

Company: Honyaku Center Inc.

Representative: Shunichiro Ninomiya, President

(Securities Code: 2483 TSE Standard)

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Announcement of Formulation of the Medium-Term Management Plan

Honyaku Center Inc. (the "Company") hereby announces that the Board of Directors, at a meeting held on May 13, 2025, formulated a new Medium-Term Management Plan covering the period from the fiscal year ending March 31, 2026, to the fiscal year ending March 31, 2028.

1. Background to Formulation of the Medium-Term Management Plan

Under the management vision of being a "language concierge that connects all companies to the world," we have been working on various measures with the goal of establishing a model for utilizing the language assets optimized for the respective industries and documents and increasing our presence in target markets. While certain results were achieved in creating a mechanism for document consolidation and building machine translation (MT) models by document, challenges remained in efforts to improve operational efficiency. In addition, the business environment surrounding the Company is changing dramatically with the spread of MT and generative AI, and we recognize that strengthening our business competitiveness through the use of AI and data is more important than ever. Based on the above, we have formulated a new Medium-Term Management Plan covering the period from the fiscal year ending March 31, 2026, to the fiscal year ending March 31, 2028.

2. Overview of the Medium-Term Management Plan [Basic Policy]

"New Standards in Translation"

We at the Honyaku Center Group aim to become the most reliable language service partner for our client companies. We will do this by providing language services required in the digital age through the use of translators and interpreters who are experts in specialized fields and using our wealth of language assets accumulated on a daily basis.

[Priority Measures]

(1) Strengthening business competitiveness through the use of AI and data

In addition to improving the competitiveness of our services through the use of MT and large-scale language models (LLM), we will strive to establish long-term, stable relationships with client companies and aim to expand our market share by implementing data-driven sales and marketing activities.

(2) Promoting operational efficiency

As an initiative to maintain and improve profitability, we will systematize the knowledge and experience accumulated by project managers, who are responsible for process design and progress management of projects, and implement them into a system to improve the accuracy of process management and promote operational efficiency.

(3) Establishing a stable revenue base

For the sustainable growth of the entire Group, we will optimize our business portfolio with an emphasis on capital efficiency and effectively allocate management resources. In addition, we will work to develop human resources that will serve as the foundation for growth, and invest in growth areas. By enhancing management resources and implementing stricter business management, we will strive to establish a stable revenue base and increase shareholder value.

[Consolidated Financial Targets]

	Fiscal year ended March 31, 2025 (actual)	Fiscal year ending March 31, 2028 (plan)
Net sales	11,210 million yen	13,000 million yen
Operating income	890 million yen	1,200 million yen
Net income	723 million yen	800 million yen
ROE	11.1%	10% or more

(Note) The above forecasts and other forward-looking statements are based on judgments made in accordance with information available at the time this release was prepared, and are therefore subject to a number of uncertainties. Actual results, including financial performance, may significantly differ from the forecasts due to factors such as changes in business conditions.