

Results for the 1st Quarter of FY March 2023

August 3, 2022
BIPROGY Inc.

FYMar2023 Q1 Consolidated Performance Results (IFRS)

- ✓ An increase in the system services revenue covered an increase in SG&A expenses. As a result, operating profit remained at the same level of the previous fiscal year.
- ✓ Order intake increased based on the continuingly strong performance of system services as well as accumulated projects of outsourcing.

(Unit: Billion Yen)

	FYMar2022 Q1 (Apr-Jun)	FYMar2023 Q1 (Apr-Jun)	Changes		
Revenue	67.6	70.5	+2.9	(+4.3%)	(Revenue)
Gross Profit	17.7	18.2	+0.6	(+3.1%)	Projects related to digital transformation (DX) mainly contributed to a steady growth of system services. As a result, revenue was driven up.
SG&A Expenses	-13.0	-13.5	-0.5	(+3.7%)	
Other income and expenses	0.1	0.0	-0.0		(Operating Profit)
Operating Profit	4.8	4.8	+0.0	(+0.5%)	Gross profit grew mainly on the basis of the increased revenue and improved profitability of system services. This enabled operating profit to remain unchanged on a year-over-year basis despite an increase in SG&A expenses.
(Operating Margin)	(7.0%)	(6.8%)	(-0.3pt)		
Profit attributable to Owners of Parent	3.5	3.9	+0.4	(+11.4%)	
Adjusted Operating Profit*	4.7	4.8	+0.1	(+1.5%)	(Profit attributable to Owners of Parent)
(Adjusted Operating Margin)	(6.9%)	(6.8%)	(-0.2pt)		Profit grew mainly due to an increase in finance income.
Orders	58.9	69.6	+10.7	(+18.1%)	(Orders and Order Backlogs)
Order Backlogs	233.6	250.7	+17.1	(+7.3%)	Orders and order backlogs increased more than the same period of the previous fiscal year, due to steadily accumulated outsourcing projects in addition to a continuing strength of system services. Order backlogs scheduled to be posted as revenue within the fiscal year under review were accumulated steadily.
(Order backlogs in the current FY)	99.4	115.0	+15.6	(+15.7%)	

* Adjusted operating profit is the result obtained after deducting SG&A expenses and cost of sales from revenue.

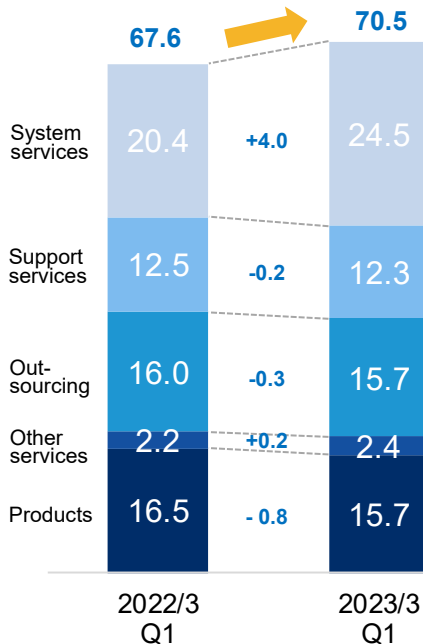


FYMar2023 Q1 Revenue and Gross Profit by Segment (IFRS)

(Unit : Billion Yen)

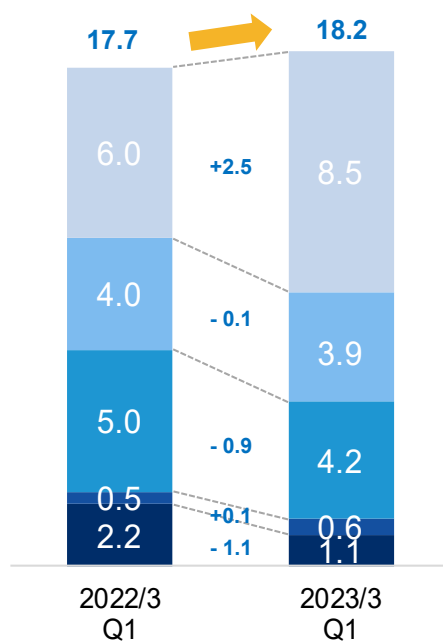
Revenue

+2.9
(+4.3%)



Gross Profit

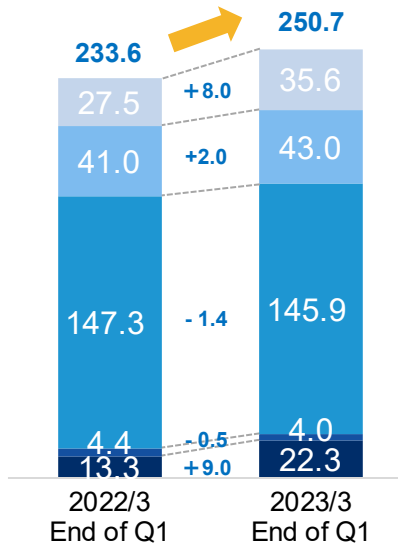
+0.6
(+3.1%)



【 Reference 】

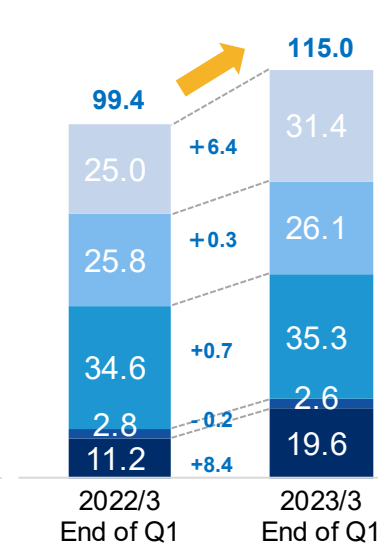
Order Backlogs (Total)

+17.1
(+7.3%)



Order Backlogs (to be posted as revenue within the FY)

+15.6
(+15.7%)



FYMar2023 Q1 Outsourcing (IFRS)

【Revenue by Outsourcing】

(Unit: Billion Yen)

	FYMar2022 Q1 (Apr-Jun)	FYMar2023 Q1 (Apr-Jun)	Changes
Entrusted operation-type	13.2	12.2	-0.9
Corporate DX-type	1.5	1.9	+0.5
Service-based-type (business creation-type)	1.4	1.6	+0.1
Total revenue	16.0	15.7	-0.3

【Order Backlogs by Outsourcing】

(Unit: Billion Yen)

	FYMar2022 End of Q1	FYMar2023 End of Q1	Changes
Order backlogs	147.3	145.9	-1.4
(to be posted as revenue within the FY)	34.6	35.3	+0.7

(Corporate DX-type outsourcing)

- ✓ “OptBAE”, a use-type core-banking service for regional financial institutions, has been working for multiple customers since January 2022. A service of implementing OptBAE scheduled to be launched for customers in the second half has been in progress as planned.
- ✓ There is a steady increase in the use of the energy management services for electricity retailers.

(Service-based-type (business creation-type) outsourcing)

- ✓ “DIGITAL’ATELIER” (platform service for e-commerce) began to serve a major mail order firm in Q1. We have strengthened sales activities in order to obtain more new users.
- ✓ There is a steady increase in the use of dashcam (Drive Recorder) service. The Value Card business have remained firm.



Full-Year Performance Forecast for FYMar2023 (IFRS)

✓ We do not revise our predictions that we announced in the beginning of the fiscal year, partly due to order backlogs being accumulated steadily at this point in time.

(Unit: Billion Yen)

	FYMar2022 Full-Year Results	FYMar2023 Full-Year Forecast	Changes	
Revenue	317.6	330.0	+12.4	(+3.9%)
Operating Profit	27.4	29.0	+1.6	(+5.7%)
(Operating Margin)	(8.6%)	(8.8%)	(+0.2pt)	
Profit attributable to Owners of Parent	20.5	20.0	-0.5	(-2.4%)
Adjusted Operating Profit*	26.7	29.0	+2.3	(+8.7%)
(Adjusted Operating Margin)	(8.4%)	(8.8%)	(+0.4pt)	

*Adjusted operating profit is the result obtained after deducting SG&A expenses and cost of sales from revenue.



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(Note)

Forecasts in this document rely on judgments and assumptions based on information available at present. Actual results may differ from the forecasts due to changes in risks, uncertainties, economy and other factors. Thus, the certainty of these forecast is not guaranteed by our Group. Also, the information is subject to change without prior notice in future. Information in this document is intended to provide further understanding of the Company Group and is not intended to solicit investment. This Company shall not be held responsible for any damages whatsoever incurred as a result of utilizing the information provided in this document.