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TRANSCOM REPORTS 21% INCREASE IN REVENUE AND 43% INCREASE IN NET INCOME FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2005

Luxembourg, 20 October 2005 - Transcom WorldWide S.A. ('Transcom') (Stockholmsbörsen: TWWA, TWWB) Europe's largest customer relationship management (CRM) operator by geographical footprint, today announced its financial results for the third quarter and nine months ended 30 September 2005 in accordance with International Financial Reporting Standards (IFRS).

THIRD QUARTER HIGHLIGHTS

- Net sales up 17% to **€105.7 (€90.4) million**
- Profit before tax up 37% to **€7.8 (€5.7) million**
- Net income up 51% to **€5.6 (€3.7) million**
- Basic EPS up 60% to **€0.08 (€0.05)**
- Launch of new call centres in Tunisia and Croatia

NINE MONTH HIGHLIGHTS

- Net sales up 21% to **€320.4 (€266.0) million**
- Profit before tax up 40% to **€22.0 (€15.7) million**
- Net income up 43% to **€15.9 (€11.1) million**
- Basic EPS up 47% to **€0.22 (€0.15)**

Note : All non sales numbers for 2004 above exclude goodwill amortization for comparative purposes

Keith Russell, President and Chief Executive Officer, commented: "I'm delighted with Transcom's financial and operational performance in the third quarter of 2005. We have delivered significant growth in sales and profitability as well as announcing important new contracts in CRM and debt collection. I am confident that we will adhere to our strategy of growing margins by developing our debt collections business as well as increasing our near shore, low cost, contact centre capabilities during the remainder of 2005 and into 2006."

FINANCIAL SUMMARY

(€MILLIONS)	2005 Jul-Sep	2004 Jul-Sep	2005 Jan-Sep	2004 Jan-Sep	2004 Jan-Dec
Net Sales	105.7	90.4	320.4	266.0	369.7
EBITDA	10.4	8.4	29.8	23.9	34.8
Operating income	7.9	4.6	22.3	12.4	19.5
Net interest and other financial items	-0.1	-0.2	-0.3	-0.5	-0.5
Income after financial items and before income tax and minority interests	7.8	4.4	22.0	11.9	19.0
Net income	5.6	2.4	15.9	7.3	12.3
Basic Earnings per share	0.08	0.03	0.22	0.10	0.17
Basic weighted average outstanding number of shares	72,273,976	71,878,872	72,181,826	71,755,488	71,819,861

OPERATING REVIEW

Transcom, Europe's largest CRM operator by geographical footprint, reported 16.9% year on year net sales growth for the third quarter ended 30 September 2005 to €105.7 million (€90.4 million), and 20.5% growth for the first nine months to €320.4 million (€266.0 million). The growth was driven by a strong performance from all areas of the business as well as a general increase in the demand for outsourced CRM activities across Europe. Transcom has benefited from this in the last quarter with the signing of several new contracts including the provision of CRM services from Eastern Europe for one of the world's major airlines. Transcom will deal with reservations, ticketing queries and other customer services for the airline's customers. This is a significant win for Transcom as it illustrates the company's capability of winning large scale contracts in the travel and tourism vertical market.

Other new CRM contracts this quarter include the Swedish arm of E.ON, a major utility supplier; Sterling Airlines in Estonia; EDM Media in the Netherlands as well as the German financial services company ROLAND Assistance.

During the quarter Transcom announced the opening of two new call centres in new geographic markets. In August, Transcom opened a 50 seat call centre in Croatia in order to support Tele2 in the launch of its new mobile telephony product in that country. Transcom will use the centre as a platform to win more customers in the region. In October, Transcom announced the opening of its first call centre in Tunis, Tunisia. Tunis will initially provide 119 seats and is expected to grow to over 400 in the medium term. Tunis will be an important low cost, near shore centre for major European languages including French and Italian.

Transcom remains focused on a margin development strategy. During the quarter Transcom has continued to develop the synergies provided by a CRM operator delivering efficient debt collection operations. This has resulted in a number of new debt collection customers. These include car leasing organisations such as Leaseplan, GE Commercial Finance (Fleet Services), and the former rental arm of Fiat, Finplus Renting. Transcom has also won new debt collection

contracts in the utilities sector including Aguas de Barcelona and Saur Nin (Ile de France Normandie). Transcom continues to seek appropriate debt collection acquisition opportunities in order to accelerate the rate of growth of the business. Transcom continues to strive for its target of having half of the companies profits derived from debt collection business by the end of Q1 2007. This target however depends on the consolidation of some strong debt collection company acquisitions in the short term and assumes no further increase in the rate of recovery of the CRM side of the business.

Excluding the goodwill amortisation charge for 2004 for comparative purposes, Transcom's operating margin increased by 15.4% year on year in the third quarter to 7.5% (6.5%), and increased to 7.0% (6.1%) for the first nine months, as a result of the Company's strong sales growth and company-wide cost control measures. Transcom has maintained its focus on delivering margin improvements during the period, with a further reduction in selling, general and administrative (SG&A) costs as a percentage of revenue which amounted to 14.3% (15.0%) for the third quarter and 13.6% (14.7%) for the first nine months.. Net interest and other financial items were reduced year on year and Transcom therefore reported a 36.8% year on year increase in pre-tax profit in the third quarter to €7.8 million (€5.7 million) and a 40.1% increase for the first nine months of the year to €22.0 million (€15.7 million), again excluding goodwill amortisation charges for 2004. The pre-tax profit margin therefore increased to 7.4% for the third quarter and 6.9% for the first nine months.

Transcom reiterates its positive outlook for the remainder of 2005. There are a growing number of significant opportunities in the sales pipeline that require pan-European coverage, multi-lingual capabilities and near shore solutions that Transcom is well placed to provide. Following the increased demand for CRM outsourcing, Transcom expects to continue outperforming the market with CRM business growth, driven strongly by the success of it's near shore services where prospective customers who have in-house operations will find the best paybacks from a decision to outsource their business.

Transcom continues to seek acquisition opportunities that would enhance the Company's geographical reach into new country markets, or accelerate the expansion of the Company's debt collection and other higher margin business.

FINANCIAL REVIEW

Revenue

Transcom's revenues increased by 16.9% in the third quarter to €105.7 million (€90.4 million) and were up by 20.5% year on year to €320.4 million (€266.0 million) for the first nine months. The third quarter result was accounted for by an increase of 25.3% in non-Kinnevik Group related revenue, a 21.5% increase in sales to Tele2 and a 42.9% reduction in other Kinnevik Group related revenue. As highlighted in previous earnings releases the latter decline reflects the successful completion of the CRM activities surrounding the conditional access smartcard swap carried out by Modern Times Group in 2004.

Gross margin

Transcom's gross margin was stable at 21.8% (21.6%) for the quarter and at 20.6% (20.8%) for the first nine months. The marginal improvement this quarter reflects the positive trend Transcom expects moving forward driven by the development of higher margin business and improvements in operational efficiency.

Operating Expenses

SG&A costs for the third quarter increased by €1.5 million year on year to €5.1 million. This is a reduction in SG&A as a percentage of revenue from 15.0% to 14.3% for the quarter. SG&A costs for the first nine months of the year also decreased as a percentage of revenue from 14.7% to 13.6%. Transcom remains committed to maintaining a strong discipline in controlling all operating expenses.

Earnings before interest and taxes (EBIT)

Transcom's operating income for the third quarter increased by 33.9% (excluding goodwill amortisation charges in 2004) to €7.9 million (€5.9 million) and by 37.7% (again excluding goodwill amortisation charges in 2004) to €22.3 million (€16.2 million) for the first nine months.

Net income

Net income in the third quarter increased by 51.4% year on year to €5.6 million (€3.7 million), when excluding goodwill amortisation charges in 2004. Net income for the first nine months of the year increased by 43.2% to €15.9 million (€11.1 million) when similarly excluding goodwill amortisation charges in 2004 for comparative purposes. Transcom's net margin for the third quarter, increased year on year from 4.1% to 5.3% and from 4.2% to 5.0% for the first nine months.

Cash flow and working capital

Transcom generated a 31.8% year on year increase in cash flow from operations to €23.6 million (€17.9 million) for the first nine months. Capital expenditure remained stable at €7.8 million (€8.0 million) in the first nine months and represented only 2.4% (3.0%) of net sales in the first nine months. Capital expenditure during the quarter included the expansion of 100 seats at Transcom's call centre in Belgium, the opening of a new call centre in Croatia with 50 seats as well as a new centre in Tunisia with 119 seats. Working capital outflow of €1.1 million in the first nine months was back in line with Transcom's forecasts as stated at the end of the previous quarter.

Indebtedness and liquid funds

As previously reported, Transcom re-paid €4.2 million of bank loans during the first nine months and the Company's total indebtedness comprised €8.3 million as at 30 September 2005, compared to €12.5 million at the end of 2004. Transcom had €46.9 million in liquid funds at the end of the reporting period and net cash of €38.6 million, compared to €37.7 million and €25.2 million at the end of 2004 respectively.

OTHER INFORMATION

Annual General Meeting 2006

The next Annual General Meeting will be held on 30th May 2006 in Luxembourg.

Details on how and when to register as well as how to have a matter considered at the meeting will be published on the company website well in advance of the Annual General Meeting.

Nomination Group for the 2006 Annual General Meeting

A Nomination Group of major shareholders in Transcom WorldWide S.A. has been convened in accordance with the resolution of the 2005 Annual General Meeting. The Nomination Group is comprised of Cristina Stenbeck, Emesco AB and Investment AB Kinnevik; Björn Lind, SEB Fonder and SEB Trygg Liv; and Annika Andersson, Fourth Swedish National Pension Fund. The group currently represents more than 50 per cent of the voting rights in Transcom. The composition of the Nomination Group may be changed to reflect any changes in the shareholdings of the major shareholders during the nomination process. Information about the work of the Nomination Group can be found on Transcom's corporate website at www.transcom.com.

The Nomination Group will submit a proposal for the composition of the Board of Directors that will be presented to the 2006 Annual General Meeting for approval.

Shareholders wishing to propose candidates for election to the Transcom Board of Directors should submit their proposals in writing to agm@transcomww.com or to The Company Secretary, Transcom WorldWide, 11 Boulevard Royal, L-2449 Luxembourg

This interim report has been prepared in accordance with International Financial Reporting Standards (IFRS) and has not been subject to review by the Company's auditors.

Transcom's financial results for the fourth quarter and twelve months ended 31 December 2005 will be published on 13th February 2006.

Keith Russell, President and CEO
Luxembourg, 20 October 2005.

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Transcom WorldWide is a rapidly expanding Customer Relationship Management (CRM) solution provider, with 44 service centres employing more than 11,000 people delivering services from 26 countries - Luxembourg, Sweden, France, Denmark, Germany, Finland, Italy, Switzerland, Belgium, Hungary, Norway, the Netherlands, Spain, Austria, Morocco, Poland, Portugal, Estonia, Latvia, Lithuania, Serbia, the UK, the Czech Republic, the Slovak Republic, Croatia and Tunisia.

The company provides CRM solutions for companies in a wide range of industry sectors, including telecommunications and e-commerce, travel & tourism, retail, financial services and utilities. Transcom offers clients a broad array of relationship management services, including inbound communication; telemarketing and outbound; Administrative Tasks; Web servicing; CRM Consultancy Service; Contract Automation; Credit Management Service; and Legal Services. Client programs are tailor-made and range from single applications to complex programs, which are offered on a country-specific or international basis in up to 39 languages.

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Transcom WorldWide S.A. 'A' and 'B' shares are listed on the Stockholmsbörsen O-List under the symbols TWWA and TWWB.

This press release contains certain "forward-looking statements" with respect to our expectations and plans, strategy, management's objectives, future performance, costs, revenues, earnings and other trend information. It is important to note that our actual results in the future could differ materially from those anticipated in forward-looking statements depending on various important factors.

All forward-looking statements in this press release are based on information available to us on the date hereof. All written or oral forward-looking statements attributable to Transcom WorldWide, any Transcom WorldWide members or persons acting on our behalf are expressly qualified in their entirety by the factors referred to above. We do not intend to update these forward-looking statements.

CONSOLIDATED INCOME STATEMENT (€MILLIONS)	2005 Jul-Sep	2004 Jul-Sep	2005 Jan-Sep	2004 Jan-Sep	2004 Jan-Dec
Net Sales	105.7	90.4	320.4	266.0	369.7
Cost of sales	-82.7	-70.9	-254.5	-210.6	-290.2
Gross Profit	23.0	19.5	65.9	55.4	79.5
Selling, general and administration expenses	-15.1	-13.6	-43.6	-39.2	-55.0
Goodwill amortisation	0.0	-1.3	0.0	-3.8	-5.0
Operating income	7.9	4.6	22.3	12.4	19.5
Net interest and other financial items	-0.1	-0.2	-0.3	-0.5	-0.5
Profit before tax	7.8	4.4	22.0	11.9	19.0
Minority interests	0.2	0.0	0.2	0.0	-0.1
Taxes	-2.4	-2.0	-6.3	-4.6	-6.6
Net income	5.6	2.4	15.9	7.3	12.3
Basic earnings per share	0.08	0.03	0.22	0.10	0.17
Fully diluted earnings per share	0.08	0.03	0.22	0.10	0.17
Basic total weighted average outstanding number of shares	72,273,976	71,878,872	72,181,826	71,755,488	71,819,861
Fully diluted total weighted average outstanding number of shares	73,157,312	73,152,747	73,157,312	73,152,747	73,097,282

CONSOLIDATED BALANCE SHEET (€MILLIONS)	2005 30 Sep	2004 30 Sep	2004 31 Dec
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Fixed Assets

Goodwill	62.1	62.2	61.0
Other Fixed Assets	22.0	21.5	21.7
	84.1	83.7	82.7

Current Assets

Short-term receivables	91.2	80.6	76.4
Cash and cash equivalents	46.9	30.9	37.7
	138.1	111.5	114.1

Total Assets	222.2	195.2	196.8
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Shareholders' equity	124.2	102.8	108.1
Minority interests	0.8	0.9	1.0
	125.0	103.7	109.1

Long-term liabilities

Long-term Bank Loan	8.3	12.5	12.5
	8.3	12.5	12.5

Short-term liabilities

Non-interest bearing liabilities	88.9	79.0	75.2
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Total shareholders' equity and liabilities	222.2	195.2	196.8
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CONSOLIDATED STATEMENT OF CASH FLOWS
(€MILLIONS)**2005**
Jan-Sep**2004**
Jan-Sep**2004**
Jan-Dec

Cash flow from operations	23.6	17.9	27.3
Capital Expenditure	-7.8	-8.0	-10.8
Investment in shares	-1.5	-4.5	-5.8
Changes in Working Capital	-1.1	-3.2	-1.8
Financing activities	-4.0	-2.2	-2.1
Net Cash flow	9.2	0.0	6.8
Opening liquid funds	37.7	30.9	30.9
Closing liquid funds	46.9	30.9	37.7

RECONCILIATION OF SHAREHOLDERS'
EQUITY
(€MILLIONS)**2005**
Jan-Sep**2004**
Jan-Dec

Opening balance	108.1	94.9
Issue of shares	0.2	0.8
Currency translation differences	0.0	0.1
Net income	15.9	12.3
Share Option related	0.3	0.0
Closing balance	124.2	108.1