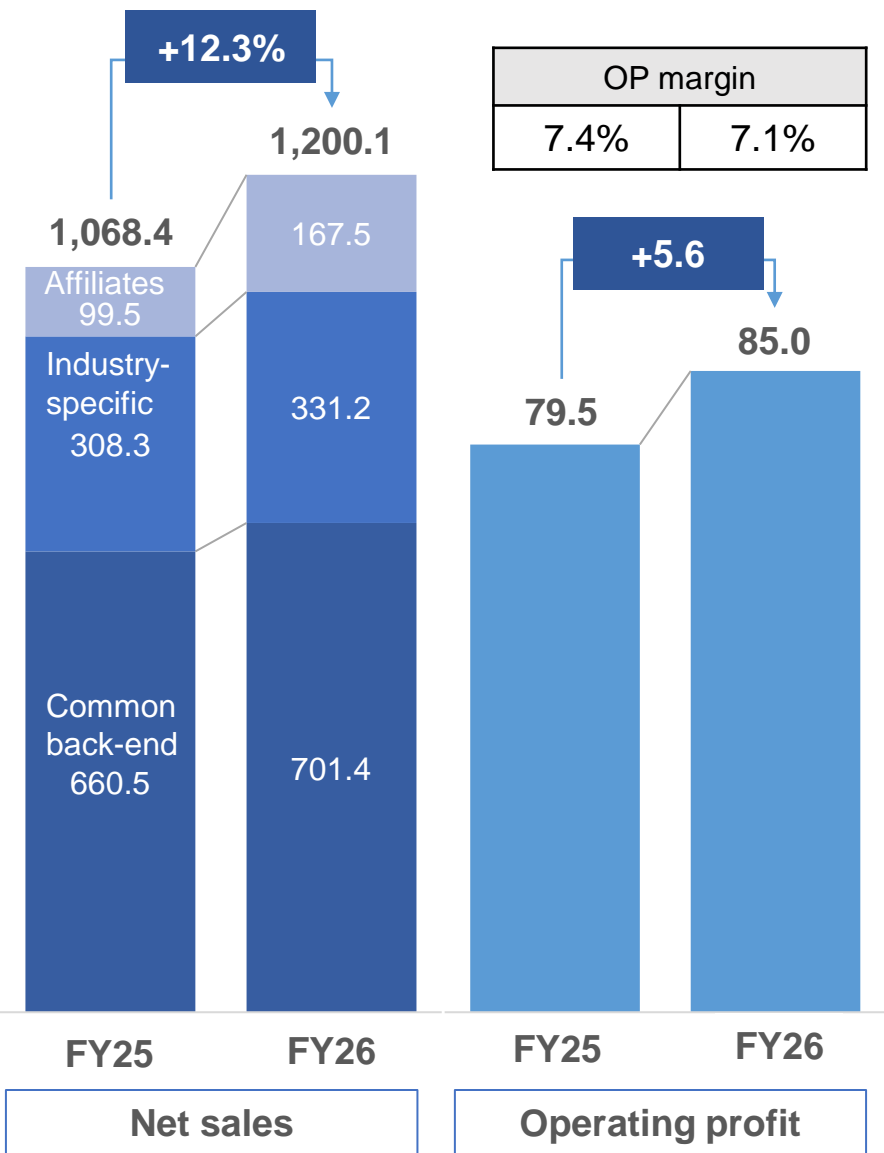
## Global Business

- **Net sales: ¥110,080mn, +7.6% YoY**
  - Sales grew in the CX business, notably digital contact centers, and in the BPO business, led by offshore development.
- **Operating margin: 1.3%, -0.6pt YoY**
  - Profitability declined due to a downsizing of a CX business project.

# Domestic BPO Business

\*Figures below include net sales and operating profit of equity-method affiliates.

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



## Net sales

- **Common back-end functions outsourcing: Up 6.2%, led by an increase in new projects.**
- **Industry-specific engineering BPO: Up 7.4%, led by higher per-account sales, notably in the construction industry**
- **Affiliates: Up 68.3%, led by expanded project scope at some JVs and new consolidations.**

### Net sales breakdown

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

	FY25				FY26			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Common back-end	159.1	163.4	167.9	170.1	172.8	176.3	175.6	176.6
Industry-specific	74.6	76.4	78.5	78.8	81.3	81.9	83.8	84.3
Affiliates	26.2	25.0	24.7	23.7	28.4	40.8	50.8	47.5

## Operating profit

- **Up in line with sales growth. OP margin down 0.3 points mainly due to a decrease in auto-related projects in industry-specific engineering BPO and investments for business expansion.**

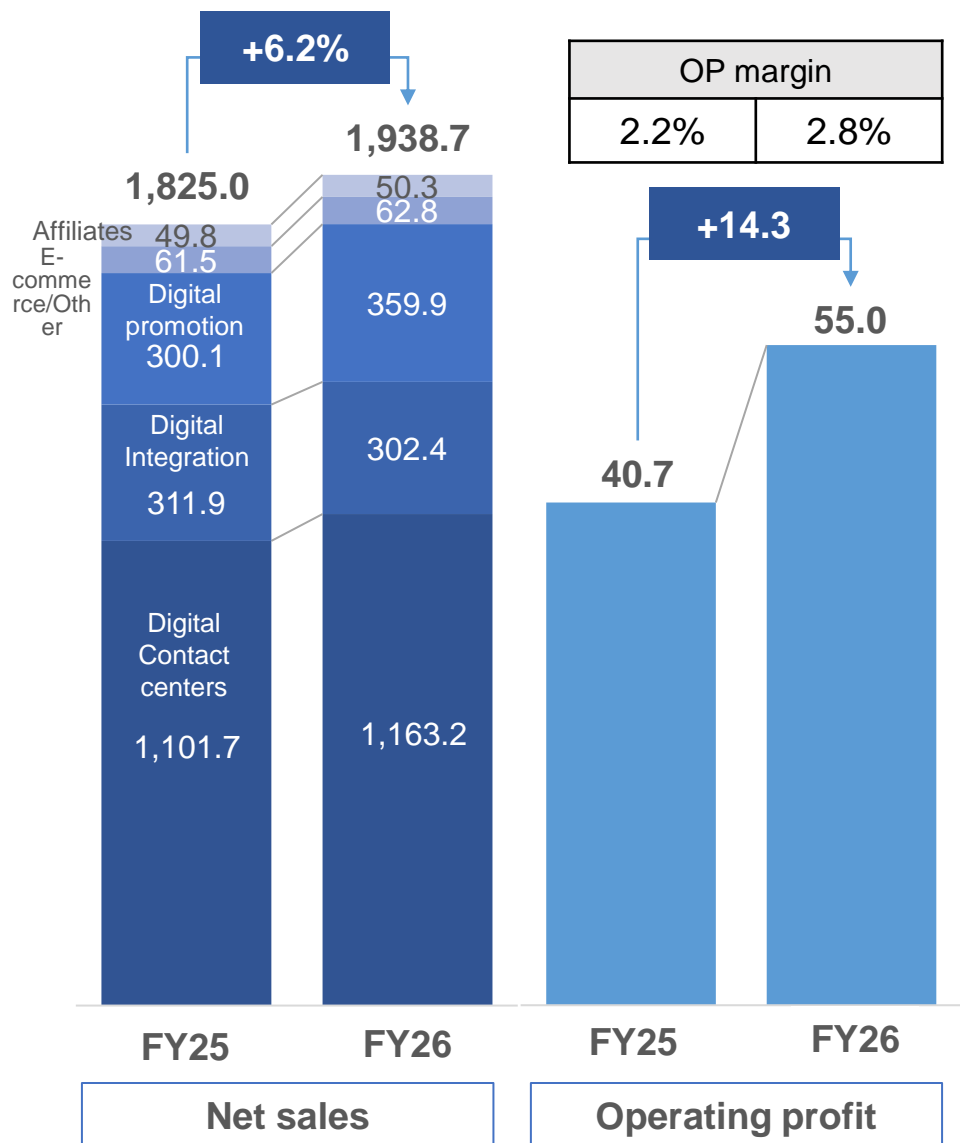
# Domestic CX Business

\*Net sales below are calculated on a gross basis.

\*Figures below include net sales and operating profit of equity-method affiliates.



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



## Net sales

- Digital contact center: Up 5.6%, led by higher per-account sales.
- Digital integration: Despite a 3.0% drop YoY due to the downsizing of a large project, net sales returned to positive YoY in Q4.
- Digital promotion: Up 20.0%, led by the launch of a large project secured last year.
- Integrated CX platform, trans-DX for Support, expanded clients to 125.

### Net sales breakdown

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

	FY25				FY26			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Digital contact centers	270.1	276.9	279.0	275.6	285.0	295.8	294.9	287.6
Digital integration	76.7	78.2	78.6	78.5	71.4	73.2	74.8	83.0
Digital promotion	74.5	73.6	73.4	78.6	85.6	86.3	93.3	94.7
E-commerce support/Other	15.8	17.2	15.3	13.3	13.9	16.4	16.6	15.9
Affiliates	11.9	12.6	12.8	12.5	12.7	14.2	11.8	11.7

## Operating profit

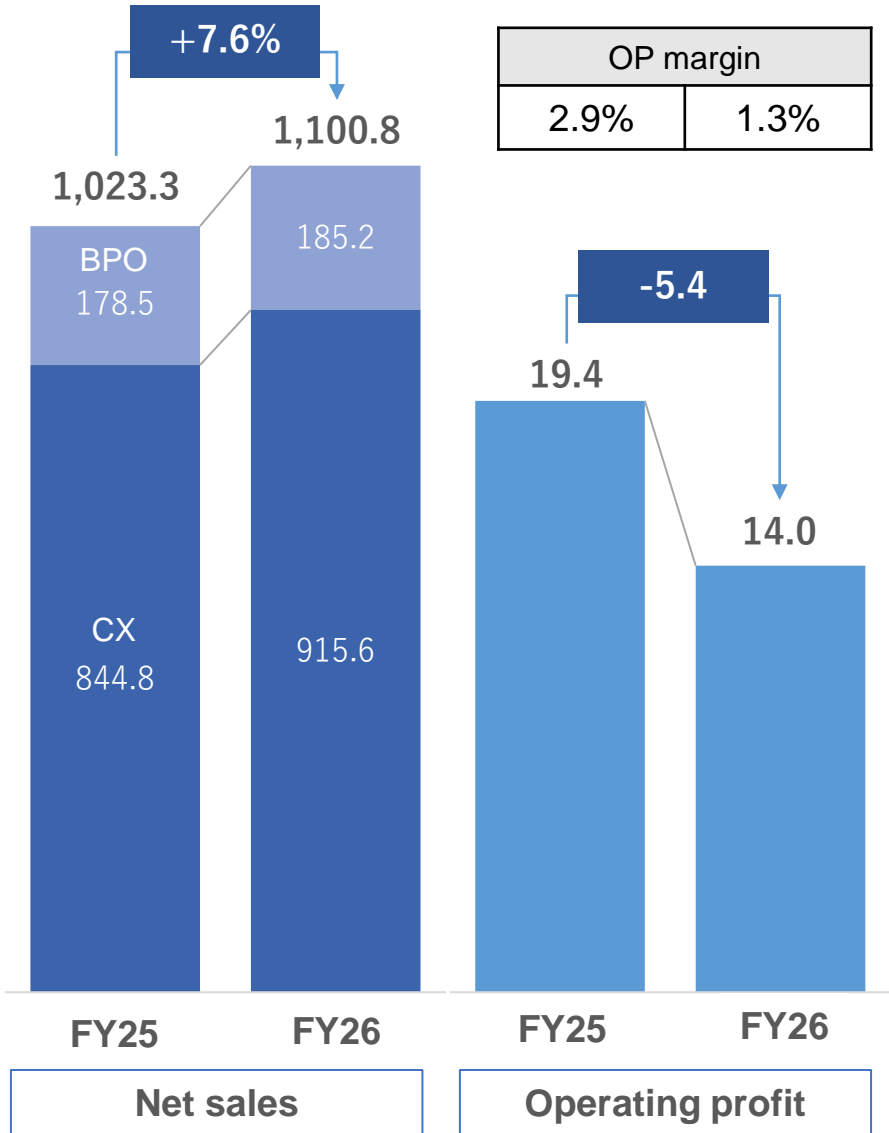
- Up, led by higher profitability in digital contact centers and digital promotion, in addition to sales growth. Margin up 0.6 points.

# Global Business

\*Figures below are calculated based on the internal exchange rates.  
 \*Figures below include net sales and operating profit of equity-method affiliates.  
 \*For SG&A expenses, parent company's management costs are allocated on a pro rata basis.



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



## Net sales

- **CX business: Up 8.4%, led by growth in contact centers in Greater China and South Korea.**
- **BPO business: Up 3.7%, led by growth in offshore development in Greater China.**

### Net sales breakdown

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

	FY25				FY26			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
CX	202.9	213.0	206.6	222.2	221.8	228.2	235.5	230.3
BPO	42.3	43.9	44.3	48.1	43.0	45.5	45.5	51.2

### (Countries/Regions)

Greater China	67.1	73.0	64.1	77.1	72.3	80.2	84.3	90.3
South Korea	111.2	117.1	118.9	118.4	120.4	124.4	130.1	128.5
Southeast Asia	59.9	60.5	62.3	68.4	65.3	64.3	62.0	58.0
Europe & U.S./ Other	6.9	6.4	5.6	6.5	6.8	4.9	4.6	4.6

## Operating profit

- **Down due to the downsizing of a large global CX project in Southeast Asia. Margin down 0.7 points.**

# Reference: Major Affiliates by Business

	Business Outline	Business Outline
<b>Domestic BPO Business</b>	TTeC-Creation	Shared services for sales back-office functions for Toshiba Tech
	TT Process Management	General BPO services
	TT Human Asset Service Corporation	Shared services for HR functions for Toshiba and its group companies
	FJ transcosmos Human Resource Professionals	Shared services for HR functions for Fujitsu and its group companies
	Tohoku Electric Power Transcosmos Management Partner*1	Shared services for general affairs, HR, accounting, and procurement functions for Tohoku Electric Power and its group companies
	OMRON TRANSCOSMOS PROCESS INNOVATION*1	Shared services for HR, accounting & finance, and general affairs functions for Omron and its group companies
<b>Domestic CX Business</b>	transcosmos online communications	Planning, development, and sales of LINE-related tools
	transcosmos digital technology*2	Information system development and operations
	transcosmos Partners*2	Staffing agency
	Grand Design	Operating Gotcha!mall, a smartphone coupon platform
	me&stars	Social advertising operations and management
	Brand Operation※3	Marketing support

\*1 Equity-method affiliates \*2 Applicable business only \*3 Non-consolidated subsidiaries

# Reference: Major Affiliates by Business

	Business Outline	Business Outline
<b>Global Business</b>	transcosmos China	CX business in Greater China
	transcosmos Information Creative (China)	Offshore development for the Japanese market
	transcosmos Korea	CX & BPO business in South Korea
	transcosmos Indonesia* <sup>1</sup>	CX business in Indonesia
	transcosmos(Thailand)	CX & BPO business in Thailand
	transcosmos Vietnam	CX & BPO business in Vietnam
	transcosmos Asia Philippines	CX & BPO business in the Philippines
	TRANSCOSMOS (MALAYSIA)	CX & BPO business in Malaysia
	transcosmos America	CX business in North America
<b>Other Affiliates</b>	Applied Technology	System integration using CAD, GIS, and numerical analysis
	J-Stream	Video streaming
	Skylight Consulting	IT consulting
	playground	DX cloud, MOALA, services based on e-ticketing for sports and entertainment industries

\*1 Equity-method affiliates

# Consolidated Balance Sheet

- **Assets:** Cash and deposits, as well as notes and account receivable - trade and contract assets, increased.
- **Liabilities:** Accounts payable – trade and accrued expenses increased.
- **Net assets:** Retained earnings increased.

In ¥100mn (rounded to the nearest ¥10mn)	End of Mar. 2025	End of Mar. 2026	Change	
<b>Current assets</b>	1,546.6	1,675.3	+128.7	<ul style="list-style-type: none"> <li>• Cash and deposits + 69.7</li> <li>• Notes and accounts receivable +58.9</li> </ul>
<b>Non-current assets</b>	533.3	563.4	+30.1	
<b>Total assets</b>	2,079.8	2,238.7	+158.8	<ul style="list-style-type: none"> <li>• Guarantee deposits +18.1</li> </ul>
<b>Current liabilities</b>	620.1	793.2	+173.0	<ul style="list-style-type: none"> <li>• Accounts payable – trade + 30.7</li> <li>• Current portion of convertible bonds +100.1</li> <li>• Accrued expenses +21.4</li> </ul>
<b>Non-current liabilities</b>	169.0	52.6	-116.5	
<b>Total liabilities</b>	789.2	845.7	+56.6	<ul style="list-style-type: none"> <li>• Convertible bonds -100.3 (accrued interest -0.2; transfer to current portion -100.1)</li> <li>• Long-term borrowings -20.5</li> </ul>
<b>Net assets</b>	1,290.7	1,392.9	+102.2	
<b>Total liabilities &amp; net assets</b>	2,079.8	2,238.7	+158.8	<ul style="list-style-type: none"> <li>• Retained earnings +90.9</li> </ul>
<b>Cash and deposits</b>	735.0	804.7	+69.7	
<b>Interest-bearing liabilities</b>	165.3	144.5	-20.8	
<b>Net cash*</b>	569.7	660.2	+90.5	
<b>Net cash* to monthly sales ratio</b>	1.8	2.0	+0.2	

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

# Consolidated Cash Flow Statement

- Operating cash flow: Profit before income taxes and changes in trade payables contributed positively.
- Investing cash flow: Along with the expansion and the opening of new centers, payments for guarantee deposits increased, while proceeds from refunds of guarantee deposits decreased.
- Financing cash flow: Dividends paid increased.

In ¥100mn (rounded to the nearest ¥10mn)	FY2025	FY2026	Change
<b>Cash flows from operating activities</b>	173.1	207.6	34.5
<b>Cash flows from investing activities</b>	-36.7	-90.3	-53.6
<b>Cash flows from financing activities</b>	-60.3	-69.5	-9.2
<b>Balance of cash and cash equivalents</b>	731.3	789.0	57.7
<b>Free cash flow *</b>	136.4	117.3	-19.2

\*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)	FY2025	FY2026	%Change
Capital expenditures	41.5	47.3	+14.2%
Depreciation expenses	61.4	54.3	-11.6%

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

## ● Number of employees

	End of Mar. 2025	End of Mar. 2026	Change
Consolidated basis	41,682	43,571	+1,889
(Temporary employees)	28,971	28,112	-859
Parent Company	17,910	18,141	+231
(Temporary employees)	21,002	20,865	-137

- **Consolidated basis**  
Domestic affiliates' employees increased due to project upsizing and newly consolidated entities. Overseas affiliates' employees grew as new projects increased and projects were upsized in China and South Korea. Temporary employees decreased in Southeast Asia as some projects were downsized.
- **Parent company**  
Employees increased due to new graduate hires.

## ● Service bases

	End of Mar. 2025	End of Mar. 2026	Change
Service bases	184	187	+3
(Japan)	72	74	+2
(Overseas)	112	113	+1

- **Japan**  
Some centers were consolidated. BPO Center Fukuoka Daimyo and BPO Center Okinawa Urasoe were opened.
- **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. FY2027 Business Outlook



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# FY2027 Business Outlook

The Company expects:

- Net sales to continue to increase, supported by sustained growth in the domestic BPO, domestic CX, and global businesses.
- Operating profit to grow, with the operating margin remaining at conservative levels reflecting active investments under the new medium-term business plan, while further enhancing gross margin.
- Ordinary profit to decrease, reflecting lower foreign exchange gains that increased in the previous year.
- Profit attributable to owners of the parent to increase, supported by an improvement in extraordinary income (loss) and a decrease in tax expenses resulting from business restructuring in Europe and the U.S. conducted up to FY2026.

In ¥100mn (rounded to the nearest ¥10mn)	FY2026 (Actual)		FY2027 (Outlook)		Change	
	Amount	% of Sales	Amount	% of Sales	Amount	%Change
<b>Net sales</b>	3,938.7	100.0%	4,100.0	100.0%	+161.3	+4.1%
<b>Operating profit</b>	165.6	4.2%	168.0	4.1%	+2.4	+1.5%
<b>Ordinary profit</b>	189.7	4.8%	178.0	4.3%	-11.7	-6.2%
<b>Profit attributable to owners of parent</b>	130.8	3.3%	135.0	3.3%	+4.2	+3.2%
<b>EPS (Earnings per share) (yen)</b>	349.2	-	360.3	-	+11.1	+3.2%

# 4. New Medium-Term Business Plan FY2027-FY2029

Overview

Financial Strategy



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# Medium-Term Business Plan FY2024-FY2026 Review:

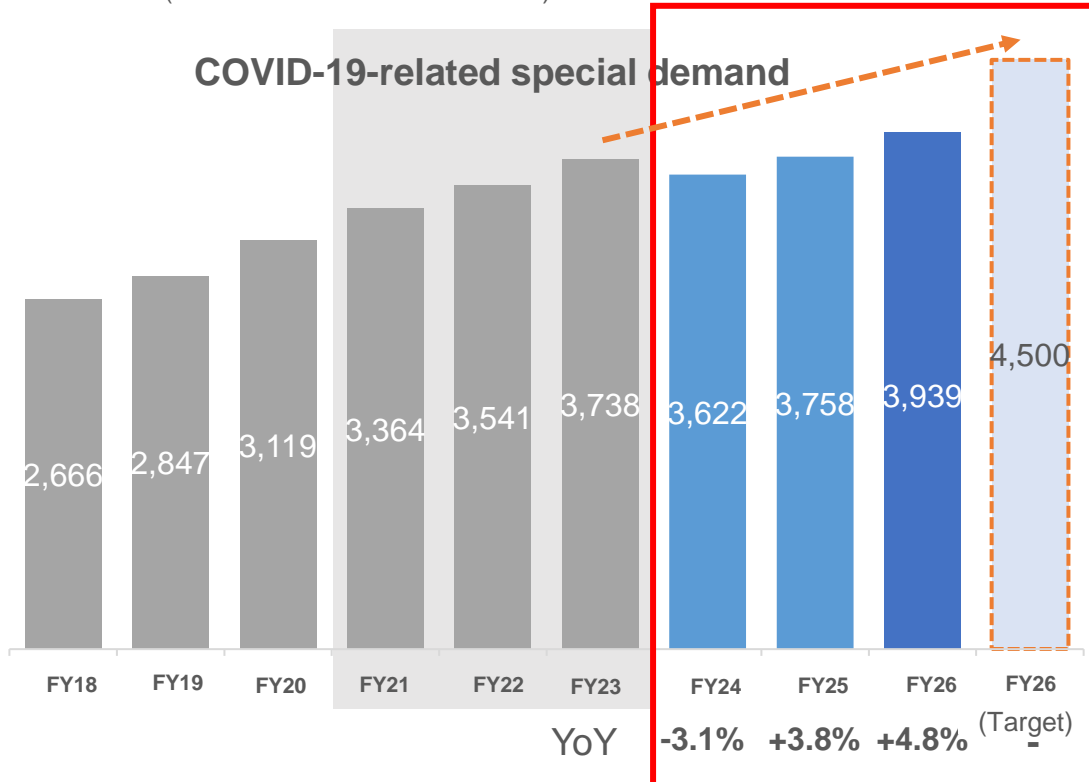
## Upward trend continued in sales and profit despite missing targets



- We set ambitious financial targets for the previous medium-term business plan based on strong performance driven by COVID-19-related special demand from FY2021 through FY2023. However, as the business environment shifted more challenging than anticipated, most notably with demand stagnation, we were unable to achieve those targets.
- Amid a tougher environment, we grew sales and enhanced profitability by steadily executing initiatives, including a shift to platform-based models, expansion of business with global companies, and the advancement of AI utilization.

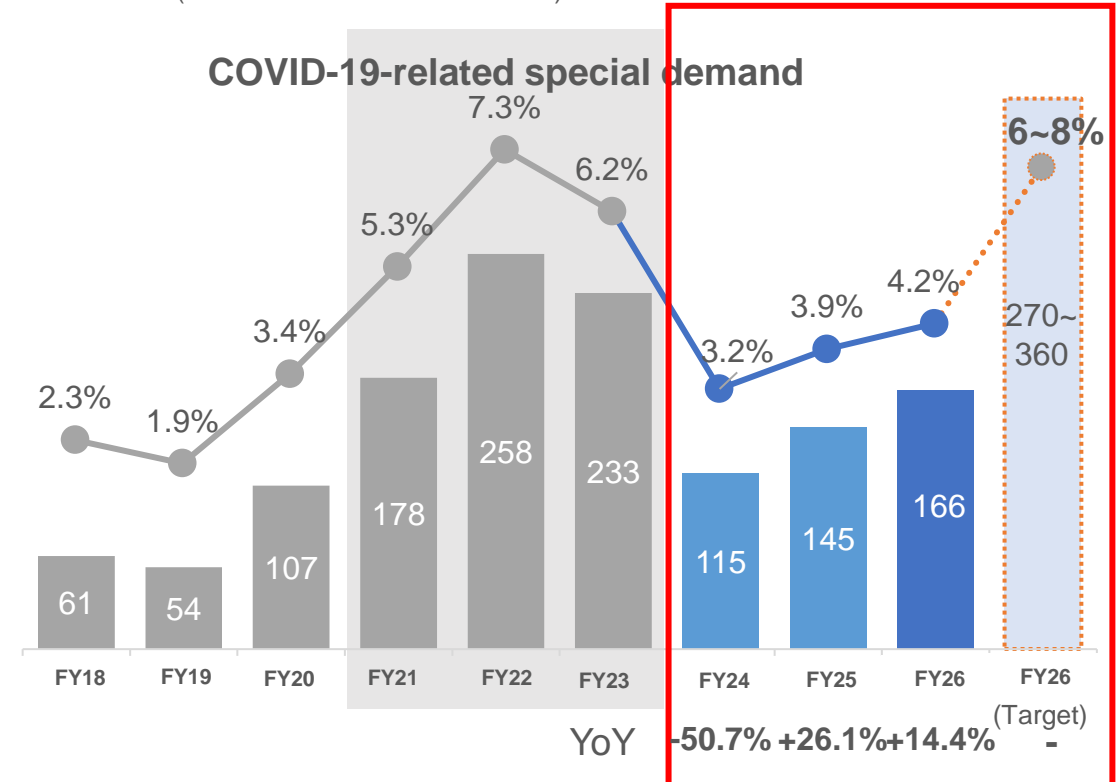
### Consolidated Net Sales

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



### Consolidated Operating Profit

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



## Progress & Achievements

### Advanced the Pivot to Platform-based Models

- Expanded wallet share
- Strengthened relationships with clients' top management and expanded joint venture businesses

### Expanded Global Business

- Expanded business with global companies
- Profit turnaround in Europe and the U.S. in sight
- Enhanced cross-regional sharing of clients' assets

### Evolved into AI-enabled Solutions

- Developed proprietary AI-enabled solutions
- Globalized the trans-AI brand
- Expanded partner solutions and collaborations

### Enhanced Management Base

- Enhanced HR systems and programs
- Strengthened engineering talent

## Next Priorities

### Japan: Address Clients' Top Management Challenges

- Evolve from workforce-based services to higher-value-added models supporting digital- and AI-first business processes and customer touchpoints
- Strengthen upstream design and consulting capabilities

### Overseas: Advancing Global-Scale Business and Scaling Regional Operations

- Shift business deals from country-based to global engagements
- Broaden service portfolio in China and South Korea
- Bring the ASEAN BPO business into full swing
- Launch offshore services for U.S. clients

# Market Landscape of the Outsourcing Industry

## Supply

## Competitive Environment

## Demand

### Corporate IT: Cloud and AI Ecosystem

To become beneficiaries of AI, investments in cloud, an essential AI enabler, continues to accelerate.

### Workforce: Labor shortages and surging labor costs

Increase in labor driven by dual income & delayed retirement have tapered off. Time to accelerate digital-driven productivity.

### New players: B2B business main battlefield - Operations

Consulting firms & system integrators aggressively expanding services to include operations that directly impact business results.

### Competitive Landscape: Shift from scale to integrated services

AI is driving the global CX domain—to shift its focus from scale to differentiation. Despite active M&A, delivering integrated services remains a challenge, for many players.

### Alternative approach: AI and SaaS-driven erosion

Contact center automation driven by AI is now in the implementation phase.

### Companies: Strong appetite, far from actual benefit

AI continues to fuel IT investment, but DX talent shortage remains. Overseas markets see emerging needs such as AI training.

### Consumers: Increase in Traffic

Channels are diversifying across all age groups, including new traffic via AI.

## Opportunities for growth and differentiation expand despite a severe competitive landscape

- The emergence of AI has highlighted the challenges of practical IT/AI implementation, accelerating demand for execution-focused support. Our ability to deliver end-to-end processes—from design and implementation to operation and improvement—enabled by our in-house operational expertise and ready-to-integrate services, differentiates us.
- Winning new businesses and growth companies becomes imperative as AI reshapes and invigorates ecosystems.

## New Medium-Term Business Plan FY2027-FY2029

### Growth Strategy

- **Evolve the business model; convert our strengths into profits**
  - Engage with clients' management, design processes/touchpoints that enhance CX/EX while reducing costs, and further-optimize our team to enhance our delivery to our clients.
  - Shift from a man-hour pricing model to an outcome-based model.
  - Invest in standardization/processes toward an efficient, scalable business.
- **Broaden our client base; expand our service portfolio for the next growth phase**
  - Continue investment in consulting and engineering.
  - Sow the seeds for the next growth phase, focusing on global accounts, global BPO, and new services in the AI economy.



## 2035 Vision

### Powering Intelligent Businesses through Consulting, Technology, and Operations

- Create future society by supporting the world's society-leading companies.
- Address clients' true challenges by integrating consulting, technology, and operations, and establish a globally unique value proposition.
- Foster a corporate culture where talent aspiring to autonomy, growth, and challenge come together and thrive.

**Market Cap: ¥1 trillion**

Net sales: ¥800bn~1tn  
Operating Margin: 7~10%

### Key Actions

- Strengthen business excellence (problem-solving capability/upstream expertise)
- Advance account management (increase clients with ¥10bn+ revenue)
- Broaden business portfolio through active investments
- Standardize operations and management, adopt an AI-first approach, and pursue quality and productivity
- Reinforce management infrastructure (competitive HR system and IT environment)

## 5 Key Actions

1	<b>Strengthen business excellence</b>	▶	<b>Deliver outcomes by integrating consulting, technology, and operations through strengthened problem-solving capability and upstream expertise, backed by collective strengths.</b>
2	<b>Advance account management</b>	▶	<b>Increase clients with annual sales of ¥10 bn+ by establishing solid partnerships with growth companies in Japan and abroad.</b>
3	<b>Broaden business portfolio through active investments</b>	▶	<b>Broaden future growth opportunities through strategic investments in M&amp;As, partnerships, and IT &amp; AI platforms.</b>
4	<b>Enhance quality/productivity by shifting client/internal to operations to AI-first</b>	▶	<b>Elevate quality and productivity by further standardizing client-facing and internal operations and redefining them through AI-first processes.</b>
5	<b>Reinforce management infrastructure</b>	▶	<b>Establish competitive HR systems. Develop an IT environment and governance and promote cyber security measures to enable employees to adopt AI in their daily operations.</b>

FY2029 Financial Targets			Shareholder Returns
<p><b>Consolidated net sales</b>  <b>¥470 billion</b>  <b>FY27-29 CAGR: 6%</b>  <b>(FY2026: ¥393.9bn)</b></p>	<p><b>Consolidated Operating profit</b>  <b>¥22.5 billion</b>  <b>FY27-29 CAGR: 11%</b>  <b>(FY2026: ¥16.6bn)</b></p>	<p><b>Consolidated operating margin</b>  <b>4.8%</b>  <b>(FY2026: 4.2%)</b></p>	<p><b>Consolidated dividend payout ratio: 40%*</b>  <b>(Jun. 2025: 35.1%)</b></p>
<p><b>ROA</b>  <b>6% or higher</b>  <b>(FY2026: 6.1%)</b></p>	<p><b>ROE</b>  <b>10 % or higher</b>  <b>(FY2026: 10.6%)</b></p>	<p><b>Credit Rating</b>  <b>A band</b>  <b>(As of Feb. 2025: A-)</b></p>	

Estimated FX rates: South Korea 1KRW=0.110 JPY; China 1CNY= 21 JPY

\*Applicable to dividend payments from June 2026.

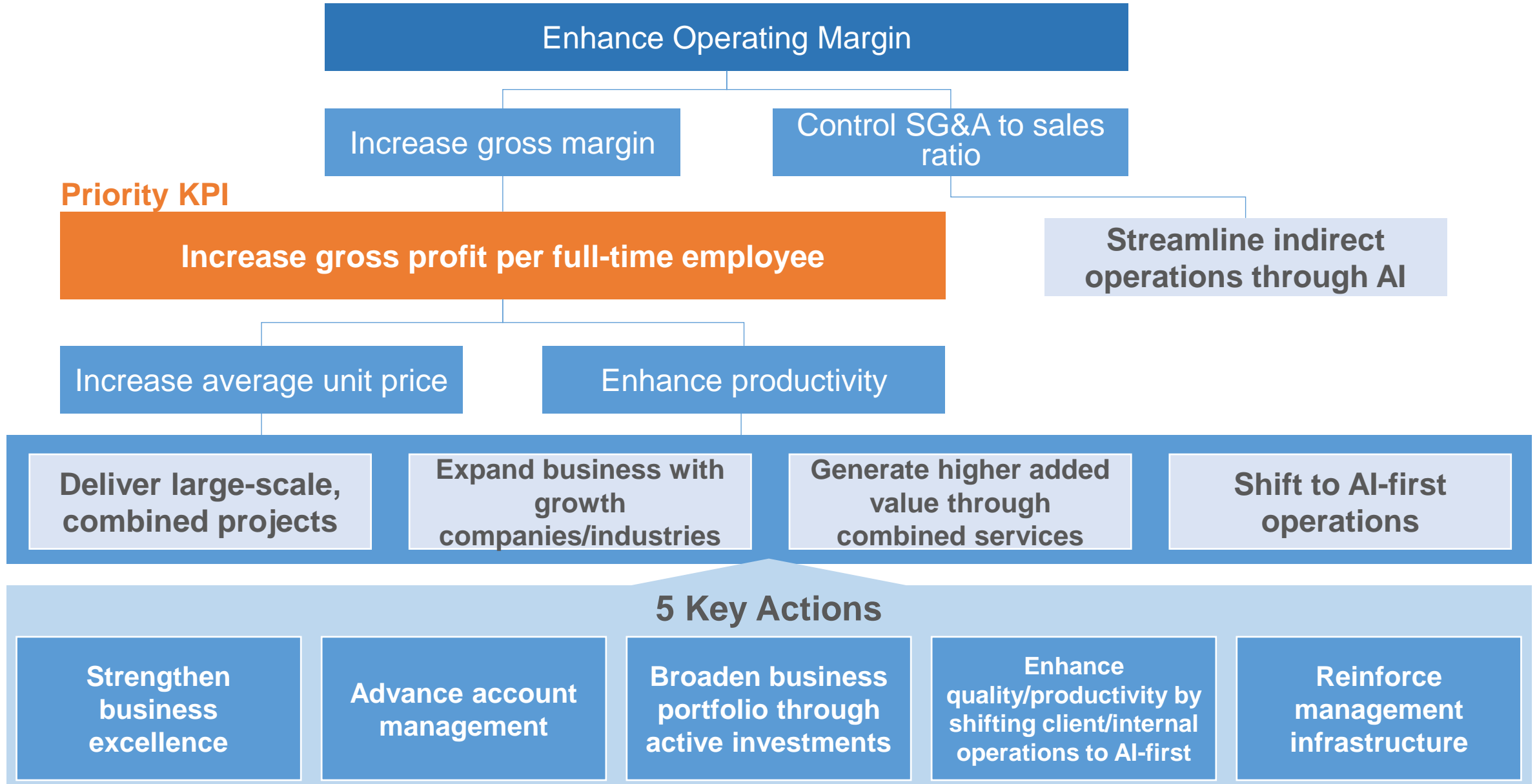
# Quantitative Targets: Business Unit Breakdown

Business Unit		FY2029 Targets	FY27-29 CAGR/Changes
Domestic BPO business	Net sales (in ¥100mn)	1,450	7%
	Operating margin	7.5%	+0.4pt
Domestic CX business	Net sales (in ¥100mn)	2,120	3%
	Operating margin	3.1%	+0.5pt
Global business	Net sales (in ¥100mn)	1,350	7%
	(CX)	(1,150)	(6%*)
	(BPO)	(200)	(16%*)
	Operating margin	2.0%	+0.7pt
Other subsidiaries	Net sales (in ¥100mn)	500	+9%
	Operating margin	11.0%	+4.2pt

The figures above represent results for each business unit based on management accounting used for internal management, therefore, the total does not match financial accounting figures.

\*Some figures have been adjusted to reflect the reclassification of certain business categories.

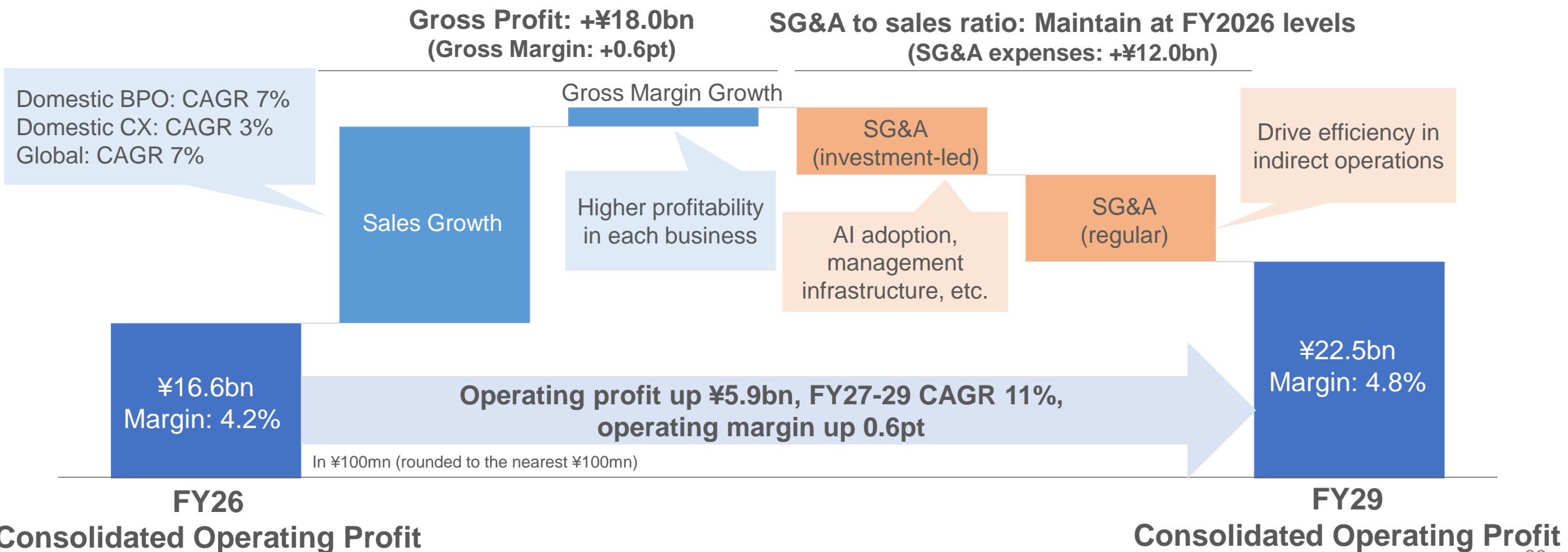
# KPI: Increase gross profit per full-time employee to enhance operating margin



# Consolidated Operating Profit Analysis (FY2029 vs. FY2026)

Aim to grow operating profit by ¥5.9bn, representing a CAGR of 11% over FY27-29, and to enhance operating margin by 0.6 percentage points

- **Gross profit:** Increase by approximately ¥18.0bn, driven by enhanced profitability in each business, in addition to continued sales growth in BPO/CX services.
- **SG&A:** While investment-led expenses in AI adoption and infrastructure are expected to increase, the SG&A to sales ratio will be maintained at FY2026 levels by controlling regular SG&A expenses in existing businesses.



# New Medium-Term Business Plan Positioning: Transform into a high-profit business model through investment



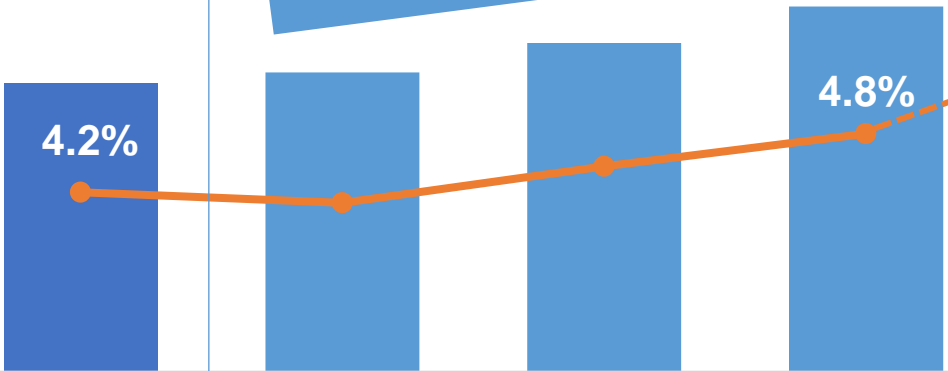
**Lay the foundation for the next growth phase through upfront investments FY2027-2029**

- Invest in capabilities required for consulting and technology domains
- Establish high-profit business models that “deliver total optimization as added-value by expanding engagement in upstream businesses”
- Develop systems for efficient and optimal management infrastructures

**Accelerate sales and profit growth FY2030-2035**

**Market Cap ¥1tn FY2036**

Operating Margin



- Grow sales and enhance profitability in BPO/CX services using high-profit models across the company
- Accumulate sales and profits from a broadened portfolio in growth markets (Japan : Overseas =50:50)

7-10%

Net Sales ¥393.9bn

¥470.0bn

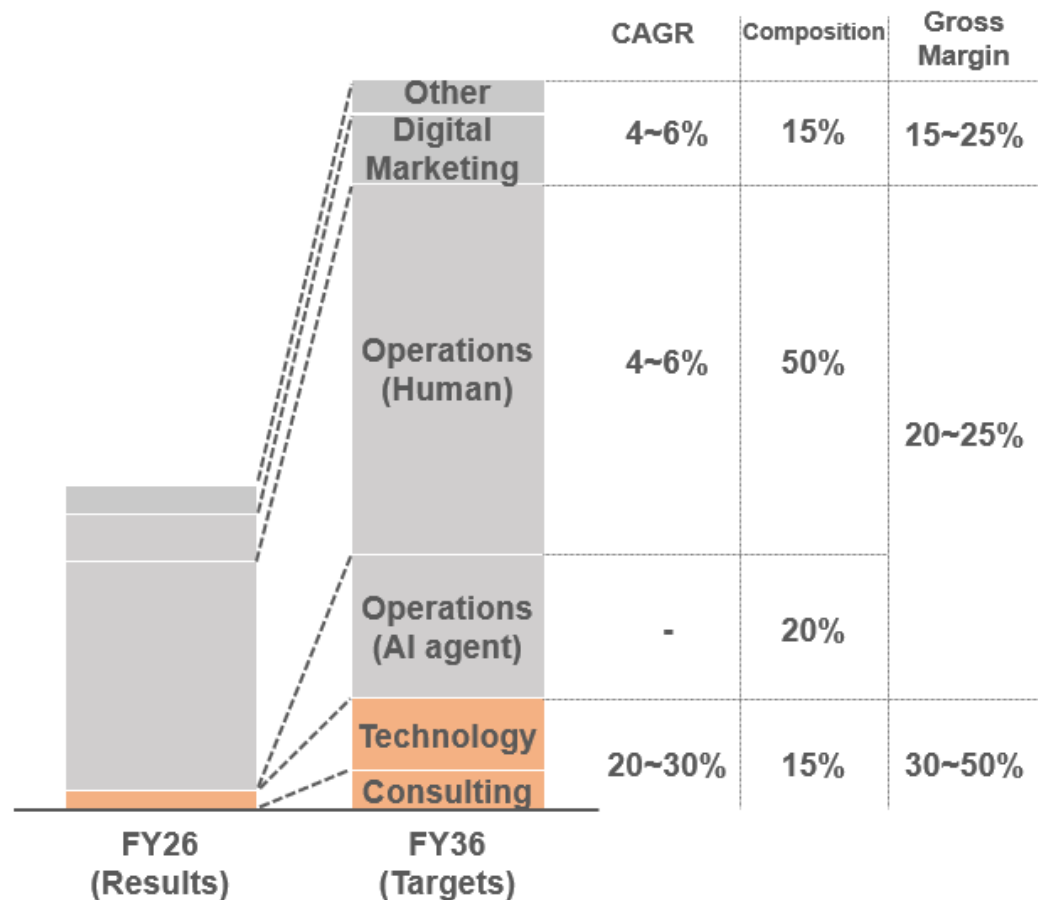
¥800.0bn ~ 1tn

新中期事業計画

## Transform collective strengths into profits to deliver FY2036 target of ¥1 trillion market cap

Sales structure: Raise the ratio of consulting and technology with operations at the core

Bundle consulting and technology with operations to boost overall profitability



### Renew Business Structure

Expand higher-profit consulting and technology at a growth rate of 20-30%

### Enhance Productivity

Maximize operational productivity by fully leveraging digital technologies and AI

### Bundle Services

Increase added value and continuity by scaling stand-alone engagements to total optimization.

Establish and embed business models with gross margin of +5-10 percentage points

# 4. New Medium-Term Business Plan FY2027-FY2029

Overview

Financial Strategy



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- Balance growth investment, shareholder returns, and capital efficiency



## Strategic and Growth Investment

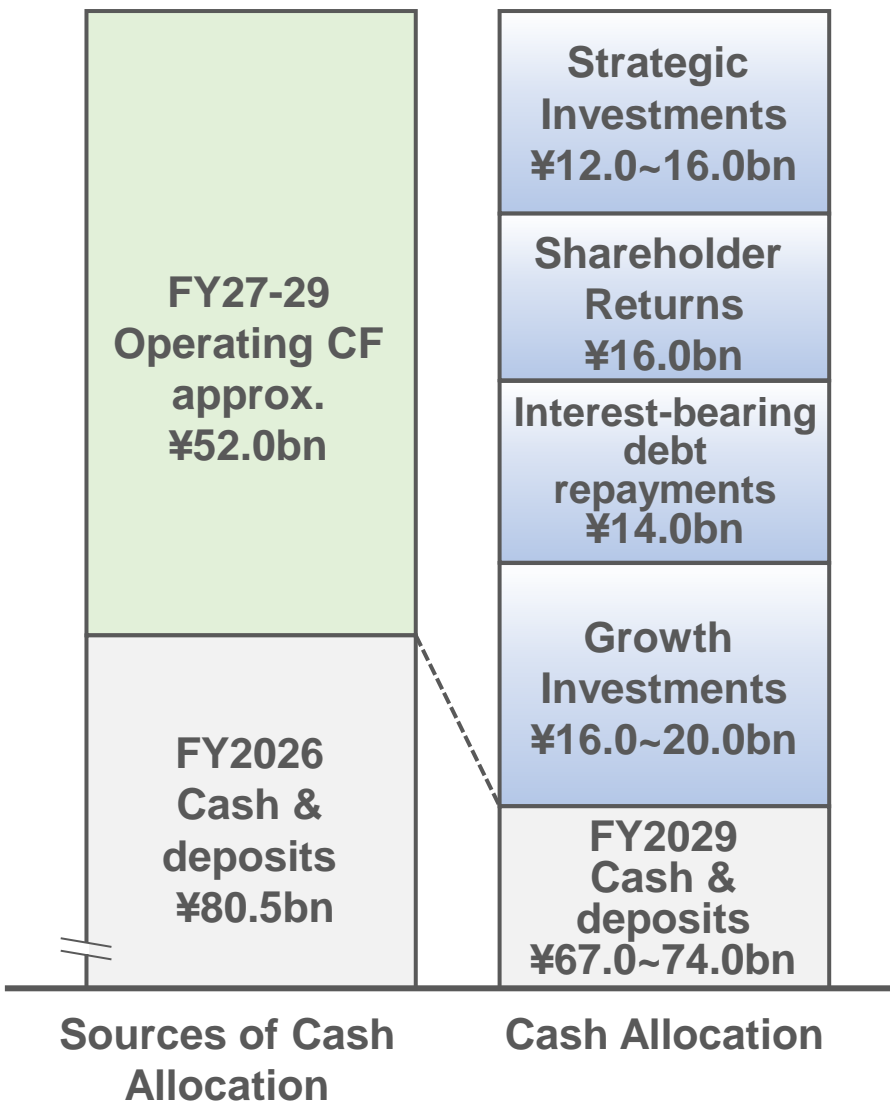
Achieve continuous business growth through strategic investments, including M&As and alliances, as well as growth investments to expand existing businesses and bolster competitiveness.

## Enhance Shareholder Returns

Deliver continuous dividend growth by increasing dividend payout ratio in line with profit growth.

## Enhance Capital Efficiency

Improve capital efficiency by strengthening group-wide cash management while maintaining an optimal capital structure and an A credit rating.



## Strategic investment: ¥12.0~16.0bn

- Invest in upstream capabilities, including consulting and engineering, and in M&As/alliances to develop new services and markets.

## Shareholder returns: ¥16.0bn

- Enhance returns by raising dividend payout ratio to 40%.

## Repayment of interest-bearing debts: ¥14.0bn

- Reduce interest-bearing debts to optimize the balance sheet.

## Growth investments: ¥16.0~20.0bn

- Investments to grow existing businesses and enhance competitiveness (trans-DX model, DX efforts, platform development, contact centers, IT and security)

## Cash and deposits: ¥67.0~74.0bn

- Reduce required working capital through enhanced cash management on a consolidated basis (reduce the cash-to-monthly-sales ratio).

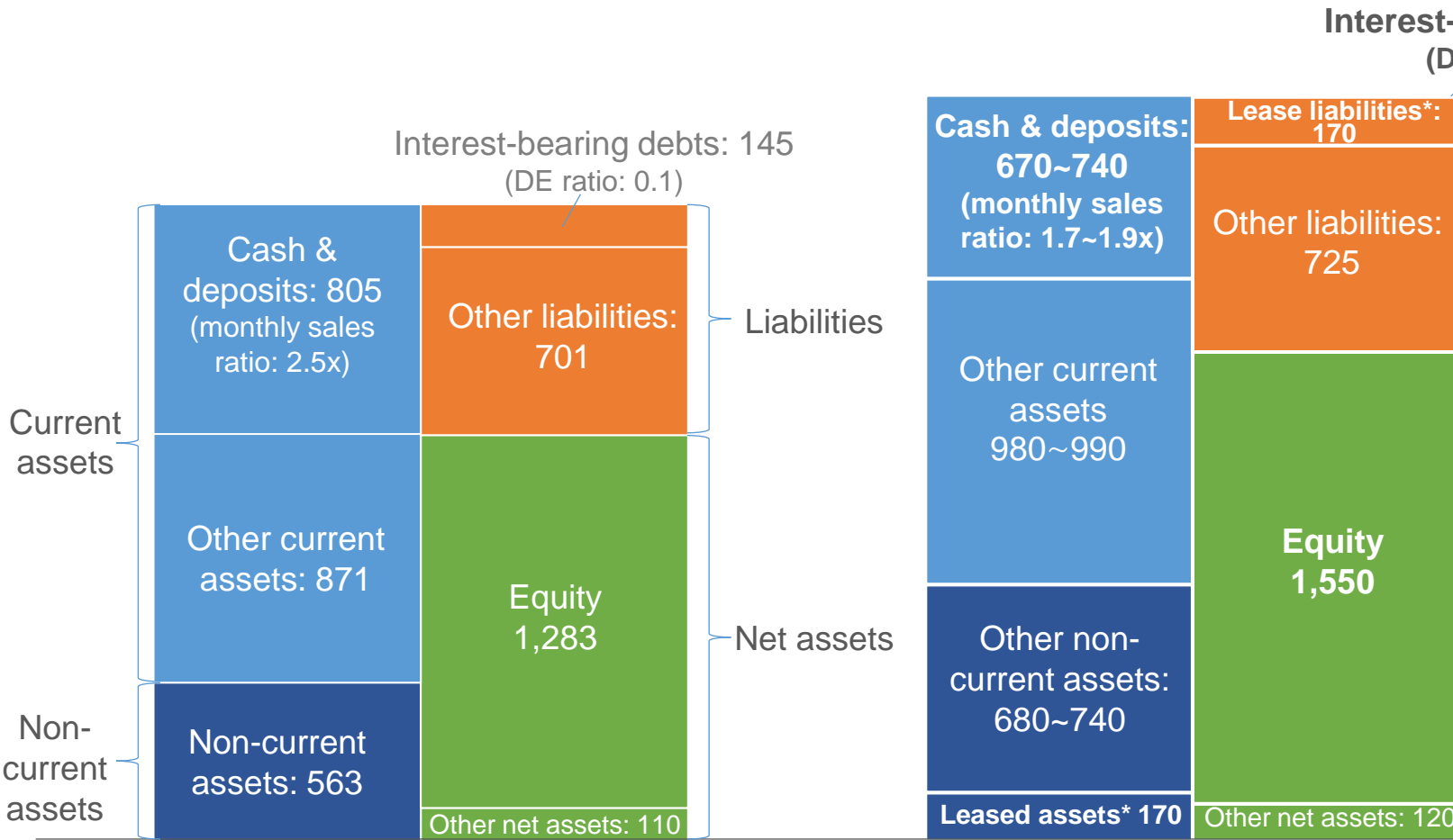
AI-related investments  
¥7.0~7.5bn

# Balance Sheet (End of FY2029 vs. End of FY2026):

Enhance capital efficiency through stronger capital management



- Decrease required working capital by strengthening capital management on a consolidated basis. Using the resulting surplus funds and other measures, we will increase ROA, despite the adoption of new lease accounting standards, by further reducing interest-bearing debt and enhancing shareholder returns.



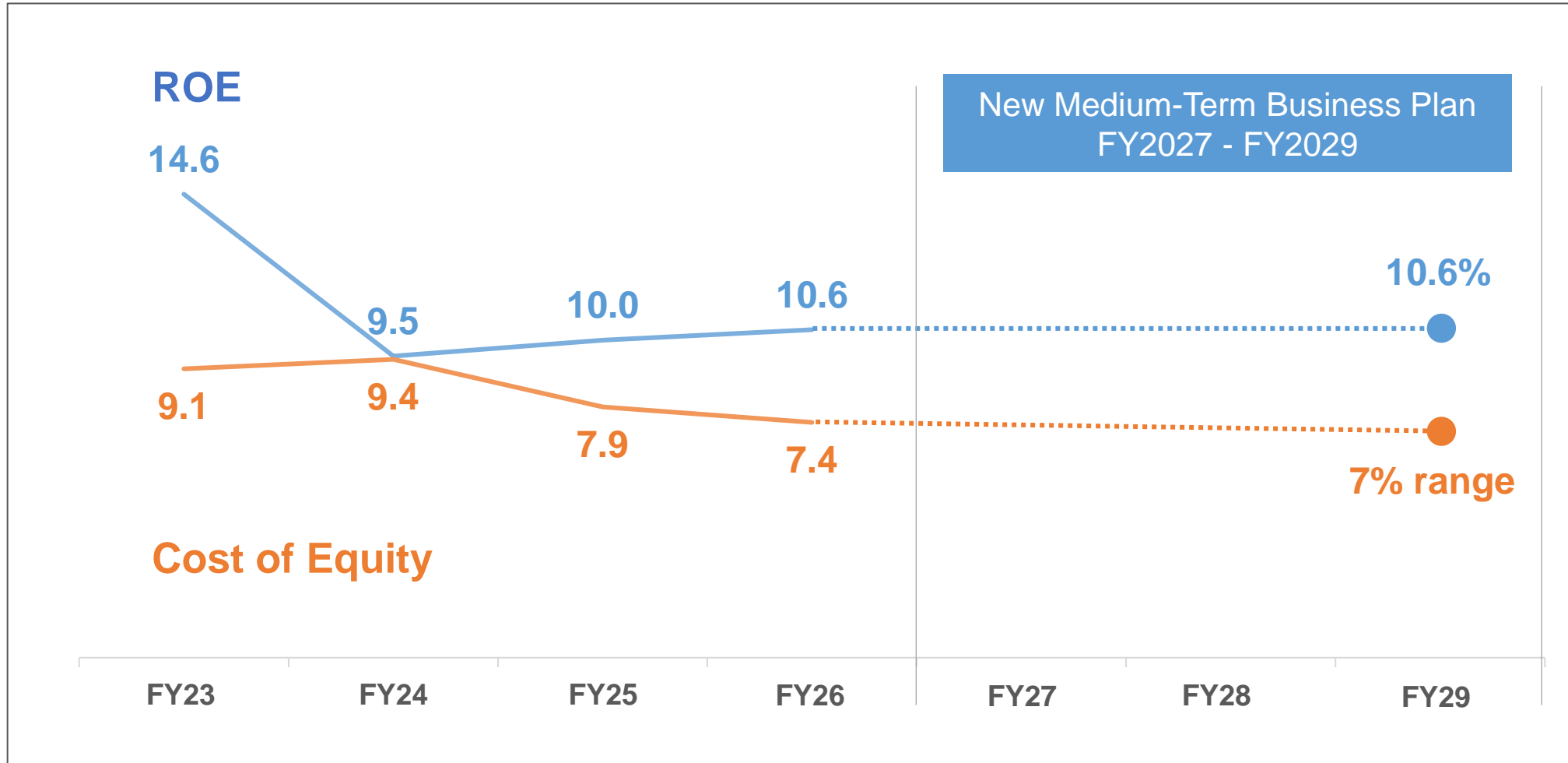
	FY26	FY29
Profit attributable to owners of parent	131	160
Total assets	2,239	2,570

	FY26	FY29
<b>ROA</b>	<b>6.1%</b>	<b>6.3%</b>

\*Please note that the new lease accounting standards will be adopted from FY2028. We expect to record approximately ¥17.0bn as leased assets and lease liabilities.

End of FY26 In ¥100mn (rounded to the nearest ¥100mn) End of FY29

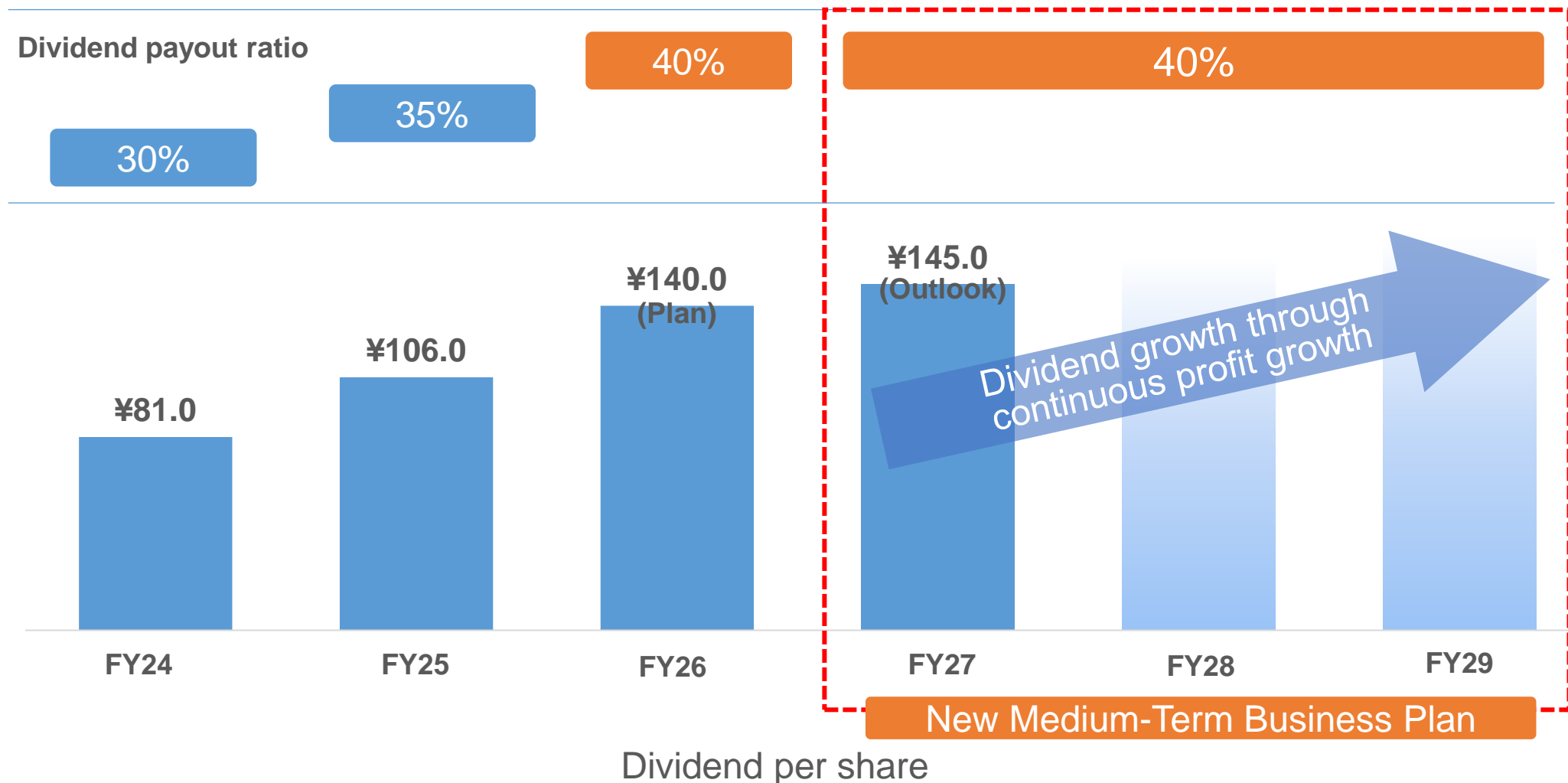
- Under the new medium-term business plan, we aim to maintain ROE at 10% or higher to secure an equity spread above the cost of equity, even while making aggressive investments.



# Shareholder Return Policy



- Increase dividend payout ratio to 40%, applicable to dividends paid from June 2026.
- Sustain dividend growth through continuous profit growth.



## 5. Corporate Philosophy



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## Fundamental Management Philosophy

**Client satisfaction is the true value of our company, and the growth of each of our employees creates the value that shapes our future**

## The Origin of Our Business

**people & technology**

Established new Purpose, Vision, and Values to address three challenges that emerged as we formulated our long-term growth strategy.

- 1** Reconsider our corporate purpose and growth direction in commemorating our 60th anniversary and in formulating the next medium-term business plan.
- 2** Enhance stakeholder cohesiveness, thereby elevating employee engagement and our presence.
- 3** Organize and clearly articulate the transcocosmos philosophy.



## PURPOSE

### Make It Real, Together.

By transcending limits and connecting people through technology, we open a universe of possibilities for growth and success.

We aspire to bring our clients' hopes and dreams to life.

Society and business. People and technology.

Execution and Creativity. The present and the future.

By connecting various elements, we create new value together.

Each person takes initiative, works together, and turns ideas into something real.

We believe that as this power spreads across the world, it can bring greater fulfillment and happiness to people and societies everywhere.

Make It Real, Together.

By transcending limits and connecting people through technology, we open a universe of possibilities for growth and success.

We are transcosmos.







VALUES



- 

**Deliver results as one team.**  
Collaborate as a team of professionals and fully commit to driving success for our clients.
- 

**Build trust through integrity and sincerity.**  
Trust is our most vital asset.  
Uphold the responsibilities entrusted to us by remaining sincere and true to our word.
- 

**Take ownership and think beyond.**  
Look beyond your defined role.  
Identify what you need to do and take action.
- 

**Grow through every challenge.**  
Generate innovation rooted in our practical experience.  
Never stop learning and evolving.
- 

**Create a fair environment for everyone.**  
Respect individual differences and value one another.  
Build an organization where everyone can take on new challenges, together.

- 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 amounts are rounded to the nearest ten million or hundred million, as applicable, and percentages are rounded to one decimal place.



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