

19 July 2016

Transcom

Second quarter 2016 results presentation

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Outstanding
Customer
Experience

Transcom

At a glance

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Transcom in numbers

- A global **customer experience** specialist...
- ...employing **30,000** people...
- ...representing more than **100** nationalities...
- ...operating **52** contact centers, onshore, off-shore and near shore...
- ...**in 21** countries...
- ...delivering services in **33** languages...
- ...generating €626.5 million revenue in 2015...
- ...with a market cap of **SEK 1.4 billion** as at June 30, 2016. Listed on Nasdaq Stockholm (Mid Cap segment) under ticker TWW.

Q2 2016 financial performance

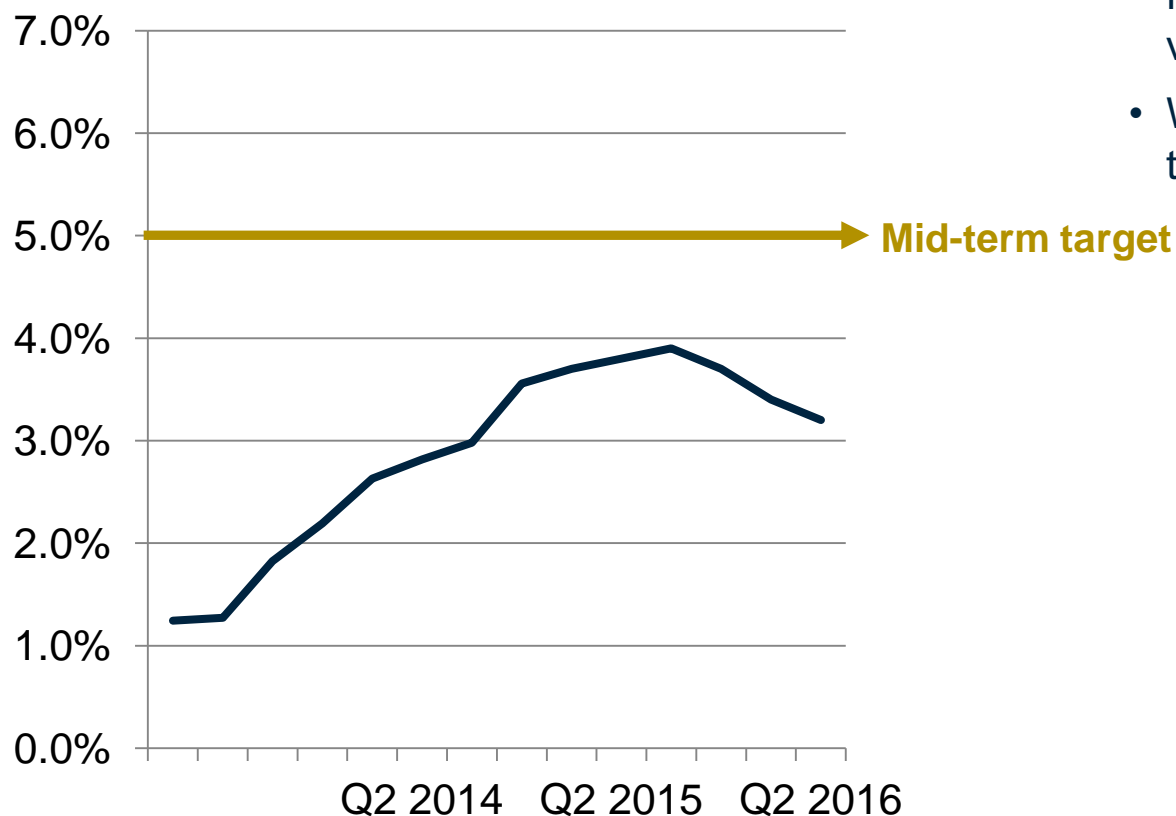
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Key highlights Q2 2016

- As anticipated and previously disclosed, soft volumes continued to impact Transcom's results this quarter. Organic revenue decreased by 8.7%, out of which 3.6% is related to Transcom's previously disclosed decision not to renew an agreement with an Italian public sector client.
- As stated last quarter, implemented measures are expected to yield improvements in the second half of the year.
 - Good progress made during the quarter in terms of increasing capacity utilization in the English-speaking markets & APAC region. We have already started to prepare for volume increases in the second half of the year on several client accounts.
 - Realignment of our regional and management structure is starting to yield improvements. Annual cost savings estimated at €2.9m, expected to take full effect in Q4 2016.
 - Group-wide operational excellence program is progressing according to plan.

Our most fundamental and prioritized goal at the moment is to increase the EBIT margin towards our mid-term target

12-month rolling EBIT* margin development



- Recent negative trend in relation to target driven by soft volumes
- We expect improvements in the second half of 2016
 - Increased capacity utilization
 - Consolidation of regional and management structure has started to yield cost savings
 - Group-wide operational excellence program progressing according to plan

Organic revenue decreased by 8.7% in Q2 2016

Organic growth, Q2 2016 vs. Q2 2015

€m

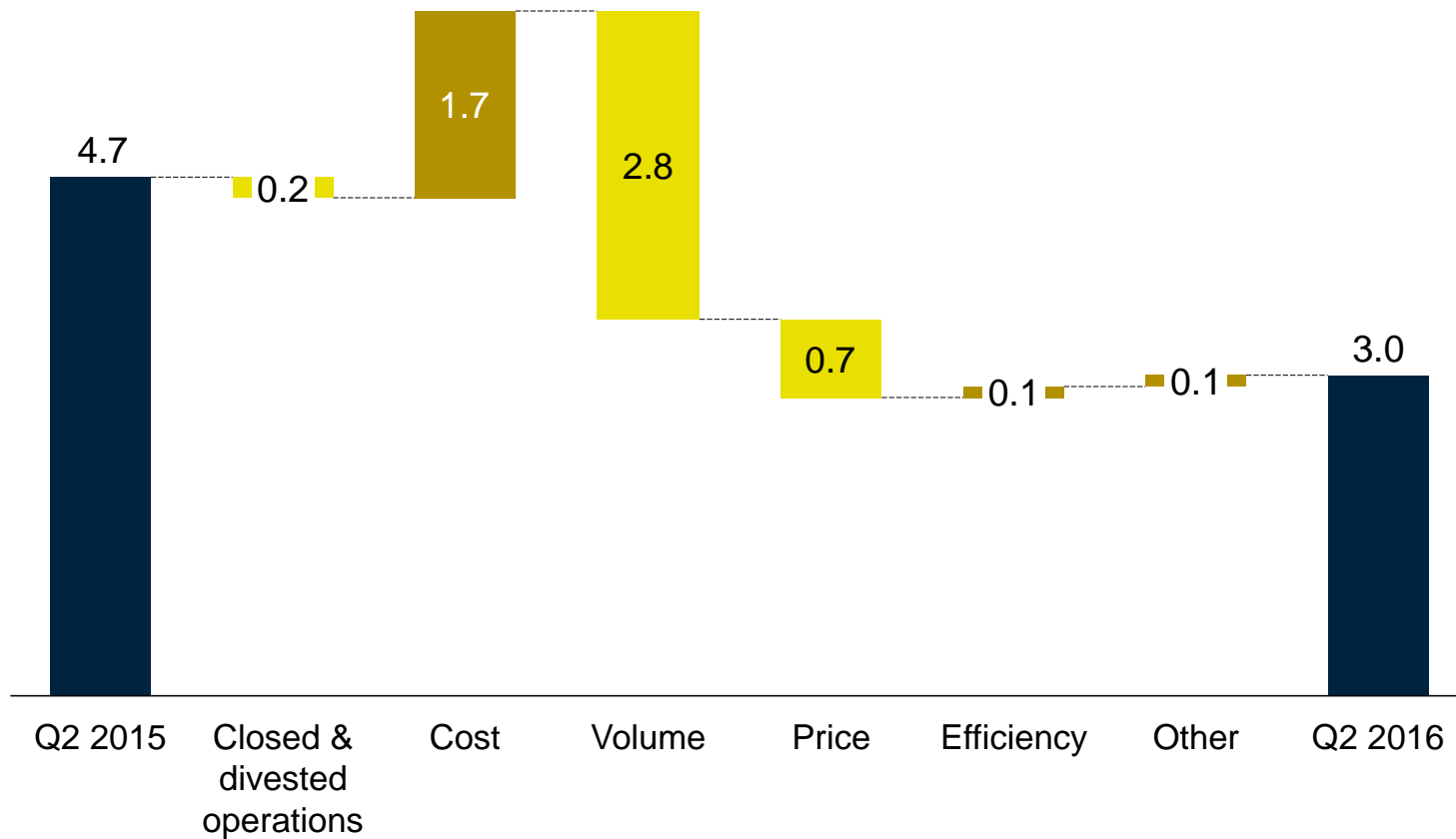


- Revenue in Q2 2015 adjusted for currency effects (€-0.8m) and divestments (€-3.0m)
- Transcom's previously disclosed decision not to bid for a renewed public sector client agreement in Italy had a €5.6 million (-3.6%) negative impact on revenue in Q2 2016
- Lower volumes in the English-speaking markets & APAC region

The EBIT margin in Q2 2016, was 2.1% (3.0% in Q2 2015)

EBIT (mEUR)

Q2 2015 vs. Q2 2016

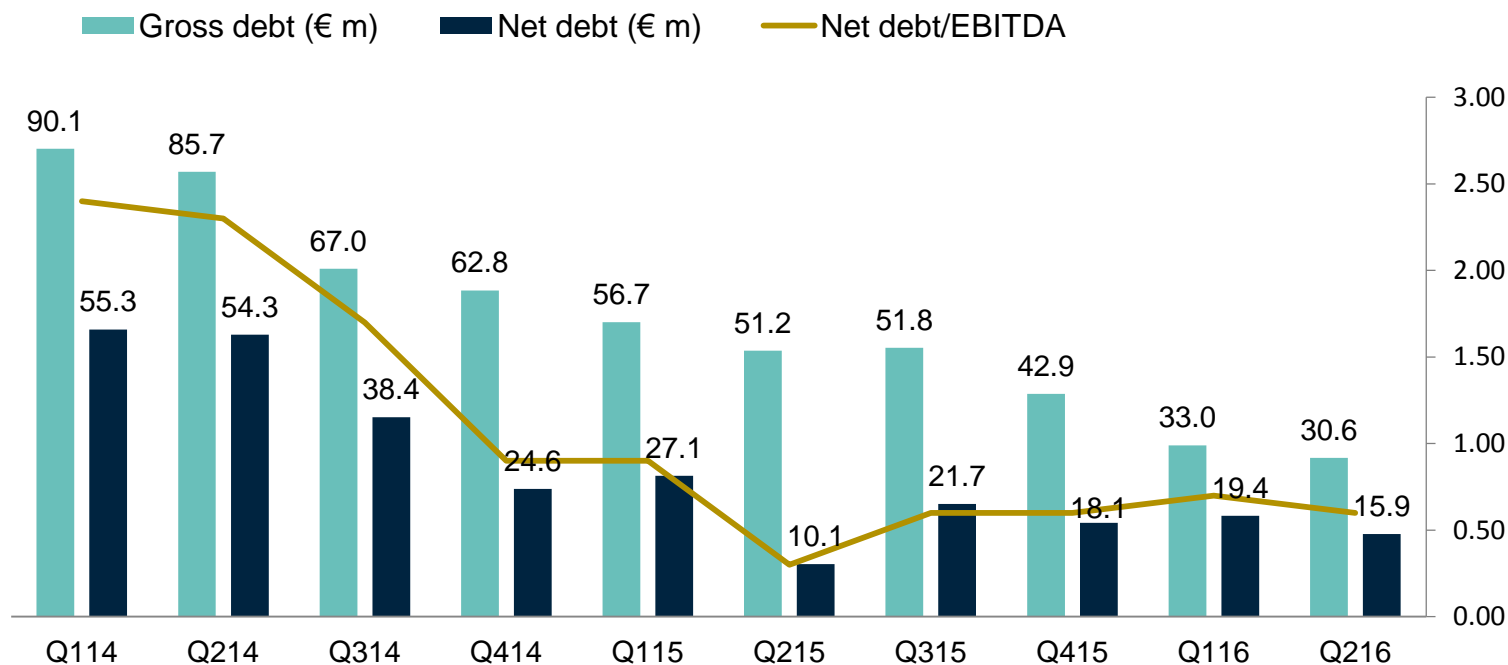


EBIT margin decrease mainly due to soft volumes in the English-speaking markets & APAC region

	Q2 2016	Q2 2015
EBIT margin		
North Europe	3.0%	4.1%
Continental Europe	3.5%	3.8%
English-speaking markets & APAC	-1.6%	3.0%
Latin America	-2.9%	-27.4%
Total	2.1%	3.0%

- **North Europe:** Divestment of CMS Denmark
- **Continental Europe:** Price reductions in Spain, implemented last year on some client accounts
- **English-speaking markets & APAC:** Lower volumes in the quarter.
- **Latin America:** Volume increases and efficiency improvements in Chile and Peru. Closure of Colombia.

Debt & leveraging

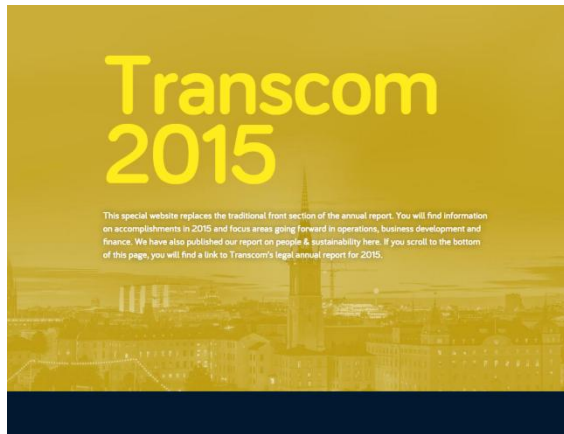


- Gross debt decreased by €2.4m compared to the Q116 level
- Net debt decreased by €3.5m compared to the Q116 level
- Net Debt/EBITDA ratio: 0.6 (0.7 in Q116)

We expect improvements in the second half of 2016

- **Several of the growth opportunities that were highlighted in the Q1 2016 report, mainly in the English-speaking markets & APAC region, are expected to materialize in the second half of this year.**
 - We have already started to prepare for volume increases on several client accounts.
- **The realignment of our regional and management structure in Continental Europe is starting to yield cost savings**
 - Annual cost savings estimated at €2.9m, expected to take full effect in Q4 2016.
- **Our Group-wide operational excellence program is progressing according to plan**
 - Drive increased standardization and efficiency across our global business
 - Comprehensive site benchmarking exercise

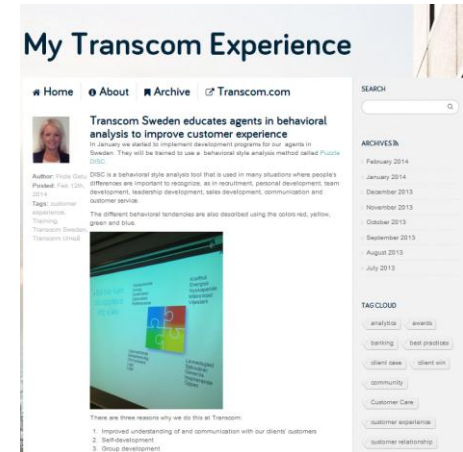
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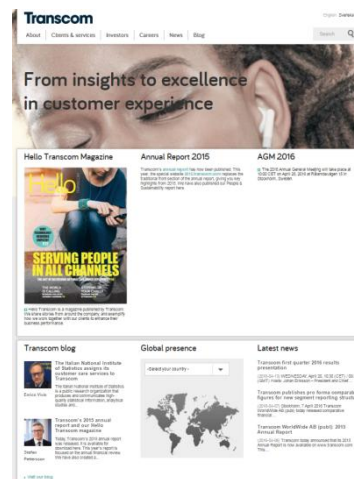
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Thank you!

Questions?

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