

April 27, 2018

To all concerned,

Company Name: transcosmos, Inc.  
 Representative: President and COO, Masataka Okuda  
 (Code No.9715, Tokyo Stock Exchange, 1<sup>st</sup> Section)  
 Inquires: Hitoshi Honda, Executive Managing  
 Director, CFO  
 Contact: +81-3-4363-1111 (Representative)

**Notice concerning the difference between consolidated results for the fiscal year ended March 2018 and results in the previous period, and the posting of non-operating expenses in consolidated accounts and extraordinary losses in individual accounts**

This is to inform you as follows regarding the difference between consolidated results for the fiscal year ended March 2018 (April 1, 2017 to March 31, 2018) and actual results for the previous period, and the posting of non-operating expenses in consolidated accounts and extraordinary losses in individual accounts.

Record

1. Difference between consolidated results for the fiscal year ended March 2018 and results

	Net sales	Operating income	Ordinary income	Current net income attributable to parent company shareholders or current net loss attributable to parent company shareholders (Δ)	Current net income per share or current net loss per share (Δ)
	millions of yen	millions of yen	millions of yen	millions of yen	Yen
Performance during the same period of the previous year(A) March 2015 Period	242,314	8,080	6,742	7,156	172.92
Performance during the current period (B) March 2016 Period	266,645	6,092	1,802	△2,176	△52.47
Difference (B-A)	24,320	△1,988	△4,939	△9,332	
Difference (%)	10.0	△24.6	△73.3	—	

2. Reason for the difference

Regarding consolidated results for the fiscal year ended March 2018, sales reached ¥266.645 billion and revenue increased by 10.0% from the previous period due to improved demand for services in the stand-alone services and global affiliated companies' segments. With regard to profit, operating income was ¥6.092 billion, resulting in an earnings decline of 24.6% compared with the same period last year, due to the impact of factors such as increased selling, general and administrative expenses associated with upfront investments for future growth. In addition, ordinary income was ¥1.802 billion, resulting in an earnings decline of 73.3% compared with the same period last year, due to an increase in "investment loss by the equity method" from one-time write-offs of goodwill amortization at some affiliated companies. Also, with regard to extraordinary profit and loss, the current net loss attributable to shareholders of the parent company was ¥2.176 billion

(in the previous period there was current net income attributable to parent company shareholders of ¥7.156 billion) due to the occurrence of temporary losses, such as a decline in “gains on the sale of shares of affiliates” and “gains on the sale of investment securities,” as well as an increase in “losses on the valuation of investment securities.”

### 3. Regarding accrual of non-operating expenses in consolidated accounts

In the fourth quarter consolidated accounting period, the company posted an investment loss of ¥3.554 billion based on the equity method in the non-operating expenses of consolidated accounts due to factors such as one-time write-offs of goodwill amortization at some affiliated companies.

### 4. Regarding accrual of extraordinary losses in individual accounts

In the fourth quarter accounting period, we posted a valuation loss of ¥5.3 billion on shares of affiliated companies held by the company in the extraordinary losses of individual accounts due to a significant decline the actual value of the affiliated company shares compared to the book value.

For further details please refer to the "Summary of Financial Results for the Fiscal Year Ended March 2018 (Japan Standard) (Consolidated)," which was announced today.

The End