

Results for the 1st Quarter of FY March 2026

July 31, 2025
BIPROGY Inc.



FY March 2026 Q1 (Apr-Jun) Consolidated Performance Results

- ✓ Revenue grew in all segments based upon customers continuingly showing a keen interest in making IT investments.
- ✓ Operating profit was driven up based upon an increase in gross profit, despite an increase in SG&A expenses within the plan. Operating margin increased, as well.
- ✓ Orders for product sales and system services remained strong. Order backlogs to be posted as revenue within the fiscal year were accumulated as well.

(Unit : Billion Yen)

	FY March 2025 Q1 (Apr-Jun)	FY March 2026 Q1 (Apr-Jun)	YoY	
Revenue	88.4	96.8	+8.5	(+9.6%)
Gross profit	21.6	23.8	+2.2	(+9.9%)
SG&A expenses	-15.3	-15.9	-0.6	(+4.2%)
Share of profit (loss) of investments accounted for using equity method / Other income and expenses	0.3	0.7	+0.5	
Operating profit	6.6	8.6	+2.0	(+30.3%)
(Operating margin)	(7.4%)	(8.8%)	(+1.4pt)	
Profit attributable to owners of parent	4.9	5.8	+0.9	(+19.1%)
Adjusted operating profit*	6.3	7.8	+1.5	(+23.9%)
(Adjusted operating margin)	(7.2%)	(8.1%)	(+0.9pt)	
Orders	88.6	95.3	+6.7	(+7.6%)
Order backlogs	290.1	288.3	-1.8	(-0.6%)
(Order backlogs in the current FY)	129.6	137.6	+8.0	(+6.1%)

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

(Revenue)

Revenue increased based upon services and products sales remaining in good shape.

(Gross Profit)

Gross profit increased based upon the strong revenue.

(SG&A expenses)

SG&A expenses were driven up by personnel expenses and costs for business expansion. The increase was within the plan.

(Personnel expenses up by ¥0.3 billion, R&D expenses up by ¥0.2 billion, Sales support expenses up by ¥0.2 billion, Internal system expenses decreased by ¥0.3 billion)

(Share of profit (loss) of investments accounted for using equity method / Other income and expenses)

An increase (of ¥0.6 billion on a year-over-year basis) in the share of profit, due to a temporary gain posted at an affiliate accounted for using equity method.

(Operating Profit)

Operating profit increased due to the strong gross profit growth absorbing the increase in SG&A expenses.

(Orders and Order Backlogs)

Orders increased due to stable product sales and system services. Although order backlogs decreased as a result of production services beginning through large-scale projects, order backlogs scheduled to be posted as revenue within the fiscal year were accumulated steadily.

First, I will provide an overview of the financial results for Q1 of the fiscal year ending March 31, 2026.

Revenue increased by JPY8.5 billion YoY to JPY96.8 billion, reflecting continued strong customer demand for IT investments as well as favorable performance in both services and product sales.

In terms of profits, although SG&A expenses increased as planned due to higher personnel expenses and increased investment for future business expansion, this was offset by an increase in gross profit due to higher revenue. This resulted in an operating profit of JPY8.6 billion, an increase of JPY2.0 billion YoY, and adjusted operating profit of JPY7.8 billion, an increase of JPY1.5 billion. Profit attributable to owners of parent were JPY5.8 billion, an increase of JPY0.9 billion, in line with the increase in operating profit.

Orders increased YoY, due to a steady stream of orders for product sales and system services. This growth was achieved despite a reactionary decline in large orders for support services and outsourcing in the same period of the previous fiscal year. The backlogs increased YoY, particularly for system services and hardware. Steady accumulation of these backlogs are expected to generate revenue within the current fiscal year.

FY March 2026 Q1 (Apr-Jun) Revenue and Gross Profit by Segment

[Revenue and Gross Profit (Gross Margin) by Segment]

(Unit : Billion Yen)

	FY March 2025 Q1 (Apr-Jun)		FY March 2026 Q1 (Apr-Jun)		YoY			
	Revenue	Gross Profit (Gross Margin)	Revenue	Gross Profit (Gross Margin)	Revenue		Gross Profit (Gross Margin)	
System services	28.4	9.4 (32.9%)	30.1	10.6 (35.3%)	+1.6	(+5.8%)	+1.3 (+2.4pt)	(+13.4%) -
Support services	13.7	4.5 (33.2%)	14.2	4.5 (31.4%)	+0.6	(+4.1%)	-0.1 (-1.8pt)	(-1.7%) -
Outsourcing	21.4	4.0 (18.7%)	23.2	4.2 (18.1%)	+1.7	(+8.1%)	+0.2 (-0.6pt)	(+4.6%) -
Other services	2.6	0.6 (22.8%)	2.8	0.7 (25.0%)	+0.2	(+6.0%)	+0.1 (+2.1pt)	(+15.9%) -
Software	9.6	0.8 (7.9%)	11.6	1.1 (9.2%)	+2.0	(+20.4%)	+0.3 (+1.3pt)	(+39.5%) -
Hardware	12.5	2.4 (18.8%)	15.0	2.7 (18.3%)	+2.4	(+19.4%)	+0.4 (-0.4pt)	(+16.5%) -
Total	88.4	21.6 (24.5%)	96.8	23.8 (24.6%)	+8.5	(+9.6%)	+2.2 (+0.1pt)	(+9.9%) -

(System services)

Projects for financial institutions continuously took the lead in enabling a stable performance, as reflected in an increase in revenue and gross profit.

(Support services)

Revenue from support services accompanying products sales was driven up in accordance with an increase in product sales. Gross profit decreased partly due to a decline in rebates.

(Outsourcing)

Revenue and gross profit were driven up partly through an increase in financial institutions served by “BankVision” and an increase in the sales of cloud services provided by other companies (an increase of ¥0.7 billion on a year-over-year basis) and of our operating services.

Gross margin was compromised partly through an increase in the sales of cloud services provided by other companies.

(Software & Hardware)

Revenue and gross profit increased partly based upon posting large-scale projects for a government agency.

Next, I will explain revenue and gross profit by segment.

System services experienced increased revenue and profit due to continued high-margin projects, primarily for financial institutions, and the steady expansion of projects across various industries.

In outsourcing, revenue and profit increased due to an increase in the number of financial institutions served by “BankVision”, and growth in sales of other companies’ cloud services and strong performance of operating services such as ITO services. However, gross margin declined slightly compared to the same period last year due to increased sales of other companies’ cloud services.

Revenue and profit from product sales of software and hardware also increased due to the recording of large projects for a government agency at UNIADEx.

FY March 2026 Q1 (Apr-Jun) Orders and Order Backlogs by Segment

[Orders by Segment]

	FY March 2025 Q1 (Apr-Jun)	FY March 2026 Q1 (Apr-Jun)	YoY	
System services	32.2	34.0	+1.8	(+5.5%)
Support services	16.6	14.2	-2.4	(-14.4%)
Outsourcing	19.3	16.9	-2.4	(-12.4%)
Other services	2.6	3.8	+1.2	(+45.2%)
Software	6.6	9.6	+3.0	(+44.5%)
Hardware	11.3	16.9	+5.6	(+49.5%)
Total	88.6	95.3	+6.7	(+7.6%)

(Unit: Billion Yen)

(System services)

Orders and order backlogs were increased based upon large-scale projects for financial institutions and through obtaining small and medium-sized projects in a wide range of business sectors.

(Support services)

Orders were less than those in the first quarter of the previous fiscal year that included network-related large-scale projects spanning multiple years for government agencies. (The projects had been posted in the said period.)

(Outsourcing)

Orders were less than those in the first quarter of the previous fiscal year that included large-scale, long-term projects. Order backlogs decreased due to large-scale projects having entered the phase of production operation.

(Software)

Small and medium-sized projects increased. As a result, orders were increased.

(Hardware)

Orders and order backlogs increased due to posting a large-scale project for a research institution, and through accumulating small and medium-sized projects.

[Order backlogs by Segment]

	FY March 2025 Q1 (Apr-Jun)		FY March 2026 Q1 (Apr-Jun)		YoY			
	Order backlog	in the current FY*	Order backlog	in the current FY*	Order backlog		in the current FY*	
System services	40.7	36.1	42.0	37.4	+1.3	(+3.1%)	+1.3	(+3.7%)
Support services	51.0	29.2	55.5	29.5	+4.4	(+8.7%)	+0.4	(+1.3%)
Outsourcing	170.6	42.3	157.3	42.7	-13.3	(-7.8%)	+0.4	(+1.0%)
Other services	6.2	3.8	7.2	4.8	+1.0	(+16.2%)	+1.0	(+27.6%)
Software	6.1	5.8	5.3	4.5	-0.8	(-13.0%)	-1.3	(-22.5%)
Hardware	15.4	12.5	21.0	18.6	+5.6	(+36.5%)	+6.1	(+48.8%)
Total	290.1	129.6	288.3	137.6	-1.8	(-0.6%)	+8.0	(+6.1%)

(Unit: Billion Yen)

*to be posted as revenue within the current FY

Next, I will explain orders and order backlogs by segment.

The number of orders decreased due to the impact of large-scale projects recorded in Q1 of the previous fiscal year, with a decline in orders for support services and outsourcing. However, orders for system services remained strong, particularly from financial institutions. Product sales of software and hardware also increased, due to the recording of large-scale projects and the accumulation of small and medium-sized projects. This resulted in a YoY increase of JPY6.7 billion in total orders.

Order backlogs decreased due to the impact of large outsourcing projects that started in the previous fiscal year. Nevertheless, orders scheduled for sale in the current fiscal year increased by JPY8.0billion YoY, partly due to the receipt of a large-scale project from a research institution.

FY March 2026 Q1 (Apr-Jun) Progress in Focus Areas (Core Businesses)

[Revenue and Operating Profit (Margin) of Focus Areas (Core Businesses)]

(Unit : Billion Yen)

	FY March 2025 Q1 (Apr-Jun)		FY March 2026 Q1 (Apr-Jun)		YoY		FY March 2025 (Full Year Results)		FY March 2026 (Full Year Target)		YoY	
	Revenue	Operating profit (Operating margin)	Revenue	Operating profit (Operating margin)	Revenue	Operating profit (Operating margin)	Revenue	Operating profit (Operating margin)	Revenue	Operating profit (Operating margin)	Revenue	Operating profit (Operating margin)
Financial	9.5	0.5 (5.5%)	11.7	1.2 (10.4%)	+2.2 (+22.8%)	+0.7 (+128.5%) (+4.9pt)	45.6	3.9 (8.6%)	48.0	4.1 (8.6%)	+2.4 (+5.2%)	+0.2 (+5.2%) (+0.0pt)
Retail	5.3	0.4 (6.6%)	5.4	0.3 (5.4%)	+0.1 (+2.1%)	-0.1 (-18.2%) (-1.2pt)	24.0	2.6 (10.7%)	27.0	3.9 (14.5%)	+3.0 (+12.7%)	+1.3 (+52.0%) (+3.8pt)
Energy	4.7	0.5 (9.9%)	5.2	0.1 (2.1%)	+0.6 (+12.4%)	-0.4 (-76.5%) (-7.8pt)	19.3	3.1 (15.9%)	20.0	3.1 (15.5%)	+0.7 (+3.7%)	+0.0 (+1.2%) (-0.4pt)
Mobility	6.8	0.8 (11.8%)	7.3	0.6 (8.5%)	+0.5 (+7.9%)	-0.2 (-21.5%) (-3.2pt)	30.5	3.7 (12.3%)	32.0	4.6 (14.5%)	+1.5 (+4.9%)	+0.9 (+24.1%) (+2.2pt)
OT infrastructure	3.4	0.4 (12.6%)	4.0	0.6 (14.9%)	+0.6 (+16.8%)	+0.2 (+38.1%) (+2.3pt)	20.7	1.9 (9.0%)	21.5	1.9 (9.0%)	+0.8 (+4.1%)	+0.1 (+4.6%) (+0.0pt)
Total	29.6	2.6 (8.7%)	33.6	2.8 (8.4%)	+4.0 (+13.4%)	+0.3 (+10.1%) (-0.2pt)	140.0	15.2 (10.8%)	148.5	17.7 (11.9%)	+8.5 (+6.0%)	+2.6 (+16.9%) (+1.1pt)

[FY March 2026 Q1 Progress Situations]

Financial sector:	An increase in the number of banks served by "BankVision" in the previous period contributed. Multiple shinkin banks are served through a launch of front-office services solution.
Retail sector:	An implementation of a large-scale merchandising core system and an integrated electronic commerce service began. Furthermore, pipelines have become big and fat for the area of store digitalization solutions mainly comprised of services of demand forecasting and electronic shelf label (ESL).
Energy sector:	The aim is to increase decarbonization (carbon neutrality) through an attempt to increase service functions conducive to enhancing renewable energy.
Mobility sector:	Our platform enabled the social implementation of payment/settlement services by a transportation company. Also, AI-driven railway maintenance services began. Efforts to strengthen our technical platform and customer platform are underway with an eye on future deployment.
OT Infrastructure sector:	Efforts to obtain large-scale projects and increase pipelines made progress. A market deployment was accelerated through organizing a dedicated team.

Next, I will explain the current status of our focus areas set out in the Management Policies.

In the Management Policies, we are pursuing two business strategies; the core businesses that are currently generating revenue, and the growth businesses that will become new revenue pillars.

In our core businesses, we have identified five focus areas in which we can leverage our strong customer relationships and business expertise. In Q1, revenue increased primarily in the financial sector, as did quarterly profits.

In line with our key strategies, we are implementing measures to promote future growth. In Q1, we made steady progress in expanding our services to acquire new customers and launching new business areas.

We will continue to accelerate our efforts to achieve our annual targets and the Vision set out in the Management Policies.

FY March 2026 Q1 (Apr-Jun) Progress in Focus Areas (Growth Businesses)

[Revenue of Focus Areas (Growth Businesses)]

(Unit : Billion Yen)

	FY March 2025 Q1 (Apr-Jun)	FY March 2026 Q1 (Apr-Jun)	YoY	FY March 2025 (Full Year Results)	FY March 2026 (Full Year Target)	YoY
Market development	1.0	1.1	+0.1 (+12.3%)	4.6	8.0	+3.4 (+73.9%)
Business development	0.9	0.6	-0.3 (-29.9%)	4.2	8.0	+3.8 (+89.1%)
Global initiatives	0.7	1.1	+0.4 (+48.8%)	4.2	5.0	+0.8 (+19.0%)
Total revenue	2.6	2.9	+0.2 (+8.5%)	13.0	21.0	+8.0 (+61.1%)

[FY March 2026 Q1 Progress Situations]

Market development: Capture/Expand new market share by acquiring new service areas and cultivating growth markets

- [Data use & AI use] Launch of the "Data & AI Innovation Lab" a new service to support customers in their efforts to operate a business process improvement cycle. Support underway for companies in their efforts of digital transformation and using generative AI.
- [Managed services] Launch of the "GASSAI", the unified brand for the Group. Efforts underway to develop and improve services platforms, with a view to increasing profits.

Business development: Accelerate the development, co-creation, and deployment of social digital transformation businesses

- [SX/GX] Multiple co-creation projects making progress in cooperation with large companies. Pipelines for GX SaaS services becoming big and fat.
- [Smart Life] Launch of a payment/settlement platform in collaboration with businesses in the mobility area, with a view to implementing in society payment/settlement services by a transportation company.
- [Regional revitalization] Launch of an advisory support service for public corporations of the local government (with Hakuba Village and other local governments and local public corporations deciding a service usage)
- [Health Care] It was decided that a platform provided through a consortium comprised of three companies including us at the Osaka Health Care Pavillion would be deployed as a business after the finish of Expo 2025 Osaka, Kansai, Japan.

Global Initiatives: Develop business in major ASEAN countries and strengthen approaches toward North America and other markets

- The aim is to train and develop employees into talented individuals capable of supporting our global businesses in the future. An implementation of programs to send young employees to overseas subsidiaries and affiliates began. Training programs before sending them over are underway.

Next, I will provide an update on the progress of our growth businesses.

Our growth businesses have three focus areas: market development, business development and global initiatives. The aim is to establish new sources of revenue and create value.

These areas are expected to form the basis of future earnings. In terms of market development, we have launched the "Data & AI Innovation Lab", which is a digital transformation support business. Regarding business development, we are promoting initiatives in four areas and steadily building a foundation for business expansion by launching new services and projects.

FY March 2026 (Full-Year) Performance Forecast

No Revisions

- ✓ No revisions are made to forecast values announced at the beginning of the fiscal year.
- ✓ The progress in the first quarter was on track from the viewpoint of the full-year forecast.

	(Unit : Billion Yen)		
	FY March 2025 (Full Year Results)	FY March 2026 (Full Year Forecast)	YoY
Revenue	404.0	420.0	+16.0 (+4.0%)
Gross profit	105.8	113.0	+7.2 (+6.8%)
SG&A expenses	-67.4	-71.0	-3.6 (+5.3%)
Share of profit (loss) of investments accounted for using equity method / Other income and expenses	0.6	0.6	-0.0
Operating profit	39.1	42.6	+3.5 (+9.0%)
(Operating margin)	(9.7%)	(10.1%)	(+0.5pt)
Profit attributable to owners of parent	27.0	29.0	+2.0 (+7.5%)
Adjusted operating profit*	38.4	42.0	+3.6 (+9.3%)
(Adjusted operating margin)	(9.5%)	(10.0%)	(+0.5pt)
	(Unit : Yen)		
Dividends per share	110	120	+10 (+9.1%)
Mid-term Dividend	50	60	+10 (+20.0%)
Year-end Dividend	60	60	-
Dividend Payout Ratio	(40.3%)	(40.2%)	(-0.1pt)

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

Finally, I will explain the full-year performance forecast for the fiscal year ending March 2026.

The current business environment remains favorable, with customers continuing to demonstrate a strong commitment to investing in DX. We do not anticipate any significant changes from the beginning of the fiscal year.

As a result, progress in Q1 was in line with our full-year forecast. However, given the current social situation and the uncertainty surrounding its potential impact on customer investment sentiment, we have maintained our full-year forecast for the fiscal year ending March 2026 at the level announced at the start of the fiscal year.

We will continue to strive to achieve our forecast for the current fiscal year by securing customer demand, while also working to improve profitability further by expanding our core and growth businesses in line with the Management Policies.

This is the end of the explanation.

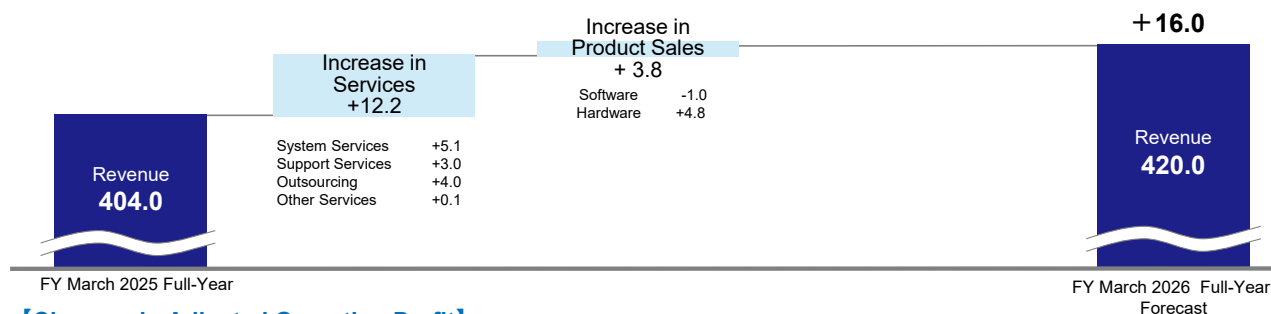
(Reference Materials)

FY March 2026 (Full-Year) Performance Forecast Breakdown Details

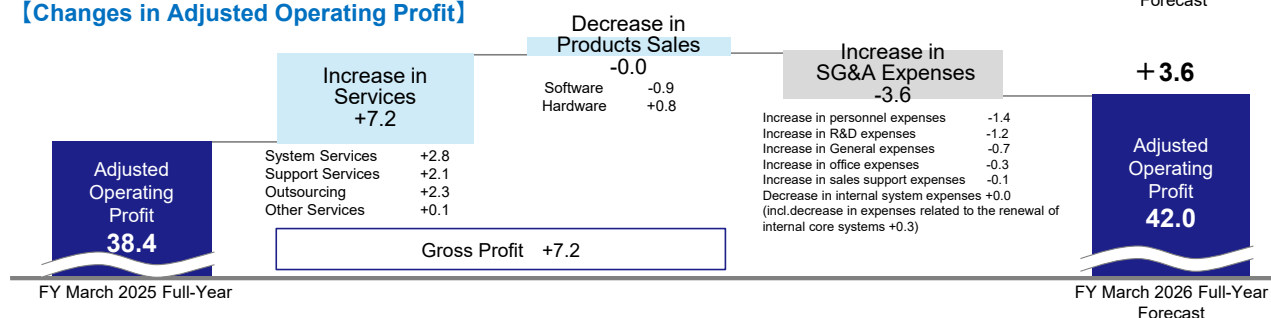
No Revision

(Unit: Billion Yen)

【Changes in Revenue】



【Changes in Adjusted Operating Profit】

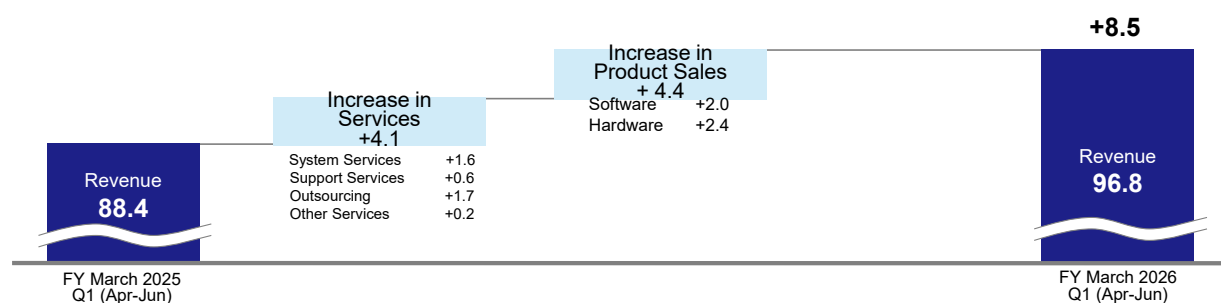


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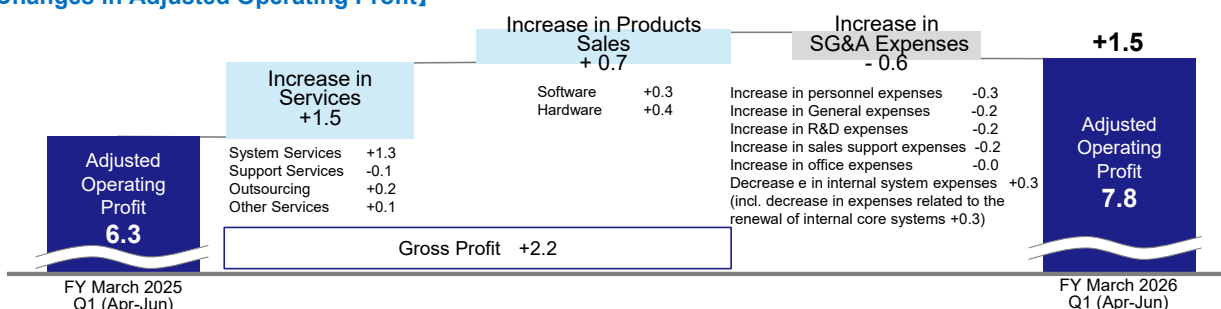
FY March 2026 Q1 (Apr-Jun) Performance Breakdown Details

(Unit: Billion of Yen)

【Changes in Revenue】



【Changes in Adjusted Operating Profit】



(Reference Information)

UNIADEx Performance Summary

- ✓ Revenue and profits increased partly based upon posting large-scale businesses related to a government agency.
- ✓ Strong businesses related to networks continued to be expected mainly with government agencies in this period, as well.

[Consolidated Performance Results]

(incl. internal businesses among consolidated companies)

(Unit : Billion Yen)

	FY March 2025 Q1 (Apr-Jun)	FY March 2026 Q1 (Apr-Jun)	YoY	
Revenue	37.7	42.3	+4.6	(+12.3%)
Gross profit	7.9	8.6	+0.7	(+8.6%)
SG&A expenses	-4.1	-4.5	-0.4	(+9.6%)
Operating profit	3.8	4.1	+0.3	(+7.5%)
(Operating margin)	(10.1%)	(9.7%)	(-0.4pt)	

[Revenue and Gross Profit (Gross Margin) by Segment]

(incl. internal businesses among consolidated companies)

(Unit : Billion Yen)

	FY March 2025 Q1 (Apr-Jun)		FY March 2026 Q1 (Apr-Jun)		YoY			
	Revenue	Gross Profit (Gross Margin)	Revenue	Gross Profit (Gross Margin)	Revenue		Gross Profit (Gross Margin)	
System services	4.6	1.2 (26.2%)	4.3	1.2 (27.7%)	-0.3	(-5.7%)	-0.0 (+1.5pt)	(-0.2%) -
Support services	10.8	3.0 (27.7%)	11.1	2.7 (24.1%)	+0.4	(+3.6%)	-0.3 (-3.6pt)	(-9.7%) -
Outsourcing	6.2	1.1 (17.4%)	6.6	1.1 (17.0%)	+0.4	(+6.2%)	+0.0 (-0.4pt)	(+3.9%) -
Other services	2.5	0.4 (17.6%)	2.5	0.5 (18.0%)	+0.1	(+3.1%)	+0.0 (+0.4pt)	(+5.7%) -
Software	4.3	0.4 (9.2%)	6.2	1.0 (16.0%)	+2.0	(+46.4%)	+0.6 (+6.8pt)	(+154.0%) -
Hardware	9.4	1.8 (19.6%)	11.5	2.1 (18.7%)	+2.1	(+22.0%)	+0.3 (-0.9pt)	(+16.2%) -
Total	37.7	7.9 (21.0%)	42.3	8.6 (20.3%)	+4.6	(+12.3%)	+0.7 (-0.7pt)	(+8.6%) -

(*) The numbers in this page are described in compliance with the J-GAAP.



Foresight in sight

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