FY2025 (Ending December) Q2 Financial Results Presentation

November 13, 2025

SOURCENEXT CORPORATION

SOURCENEXT®

1. Highlights

FY2025 Consolidated Statement of Profit and Loss (Comparison with Previous Period)

(Unit: million yen)

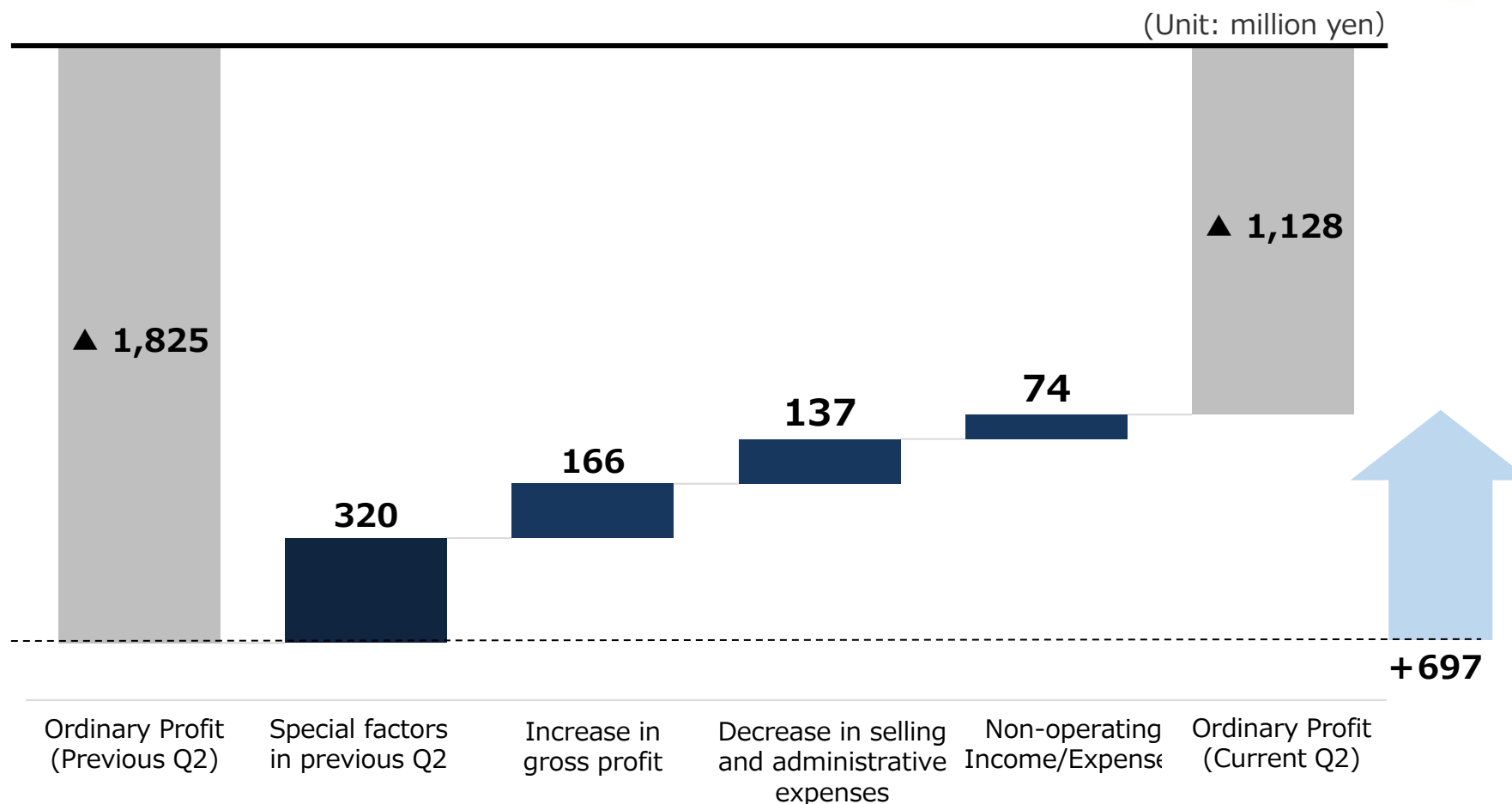|	FY Mar 2025 Q2 (Apr–Sep 2024)	FY Dec 2025 Q2 (Apr–Sep 2025)	YoY Amount	Change Rate
Net Sales	5,184	5,916	732	14.1% ↑
Operating Loss	-1,609	-985	624	-
Operating Profit Margin	-31.0%	-16.7%	-	14.3pt ↑
Ordinary Loss	-1,825	-1,128	697	-
Ordinary Profit Margin	-35.2%	-19.1%	-	16.1pt ↑
Net Loss	-1,681	-764	916	-
Net Profit Margin	-32.4%	-12.9%	-	19.5pt ↑

Note: Net profit attributable to parent company shareholders is used.

Increase in Revenue Halved the Losses

・Net sales increased by 732 million yen (+14.1%) year-on-year.

1) This quarter saw growth in sales of main software products driven by demand related to the end of Windows 10 support.

2) Contributions also came from new hardware offerings such as "Oura Ring 4."

・Operating loss was reduced by 697 million yen. Profitability improved steadily due to overall cost optimization as well as the higher sales mentioned above.

・Net loss was cut in half, decreasing by 764 million yen, thanks to operating loss improvements and reductions in tax and other expenses.
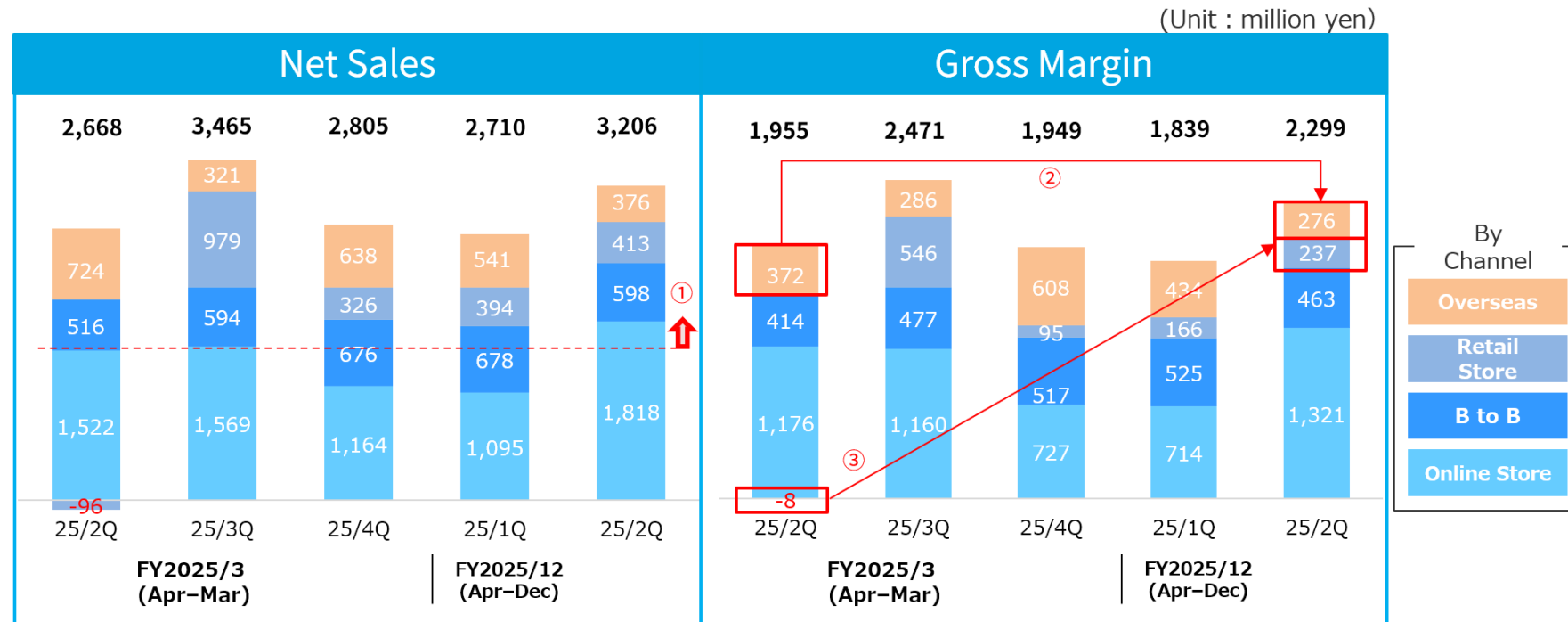
Factors Behind Changes in Ordinary Profit (YoY / Q2 Cumulative)

(Unit: million yen)

▲ 1,825

320

166

137

74

▲ 1,128

+697

| Ordinary Profit (Previous Q2) | Special factors in previous Q2 | Increase in gross profit | Decrease in selling and administrative expenses | Non-operating Income/Expense | Ordinary Profit (Current Q2) |

Note: Increase or decrease indicates the effect on profit.

・No refund liabilities were recorded this period for prior model returns, which had been recognized in the previous year due to the launch
 of a new model in Q3.
・Net sales growth driven by replacement demand following the end of Windows 10 support and contributions from new hardware,
 including Oura Ring 4.
・Company-wide fixed cost optimization, transitioning to a structure that improves profitability mid-term
・Recorded foreign exchange gains due to yen depreciation.

Quarterly Trends in Net Sales and Gross Margin by Channel

(Unit : million yen)

Net Sales

	25/2Q	25/3Q	25/4Q	25/1Q	25/2Q
Total	**2,668**	**3,465**	**2,805**	**2,710**	**3,206**
Overseas	724	321	638	541	376
		979			413
Retail Store	516	594	326	394	598 ①
B to B	1,522		676	678	
Online Store		1,569	1,164	1,095	1,818
	-96				

FY2025/3 (Apr–Mar) | FY2025/12 (Apr–Dec)

Gross Margin

	25/2Q	25/3Q	25/4Q	25/1Q	25/2Q
Total	**1,955**	**2,471**	**1,949**	**1,839**	**2,299**
Overseas	372	286	608	434	276
		546	95	166	237
Retail Store	414	477	517	525	463
B to B	1,176	1,160	727	714	1,321
Online Store	-8				

② ③

FY2025/3 (Apr–Mar) | FY2025/12 (Apr–Dec)

By Channel
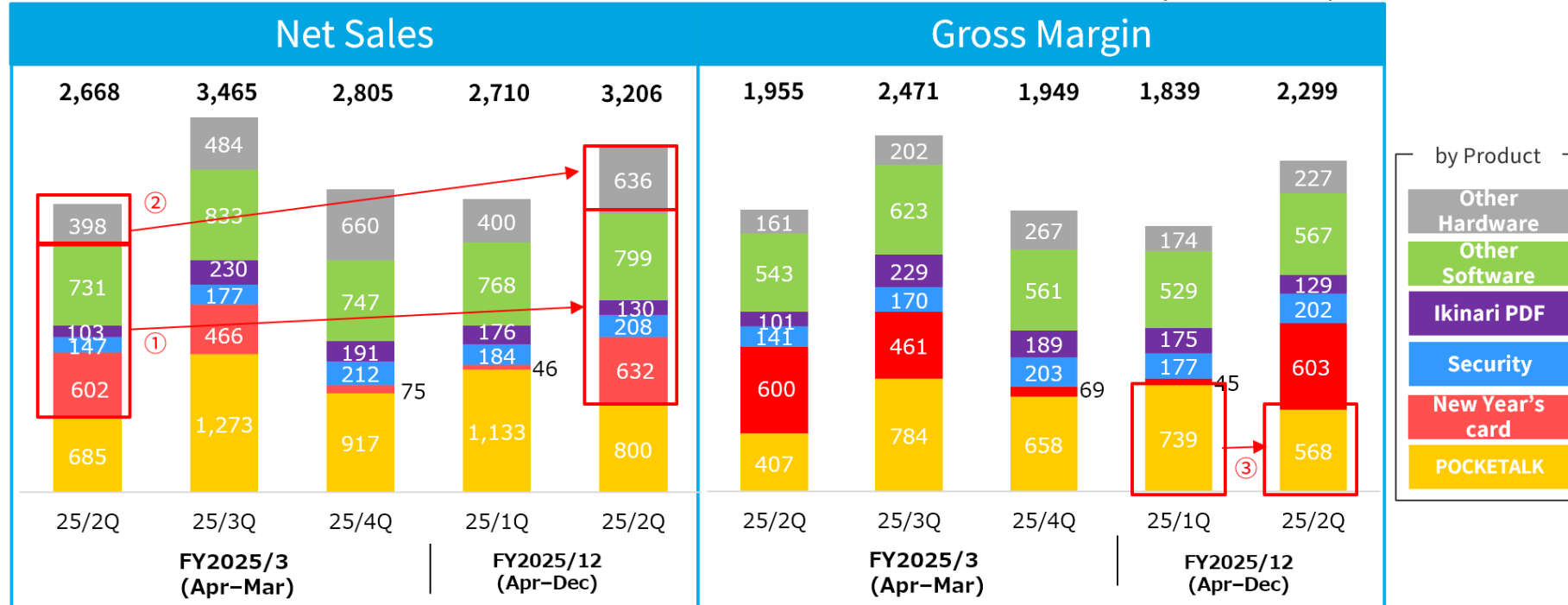- Overseas
- Retail Store
- B to B
- Online Store

Note: The Gross Margin shown in the above table excludes shared costs such as development expenses that cannot be directly allocated to individual products or channels, and therefore does not match the Gross Profit reported in the Summary of Consolidated Financial Results.

Continued Growth in Online Shops and Positive Momentum Across Other Channels

①Online shop sales reached 1,818 million yen, with a gross profit of 1,321 million yen—both the highest recorded in any of the past five quarters. The increase in the product lineup, including hardware and other software, contributed to higher transaction and sales volume.

②Overseas performance reflected policy changes in the U.S., leading to a decline in POCKETALK sales. However, strategic pricing optimization and cost reductions contributed to improved profit margins.

③In the consumer electronics retail channel, the previous quarter included return provisions for older models following the launch of POCKETALK S2. No such provisions were recorded this quarter, and sales of the new Oura Ring 4 have commenced.

Quarterly Trends in Net Sales and Gross Margin by Product

(Unit : million yen)

Note: The Gross Margin shown in the above table excludes shared costs such as development expenses that cannot be directly allocated to individual products or channels, and therefore does not match the Gross Profit reported in the Summary of Consolidated Financial Results.

Growth Across All Product Categories: Year-on-Year Increase in Sales and Gross Profit

①**Software:** Performance was driven by demand related to the end of Windows 10 support and the launch of offline AI products. Corporate demand for "Ikinari PDF" also remained strong throughout the quarter.

②**Hardware:** New products such as "Oura Ring 4" and "Pebblebee" contributed to growth, supported by strong sales of limited-edition site-exclusive hardware.

③**POCKETALK:** While POCKETALK sales declined due to policy changes in the U.S., profit margins improved thanks to cost reductions and higher selling prices, and an increased share of software sales.

Balance Sheet Overview (Consolidated)

(Unit : million yen)

	As of Mar 31, 2025	As of Sep 31, 2025	Change	Change Rate
Current Assets	11,342	9,937	-1,405	-12.4%
Cash and Deposits	6,008	4,751	-1,256	-20.9%
Accounts Receivable	1,554	1,522	-32	-2.1%
Merchandise and Finished Goods	2,646	2,744	97	+3.7%
Fixed Assets	5,866	5,625	-241	-4.1%
Total Assets	17,209	15,562	-1,646	-9.6%
Current Liabilities	6,165	5,613	-552	-9.0%
Non-Current Liabilities	1,689	1,596	-93	-5.5%
Net Assets	9,354	8,353	-1,001	-10.7%
Equity Ratio	43.4%	43.5%	-	+0.1pt

＊Equity ratio is calculated as:
(Net Assets − Stock Acquisition Rights − Non-controlling Interests) / Total Assets

Repayment of 500 million yen in short-term borrowings led to declines in both cash and deposits and current liabilities.

POCKETALK Inc. – Income Statement (Consolidated, Apr–Sep)

(Unit: million yen)

	FY2024 Apr-Sep	FY2025 Apr-Sep	Change	Change Rate
Net Sales	1,946	1,816	-129	-6.7% ↓
Gross Profit	757	642	-114	-15.1% ↓
Gross Profit Margin	38.9%	35.4%	-	-3.5pt ↓
SG&A Expenses	1,797	1,755	-41	-2.3% ↓
Personnel Expenses	579	623	44	7.6% ↑
Outsourcing Costs	419	332	-86	-20.8% ↓
Advertising Expenses	175	195	20	11.8% ↑
Operating Loss	-1,039	-1,112	-72	-7.0% ↓
Operating Profit Margin	-53.4%	-61.3%	-	-7.9pt ↓

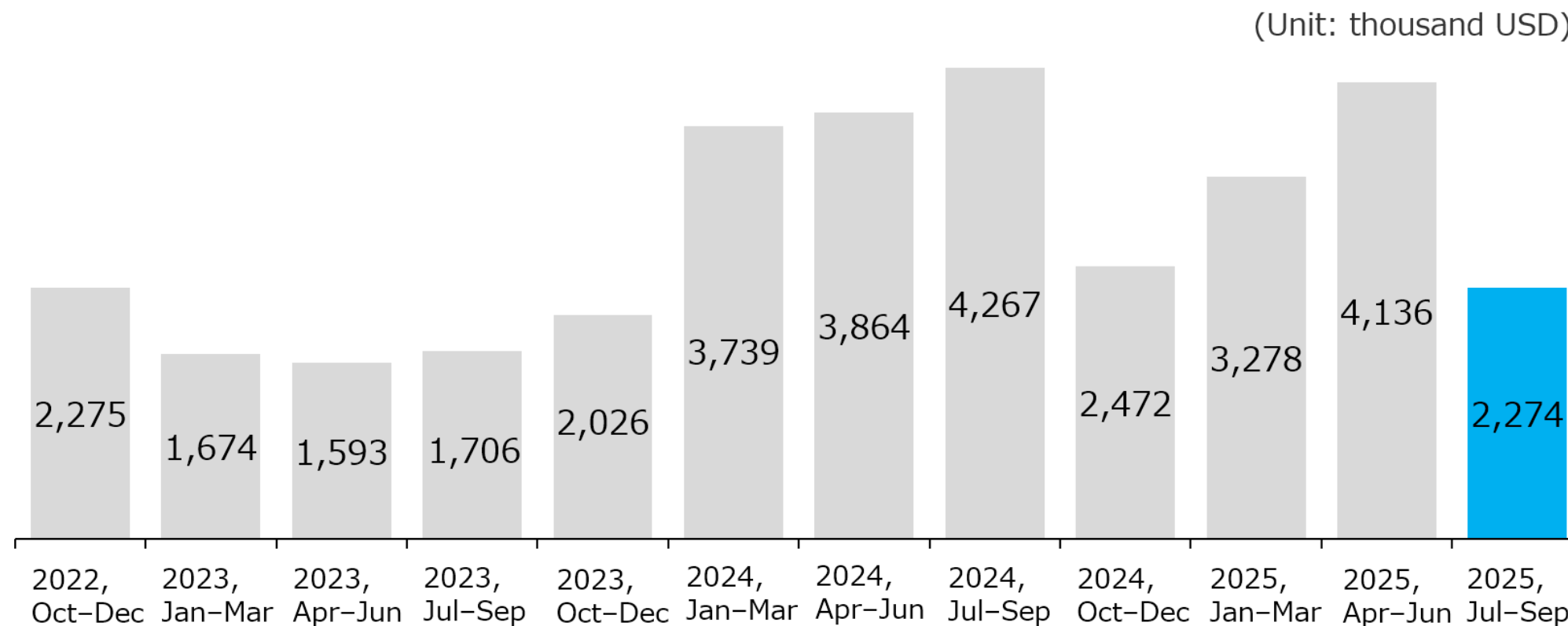・Net sales decreased in the U.S. due to policy changes impacting the POCKETALK business in the education sector.

・Cost efficiency improved by insourcing through hiring additional employees, resulting in a significant reduction in outsourcing costs.

2. Business Update

1）Business Update on POCKETALK

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POCKETALK Business in the U.S. – Sales Trend

(Unit: thousand USD)

Period	Value
2022, Oct–Dec	2,275
2023, Jan–Mar	1,674
2023, Apr–Jun	1,593
2023, Jul–Sep	1,706
2023, Oct–Dec	2,026
2024, Jan–Mar	3,739
2024, Apr–Jun	3,864
2024, Jul–Sep	4,267
2024, Oct–Dec	2,472
2025, Jan–Mar	3,278
2025, Apr–Jun	4,136
2025, Jul–Sep	2,274

- Due to changes in U.S. policy, the resumption of subsidies for the education business has been delayed, resulting in slower order intake.
- Revenue declined compared to the previous quarter as the average transaction value decreased; however, channel expansion efforts were successful, resulting in an increase in the number of transactions.
- We are reallocating resources to sectors less dependent on subsidies.

The US Strategy: Our Driver of Success
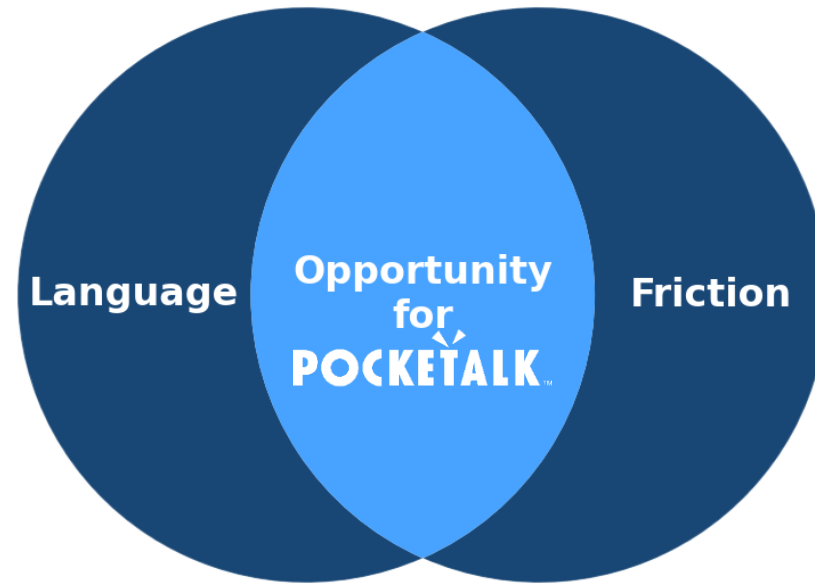
Opportunity **= Intersection of Language and Friction**

・Winning in industries where friction in language impacts day-to-day work

・Targeting sectors that NEED translation to operate safely & compliantly

・Higher friction leads to higher usage, stronger ROI justification for businesses

Industry-Specific Growth Opportunities in the U.S.

## Core Verticals: Where Language and Friction Intersect

Education

- 5.3 million English Learners in over 80,000 U.S. public K-12 schools, representing about 10.6 % of all public school students, as of Fall 2021(Note1)

- Governments provide $878.2B or $17,700 per pupil to fund K-12 public education. (Note2)

Healthcare

- The U.S. has over 25,000 hospitals, and nearly 7.7 million healthcare related service providers. (Note3.4)

- Centers for Medicare and Medicaid Services project $7.5T in health expenditures in 2028, ~20% of GDP. (Note5)
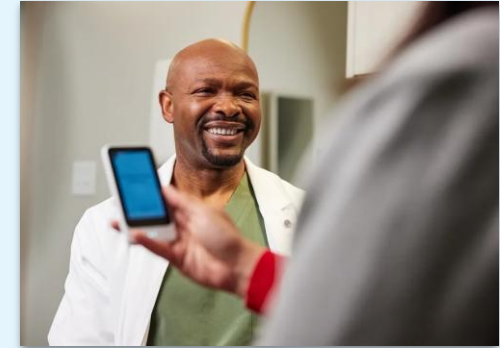
Government/Public Safety

- Currently more than 74,000 local and state entities in the U.S. and 438 federal agencies (Note6.7)

- U.S. Federal Government Spends over $2B on outsourced translation and interpreting services per year. State and Local spend over $1B. (Note8)
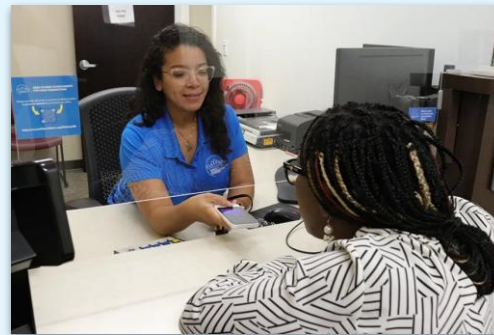
Logistics

- Approximately 19 million U.S. working-age adults (ages 16–64) are classified as Limited English Proficient (LEP) (Note9)

- About 6 million (~32%) LEP individuals reported as employed in logistics sectors such as manufacturing, transportation, and warehousing. (Note10)

Sources : Note1) National Center for Education Statistics (NCES), Common Core of Data (CCD)
Note2) U.S. Department of Education, Digest of Education Statistics
Note3) American Hospital Association (AHA) Annual Survey
Note4) Bureau of Labor Statistics & CMS Estimate
Note5) Centers for Medicare & Medicaid Services (CMS), National Health Expenditure Projections

Note6) U.S. Government Manual / Wikipedia list of federal agencies
Note7) U.S. Census Bureau, Census of Governments
Note8) GAO Report & CSA Research
Note9) U.S. Census Bureau, American Community Survey (ACS)
Note10) Bureau of Labor Statistics + ACS Estimate

Go-to-Market Strategy by Vertical

Education

Challenges:

- Demand for new solutions like Sentio (real-time interpretation) is growing alongside devices and Ventana (management tool).

Strategy:

- We build trust and awareness through trials and follow-ups, driving word-of-mouth expansion.
- With US policy delays extending purchase cycles, we focus on small and mid-sized districts for faster adoption.

Healthcare

Challenges:

- Medical professionals have strong dissatisfaction with existing translation services, citing issues such as slow processing, inaccurate translations, and lack of management tools.

Strategy:

- By offering Pocketalk's high-precision and fast translation engine not only on dedicated devices but also as an app, and by providing integrated management tools, we reduce barriers to adoption.

Government/Public Safety

Challenges:

- In government agencies, proposals based on case studies and evidence, as well as relationship-driven approaches such as word-of-mouth, are essential.

Strategy:

- Successful implementations in sheriff's offices and other agencies are increasing. Leveraging these high-profile cases for PR activities and expanding transactions through established distribution channels.

Logistics

Challenges:

- In the logistics industry, staff with limited English proficiency not only face inefficiencies but also increased accident risks due to difficulty understanding safety manuals.

Strategy:

- These challenges are also common in manufacturing. We are promoting trial implementations in parallel across other industries.

Key Customers by Vertical

Education

Healthcare

Government/Public Safety

Logistics

16

PR and Award Wins

...just to name a couple

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POCKETALK Enterprise App
– Launch for European Healthcare

Product

Pocketalk and Zebra Partner to Break Language Barriers and Offer Multilingual Care in European Healthcare

・Collaboration with Zebra Technologies (U.S.) to pre-install the POCKETALK Enterprise App on medical handhelds, tablets, and kiosks.

・High translation accuracy with robust security supports smooth patient communication.

・Rollout begins in the U.K., followed by France and Germany.

Shareholding Policy

Shareholding Structure of POCKETALK Corp.

Other
Shareholders:
30.9%

**SOURCENEXT
69.1%**
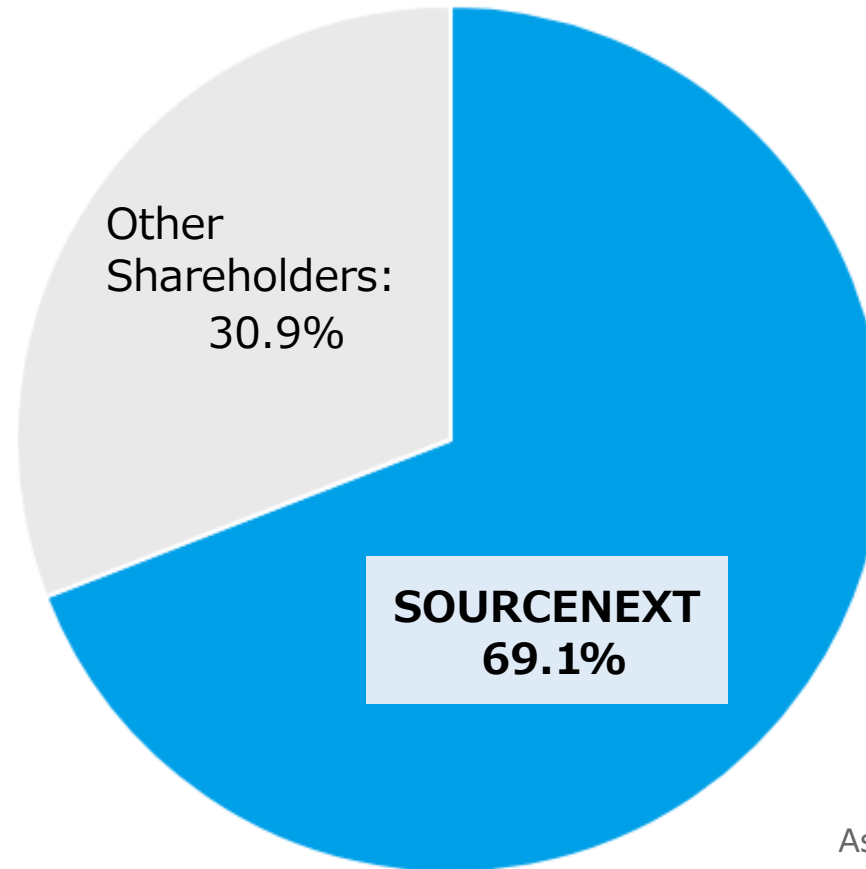
As of the end of September 2025

We plan to hold majority of shares in POCKETALK Corp. even after its public listing.

POCKETALK Inc. – Public Listing Overview

Purpose:

To accelerate product development, strengthen global sales, and secure talent.

Use of Proceeds from Share Sales:

To fund new product and service development, marketing activities, and reinforce financial stability

Reason for Maintaining Majority Ownership:

While ensuring POCKETALK's autonomy and independence, SOURCENEXT aims to reflect its business growth in consolidated performance and enhance the market value and credibility of group subsidiaries, thereby maximizing overall corporate value

Progress Status

We are advancing preparations for a stock listing, including coordination with the audit firm and enhancements to internal governance structures.
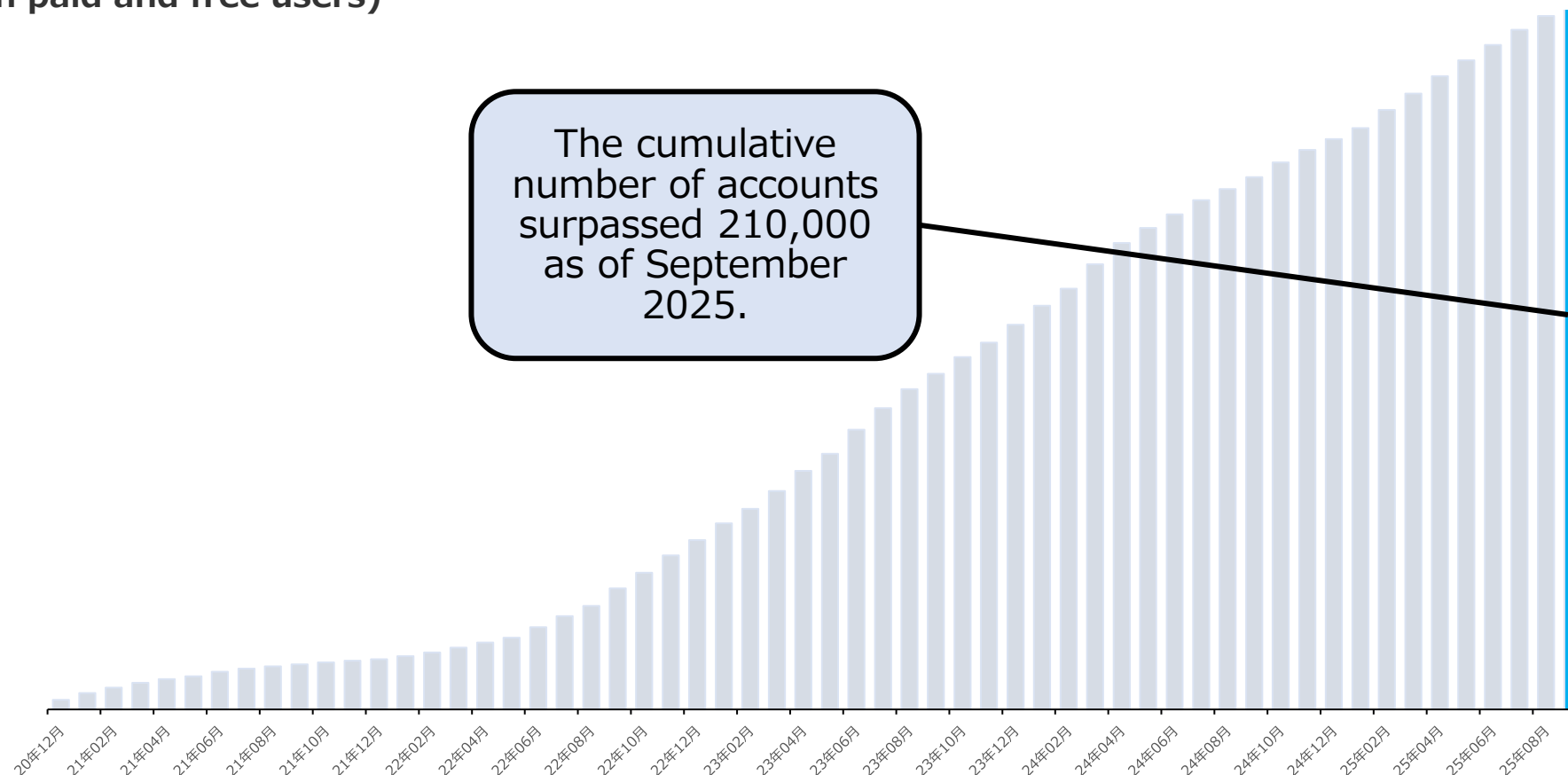
Future Outlook

We are preparing with the goal of listing in 2026. The timing of the listing may change depending on the outcome of reviews during the preparation process and the approval of relevant authorities. In addition, if any material facts arise, we plan to promptly disclose them as required.

2）Business Updates on Sourcenext

< Achieving sustainable revenue through AI-powered products >

**SOURCENEXT**®

①AutoMemo AI

AI-powered transcription software "AutoMemo"
The cumulative number of accounts surpassed 210,000 as of September 2025
(including both paid and free users)

The cumulative number of accounts surpassed 210,000 as of September 2025.

20年12月 21年02月 21年04月 21年06月 21年08月 21年10月 21年12月 22年02月 22年04月 22年06月 22年08月 22年10月 22年12月 23年02月 23年04月 23年06月 23年08月 23年10月 23年12月 24年02月 24年04月 24年06月 24年08月 24年10月 24年12月 25年02月 25年04月 25年06月 25年08月

Following the pricing plan revision in June 2025, the number of paid subscribers has steadily increased.

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①AutoMemo AI

Release of the "Timeline Summary" Feature in September 2025
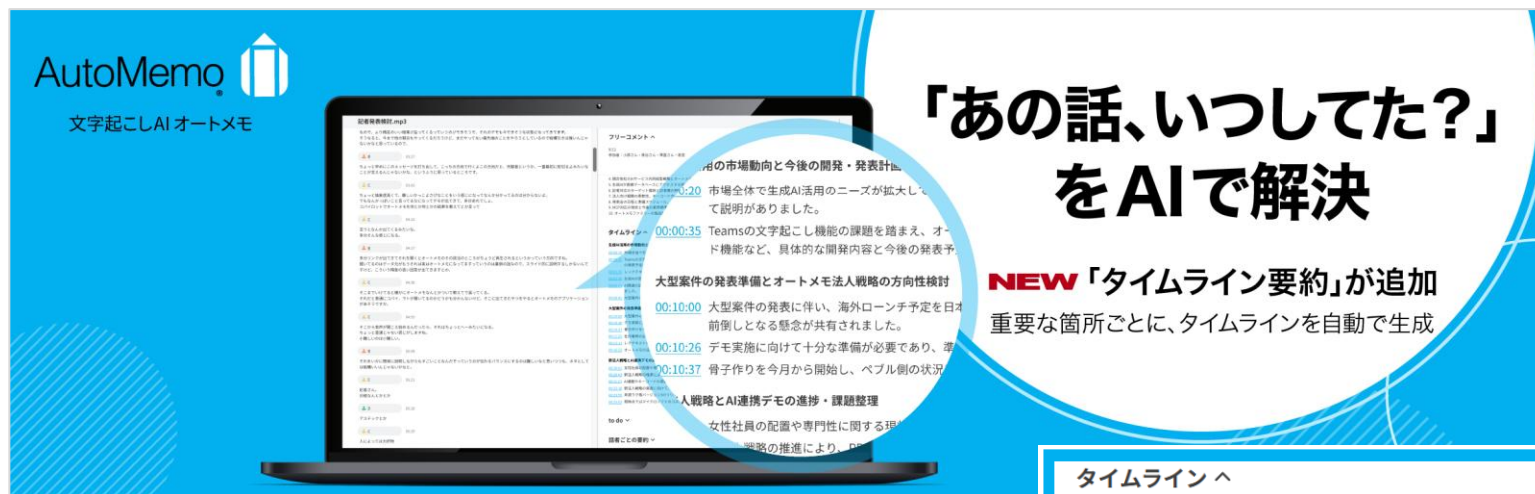
Automatically segments recordings into ~10-minute chapters and assigns titles to each chapter. Extracts key points from each chapter segment, providing focused summaries of important content.Presents a timeline view that allows users to quickly grasp the flow of discussions and navigate directly to sections of interest. Streamlines review process for long meetings, making it easier to locate specific topics without listening to entire recordings.

②Sourcenext AI Lab

Overview of the Sourcenext AI Lab

At our company, we have a research and development (R&D) team called the "Sourcenext AI Lab," dedicated to pursuing high-performance and user-friendly AI. The lab promotes the development of AI-related technologies, including AutoMemo.

In 2024, many AI PCs equipped with NPUs (AI-dedicated chips) were introduced, driven by initiatives from companies such as Microsoft and Intel.
Going forward, environments that enable offline use of AI are expected to become increasingly common.

＜ Key Needs ＞

Cases involving confidential or personal information
Government agencies, legal professionals, and many departments within general corporations

Cases where internet connection is not available
Locations with no signal or where internet access is restricted

< Achieving sustainable revenue through AI-powered products >

②**Sourcenext AI Lab**

Sourcenext's Strengths

Development
Capabilities

✕

AI

We implement web server programs
into PC software.

Our approach involves careful selection,
optimization, and fine-tuning.
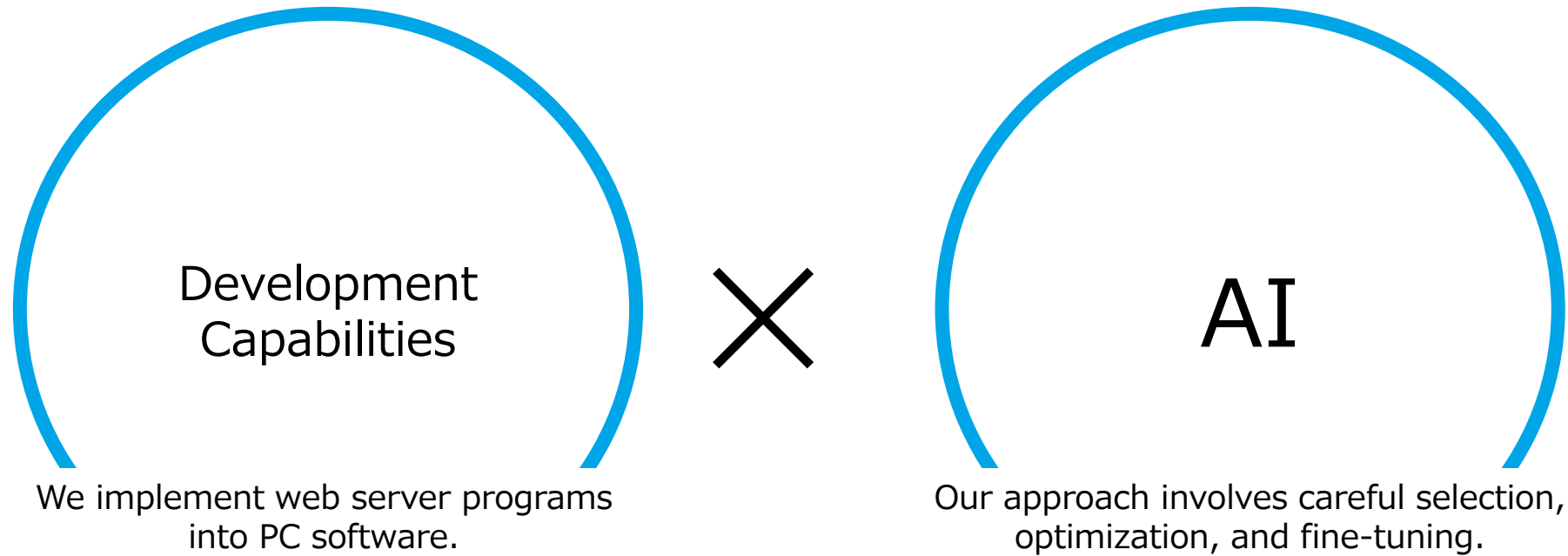
We develop AI-powered products that can run on standard PC CPUs.

We deliver high-performance software that operates in local PC environments, while maintaining a lightweight design suitable for everyday computers.

< Achieving sustainable revenue through AI-powered products>

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③ Other Products

Launch of the 4K High-Resolution 360-Degree Web Camera "Meeting Owl 4+" in September 2025

・Equipped with a 4K camera, the device can clearly capture the facial expressions of participants seated far from the unit, even in large conference rooms.

・Enhanced dynamic range minimizes the impact of lighting conditions, ensuring high image quality even in environments with significant contrast between light and dark areas.

< Achieving sustainable revenue through AI-powered products>

![SOURCENEXT]

③ Other Products

Other AI-Powered Products

We are continuously expanding our portfolio of AI-powered products.

< Other Topics >

Launched "Oura Ring 4" in July 2025
– Cutting-Edge Smart Ring

・Over 2.5 million units sold across 179 countries.

・Worn on the finger, the ring provides accurate insights into sleep, stress, activity, and overall health conditions.

・Selected as the 21st most popular product of 2025 in the "Smart Ring" category by Nikkei Trendy, December 2025 issue.

Launched "Backbone Pro" in July 2025
– High-Performance Game Controller for Smartphones

・Equipped with FlowState™ technology, enabling instant switching between multiple Bluetooth-connected devices.

・Delivers seamless gameplay across various environments, including smartphones, PCs, tablets, and VR headsets.

・Features a built-in battery that supports up to 40 hours of continuous play, making it ideal for extended gaming sessions.

< Other Topics >

Launched "Fudegurume," Japan's No.1 New Year's Card Software (by PC Installations), in August 2025

- ·In addition to our existing lineup—"Fudeoh," "Atena Shokunin," and "Fudemame"—we launched "Fudegurume" this summer.
- ·Expected strong demand with the approaching Windows 10 end-of-support, driving sales across our New Year's card software portfolio.

Note: "Fudegurume" holds the No.1 position in PC installation records, including pre-installed and bundled versions.

< Other Topics >

Contributing to Regional Revitalization
– Products Selected as Furusato Tax Return Gifts

Sapporo
(Hokkaido)

Higashimatsuyama
(Saitama)

Shibuya
(Tokyo)

・A total of 54 products developed in-house or manufactured by our partners have been selected as return gifts for Furusato tax donations in Sapporo (Hokkaido), Higashi Matsuyama (Saitama), and Shibuya (Tokyo).

・These selections contribute to regional development by increasing local tax revenue.

3. Future Outlook

Change in Fiscal Year-End

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Change from March Fiscal Year-End to December Fiscal Year-End

At the Extraordinary General Meeting of Shareholders held on June 20, 2025, we resolved to change our fiscal year-end from March to December. Previously, group companies had different fiscal year-ends, but by aligning with global standards and unifying the fiscal year, we aim to provide timely and appropriate information disclosure to all stakeholders, including those overseas, and improve operational efficiency.

Transitional Fiscal Year
For the transitional fiscal year ending December 2025, our fiscal period will be from April 1, 2025, to December 31, 2025 (nine months).

・Fiscal Year Ending March 2025 (Previous): April 1, 2024 – March 31, 2025 (12 months)

・Fiscal Year Ending December 2025 (Transitional): April 1, 2025 – December 31, 2025 (9 months)

・Fiscal Year Ending December 2026 and Beyond: January 1 – December 31 (12 months)

Future Outlook

Sales performance of "POCKETALK" has shown significant improvement, driven by the recovery of inbound demand and rapid growth in the U.S. market.

However, given the uncertainties caused by factors such as U.S. trade policies, potential trade friction, and foreign exchange fluctuations, it remains difficult to provide a highly accurate earnings forecast.

As such, we will continue to withhold the consolidated earnings forecast for the fiscal year ending December 2025.

Full-Year Policy for FY2025/12 – POCKETALK Business

We will pursue the following strategies to maximize revenue.

POCKETALK Business

Common Strategy:
    We aim to expand revenue by significantly improving gross profit margins through cost reductions and   price increases, as well as promoting the new PTS2 model and subscription services.

U.S. Market:
  1. Focus on expanding sales in the education, healthcare, and government sectors
  2. Actively leverage distributor partnerships
  3. Promote subscriptions through the enterprise app and Ventana (analytics and management console)

Japan Market:
  1. Promote subscription models for software (unified under "Sentio") and translation engines
  2. Expand corporate sales of the high-performance PTS2 model
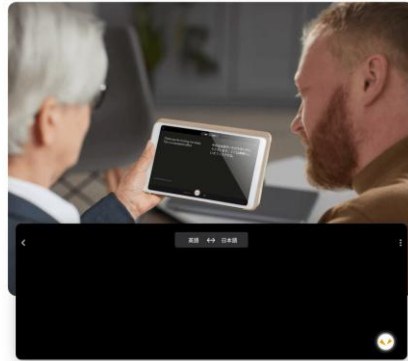 3. Expand individual sales of the cost-effective PTS1 model

Nikkei Trendy's "100 Predictions for 2026" Ranks Multilingual Real-Time Translation, Including "Sentio," as No. 1

Sentio NEW
センティオ

Online Meetings

Watching Videos

In-Person

Conferences

In Classrooms

Guided Tours

Based on three key criteria—
(1) potential for increased sales and volume,(2) groundbreaking technology or unique perspective, and(3) ability to transform consumer lifestyles—Nikkei Trendy selected products and services likely to become popular next year for its "100 Predictions for 2026."Among these, "Sentio" was chosen as one of the products under the theme of "Multilingual Real-Time Translation," which ranked No. 1.

Stationary AI Simultaneous Interpreter "POCKETALK X"
Pilot Testing to Start This Year Ahead of 2026 Launch

Features: Dual displays provide instant simultaneous translation of both parties' speech, enabling natural conversations

Equipped with a high-sensitivity microphone and smart sensors that identifies people and automatically

activate the device when a conversation is detected

Privacy-focused design allows users to erase conversation history with a single touch.

Development: Developed based on our proprietary AI simultaneous translation software, 'Sentio.

Use Cases: Airports, hospitals, government service counters, hotels, and more.

Pricing (tentative):Purchase (2-year plan): approx. ¥200,000; Rental: ¥10,000/month (for 12 months);

Subscription: ¥100,000/year (from the 3rd year onward: ¥70,000/year)

Full-Year Policy for FY2025/12 – SOURCENEXT Business (Excluding POCKETALK)

We will pursue the following strategies to maximize revenue.

SOURCENEXT Business (Excluding POCKETALK)

1. Capture special demand associated with the transition to Windows 11
2. Discover new products in growth markets
3. Achieve sustainable revenue through AI-powered products

Special Demand Driven by Digital Transformation Initiatives and End of Windows 10 Support

・The promotion of digital transformation (DX) and the end of Windows 10 support have led to migration to Windows 11, driving an upward trend in software sales.

・In Japan, the advancement of DX is boosting demand for the PDF editing software "Ikinari PDF," which is expected to continue growing.

・Even after the end of Windows 10 support, both corporate and individual customers are expected to see continued demand for software, and sales are projected to keep expanding, even after the peak demand period.
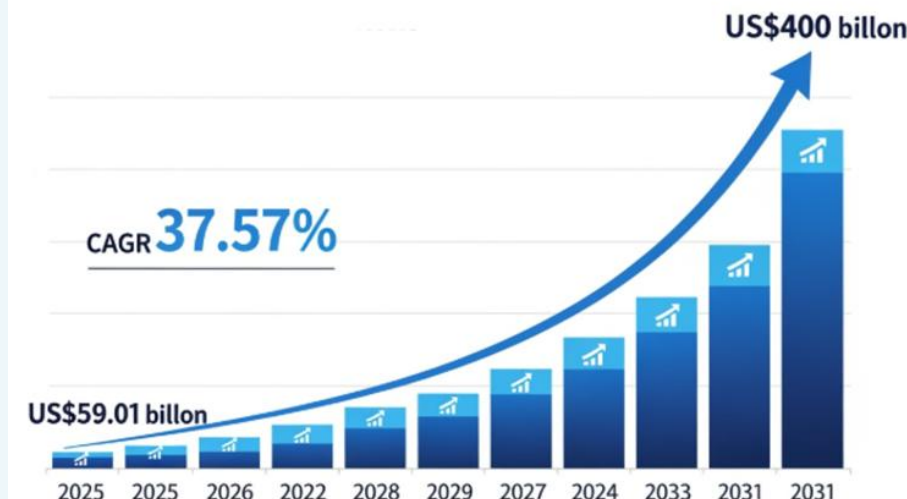
Strategy for the Generative AI Era:
"Picks and Shovels" Approach

Growth of the Generative AI Market
The generative AI market is projected to reach US$59.01 billion by 2025. The market is expected to grow at a compound annual growth rate (CAGR) of 37.57% from 2025 to 2031, reaching US$400 billion by 2031.
Compared globally, this represents one of the largest structural market opportunities, often referred to as a "Gold Rush."
(Source: Statista Market Insights, October 2025)

Source: Statista Market Insights, compiled by SOURCENEXT

SOURCENEXT's Core Infrastructure Strategy
To become the "picks and shovels" of the generative AI era, SOURCENEXT provides peripheral tools for AI infrastructure, supporting the foundation of this ecosystem.

SOURCENEXT's Strategic Position
Rather than competing with major AI model providers, SOURCENEXT focuses on the "last mile of data" within surrounding infrastructure.

Source: Statista Market Insights (October 2025)
https://www.statista.com/outlook/tmo/artificial-intelligence/generative-ai/worldwide

Challenges in AI Adoption: "Last Mile" Issue and AI Data Bridge

The "Last Mile" Problem When Inputting Data into AI Platforms

Technical Limitations and Inefficiency

AI often cannot handle raw data or certain file types, requiring users to manually convert and organize data before use.

Accuracy Loss Due to Insufficient Preprocessing

If raw data is input without preprocessing, AI may malfunction, reducing accuracy, reliability, and causing unnecessary costs.

Security and Trust Concerns

Concerns about data leaks and legal risks make it difficult for enterprises to safely adopt AI.

SOURCENEXT "AI Data Bridge"

Data Conversion
Automatically converts various file formats into AI-compatible structures.

→

Optimization
Enhances data quality for improved AI performance.

→

Secure Delivery
Protects information with encryption and robust security measures.

→

Utilization on AI Platforms
Safely and effectively uses optimized data on AI platforms.

Effectively and securely resolves the "last mile" challenge in AI implementation.

Building AI Data Infrastructure with the "Ikinari" Series

SOURCENEXT

— Overview of the "AI Data Bridge" Suite —

Value Proposition

- Dual value of "Efficiency × Security"
- Safely and instantly deliver data to AI platforms
- Unified UX with simple operations across the "Ikinari" suite

Deployment Strategy

- Upsell from freemium to professional business use
- Strategic marketing through partnerships with AI companies and case study-driven promotion
- Positioned between high-priced enterprise tools and free single-function tools

AI Data Bridge: Seven "Ikinari" Series Tools (Tentative)

Ikinari Document Conversion

Converts various file formats into AI-compatible structures

Ikinari Video-to-Text

Transcribes video content into text

Ikinari Audio-to-Text

Converts audio files into high-accuracy text

Ikinari File Organization

Automatically organizes and categorizes AI-related files

Ikinari AI OCR

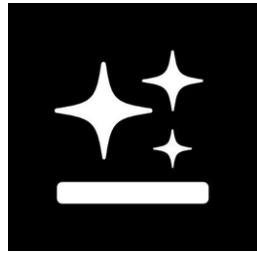Extracts and recognizes text from images

Ikinari Database Structuring

Normalizes and structures data for AI optimization

Ikinari Personal Information Masking

Automatically detects and masks personal information

In November 2025, Signed Japan's First Official Partner Agreement for "Genspark"

「Genspark」

・SOURCENEXT has signed Japan's first official partner agreement for "Genspark," an all-in-one AI workspace developed and provided by MainFunc Inc. (Palo Alto, California, USA).

・1-year plan and SOURCENEXT-exclusive 3-year plan SKU planned for release.

"RecText AI" Offline Transcription Software Updated with New Features in October

Update Details :

·Added support for English transcription

·More natural transcription results

·Now supports ".m4a" audio files recorded on smartphones

Features of "RecText AI"

·Utilizes the offline engine of the AutoMemo transcription AI for converting speech to text.

·Achieves both high transcription accuracy—previously available only via the cloud—and lightweight performance suitable for standard PCs.

·Operates entirely in local PC environments, ensuring secure use even in highly confidential settings such as executive or HR meetings.

Use Cases

-Personal: A one-time purchase transcription tool for easy use in meetings, study sessions, or hobby-related recordings.
-Corporate: Recording and transcribing highly confidential meetings.

"AI Honkaku Honyaku" Offline Translation Software Updated with "Specialized Terminology Dictionary" and More in October

Update Details :

・Added a specialized terminology dictionary with 510,000 terms across 35 fields

・Newly supports 6 additional languages

・Improved file translation accuracy by adopting ABBYY's OCR engine

Features of "AI Honkaku Honyaku"

・Enables high-accuracy translation even without an internet connection.
(Comparable to Google Translate in offline mode)

Specific corporate needs include:

-Secure translation of documents containing confidential or personal information, while preserving layout.

-Translation of sensitive materials such as product specifications, development data, and technical documents in manufacturing industries, especially in offline environments.

-Translation of contracts, academic papers, and technical documents for international collaboration.

We Source What's Next.

4. Supplementary Materials

Number of Inbound Visitors to Japan and Outbound Japanese Travelers

(Unit : People)		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Number of inbound tourists	2017	2,295,668	2,035,771	2,205,664	2,578,970	2,294,717	2,346,442	2,681,518	2,477,428	2,280,406	2,595,148	2,378,079	2,521,262
	2018	2,501,409	2,509,297	2,607,956	2,900,718	2,675,052	2,704,631	2,832,040	2,578,021	2,159,595	2,640,610	2,450,751	2,631,776
	2019	2,689,339	2,604,322	2,760,136	2,926,685	2,773,091	2,880,041	2,991,189	2,520,134	2,272,883	2,496,568	2,441,274	2,526,387
	2020	2,661,022	1,085,147	193,658	2,917	1,663	2,565	3,782	8,658	13,684	27,386	56,673	58,673
	2021	46,522	7,355	12,276	10,853	10,035	9,251	51,055	25,916	17,720	22,113	20,682	12,084
	2022	17,766	16,719	66,121	139,548	147,046	120,430	144,578	169,902	206,641	498,646	934,599	1,370,000
	2023	1,497,472	1,475,455	1,817,616	1,949,236	1,899,176	2,073,441	2,320,694	2,157,190	2,184,442	2,516,623	2,440,890	2,734,115
	2024	2,688,478	2,788,224	3,081,781	3,043,003	3,040,294	3,140,642	3,292,602	2,933,381	2,872,487	3,312,193	3,187,000	3,489,800
	2025	3,781,629	3,258,491	3,497,755	3,909,128	3,693,587	3,377,985	3,437,118	3,428,000	3,266,800	0	0	0

(Unit : People)		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Outbound Japanese	2017	1,295,059	1,493,399	1,745,412	1,234,921	1,317,742	1,336,169	1,480,718	1,888,071	1,622,694	1,459,083	1,546,985	1,469,039
	2018	1,423,727	1,390,518	1,807,063	1,356,679	1,383,847	1,421,649	1,557,980	2,033,435	1,630,088	1,646,230	1,673,473	1,629,345
	2019	1,452,157	1,534,792	1,929,915	1,666,546	1,437,929	1,520,993	1,659,166	2,109,568	1,751,477	1,663,474	1,642,333	1,712,319
	2020	1,380,762	1,316,820	272,697	3,915	5,539	10,663	20,295	37,137	31,606	31,049	30,703	33,033
	2021	48,691	24,807	28,896	35,905	30,121	30,666	43,184	66,051	52,366	50,841	51,774	48,942
	2022	74,982	46,932	70,678	129,168	134,013	171,529	277,945	386,412	319,165	349,557	379,196	432,057
	2023	443,105	537,705	694,292	560,183	675,603	703,259	891,615	1,200,930	1,004,730	937,715	1,027,110	947,911
	2024	838,581	978,884	1,219,789	888,767	941,710	930,229	1,048,823	1,437,126	1,212,545	1,148,502	1,175,116	1,187,200
	2025	912,298	1,181,062	1,423,449	961,386	1,076,756	1,054,045	1,205,435	1,648,279	1,394,500	0	0	0
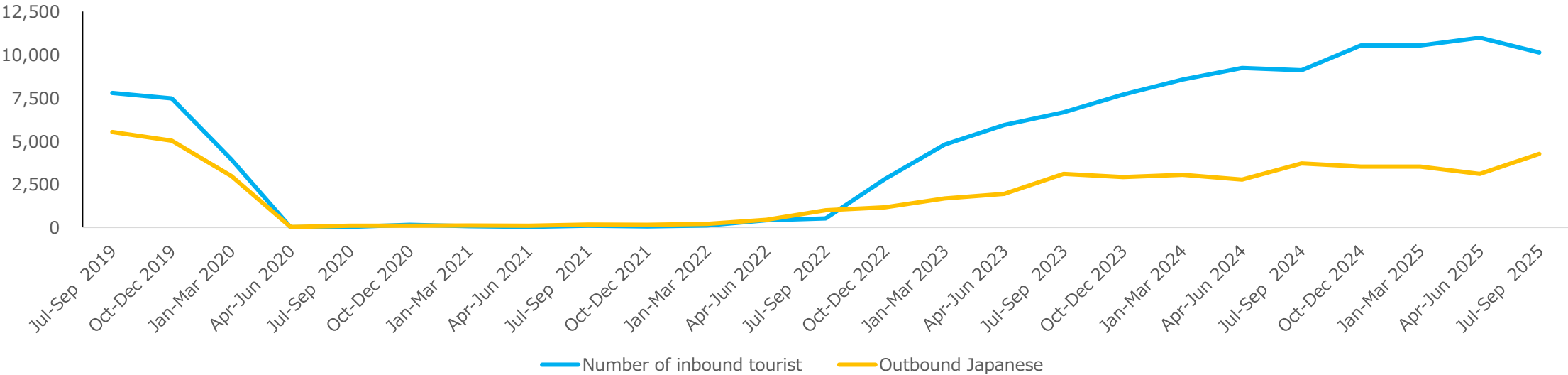
Source: Created by SOURCENEXT based on data from the Japan National Tourism Organization (JNTO)
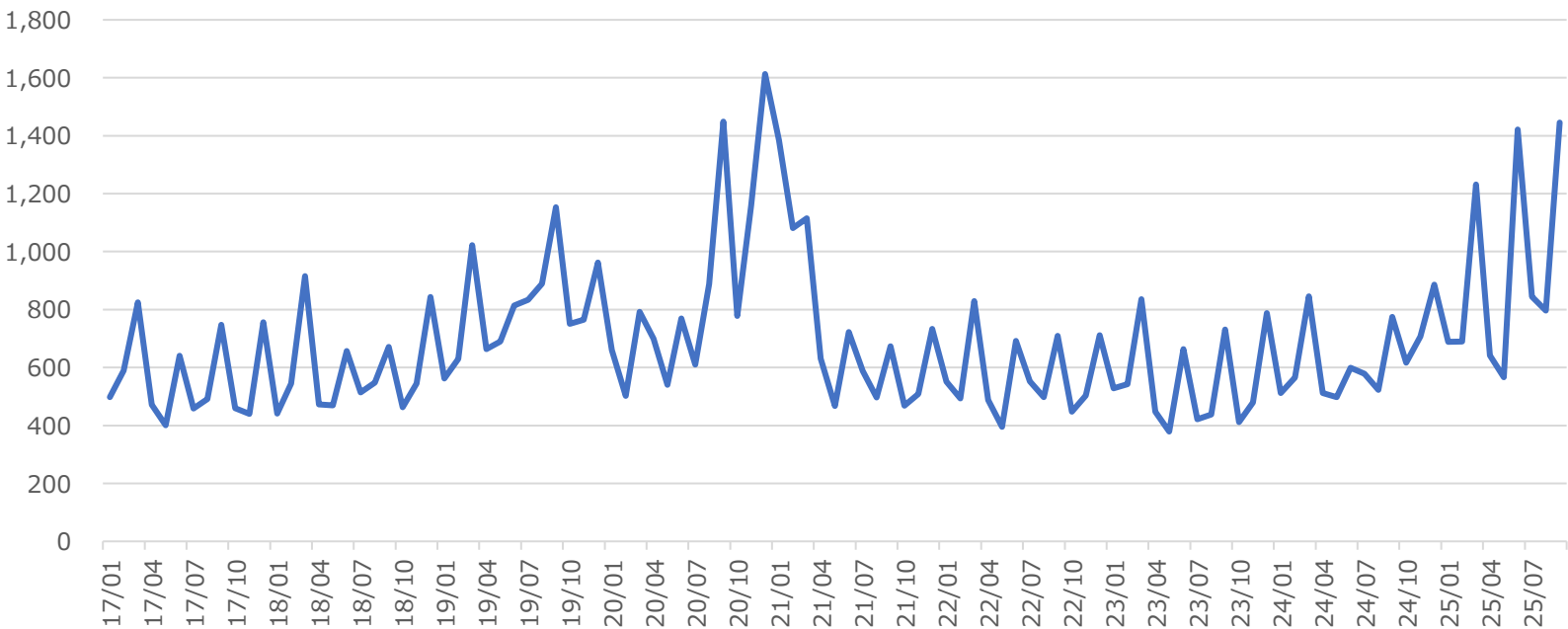
PC Shipment Volume

(Unit: thousand units)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	498	589	825	472	401	641	459	491	747	460	440	756
2018	441	545	915	473	469	657	514	548	671	463	545	844
2019	562	630	1,022	664	690	814	834	889	1,153	751	765	962
2020	660	502	792	699	540	769	610	888	1,449	778	1,160	1,613
2021	1,384	1,081	1,115	631	467	722	588	497	673	468	509	733
2022	551	493	829	488	395	692	552	498	709	448	503	711
2023	528	543	836	448	379	663	421	438	731	412	479	788
2024	512	565	846	512	498	599	579	523	775	617	707	886
2025	689	690	1,232	642	566	1,422	845	797	1,445	0	0	0

(Unit: thousand units)

Source: Created by SOURCENEXT based on data from the Japan Electronics and Information Technology Industries Association (JEITA)

■ November 13, 2025 (Thu) 16:00

We have added page 42 titled "Conclusion of Japan's First Official Partnership Agreement with Genspark in November 2025" to this document.
This page was disclosed as PR information following the earnings announcement at 15:30 on the same day.

In November 2025, Signed Japan's First Official Partner Agreement for "Genspark"

「Genspark」

Genspark スーパーエージェント

・ SOURCENEXT has signed Japan's first official partner agreement for "Genspark," an all-in-one AI workspace developed and provided by MainFunc Inc. (Palo Alto, California, USA).
・1-year plan and SOURCENEXT-exclusive 3-year plan SKU planned for release.

■ November 13, 2025 (Thu) 18:00

We have corrected the information on page 37 titled "Stationary AI Simultaneous Interpreter "POCKETALK X" Pilot Testing to Start This Year Ahead of 2026 Launch" because the tentative buyout price was incorrect.

Before correction: approx. ¥120,000
After correction:　 approx. ¥200,000

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