

Transcom opts not to bid for new agreement with existing public sector client in Italy

Press release

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Transcom WorldWide AB (publ) today announced that the company has decided not to submit a tender for a new partnership agreement with one of its public sector clients in Italy. This decision is based on the fact that the commercial conditions attached to a new agreement with the client are not in line with Transcom's strategy. Transcom has provided services to this particular client for the past seven years, generating revenue amounting to approximately EUR 5.8 million per quarter in the first half of 2015. Starting in August 2015, Transcom is no longer providing services to the client.

Transcom's discontinued agreement with this client was based on the delivery of services using the client's own staff and infrastructure. Thus, Transcom's result will neither be impacted by any severance or write-off costs, nor by any other restructuring costs.

"Transcom's partnership with this Italian client over the past seven years has been mutually beneficial. However, when the contract was put out to tender this year, some of the commercial conditions were materially changed. As a consequence of this, we decided not to bid. While this decision will have an impact on our revenue in the short term, the effect is not material. Our sales pipeline in the Central & South Europe region is healthy, and I expect that we will be able to announce new client wins in the near future", commented Johan Eriksson, Transcom's President and CEO.

For further information, please contact:

Johan Eriksson, President and CEO
Telephone +46 70 776 80 22

Ulrik Englund, CFO
Telephone +46 70 286 85 92

Stefan Pettersson, Head of Group Communications
Telephone +46 70 776 80 88

About Transcom

Transcom is a global customer experience specialist, providing customer care, sales, technical support and credit management services through our extensive network of contact centers and work-at-home agents. We are 30,000 customer experience specialists at 54 contact centers across 23 countries, delivering services in 33 languages to over 400 international brands in various industry verticals. Transcom WorldWide AB's share is listed on the Nasdaq Stockholm Exchange under the ticker symbol TWW.