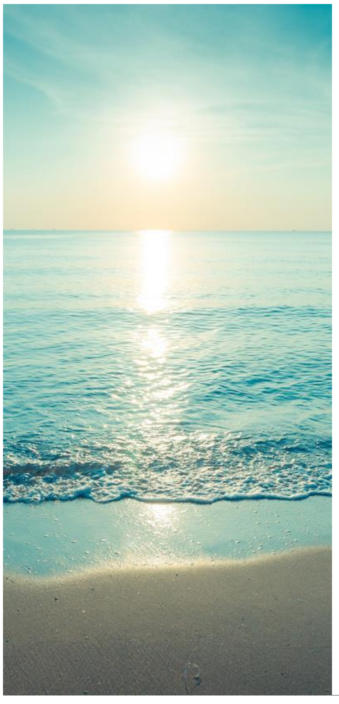
(Revised on February 4, 2025)



Results for the 1st Quarter of FY March 2025

July 29, 2024

BIPROGY Inc.

(Note) Due to a change in the method of calculating profits for some businesses in the focus areas in Q3 of the fiscal year ending March 31, 2025 (announced on February 4, 2025), some figures on page 4 have been revised from those disclosed as of the announcement of Q1 results (announced on July 29, 2024).

Acquisition and Cancellation of Treasury Shares

- ✓ **Acquiring and cancelling treasury shares as well as deciding on a policy about holding treasury shares (3% at maximum)**
- ✓ **Continuing growth investments (of at least JPY 70.0 billion) as indicated in the Management Policies (2024-2026)**

[Contents of the Resolution as of July 29, 2024]

Decision on the acquisition of own shares and the acquisition of own shares through ToSTNeT-3

Total number of shares to be acquired	3,000,000 shares (maximum) (Percentage of total number of shares issued (excluding treasury shares): 3.0%)
Total amount of share acquisition cost	¥13,707,000,000 (maximum)
Period of acquisition	at 8:45 am on July 30, 2024
Method of acquisition	Acquisition through off-auction own share repurchase trading system (ToSTNeT-3)

Decision on matters relating to the cancellation of treasury shares

Total number of shares to be cancelled	9,000,000 shares
Scheduled date of cancellation	August 30, 2024
Total number of shares issued after cancellation	100,663,524 shares

[Handling of treasury shares held by the Company]

Policy to retain treasury shares of 3% of the total number of issued shares at maximum, and cancel the excess portion of the treasury shares

BIPROGY Foresight in sight

This is Saito.
First of all, we announced acquisition and cancellation of treasury shares at 16:00 today.
Let me brief you on the contents.

The Company set forth acquiring treasury shares as part of measures for improving capital efficiency and enhancing shareholder return in the Management Policies (2024-2026). We deliberated on implementation periods and money amounts. The Company was notified by Mitsui & Co., Ltd., a shareholder of the Company, of its intention to sell the Company's shares held by Mitsui & Co., Ltd. And, the Company decided to acquire the shares as its own shares. A favorable relationship between the Company and Mitsui & Co., Ltd. will not be affected by the transactions. Mitsui & Co., Ltd. and the Company will continuously retain a collaborative relationship.

Also, the Company decided on a policy about holding treasury shares. It will retain its treasury shares of 3% of the total number of issued shares at maximum. The Company will cancel the excess portion of the treasury shares.
The reason for 3% is that the Company will use treasury shares for executive compensation as well as an employee incentive plan that we announced separately today. Also, we set 3% with the latest ratios of treasury shares held by companies listed in the TSE Prime Market taken into consideration. In line with the policy, the Company will cancel treasury shares (9,000,000 shares) that it held.

We set forth in the Management Policies proactive investments for growth and well-balanced shareholder return as capital allocation measures. Our principle of putting top priority on executing growth investment remains unchanged. However, we will attempt to enhance shareholder return with situations taken into consideration in the future.

Let me brief you on the performance results of the first quarter of the fiscal year ending March 2025.

Revenue of all segments increased. It drove operating profit growth, with an increase in SG&A costs absorbed.
Services took the lead in increasing orders and order backlogs. Order backlogs to be posted as revenue within the fiscal year steadily grow. Accordingly, we think that we had a good start for the first fiscal year of the Management Policies (2024-2026).

We have made no revisions to the full-year forecast values that we announced at the beginning of the fiscal year, at the end of the first quarter. We have seen orders and pipelines of projects steadily growing at this point in time. We will be fully prepared to continuously work on realizing the forecasts and furthermore.

This finishes my comments. Umehara will brief you on details of the performance results contents.

FYMar2025 Q1 Consolidated Performance Results

- ✓ **Revenue of all business segments increased. It even absorbed an increase in SG&A expenses. As a result, operating profit was pushed up.**
- ✓ **Services took the lead in the stable performance of orders and order backlogs. Order backlogs to be posted as revenue within the fiscal year also steadily increased.**

(Unit：Billion Yen)

	FYMar2024 Q1 (Apr-Jun)	FYMar2025 Q1 (Apr-Jun)	YoY	
Revenue	79.9	**88.4**	+8.5	(+10.6%)
Gross Profit	20.4	**21.6**	+1.2	(+6.1%)
SG&A Expenses	-14.6	**-15.3**	-0.7	(+4.6%)
Share of profit (loss) of investments accounted for using equity method / Other income and expenses	0.1	**0.3**	+0.2	
Operating Profit	5.8	**6.6**	+0.7	(+12.8%)
（Operating Margin）	(7.3%)	**(7.4%)**	(+0.1pt)	
Profit attributable to Owners of Parent	4.4	**4.9**	+0.5	(+12.1%)
Adjusted Operating Profit*	5.8	**6.3**	+0.6	(+9.7%)
（Adjusted Operating Margin）	(7.2%)	**(7.2%)**	(-0.1pt)	
Orders	78.1	**88.6**	+10.5	(+13.5%)
Order Backlogs	272.1	**290.1**	+18.0	(+6.6%)
(Order backlogs in the current FY)	123.5	**129.6**	+6.1	(+4.9%)

＊ Adjusted operating profit is the result obtained after deducting selling, general and administrative expenses and cost of sales from revenue.

(Revenue)
Revenue was strong and increased in all business segments. Outsourcing and product sales drove the strength of revenue.

(Operating Profit)
Gross profit was pushed up by the strong revenue.
Gross profit even absorbed SG&A expenses. As a result, operating profit was increased.

- **Gross profit**
  Gross profit increased as a result of the revenue increase. A decrease in system services gross profit and an increase in outsourcing costs among others shrank gross margin.
- **SG&A expenses**
  SG&A expenses were driven by renewing internal core systems and revising personnel systems. (an increase of JPY 0.6 billion in internal system costs, an increase of JPY 0.4 billion in personnel costs)
- **Share of profit (loss) of investments accounted for using equity method / Other income and expenses**
  An increase in the share of profit, partly due to a strong performance of an overseas affiliate accounted for by equity method

(Profit Attributable to Owners of Parent)
Strong operating profit drove profit.

(Orders and Order Backlogs)
Strong services segments drove order amount and also order backlogs. Order backlogs to be posted as revenue within the fiscal year steadily increased.

This is Umehara. Let me report to you.
First of all, let me summarize our performance results of the first quarter of the fiscal year ending March 2025.

We have seen customers show continued strong interests in DX investments. As a result, outsourcing and product sales took the lead in pushing up revenue. We posted revenue of JPY 88.4 billion, an increase of JPY 8.5 billion compared with the same quarter of the previous fiscal year.

We had an increase in SG&A expenses. The increase is mainly composed of temporary costs to be spent for renewing core systems, etc. However, gross profit driven by the revenue growth could absorb the cost increase.
As a result, we posted operating profit of JPY 6.6 billion, an increase of JPY 0.7 billion on a year-over-year basis. Also, we posted adjusted operating profit of JPY 6.3 billion, an increase of JPY 0.6 billion.
The strong operating profit enabled profit of JPY 4.9 billion, an increase of JPY 0.5 billion.

Orders in the services segments among others continued to show strength.
Orders and order backlogs increased. Order backlogs to be posted as revenue within the fiscal year increased.

FYMar2025 Q1 Revenue and Gross Profit by Segment

【Revenue and Gross Profit (Gross Margin) by Segment】

(Unit：Billion Yen)

	FYMar2024 Q1 (Apr-Jun)		FYMar2025 Q1 (Apr-Jun)		YoY			
	Revenue	Gross Profit (Gross Margin)	Revenue	Gross Profit (Gross Margin)	Revenue		Gross Profit (Gross Margin)	
System services	28.1	9.7 (34.5%)	**28.4**	**9.4** **(32.9%)**	+0.4	(+1.3%)	-0.3 (-1.6pt)	(-3.4%) -
Support services	12.7	3.9 (30.4%)	**13.7**	**4.5** **(33.2%)**	+1.0	(+7.6%)	+0.7 (+2.7pt)	(+17.3%) -
Outsourcing	18.6	4.0 (21.6%)	**21.4**	**4.0** **(18.7%)**	+2.8	(+15.1%)	-0.0 (-2.9pt)	(-0.3%) -
Other services	2.6	0.6 (22.9%)	**2.6**	**0.6** **(22.8%)**	+0.1	(+2.7%)	+0.0 (-0.0pt)	(+2.6%) -
Software	7.8	0.4 (5.4%)	**9.6**	**0.8** **(7.9%)**	+1.8	(+23.5%)	+0.3 (+2.5pt)	(+80.3%) -
Hardware	10.1	1.8 (17.9%)	**12.5**	**2.4** **(18.8%)**	+2.5	(+24.4%)	+0.6 (+0.9pt)	(+30.5%) -
Total	79.9	20.4 (25.5%)	**88.4**	**21.6** **(24.5%)**	+8.5	(+10.6%)	+1.2 (-1.1pt)	(+6.1%) -

(System services)
System services revenue growth was driven by digital transformation (DX) projects posted for a wide range of business sectors. However, system services gross profit was diminished mainly due to posting provisions (of JPY 0.1 billion) for an unprofitable project and a decrease in highly profitable projects.

(Support Services)
Support services revenue and gross profit increased on the basis of an increase in small and medium-size projects.

(Outsourcing)
Outsourcing revenue was driven through expansions of the cloud services provided by other companies and ITO services. However, outsourcing gross profit remained at the same level as in the same quarter of the previous fiscal year. It is attributable to costs for strengthening functions of multiple services as well as an increase in the revenue from cloud services provided by other companies.

(Software)
Software revenue was driven mainly by small and medium-size projects posted for financial institutions as well as the service industry. Software profitability was pushed up by improving the product mix.

(Hardware)
Hardware revenue and gross profit increased due to posting a large-scale infrastructure project and an increase in small and medium-size projects.

Next, let me brief you on revenue and gross profit by segment.

System services revenue increased. It is attributable to the continued strength of DX projects for customers in a wide range of industries.
Gross margin was compromised due to posting more provisions for an unprofitable project that occurred in the previous fiscal year, and a decrease in highly profitable projects from the same quarter of the previous fiscal year.
However, we have seen order and project pipelines show signs of increase now.
We will steadily accumulate projects conducive to revenue of the fiscal year, and we will continuously work on improving productivity, with an eye on furthermore increasing the gross margin.

Outsourcing revenue increased on the basis of the stable performance of cloud services provided by other companies, and ITO services. Gross margin was diminished on a year-over-year basis. It is ascribable to an increase in the sales of cloud services provided by other companies. Also, it is due to costs for strengthening functions of service-based-type businesses.

Revenue and profits from software and hardware products sales increased, owing to an increase in small and medium-size projects. Many projects are more highly profitable compared with the same quarter of the previous fiscal year. This is conducive to improving the profitability.

FYMar2025 Q1 Orders and Order Backlogs by Segment

【Orders by Segment】

(Unit：Billion Yen)

	FYMar2024 Q1 (Apr-Jun)	FYMar2025 Q1 (Apr-Jun)	YoY	
System services	30.5	**32.2**	+1.7	(+5.7%)
Support services	11.9	**16.6**	+4.7	(+39.2%)
Outsourcing	15.7	**19.3**	+3.6	(+22.7%)
Other services	3.0	**2.6**	-0.4	(-14.6%)
Software	7.2	**6.6**	-0.5	(-7.6%)
Hardware	9.8	**11.3**	+1.5	(+15.7%)
Total	78.1	**88.6**	+10.5	(+13.5%)

【Order backlogs by Segment】

(Unit：Billion Yen)

	FYMar2024 End of Q1		FYMar2025 End of Q1		YoY			
	Order backlog	in the current FY*	Order backlog	in the current FY*	Order backlog		in the current FY*	
System services	38.8	34.5	**40.7**	**36.1**	+2.0	(+5.1%)	+1.5	(+4.4%)
Support services	45.0	26.9	**51.0**	**29.2**	+6.0	(+13.4%)	+2.2	(+8.3%)
Outsourcing	156.4	37.6	**170.6**	**42.3**	+14.2	(+9.1%)	+4.6	(+12.3%)
Other services	5.3	3.9	**6.2**	**3.8**	+0.9	(+17.9%)	-0.1	(-2.5%)
Software	7.5	6.2	**6.1**	**5.8**	-1.3	(-17.8%)	-0.4	(-6.4%)
Hardware	19.2	14.3	**15.4**	**12.5**	-3.8	(-20.0%)	-1.8	(-12.7%)
Total	272.1	123.5	**290.1**	**129.6**	+18.0	(+6.6%)	+6.1	(+4.9%)

*to be posted as revenue within the current FY

(System services)
The company obtained small and medium-sized projects mainly related to DX for customers in a wide range of industries such as financial institutions, retailers and business operators in the service industry. System services orders and order backlogs increased. Order backlogs to be posted within the fiscal year increased steadily.

(Support Services)
Support services orders and order backlogs increased on the basis of an increase in the projects of creating networks for government and municipal offices as well as small and medium-size projects.

(Outsourcing)
A system renewal project for a financial institution increased outsourcing orders.
BankVision systems were created through BankVision projects awarded in Q4 of the previous fiscal year. This also contributed to an increase in order backlogs and orders to be posted within the fiscal year.

(Software)
Software small and medium-size projects were less than Q1 of the previous fiscal year. Orders and order backlogs decreased.

(Hardware)
Hardware orders increased based on small and medium-size projects. Order backlogs were diminished after drawing down for posting revenue.

Next, let me brief you on orders and order backlogs by segment.

We posted large-scale outsourcing projects and support services projects.
Furthermore, we saw an accumulation of small and medium-size system services projects. As a result, orders increased by JPY 10.5 billion from the same quarter of the previous fiscal year.

Order backlogs increased mainly in the services segments, following orders trajectory.
Order backlogs to be posted as revenue within the fiscal year also increased.

We could be surely awarded system services projects in the first quarter that would be posted as revenue of this fiscal year. We see projects to be posted as revenue within the fiscal year steadily increasing.

(Revised on February 4, 2025)

FYMar2025 Q1 Progress of Businesses in the Focus Areas belonging to the Core Businesses

【Revenue and Operating Profit (Margin) of Businesses in the Focus Areas belonging to the Core Businesses】

(Unit：Billion Yen)

	FYMar2024 Q1 (Apr-Jun)		FYMar2025 Q1 (Apr-Jun)		YoY			
	Revenue	Operating profit (Operating margin)	Revenue	Operating profit (Operating margin)	Revenue		Operating profit (Operating margin)	
Financial	9.9	0.9 (9.6%)	**9.5**	**0.5 (5.5%)**	-0.4	(-4.4%)	-0.4 (-4.1pt)	(-44.4%)
Retail	4.7	0.5 (11.3%)	**5.3**	**0.4 (6.6%)**	+0.6	(+13.1%)	-0.2 (-4.7pt)	(-32.0%)
Energy	4.2	0.5 (11.2%)	**4.7**	**0.5 (9.9%)**	+0.5	(+12.1%)	-0.0 (-1.3pt)	(-1.3%)
Mobility	5.9	0.9 (14.9%)	**6.8**	**0.8 (11.8%)**	+0.9	(+14.4%)	-0.1 (-3.2pt)	(-9.8%)
OT Infrastructure	3.5	0.2 (6.8%)	**3.4**	**0.4 (12.6%)**	-0.1	(-1.7%)	+0.2 (+5.8pt)	(+83.0%)
Total revenue	28.1	3.0 (10.8%)	**29.6**	**2.6 (8.7%)**	+1.5	(+5.2%)	-0.5 (-2.2pt)	(-16.0%)

	FYMar2024 (Full Year Results)		FYMar2025 (Full Year Target)		YoY			
	Revenue	Operating profit (Operating margin)	Revenue	Operating profit (Operating margin)	Revenue		Operating profit (Operating margin)	
Financial	43.2	3.7 (8.6%)	**45.5**	**4.4 (9.6%)**	+2.3	(+5.3%)	+0.7 (+1.0pt)	(+18.1%)
Retail	23.2	2.1 (9.0%)	**24.5**	**2.5 (10.2%)**	+1.3	(+5.6%)	+0.4 (+1.2pt)	(+19.0%)
Energy	18.2	2.5 (13.6%)	**19.0**	**2.8 (14.5%)**	+0.8	(+4.2%)	+0.3 (+0.9pt)	(+11.1%)
Mobility	26.7	3.5 (13.2%)	**28.5**	**4.0 (14.0%)**	+1.8	(+6.8%)	+0.5 (+0.8pt)	(+13.3%)
OT Infrastructure	18.2	1.1 (6.1%)	**19.0**	**1.2 (6.5%)**	+0.8	(+4.4%)	+0.1 (+0.4pt)	(+11.2%)
Total revenue	129.6	12.9 (10.0%)	**136.5**	**14.9 (10.9%)**	+6.9	(+5.4%)	+2.0 (+0.9pt)	(+15.7%)

(Note)Due to a change in the method of calculating profits for some businesses in the focus areas in Q3 of the fiscal year ending March 31, 2025 (announced on February 4, 2025), some figures have been revised from those disclosed as of the announcement of Q1 results (announced on July 29, 2024).

［FYMar2025 Q1 Progress Situations］

Financial sector: Revenue was dropped partly due to impacts from an end of a development cycle of large-scale systems. BankVision on Azure began to serve its fourth customer in May 2024.

Retail sector: Utilization of electronic shelf label solutions increased at retailers, and our e-commerce platform service DIGITAL’ATELIER saw an increase.

Energy sector： DX projects for energy-related companies and Enability, power retailing cloud service, continued to be strong.

Mobility sector: The Company has begun to provide services related to payment/settlement for a railroad companies. It re-uses knowledge and expertise that it obtained from serving customers in the financial industry and distribution industry. The dashcam business continued to be strong.

OT Infrastructure sector: The Company has been making attempts to approach existing customers and draw their attention in the OT network and security areas. Customers show strong interest in investment and pipelines are on the increase.

Next, let me brief you on situations in the focus area specified in the Management Policies.

The Group is promoting businesses as stipulated in the Management Policies (2024-2026), with two business strategies for core businesses, the current income sources, and for growth businesses, new income sources.

As indicated in the core business strategies, we aim to increase value that we provide for customers and also our profitability through furthermore strengthening business areas of our strength. We have defined five focus areas in the core business area. We will work on surely increasing the focus areas and strengthening business basis through continuously investing our business resources.

We aim to establish new income bases as early as possible through remaining highly motivated to invest in the growth businesses.
We reported the focus area progress situations of the core business in the Q1 performance report. We would like to regularly report on the growth area businesses, as well, in the future.

FYMar2025 (Full-Year) Performance Forecast No Revisions

✓ **No revisions are made to forecast values announced at the beginning of the fiscal year. SG&A expenses trajectory has closely followed our expectations.**

(Unit：Billion Yen)

	FYMar2024 (Full Year Results)	FYMar2025 (Full Year Forecast)	YoY	
Revenue	370.1	**385.0**	+14.9	(+4.0%)
Gross Profit	97.2	**101.2**	+4.0	(+4.1%)
SG&A Expenses	-63.4	**-66.2**	-2.8	(+4.5%)
Share of profit (loss) of investments accounted for using equity method / Other income and expenses	-0.5	**0.5**	+1.0	
Operating Profit	33.3	**35.5**	+2.2	(+6.6%)
（Operating Margin）	(9.0%)	**(9.2%)**	(+0.2pt)	
Profit attributable to Owners of Parent	25.2	**24.5**	-0.7	(-3.0%)
Adjusted Operating Profit*	33.8	**35.0**	+1.2	(+3.5%)
（Adjusted Operating Margin）	(9.1%)	**(9.1%)**	(-0.0pt)	

(Unit：Yen)

	FYMar2024 (Full Year Results)	FYMar2025 (Full Year Forecast)	YoY	
Dividens per share	100	**100**	+0	(+0.0%)
Mid-term Dividend	45	**50**	+5	(+11.1%)
Year-end Dividend	55	**50**	-5	(-9.1%)
Dividend Payout Ratio	(39.8%)	**(41.0%)**	(+1.2pt)	

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

My last topic is about the full-year performance forecast for the fiscal year ending March 2025.

We have not revised our full-year forecasts that we announced at the beginning of the fiscal year.

Revenue and profits showed steady growth in the first quarter.
Order backlogs to be posted as revenue of this fiscal year have been steadily increasing.
We see customers keen so much on DX investments now. We expect to see their interest to continue in the second quarter and thereafter.
Having said that, we have not been able to foresee in details the future situations including the second half.
We will keep our forecast: revenue of JPY ¥385.0 billion, operating profit of JPY 35.5 billion, and profit of JPY 24.5 billion.

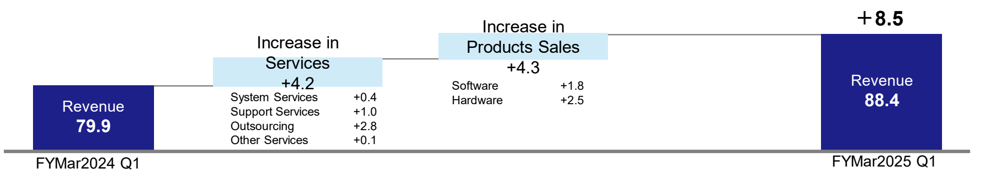
We expect that expenses about renewing internal core systems as well as transient costs about facilities will be part of SG&A expenses. We think that SG&A expenses trajectory was in line with our expectations.
We will continuously monitor costs and expenses situations. We will continue to work on enabling appropriate controls on costs and expenses at an early stage.

I conclude my briefing.
Thank you.

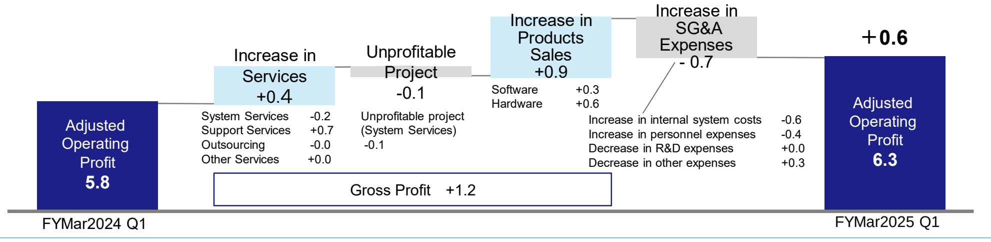
(Reference) FYMar2025 Q1 Performance Breakdown Details

（Unit: Billion of Yen）

【Changes in Revenue】



【Changes in Adjusted Operating Profit】

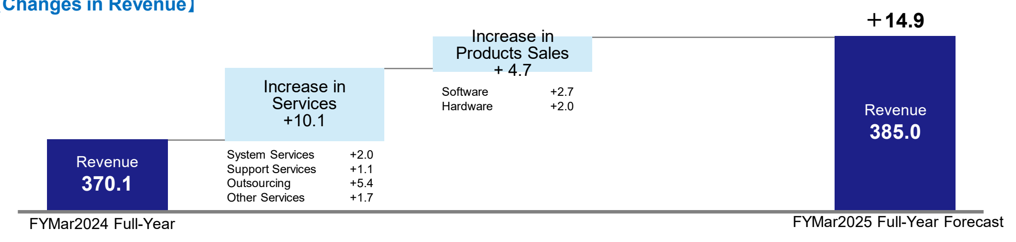


FYMar2025 (Full-Year) Performance Forecast Breakdown Details

No Revision

（Unit: Billion of Yen）

【Changes in Revenue】



【Changes in Adjusted Operating Profit】