



[Summary]Consolidated Financial Report for the First Quarter of Fiscal Year Ending March 31, 2023 [IFRS]

August 3, 2022

BIPROGY Inc.

| | |
|---|---|
| Stock Listing: | Tokyo Stock Exchange, Prime Market |
| Stock Code: | 8056 |
| URL: | https://www.biprogy.com/e/ |
| Representative: | Akiyoshi Hiraoka, Representative Director, President & CEO |
| Scheduled Submission Date for Quarterly Report: | August 12, 2022 |
| Scheduled Starting Date for Dividend Payment: | — |
| Earnings Supplementary Explanatory Documents: | yes |
| Earnings Results Briefing: | yes (for institutional investors and analysts) |

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Financial Results for FY2023 Q1(from April 1, 2022 to June 30, 2022)

(1) Consolidated Results of Operations

(Percentage below represents increase (decrease) from previous year)

| | Revenue | | Operating profit | | Profit before tax | | Profit attributable to owners of parent | | Comprehensive income | |
|------------------|-----------------|-------|------------------|-----|-------------------|------|---|------|----------------------|--------|
| | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % |
| FY2023 Q1 | 70,517 | 4.3 | 4,778 | 0.5 | 5,828 | 13.3 | 3,919 | 11.4 | 2,172 | (41.3) |
| FY2022 Q1 | 67,619 | (0.4) | 4,756 | 6.6 | 5,145 | 12.2 | 3,516 | 11.7 | 3,697 | 7.5 |

(Note) Adjusted operating profit FY2023 Q1 : 4,764 Million Yen (1.5%) FY2022 Q1 : 4,693 Million Yen (5.1%)

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

| | Basic earnings per share | Diluted earnings per share |
|------------------|--------------------------|----------------------------|
| | Yen | Yen |
| FY2023 Q1 | 39.02 | 38.90 |
| FY2022 Q1 | 35.03 | 34.91 |

(2) Consolidated Financial Position

| | Total assets | Total equity | Equity attributable to owners of parent | Ratio of equity attributable to owners of parent to total assets |
|------------------|-----------------|-----------------|---|--|
| | Millions of Yen | Millions of Yen | Millions of Yen | % |
| FY2023 Q1 | 248,757 | 127,640 | 126,104 | 50.7% |
| FY2022 | 268,647 | 130,674 | 128,917 | 48.0% |

2. Dividends

| | Dividends Per Share | | | | |
|--------------------------|---------------------|-----------|-----------|----------|-------|
| | End of Q1 | End of Q2 | End of Q3 | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| FY2022 | — | 35.00 | — | 50.00 | 85.00 |
| FY2023 | — | | | | |
| FY2023 (Forecast) | | 40.00 | — | 40.00 | 80.00 |

(Note) Revisions to the latest forecast of dividends: No

3. Consolidated Earnings Forecast for FY2023(from April 1, 2022 to March 31, 2023)

(Percentage below represents increase (decrease) from previous year)

| | Revenue | | Operating profit | | Profit before tax | | Profit attributable to owners of parent | | Basic earnings per share |
|---------------|-----------------|-----|------------------|-----|-------------------|-------|---|-------|--------------------------|
| | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % | Yen |
| FY2023 | 330,000 | 3.9 | 29,000 | 5.7 | 29,000 | (1.9) | 20,000 | (2.4) | 199.16 |

(Note1) Revisions to the latest forecast of consolidated earnings: No

(Note2) Adjusted operating profit (Full Year) 29,000 Million Yen (8.7%)

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in change in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates and restatement of corrections

1. Changes in accounting policies as required by IFRS : No

2. Other changes in accounting policies: No

3. Changes in accounting estimates: No

| | | | | |
|---|-----------|-------------|-----------|-------------|
| (3) Number of shares outstanding (common stock) | | | | (shares) |
| 1. Number of shares outstanding (including treasury shares) | FY2023 Q1 | 109,663,524 | FY2022 | 109,663,524 |
| 2. Number of shares of treasury stock | FY2023 Q1 | 9,201,956 | FY2022 | 9,218,006 |
| 3. Average number of shares outstanding (during the period) | FY2023 Q1 | 100,453,093 | FY2022 Q1 | 100,394,205 |

*This consolidated financial report is not subject to quarterly review procedures.

*Comment regarding appropriate usage of earnings forecast, and other special notes

The forward-looking statements such as earnings forecasts contained in this document are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. The Company makes no warranty as to the achievability of what is described in the statements. Actual results may differ from these forecasts due to various factors.

2. Condensed Consolidated Financial Statements and Notes

(1) Condensed Consolidated Statements of Financial Position

| | Millions of Yen | |
|---|------------------------|-----------------------|
| | FY2022 | FY2023 Q1 |
| | (As of March 31, 2022) | (As of June 30, 2022) |
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 48,703 | 49,949 |
| Trade and other receivables | 80,249 | 49,047 |
| Contract assets | 6,467 | 9,970 |
| Inventories | 9,550 | 12,548 |
| Other financial assets | 666 | 679 |
| Other current assets | 12,419 | 16,256 |
| Total current assets | 158,056 | 138,453 |
| Non-current assets | | |
| Property, plant and equipment | 11,479 | 11,145 |
| Right-of-use assets | 19,888 | 18,442 |
| Goodwill | 1,589 | 1,903 |
| Intangible assets | 21,722 | 22,835 |
| Investments accounted for using equity method | 2,855 | 3,709 |
| Other financial assets | 42,293 | 41,081 |
| Deferred tax assets | 3,222 | 3,384 |
| Retirement benefit asset | 1,623 | 1,626 |
| Other non-current assets | 5,916 | 6,175 |
| Total non-current assets | 110,590 | 110,304 |
| Total assets | 268,647 | 248,757 |

Millions of Yen

| | FY2022 (As of March 31, 2022) | FY2023 Q1 (As of June 30, 2022) |
|--|----------------------------------|------------------------------------|
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities | | |
| Trade and other payables | 29,771 | 19,308 |
| Contract liabilities | 19,959 | 26,762 |
| Borrowings | 6,275 | 6,275 |
| Lease liabilities | 8,033 | 7,721 |
| Other financial liabilities | 2,203 | 6,317 |
| Income taxes payable | 6,039 | 233 |
| Provisions | 161 | 56 |
| Other current liabilities | 25,704 | 15,934 |
| Total current liabilities | 98,148 | 82,610 |
| Non-current liabilities | | |
| Borrowings | 14,575 | 14,575 |
| Lease liabilities | 12,967 | 11,856 |
| Other financial liabilities | 389 | 370 |
| Retirement benefit liability | 9,945 | 9,694 |
| Provisions | 1,652 | 1,653 |
| Deferred tax liabilities | 262 | 331 |
| Other non-current liabilities | 30 | 26 |
| Total non-current liabilities | 39,823 | 38,506 |
| Total liabilities | 137,972 | 121,117 |
| Equity | | |
| Share capital | 5,483 | 5,483 |
| Capital surplus | 14,944 | 14,935 |
| Treasury shares | (13,400) | (13,373) |
| Other components of equity | 8,290 | 6,559 |
| Retained earnings | 113,599 | 112,499 |
| Total equity attributable to owners of parent | 128,917 | 126,104 |
| Non-controlling interests | 1,757 | 1,535 |
| Total equity | 130,674 | 127,640 |
| Total liabilities and equity | 268,647 | 248,757 |

(2) Condensed Consolidated Statements of Profit or Loss and Comprehensive Income

(Condensed Consolidated Statements of Profit or Loss)

Millions of Yen

| | FY2022 Q1 (Three months ended June 30, 2021) | FY2023 Q1 (Three months ended June 30, 2022) |
|--|--|--|
| Revenue | 67,619 | 70,517 |
| Cost of sales | 49,947 | 52,289 |
| Gross profit | 17,671 | 18,227 |
| Selling, general and administrative expenses | 12,977 | 13,462 |
| Share of profit (loss) of investments accounted for using equity method | (5) | 111 |
| Other income | 72 | 26 |
| Other expenses | 4 | 124 |
| Operating profit | 4,756 | 4,778 |
| Finance income | 434 | 1,200 |
| Finance costs | 45 | 149 |
| Profit before tax | 5,145 | 5,828 |
| Income tax expense | 1,634 | 1,947 |
| Profit | 3,510 | 3,881 |
| Profit attributable to | | |
| Owners of parent | 3,516 | 3,919 |
| Non-controlling interests | (5) | (37) |
| Profit | 3,510 | 3,881 |
| Earnings per share | | |
| Basic earnings per share (Yen) | 35.03 | 39.02 |
| Diluted earnings per share (Yen) | 34.91 | 38.90 |

(Condensed Consolidated Statements of Comprehensive Income)

Millions of Yen

| | FY2022 Q1 (Three months ended June 30, 2021) | FY2023 Q1 (Three months ended June 30, 2022) |
|---|--|--|
| Profit | 3,510 | 3,881 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income | 112 | (1,843) |
| Share of other comprehensive income of investments accounted for using equity method | (0) | - |
| Total of items that will not be reclassified to profit or loss | 112 | (1,843) |
| Items that may be reclassified to profit or loss | | |
| Exchange differences on translation of foreign operations | 74 | 140 |
| Share of other comprehensive income of investments accounted for using equity method | - | (6) |
| Total of items that may be reclassified to profit or loss | 74 | 134 |
| Other comprehensive income, net of tax | 186 | (1,709) |
| Comprehensive income | 3,697 | 2,172 |
| Comprehensive income attributable to | | |
| Owners of parent | 3,698 | 2,206 |
| Non-controlling interests | (1) | (34) |
| Comprehensive income | 3,697 | 2,172 |

(3) Condensed Consolidated Statements of Changes in Equity

FY2022 Q1[From April 1, 2021 to June 30, 2021]

(Millions of yen)

| | Equity attributable to owners of parent | | | | | |
|---|---|-----------------|-----------------|--|--------------------------|--|
| | | | | Other components of equity | | |
| | Share capital | Capital surplus | Treasury shares | Financial assets measured at fair value through other comprehensive income | Share acquisition rights | Share of other comprehensive income of investments accounted for using equity method |
| As of April 1, 2021 | 5,483 | 14,901 | (13,475) | 6,132 | 518 | 0 |
| Profit | | | | | | |
| Other comprehensive income | | | | 112 | | (0) |
| Comprehensive income | - | - | - | 112 | - | (0) |
| Dividends of surplus | | | | | | |
| Purchase of treasury shares | | | (0) | | | |
| Loss of control of subsidiaries | | | | | | |
| Changes in ownership interest in subsidiaries | | | | | | |
| Transfer from other components of equity to retained earnings | | | | (9) | | |
| Other | | | | | | |
| Total transactions with owners | - | - | (0) | (9) | - | - |
| As of June 30, 2021 | 5,483 | 14,901 | (13,475) | 6,235 | 518 | 0 |

| | Equity attributable to owners of parent | | | | | |
|---|---|-------|-------------------|---------|---------------------------|--------------|
| | Other components of equity | | | | | |
| | Exchange differences on translation of foreign operations | Total | Retained earnings | Total | Non-controlling interests | Total equity |
| As of April 1, 2021 | (34) | 6,618 | 98,744 | 112,271 | 1,715 | 113,986 |
| Profit | | | 3,516 | 3,516 | (5) | 3,510 |
| Other comprehensive income | 69 | 181 | | 181 | 4 | 186 |
| Comprehensive income | 69 | 181 | 3,516 | 3,698 | (1) | 3,697 |
| Dividends of surplus | | | (3,513) | (3,513) | (103) | (3,617) |
| Purchase of treasury shares | | | | (0) | | (0) |
| Loss of control of subsidiaries | | | | | (166) | (166) |
| Changes in ownership interest in subsidiaries | | | | | (38) | (38) |
| Transfer from other components of equity to retained earnings | | (9) | 9 | | | - |
| Other | | | (5) | (5) | | (5) |
| Total transactions with owners | - | (9) | (3,510) | (3,519) | (308) | (3,828) |
| As of June 30, 2021 | 35 | 6,790 | 98,750 | 112,450 | 1,405 | 113,856 |

| | Equity attributable to owners of parent | | | | | |
|---|---|-----------------|-----------------|--|--------------------------|--|
| | | | | Other components of equity | | |
| | Share capital | Capital surplus | Treasury shares | Financial assets measured at fair value through other comprehensive income | Share acquisition rights | Share of other comprehensive income of investments accounted for using equity method |
| As of April 1, 2022 | 5,483 | 14,944 | (13,400) | 7,698 | 485 | 3 |
| Profit | | | | | | |
| Other comprehensive income | | | | (1,843) | | (6) |
| Comprehensive income | - | - | - | (1,843) | - | (6) |
| Dividends of surplus | | | | | | |
| Purchase of treasury shares | | | (0) | | | |
| Disposal of treasury shares | | (9) | 27 | | (18) | |
| Changes in ownership interest in subsidiaries | | | | | | |
| Transfer from other components of equity to retained earnings | | | | (0) | | |
| Other | | | | | | |
| Total transactions with owners | - | (9) | 27 | (0) | (18) | - |
| As of June 30, 2022 | 5,483 | 14,935 | (13,373) | 5,854 | 467 | (3) |

| | Equity attributable to owners of parent | | | | | |
|---|---|---------|-------------------|---------|---------------------------|--------------|
| | Other components of equity | | | | | |
| | Exchange differences on translation of foreign operations | Total | Retained earnings | Total | Non-controlling interests | Total equity |
| As of April 1, 2022 | 104 | 8,290 | 113,599 | 128,917 | 1,757 | 130,674 |
| Profit | | | 3,919 | 3,919 | (37) | 3,881 |
| Other comprehensive income | 137 | (1,712) | | (1,712) | 3 | (1,709) |
| Comprehensive income | 137 | (1,712) | 3,919 | 2,206 | (34) | 2,172 |
| Dividends of surplus | | | (5,022) | (5,022) | (135) | (5,157) |
| Purchase of treasury shares | | | | (0) | | (0) |
| Disposal of treasury shares | | (18) | | 0 | | 0 |
| Changes in ownership interest in subsidiaries | | | | | (52) | (52) |
| Transfer from other components of equity to retained earnings | | (0) | 0 | | | - |
| Other | | | 3 | 3 | | 3 |
| Total transactions with owners | - | (18) | (5,018) | (5,018) | (187) | (5,206) |
| As of June 30, 2022 | 241 | 6,559 | 112,499 | 126,104 | 1,535 | 127,640 |

(4) Condensed Consolidated Statements of Cash Flows

Millions of Yen

| | FY2022 Q1 (Three months ended June 30, 2021) | FY2023 Q1 (Three months ended June 30, 2022) |
|---|--|--|
| Cash flows from operating activities | | |
| Profit before tax | 5,145 | 5,828 |
| Depreciation and amortization | 4,158 | 4,055 |
| Impairment losses | - | 58 |
| Interest and dividend income | (235) | (253) |
| Interest expenses | 42 | 37 |
| Share of loss (profit) of investments accounted for using equity method | 5 | (111) |
| Decrease (increase) in trade and other receivables | 26,674 | 31,233 |
| Decrease (increase) in contract assets | (2,809) | (3,503) |
| Decrease (increase) in inventories | (1,302) | (2,997) |
| Increase (decrease) in trade and other payables | (11,066) | (10,485) |
| Increase (decrease) in contract liabilities | 5,654 | 6,789 |
| Increase or decrease in retirement benefit asset or liability | (257) | (254) |
| Other | (7,573) | (10,728) |
| Subtotal | 18,435 | 19,669 |
| Interest and dividends received | 237 | 254 |
| Interest paid | (30) | (26) |
| Income taxes paid | (6,286) | (7,000) |
| Net cash provided by (used in) operating activities | 12,354 | 12,897 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (595) | (384) |
| Proceeds from sale of property, plant and equipment | 0 | 0 |
| Purchase of intangible assets | (1,859) | (2,560) |
| Purchase of investment securities | (828) | (809) |
| Proceeds from sale of investment securities | 35 | 0 |
| Decrease from loss of control over subsidiaries | (480) | - |
| Purchase of investments accounted for using equity method | - | (544) |
| Other | 344 | 7 |
| Net cash provided by (used in) investing activities | (3,383) | (4,290) |

Millions of Yen

| | FY2022 Q1 | FY2023 Q1 |
|---|---------------------------------------|---------------------------------------|
| | (Three months ended June 30, 2021) | (Three months ended June 30, 2022) |
| Cash flows from financing activities | | |
| Repayments of long-term borrowings | (385) | - |
| Repayments of lease liabilities | (2,207) | (2,173) |
| Dividends paid | (3,460) | (4,955) |
| Dividends paid to non-controlling interests | (103) | (135) |
| Other | 73 | (154) |
| Net cash provided by (used in) financing activities | (6,083) | (7,419) |
| Effect of exchange rate changes on cash and cash equivalents | 30 | 57 |
| Net increase (decrease) in cash and cash equivalents | 2,918 | 1,245 |
| Cash and cash equivalents at beginning of period | 46,281 | 48,703 |
| Cash and cash equivalents at end of period | 49,199 | 49,949 |