



Results for the Fiscal Year Ended March 2023

April 28, 2023
BIPROGY Inc.

1 Summary of the Results

2 Progress under the Management Policies (2021-2023)

Reference Information

FYMar2023 Consolidated Performance Results

- ✓ Operating profit was driven up due to an increase in the system services revenue compensating for an increase in SG&A costs.
- ✓ Orders for system services and outsourcing steadily increased.

(Unit: Billion Yen)

	FYMar2022	FYMar2023	Changes		
Revenue	317.6	339.9	+22.3	(+7.0%)	(Revenue)
Gross Profit	83.1	89.4	+6.2	(+7.5%)	· Revenue grew based upon system services steadily driven by booming DX-related businesses.
SG&A Expenses	-56.5	-60.0	-3.5	(+6.2%)	· Outsourcing, support services, product sales, etc. grew each based upon strong demands for DX investments.
Other Income and Expenses	0.8	0.3	-0.5		
Operating Profit	27.4	29.7	+2.2	(+8.2%)	(Operating Profit)
(Operating Margin)	(8.6%)	(8.7%)	(+0.1pt)		The revenue growth and furthermore profitable system services drove gross profit. Impacts caused by an increase in SG&A expenses were absorbed. As a result, operating profit increased.
Profit attributable to Owners of Parent	20.5	20.2	-0.3	(-1.4%)	
Adjusted Operating Profit*	26.7	29.4	+2.7	(+10.2%)	(Profit attributable to Owners of Parent)
(Adjusted Operating Margin)	(8.4%)	(8.6%)	(+0.2pt)		Profit was dampened due to negative finance income.
Orders	327.0	362.1	+35.1	(+10.7%)	(Orders and Order Backlogs)
Order Backlogs	251.7	273.9	+22.2	(+8.8%)	Orders and order backlogs increased both. This is due to system services continuingly showing strength and an increase in long-term outsourcing projects.
(Order backlogs in the next FY)	124.0	135.1	+11.1	(+8.9%)	

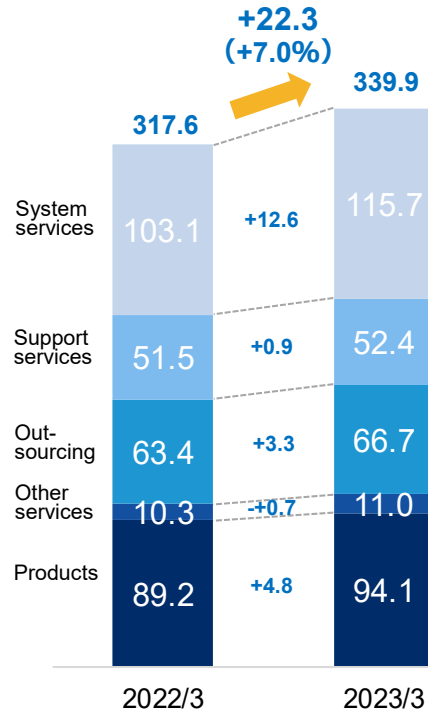
* Adjusted operating profit is the result obtained after deducting SG&A expenses and cost of sales from revenue.



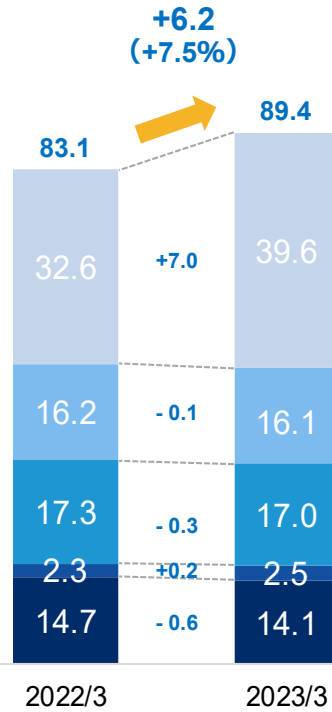
FYMar2023 Revenue and Gross Profit by Segment

(Unit : Billion Yen)

Revenue

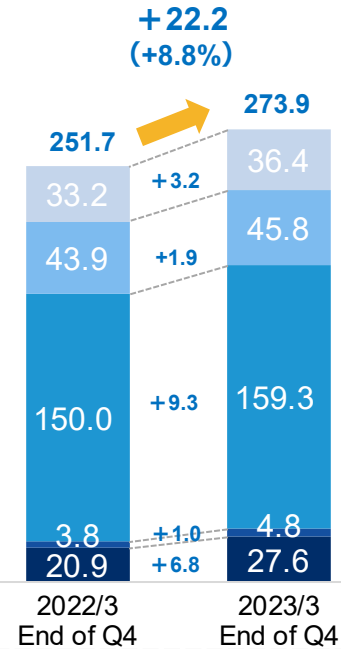


Gross Profit

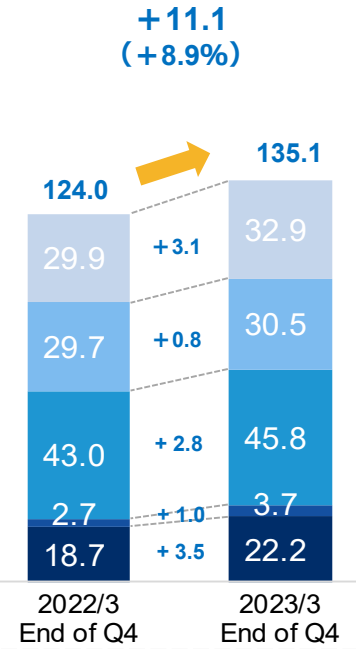


【 Reference 】

Order Backlogs (Total)



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



FYMar2023 Outsourcing

【Revenue by Outsourcing】

(Unit: Billion Yen)

	FYMar2022	FYMar2023	Changes
Entrusted operation-type	49.8	49.0	-0.8
Corporate DX-type	7.4	10.8	+3.3
(including revenue from selling cloud services provided by other companies)	-	1.8	+1.8
Service-based-type (business creation-type)	6.2	6.9	+0.7
Total revenue	63.4	66.7	+3.3

【Order Backlogs by Outsourcing】

(Unit: Billion Yen)

	FYMar2022 End of Q4	FYMar2023 End of Q4	Changes
Order backlogs	150.0	159.3	+9.3
(to be posted as revenue within the next FY)	43.0	45.8	+2.8

(Corporate DX-type outsourcing)

- ✓ “OptBAE”, use-type core-banking service for regional financial institutions, began to serve multiple shinkin banks in January 2022. OptBAE is working stably for 11 shinkin banks.
- ✓ There is an increase in the use of cloud-computing services provided by other companies for telecommuters.

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

- ✓ There are many inquiries about EC platform service "DIGITAL'ATELIER". We aim to have more new users.
- ✓ There is a steady increase in the use of digital codes. The Value Card business has remained strong.

Full-Year Performance Forecast for FYMar2024

- ✓ An increase in revenue and profit is expected due to steady performances of system services and other services businesses based upon strong DX demands.
- ✓ We will increase investments in human resources as well as creating new businesses with an eye on our business growth in the future.
- ✓ Our outsourcing revenue is expected to be ¥75.0 billion.

(Unit: Billion Yen)

	FYMar2023 Full-Year Results	FYMar2024 Full-Year Forecast	Changes	
Revenue	339.9	350.0	+10.1	(+3.0%)
Operating Profit	29.7	32.5	+2.8	(+9.5%)
(Operating Margin)	(8.7%)	(9.3%)	(+0.6pt)	
Profit attributable to Owners of Parent	20.2	22.0	+1.8	(+8.9%)
Adjusted Operating Profit*	29.4	32.0	+2.6	(+8.9%)
(Adjusted Operating Margin)	(8.6%)	(9.1%)	(+0.5pt)	

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

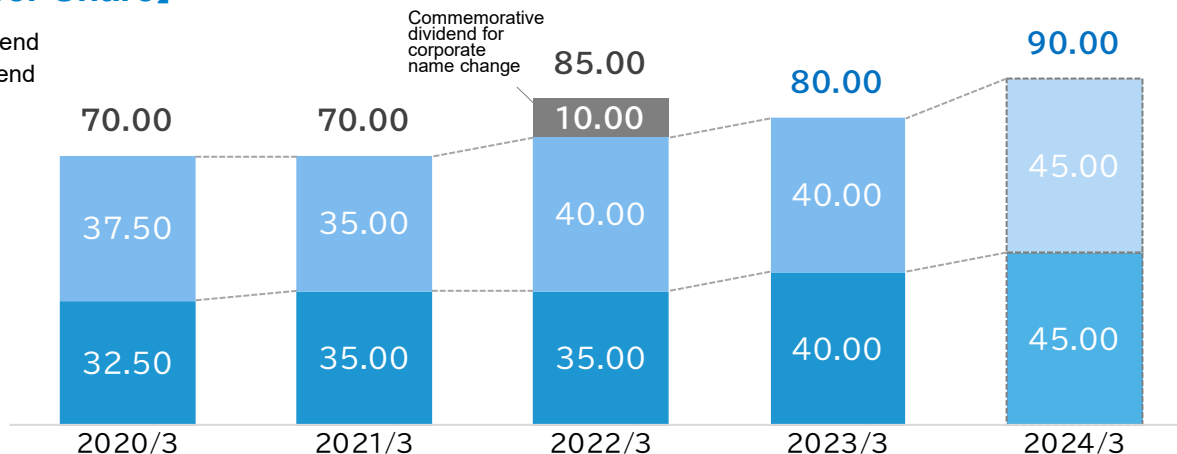
Full-Year Dividend Forecast for FYMar2024

- ✓ We plan year-end dividends of ¥40 per share for the fiscal year ending March 2023 (with no revisions of our announcement at the beginning of the fiscal year).
- ✓ We forecast an annual dividend of ¥90 per share pursuant to a target payout ratio of 40% for the fiscal year ending March 2024.

【Dividends per Share】

(Unit : Yen)

■ Year-end Dividend
■ Mid-term Dividend



Profit attributable to Owners of Parent (Billion Yen)

Dividend Payout Ratio

	2020/3	2021/3	2022/3	2023/3	2024/3 Forecast
(J-GAAP)	18.2	17.1	20.5	20.2	22.0
(J-GAAP) (IFRS)		16.6			
(IFRS)			20.5	20.2	22.0
Dividend Payout Ratio	38.6%	41.1%	41.7%	39.8%	41.1%

1 Summary of the Results

2 Progress under the Management Policies (2021-2023)

Reference Information

Summary of the Management Policies (2021-2023)

Purpose

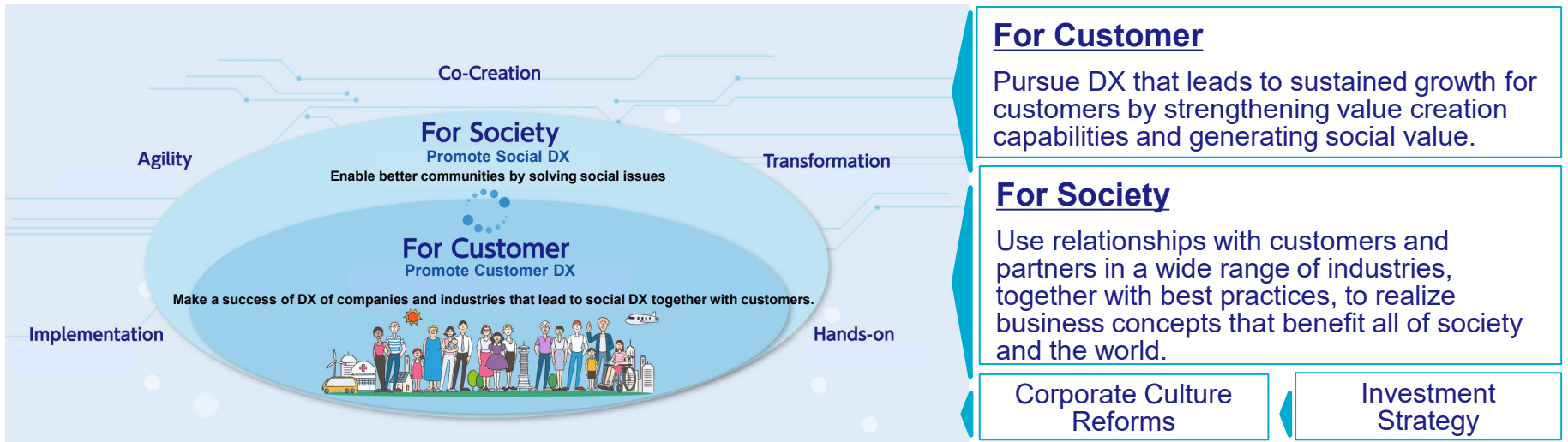
Create a sustainable society using foresight and insight to unlock the full potential of technology.

Vision2030

We will develop the Digital Commons which is a platform that helps create a society where everyone can live happily.

Basic Policy

BIPROGY Group will achieve the Vision 2030 plan by pursuing digital transformation (DX) for both customers and society, developing its business through a large framework that encompasses all of society, and working with partners and the community to expand business ecosystems.



For Customer

Pursue DX that leads to sustained growth for customers by strengthening value creation capabilities and generating social value.

For Society

Use relationships with customers and partners in a wide range of industries, together with best practices, to realize business concepts that benefit all of society and the world.

Corporate Culture Reforms

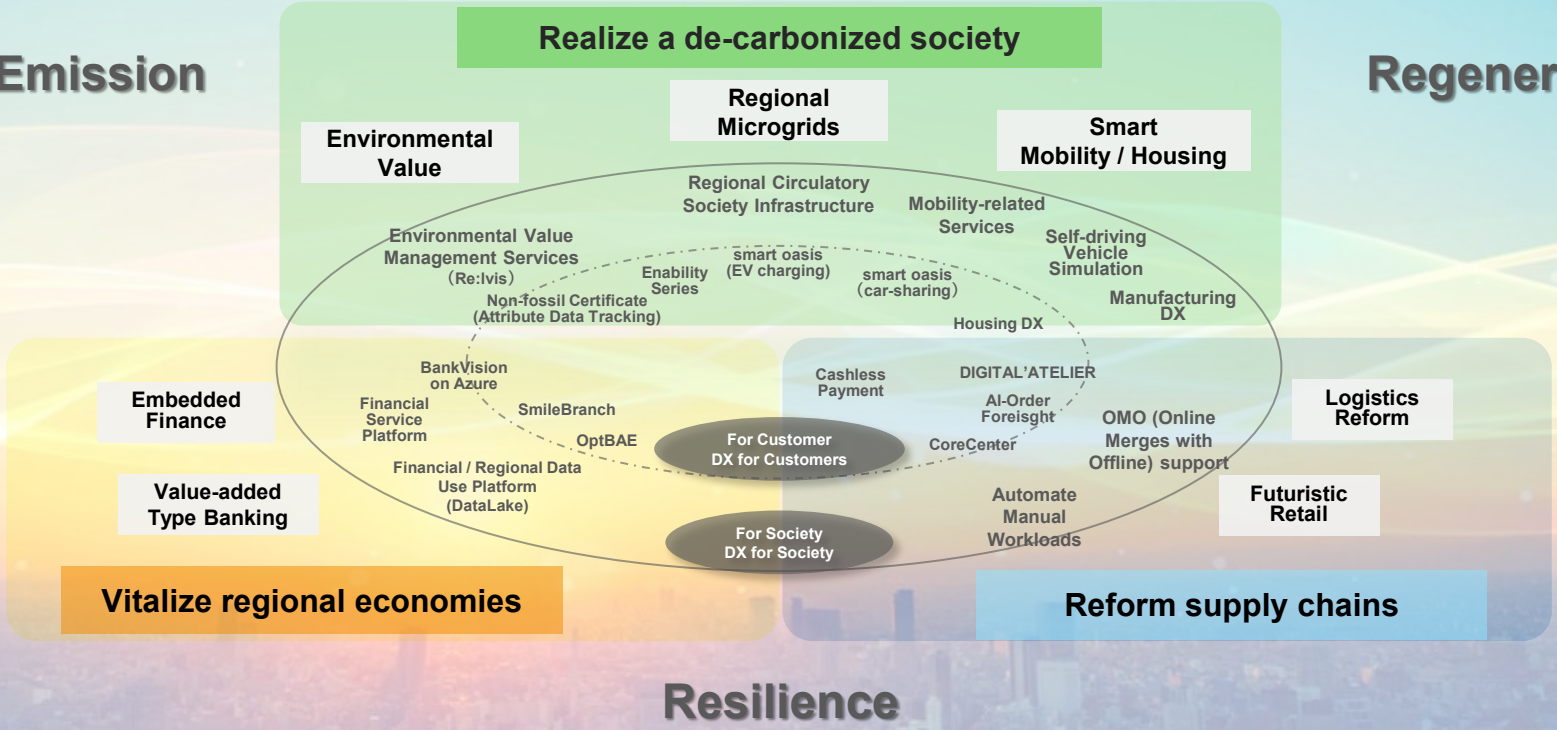
Investment Strategy

Expansion of Business Ecosystems

Aim to continuously improve corporate value by solving business issues/social issues facing our customers.

Zero Emission

Regenerative

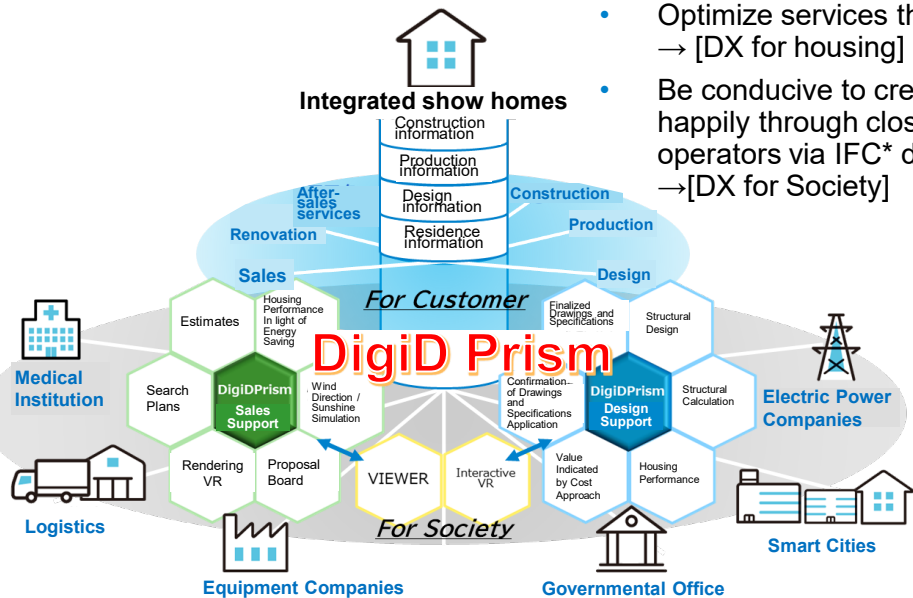
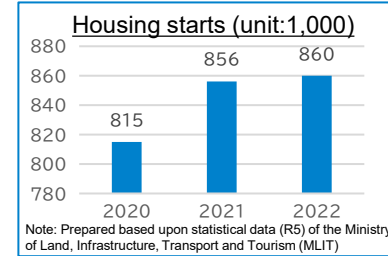


Promote DX for Society based upon DX for Customers [1]



Avail ourselves of our relationships with partners and best practices in various industries in order to promote DX for Society based upon DX for housing

- Drastically renew the 'DigiDmeister' that used to serve major house building companies in light of design work. Evolve it into 'DigiD Prism', a BIM* platform.
- Build and operate comprehensive housing data (integrated show homes) from the viewpoint of emphasizing with and creating value for customers



- Optimize services through the use of integrated show homes → [DX for housing]
- Be conducive to creating a society where everyone can live happily through close collaboration with external business operators via IFC* data, the BIM standard format → [DX for Society]

Conducive to enabling a decarbonized society

Use various solutions to support creation of eco-friendly houses



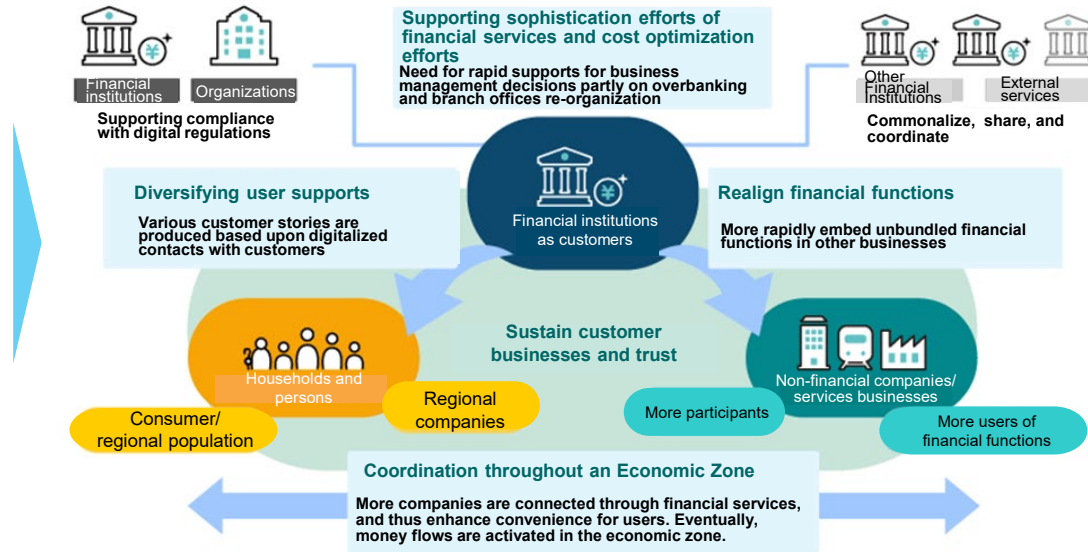
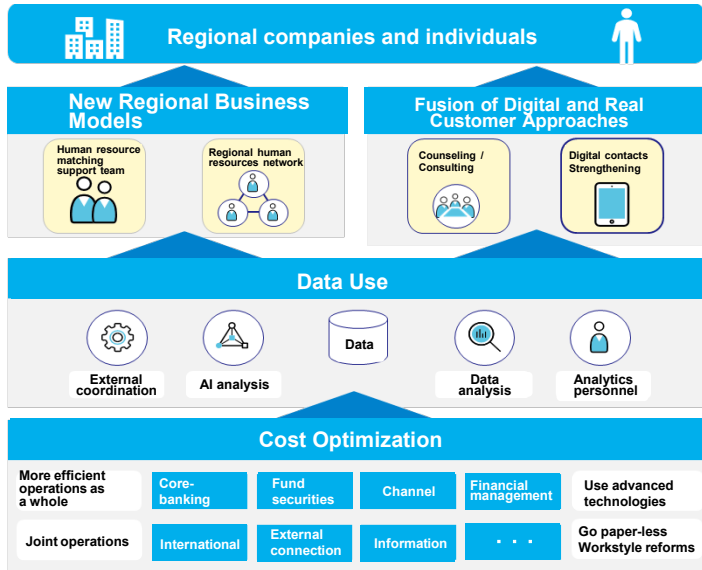
(*)BIM:Building Information Modeling
(*)IFC:Industry Foundation Classes

Promote DX for Society based upon DX for Customers [2]



Digitally transform financial services in order to optimize financial businesses and create new value conducive to enabling DX for regional communities

- There is a steady increase in the banks to use BankVision/OptBAE services
- A leap forward made through coordination with open data and business intelligence towards creating new value
- Provide financial services platforms for creating ecosystems comprised of various companies



Promote DX for Society based upon DX for Customers [3]



Solve issues from the viewpoint of emphasizing with customers. As a result, enable compatibility of social value and economic value.

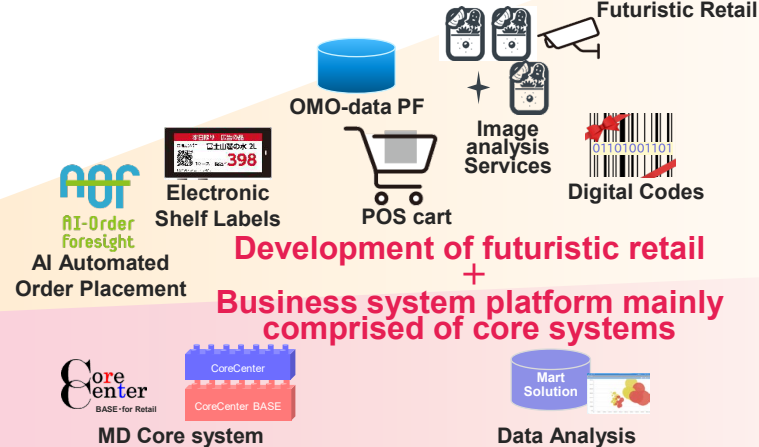
- Use AI-Order Foresight in order to drastically reduce labor spent for placing orders. The solution is conducive to reducing loss/waste of food and opportunities, as well.
- Develop futuristic retail and thus solve social issues more in the entire value chains and supply chains.
- Cashless payment services have become accepted broadly. As a result, the QR Code Payment Gateway provided by Canal Payment Service, Ltd. shows strength.
- An expansion of EC markets and a resumption of in-bound tourism will drive use of digital/QR code-based payment services.

Shop Quantity benefiting from our services

Approx. 2,000 shops as of FY2022
Aim at 8,000 shops in FY2030



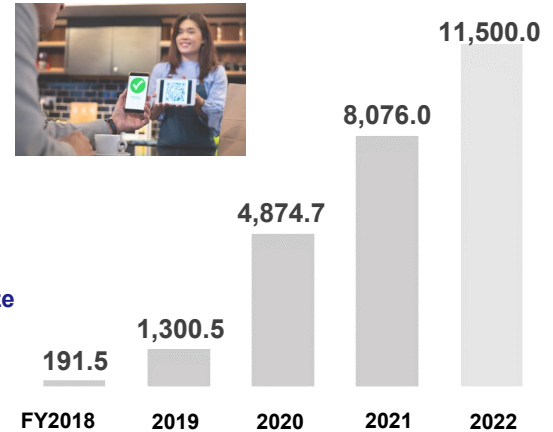
Futuristic Retail



Solving Social Issues

- Sustainable procurement
- Reduce greenhouse gas
- Cope with human workforce shortage
- Reduce waste/loss, maximize profits
- Support various purchase behaviors
- Opportunities of regional communities

QR Code Payment Market in Japan (¥ billion)



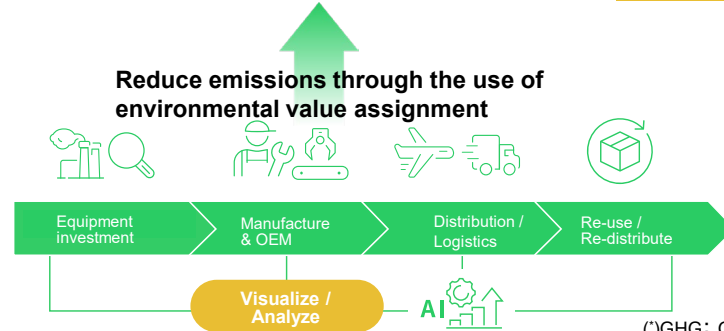
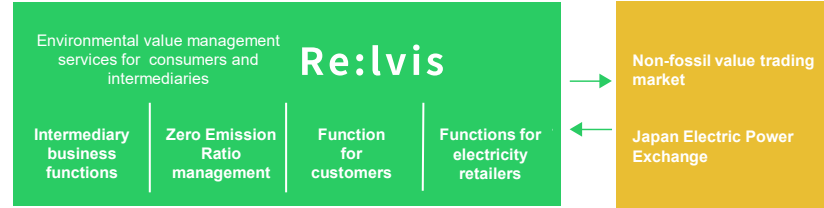
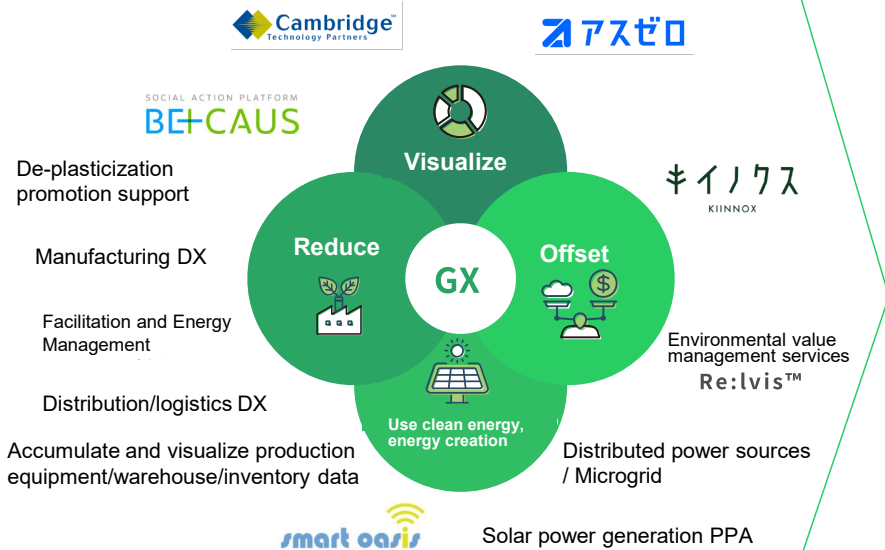
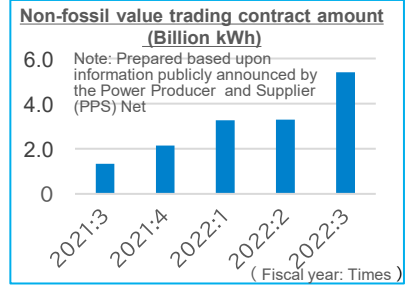
Note: Prepared based upon information provided by the Cashless Promotion Council, general incorporated association

Promote DX for Society based upon DX for Customers [4]



Provide a comprehensive support based upon a wide range of solutions for GHG* reduction attempts at customers

- Provide and enhance various solutions to enable GX* on the basis of consulting services
- Provide support in cooperation with partners of BIPROGY Group for carbon neutrality at customers



(*)GHG: Greenhouse Gases
 (*)GX: Green Transformation

Strategic Investment in order to Sustain Growth

Invest into attempts for creating value based upon technologies and innovations and furthermore growth of the BIPROGY Group

Open Innovation Activities

- Create and enhance business ecosystems in cooperation with start-up business at home and abroad
- Develop a wide range of professionals through actively interacting with people outside of the company

Investments in Start-up Businesses

- Investments in companies including start-ups: 71
Fund investments in a wide range of areas at home and abroad : 31
- Strategically invest in the areas such as SDGs and Well-being that can impact society much as well as areas of attention such as Generative AI



fami one



- Capital and business alliance with Hacobu with an eye on solving social issues in the logistics/distribution business sectors

Hacobu

トラック予約受付サービスシェアNo.1
ドライバー累計利用者数42万



No.1 in the market of truck booking acceptance services
420,000 truck drivers that use the solution in total

Global Business Strategies

- Strengthen and enhance our footholds for global businesses in ASEAN
- Three overseas subsidiaries (including two more) to mutually collaborate for enhancing capabilities of providing solutions

【An existing subsidiary】



Providing SAP solutions in Singapore and Malaysia

【Two new subsidiaries】



Providing SAP solutions in Thailand



Providing ERP solutions for medium-and small-sized companies in Singapore

Strengthen human resources for sustained growth

Management Policies (2021-2023) Strengthen employees in light of enabling new capabilities

Human resources
reforms

DE&I promotion

Work style
reforms

Strengthen
organizational
capabilities

Human Resources Vision 2030

Intertwine diverse lights comprised of all employees shining as they are. Intensify the light conducive to the Company creating an exciting future as aimed at in the Vision 2030.

[Key Initiatives]

- Create a mechanism to visualize human resources conducive to enable data-driven human resources strategies
- Enable workstyles conducive to maximizing individual performances and creating new value
- Reform human resources with an eye on creating new businesses and value
- Enhance intrapersonal diversity
- Interactive-mode management to take root, conducive to creating an organization of enhanced psychological safety
- Create a corporate culture that encourages cross-organizational interaction and mutual praise and recognition
- Widen employment channels in order to employ a wide range of workers

2021

Implement
ROLES*

2022

Create an HR platform
(talent management system)

2023

Promote human resources strategies for
the Group in sync with business
strategies

(*) ROLES refers to roles to be taken for performing duties in the BIPROGY Group. It is a core concept to visualize types and qualities and quantities of human resources



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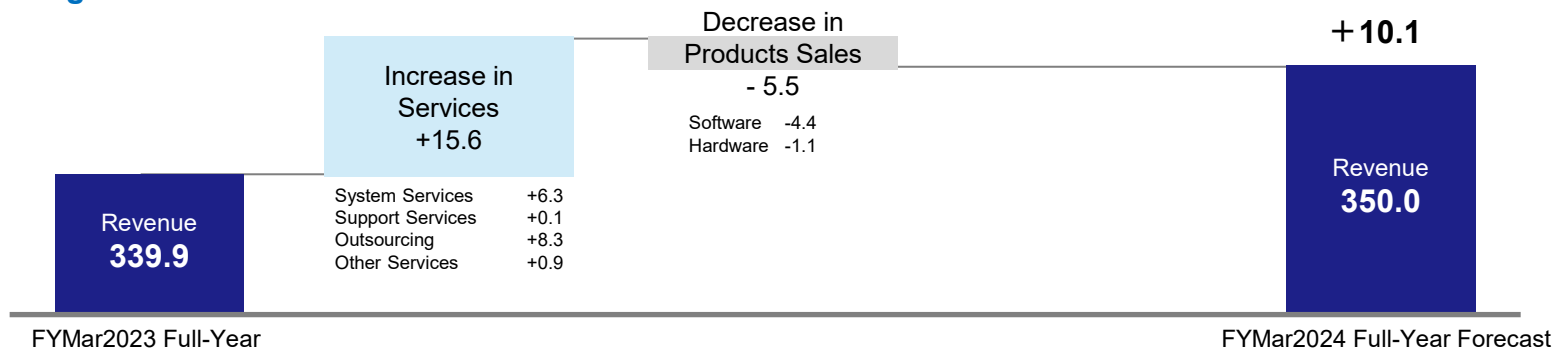
Reference Information

(Reference)

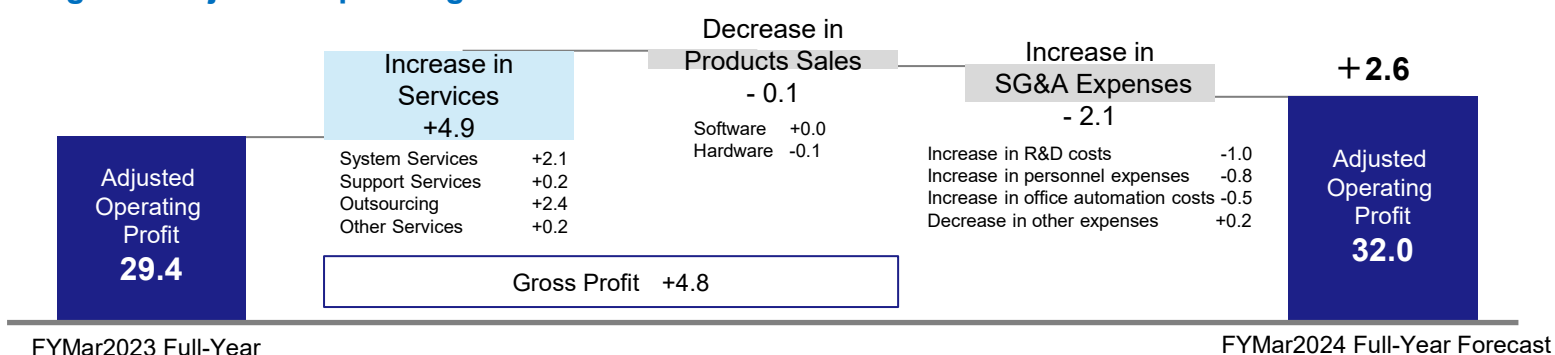
Full-Year Performance Forecast for FYMar2024 Breakdown Details

(Unit: Billion of Yen)

【Changes in Revenue】

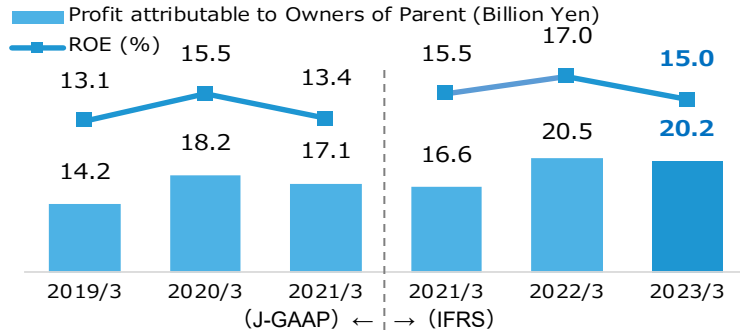


【Changes in Adjusted Operating Profit】



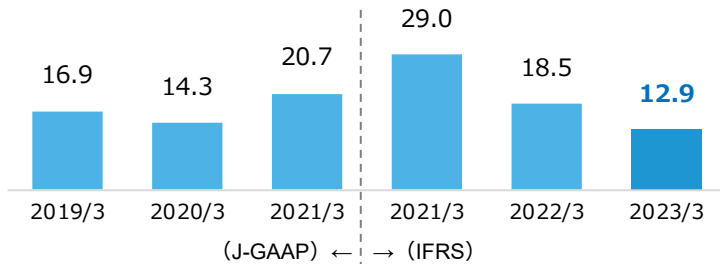
(Reference) Financial Indicators

Profit Attributable to Owners of Parent, ROE

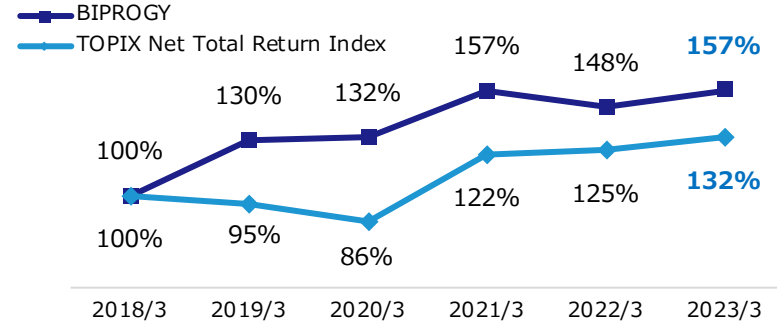


Free Cash Flow

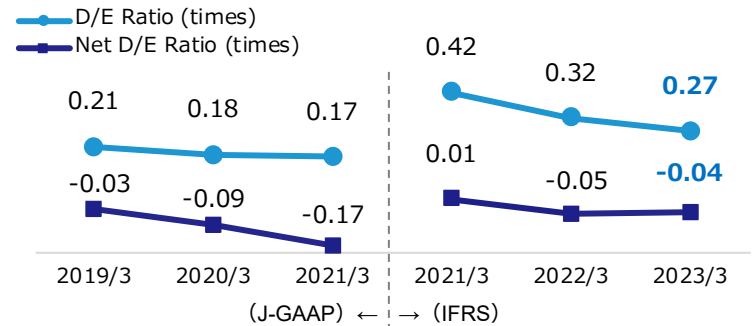
(Unit: Billion Yen)



Total Shareholder Return (TSR)



D/E Ratio





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(Note)

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