



Results for the Fiscal Year Ended March 2022

May 6, 2022
BIPROGY Inc.



1 Summary of the Results for FYMar2022

2 Progress under the Management Policies (2021-2023)

3 Full-Year Performance Forecast for FYMar2023

4 Towards a Medium- to Long-term Growth

FYMar2022 Consolidated Performance Results (IFRS)

- ✓ Solid sales of system services and outsourcing drove earnings.
- ✓ Order intake increased mainly based on the continuingly strong performance of DX system service projects.

(Unit: Billion Yen)

	FYMar2021	FYMar2022	Changes		
Revenue	308.4	317.6	+9.2	(+3.0%)	(Revenue) Revenue increased due to growth in system services centered on DX-related projects and steady growth in outsourcing revenue.
Gross Profit	79.2	83.1	+3.9	(+4.9%)	
SG&A Expenses	-54.0	-56.5	-2.4	(+4.5%)	
Other income and expenses	-0.6	0.8	+1.3		(Operating Profit) Operating profit increased mainly due to higher gross profit from increased sales and improved profitability.
Operating Profit	24.6	27.4	+2.8	(+11.4%)	
(Operating Margin)	(8.0%)	(8.6%)	(+0.7pt)		(Profit attributable to Owners of Parent) Operating profit and finance income grew. As a result, profit was driven.
Profit attributable to Owners of Parent	16.6	20.5	+3.9	(+23.1%)	
Adjusted Operating Profit*	25.2	26.7	+1.5	(+5.9%)	
(Adjusted Operating Margin)	(8.2%)	(8.4%)	(+0.2pt)		
Orders	324.3	327.0	+2.7	(+0.8%)	(Orders and Order Backlogs) System services continued to show strength more than comparable to the previous period. Orders and order backlogs increased over the previous fiscal year.
Order Backlogs	242.4	251.7	+9.3	(+3.8%)	
(Order backlogs in the current FY)	113.1	124.0	+10.9	(+9.6%)	

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

We reinvented ourselves as the BIPROGY Group on April 1, 2022. We are prepared to transform ourselves furthermore in order to create social value as stated in the Purpose. We would like to solicit your continued support and kind considerations.

First of all, I would like to brief you on the summary of our performance for the fiscal year ending March 2022.

Revenue was ¥317.6 billion up by ¥9.2 billion compared with the previous fiscal year on the basis of an increase in system services projects related to digital transformation (DX) and steadily accumulated outsourcing business projects.

Despite an increase in SG&A expenses, gross profit was increased as a result of the strong revenue as well as improved profitability.

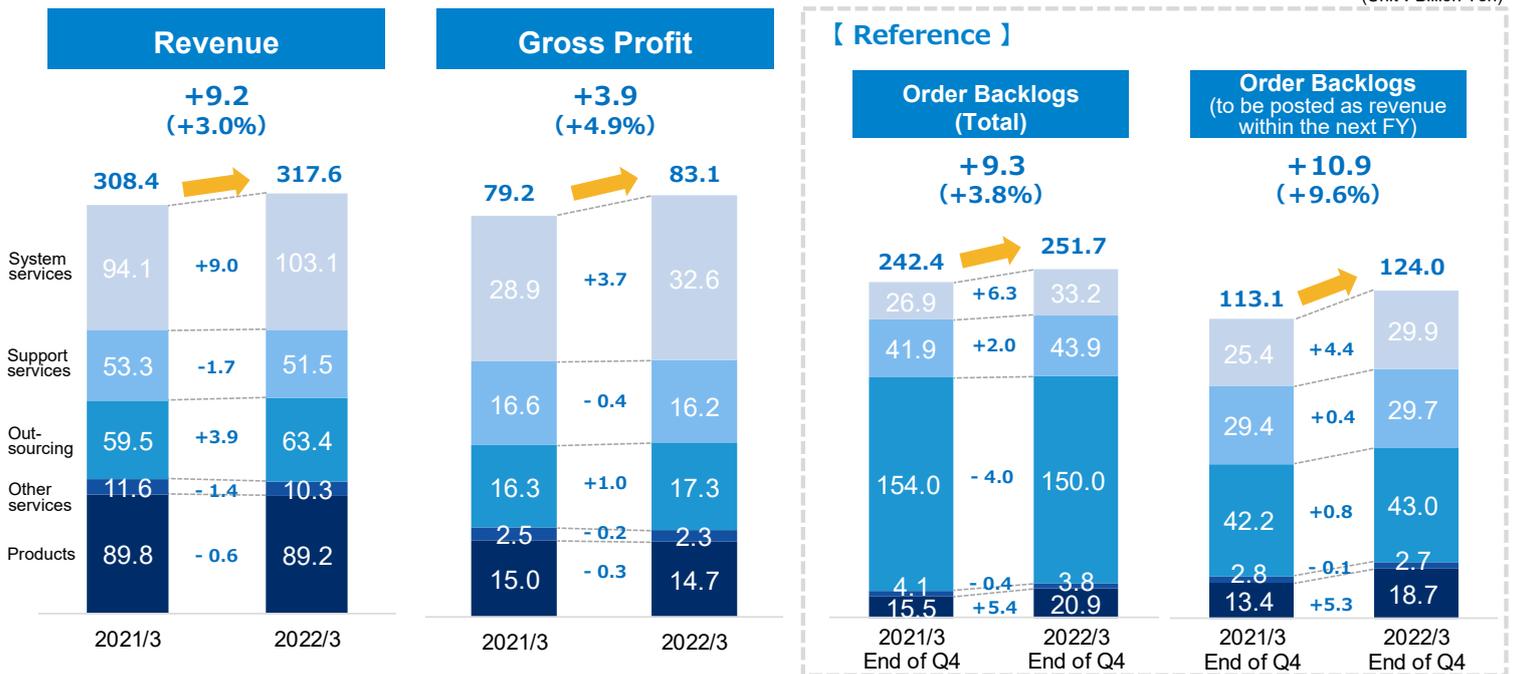
We posted operating profit of ¥27.4 billion, an increase of ¥2.8 billion compared with the previous fiscal year, adjusted operating profit of ¥26.7 billion, an increase of ¥1.5 billion, and profit attributable of owners of parent of ¥20.5 billion, an increase of ¥3.9 billion. The adjusted operating margin was 8.4%.

Revenue fell slightly below the publicly announced forecast partly due to impacts of a shortage of semiconductors. However, operating income and operating margin beat the forecast, attributable to an improved profitability.

Orders exceeded the level of the previous fiscal year attributable to system services remaining at a high level in the fourth quarter as before. Order backlogs also exceeded the previous fiscal year.

FYMar2022 Revenue and Gross Profit by Segment (IFRS)

(Unit : Billion Yen)



Next, I would like to summarize the revenue and profit by segment.

System services' revenue and gross profit increased as a result of continued steady performances of DX projects for customers of various industries such as financial institutions, retailers, and public service providers.

Platform services for EC businesses and financial institutions were accumulated steadily. Furthermore, implementation services before production and post-production operation services made steady progress, as well. As a result, outsourcing's revenue and gross profit increased.

Order backlogs increased compared with the end of the previous fiscal year. The increase was enabled due to an increase in system services' order backlogs. Order backlogs scheduled to be posted as revenue within the next fiscal year have been steadily accumulated, as well.

FYMar2022 Outsourcing (IFRS)

【Revenue by Outsourcing】

(Unit: Billion Yen)

	FYMar2021	FYMar2022	Changes
Entrusted operation-type	49.7	49.8	+0.1
Corporate DX-type	4.9	7.4	+2.5
Service-based-type (business creation-type)	4.9	6.2	+1.3
Total revenue	59.5	63.4	+3.9

【Order Backlogs by Outsourcing】

(Unit: Billion Yen)

	FYMar2021 End of Q4	FYMar2022 End of Q4	Changes
Order backlogs	154.0	150.0	-4.0
(to be posted as revenue within the next FY)	42.2	43.0	+0.8

(Corporate DX-type outsourcing)

- ✓ "BankVision on Azure", the nation's first public-cloud full banking system, is in service. The system continuously serves more customers.
- ✓ A service of implementing "OptBAE", a use-type core-banking service for regional financial institutions, makes steady progress. OptBAE began to serve multiple customers in the fourth quarter.

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

- ✓ "DIGITAL'ATELIER" (platform service for e-commerce) adoptions and implementations made smooth progress. The system began to serve a new e-commerce site of a major retailer in Q4.
- ✓ The Value Card business and the dashcam (Drive Recorder) service have remained stable.

Next, I would like to summarize the Outsourcing Business situations.

The Group aims to increase the outsourcing businesses with an eye toward creating social value as stated in the 'Management Policy (2021-2023)'.

Specifically, the Corporate DX-type Outsourcing's revenue and Service-based-type (business creation-type) Outsourcing's revenue increased. The business areas are related to promoting DX for customers in light of the 'For Customers' perspective to and solving social issues in light of the 'For Society' perspective, respectively.

In the Corporate DX-type Outsourcing business area, the Group made a steady revenue increase in platform services of promoting DX for financial institutions and revitalizing regions. We received many inquiries from customers about BankVision on Azure launched in May last year. The user number is steadily increasing. The Company has been implementing at many customers the 'OptBAE' use-type platform service designed for shinkin banks and other regional financial institutions. OptBAE began to serve multiple customers in January 2022.

DIGITAL'ATELIER, a platform service for electronic commerce, has made smooth progress among the service-based-type (business creation-type) outsourcing businesses. The platform began to operate for a new EC site of major retailer in the fourth quarter.

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Next, I would like to brief you on the progress of our efforts under the Management Policy (2021-2023).

The Company established the Management Policy (2021-2023) with an eye towards a new stage where we can sustainably improve the corporate value of our entire group, pursuant to the 'Purpose' and the 'Vision2030'.

We think that we had a good start in the fiscal year ending March 2022, the first year of the three-year period.

I would like to summarize initiatives or drivers for our future growth conducive to achieving our targets of the fiscal year 2023: outsourcing revenue ¥100.0 billion and the adjusted operating margin 10% or more.

Initiatives as our Future Growth Driver [1]

■ Uninterrupted increase in the total number of our (service-based-type and corporate DX-type) outsourcing services users at leading industry players

- EC business platform DIGITAL'ATELIER: Mail-order companies began to use as an OMO*support-type DX system
- AI-Order Foresight, an AI-driven automatic ordering service: Steadily more companies use the service as a key service for business DX at their stores.

■ Robust sales of systems that enable DX for customers and society

- Electronic shelf label solution: Major retailers take the lead in considering the use of and implementing the solution.
- Purchase and procurement solution eBuyerBrains: The Company receives many orders for and frequent inquiries about eBuyerBrains to enable sustainable procurement and ESG supports

■ Initiatives towards solving social issues have had rippling effects upon the entire value chains and supply chains



We have dealt very often with many core systems that make the base of corporate activities.

The knowledge and expertise integrated and organized in our solution packages have helped our customers operate businesses for many years.

We developed outsourcing services on the basis of those solutions and have been promoting the use. The services have grown. Customers of various industries have come to use the solutions in order to operate their mission-critical or core systems for their businesses in the recent years.

One example is DIGITAL'ATELIER, e-commerce business platform service. It has been continuously used as OMO compatible DX system. Another example is AI-Order Foresight, AI-driven automatic ordering service, steadily serves more companies as a key service to digitally transform shop operations.

Using our cloud-computing flexibility in gradually increasing automation subjects after starting small complies with the sense of speed of customers who are operating business in the VUCA age. Thus, the solutions are appreciated by customers.

Recently, electronic shelf labelling (DX business solution) gathers attention as a solution to solve social issues due to shrinking labor force. And, activities to evaluate entire supply chain mainly from the viewpoints of labor, human rights and the environment have been gaining strength. In this circumstance, we have received more inquiries about eBuyerBrains, a solution that supports sustainable procurement.

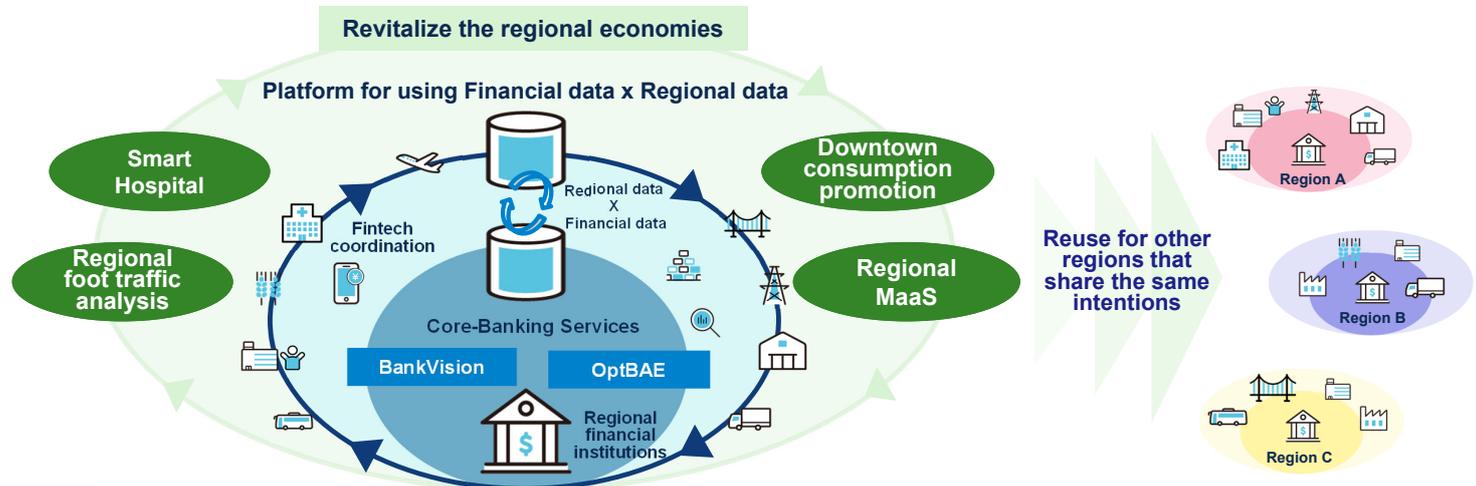
The BIPROGY group has been expanding the scope of attempts to solve social issues where it now even deals with value chains and supply chains across industries, by availing itself of services and AI technologies broadly inter-industrially applicable.

For example, stores can prevent excessive stock and avoid deadstock disposal based upon order quantity plans calculated by AI-driven automatic ordering system. Furthermore, the data if shared among wholesalers and carriers can help streamline deliveries and reduce CO² emissions. In addition, if consumers' buying patterns can be reflected to production plans on a real-time basis, we have possibilities of reducing production losses and procurement wastes.

Our group companies will continue to create sustainable social mechanisms supported by digital capabilities.

Initiatives as our Future Growth Driver [2]

- **New outsourcing services of core-banking system for regional financial institutions are used more after production**
 - BankVision on Azure : The nation's first full-banking public-cloud system began to serve multiple financial institutions decided on using the service. Many others are considering the use.
 - OptBAE : Two shinkin banks began to use the service. Preparations are being made for the service at many others.
- **Accumulate and share regional data and provide mechanisms to follow an improvement cycle in order to revitalize the regional economies**



We support efforts to digitally transform regional financial institutions. We also aim to develop and revitalize regional economies, which is the mission of regional financial institutions.

Our various types of outsourcing services such as those for core-banking businesses now serve many open-minded regional financial institutions in the financial industry, and are very often subject to new inquiries..

The Company has also provided regional financial institutions with DX promotion services that enable reforms at branch offices through BANK_FIT-NE and SmileBranch to streamline clerical duties and strengthen customer interactions.

BankVision on Azure unlike traditional core-banking system is operated in the Azure public cloud and thus capable of easy connections with external circles. It practices Open API inexpensively and quickly in a secure environment. The system can import advanced service data from Fintech companies. As a result, a data-driven cloud-computing mechanism to collect, integrate, analyze, and use data is established. In other words, it is a digitally transformed financial service of efficiently using data obtained from customer experience and applying it for new services.

The BIPROGY group earnestly working on regional revitalization in cooperation with regional financial institutions sharing the same understanding with us reverberate. As a result, regional data has been accumulated and used for revitalizing regional economies. It is a flow of data coming out of businesses of the For Customers perspective and flowing into businesses of the For Society perspective. We have confidence in the flow.

We will have a mechanism to share data produced from the activities and use for an improvement cycle. We will deploy it into other areas where we find partners sharing the same aspiration in order to contribute to developments and revitalizations of regional economies.

Other Initiatives to Support Businesses

Sustainability Management

Materiality to Achieve Business Growth

- Indicators to measure value that is enabled by 'businesses of social issue solution type that see society and the globe in light of total optimization' are being developed.
- Degrees of environmental contribution enabled by products and services conducive to environmental contribution are being more visualized.

Materiality to Support Business Growth

- [E] Business opportunities were extracted and risks were uncovered and impacts were evaluated by analyzing climate changes scenarios
- [S] Recognition as a Nadeshiko Brand listed company that promotes women in the workplace (FY2021 -
- [G] A four-grade evaluation is implemented for a new Materiality KPI system based upon ESG indicators. The results are reflected upon executives remunerations.

Workforce Strategies and Corporate Culture Reforms

- More employees have taken on challenges of striking a balance of social value creation and economic value creation. They are helped more by colleagues and organizations.

Investment Strategies

- Efforts to create businesses based upon merging our assets with start-up companies our investees are activated.

I would like to summarize our other initiatives to support business.

We have been studiously working on measuring methods of non-financial KPIs as indicated in the Materiality newly established under the sustainability promotion system and visualizing the methods. Our efforts for meeting a social demand of sustainable procurement are exemplified by eBuyerBrains which I briefed upon in the previous page and energy management system that was referred to in the past. The solutions are environmentally conducive and serves the aim of zero emissions as indicated through the materiality KPIs for business growth.

With regard to our workforce strategies and corporate culture reforms, we have seen more venture-spirited employees take on challenges of striking a balance of social value creation and economic value creation. They are helped by more colleagues and teams becoming empathetic.

For example, we have employees who are aware of a social issue of forest preservation eventually put under threat due to domestic timber finding no route to market, and have challenged themselves to work on stimulating demands for domestic timber. We have employees who established a service conducive to solving livestock producing issues after repeatedly interviewing stakeholders based upon hypotheses.

We have seen an increase in the Engagement Score every year. This proves that we have made a success of cultivating a corporate culture where employees take on challenges without fear of failure.

Our efforts in investment strategies include those to obtain partners who will join us in promoting assets and open innovation that can lead to future development. The efforts are burgeoning. A recent example is an attempt to use the CAD system asset of our group company in conjunction with drone system of a start-up company. It is a project to digitally transform inspection operations of a housing manufacturer. The project exemplifies our internal business coordination amongst our Group companies.

We will continue to actively promote investments partly into global business projects conducive to activities that will enable new growth.

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Full-Year Performance Forecast for FYMar2023 (IFRS)

- ✓ An increase in income and profit is expected on the basis of an increase in outsourcing business that promote DX for customers and society.

(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.

Next, I would like to brief you on the full-year performance forecast of the fiscal year ending March 2023.

Customers continue to have a strong appetite for DX investment. Order backlogs have accumulated steadily at this point in time. Outsourcing services are expected to further increase in response to our specific focus as indicated in our management policy.

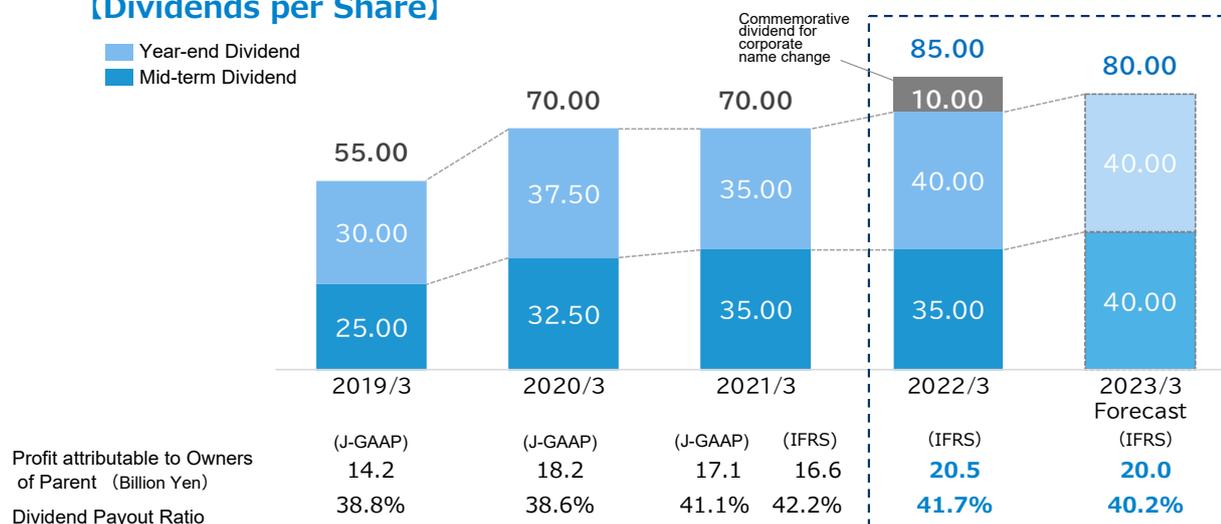
As a result, for the fiscal year ending March 2023, we plan to post revenue of ¥330.0 billion, operating profit of ¥29.0 billion, and profit attributable to owners of parent of ¥20.0 billion. Adjusted operating profit is expected to be ¥29.0 billion.

Full-Year Dividend Forecast for FYMar2023 (IFRS)

- ✓ We plan year-end dividends of ¥40 per share for the fiscal year ending March 2023, an increase of ¥5 per share compared with the latest dividends forecast of ¥35 per share.
- ✓ In addition, we plan a ¥10 commemorative dividend for corporate name change per share.

[Dividends per Share]

(Unit : Yen)



I would like to brief you on shareholder return.

We plan to pay the year-end dividend for the fiscal year ending March 2022 of ¥40 per share, up by ¥5 per share compared with ¥35 per share, the latest forecast.

In addition, upon this occasion of changing the company name we have decided to pay a commemorative dividend of ¥10 per share as a token of gratitude to our shareholders who have extended continued support. Our annual dividend will be ¥85 per share including the commemorative dividend ¥10 per share and the ordinary dividend of ¥75 per share.

For the fiscal year ending March 2023, we plan an annual dividend of ¥80 yen per share on the premise of ¥20 billion profit to be achieved as we assume and pursuant to a target payout ratio of 40% as stipulated in the Management Policy (2021-2023).

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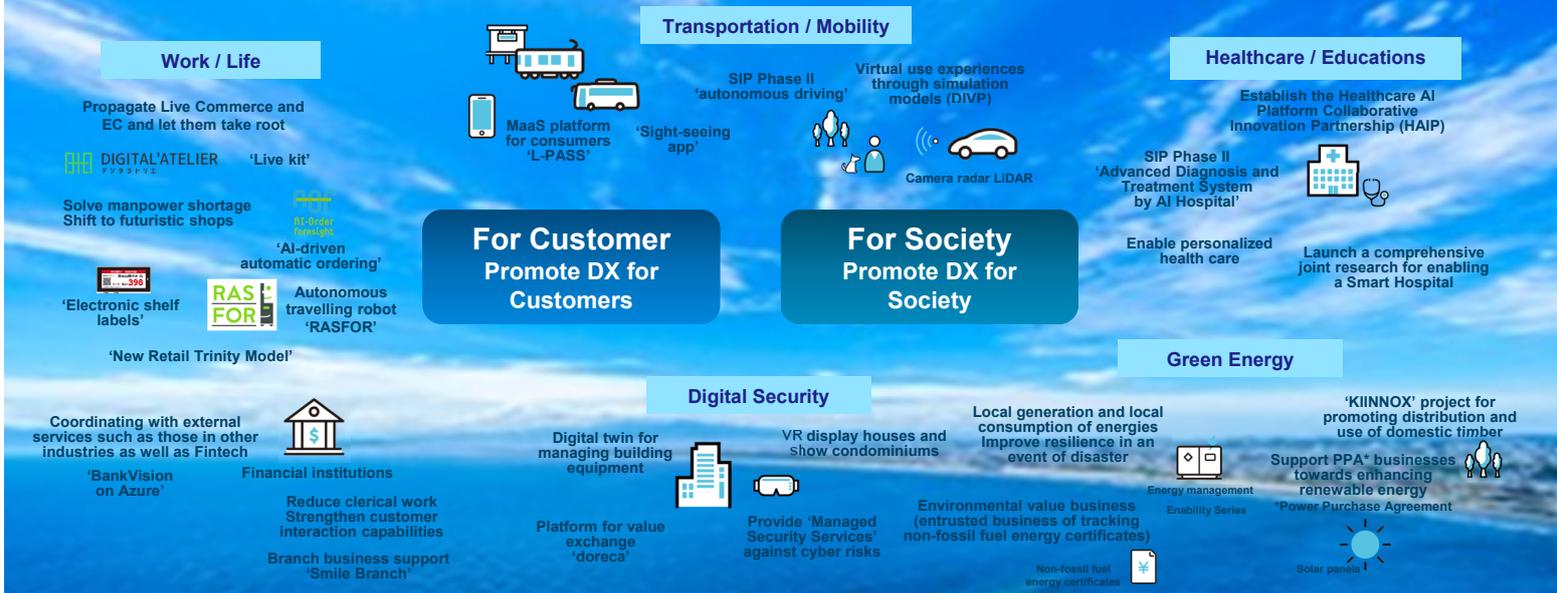
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'For Customers' and 'For Society' with an eye toward a Medium- to Long-term Growth

BIPROGY Group has promoted various initiatives in the businesses 'For Customers' and 'For Society'. We are working on activities conducive to realizing the 'Vision 2030'.

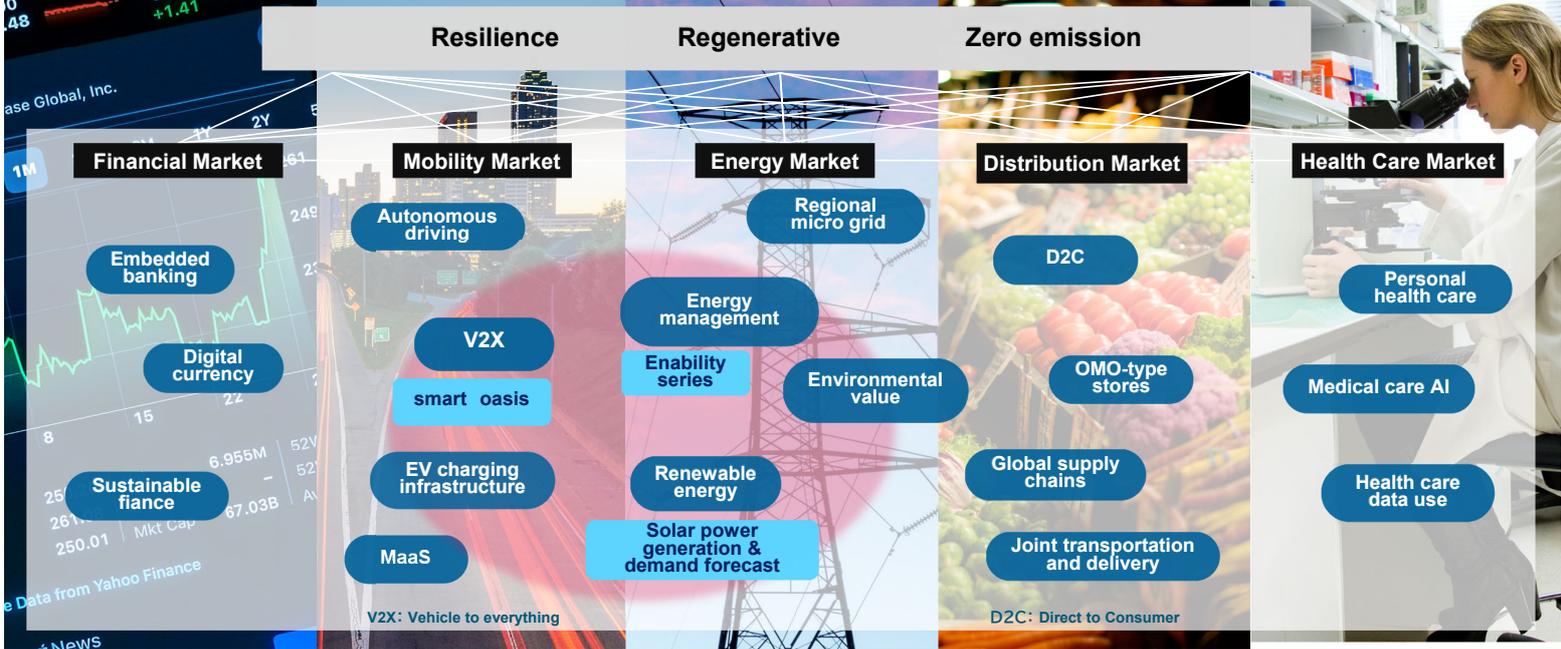


Next, I would like to brief you on our efforts designed to enable a medium-to and long-term growth.

We have promoted various types of efforts from the two perspectives described as the basic principles in the Management Policy (2021-2023): 'For Customers' to promote digital transformation efforts conducive to sustainable growth of customers and 'For Society' to promote digital transformation efforts conducive to solving social issues in cooperation with customers and business partners in related business sectors.

The BIPROGY group has created many business assets for many business sectors on the basis of the knowledge and expertise accumulated through the efforts to support customers.

Multiply business assets across industries into new markets capable of three types of social impacts (as a provider of digital commons aiming to create a sustainable society)



We aim to transform into a company that creates social value and economic value on the basis of combining many business assets across industries towards our medium- and long-term growth.

The BIPROGY group will establish a unique position in the business areas prospective from the viewpoints of resilience, zero emissions and regenerative approaches.

We have promoted our energy sector business related to non-fossil certificates. Also, we have accelerated our efforts to propagate and maximize the use of renewable energies. One example is an 'energy x mobility' initiative that we have been promoting with major electric power suppliers in cooperation with local governments.

The Company is implementing composite demonstration experiments about power control through EnabilityEMS creating an optimum charge and discharge daily plan based upon EVs' travelling data and booking information. The experiments are about limiting on maximum power consumption in compliance with the characteristics of solar energy and dispersed power sources such as storage batteries for EVs and controlling remaining battery of storage batteries and EVs to be used for sharing power in an event of power outage.

The initiative can further decarbonize the energy system by introducing renewable energies and enabling electric mobility. Furthermore, it can improve resilience in an event of disaster. We will take part in promoting regional microgrids with an eye on 2030. We will realize a society of zero emissions and resilience where energy locally generated will be locally consumed as we aim.

We of the BIPROGY group will avail ourselves of good relationships with customers in a wide range of industries that we have cultivated for a long time in order to create new markets through which we can make three social impacts: Resilience, Regenerative and Zero emissions.

We will provide Digital Commons designed to create a sustainable society.



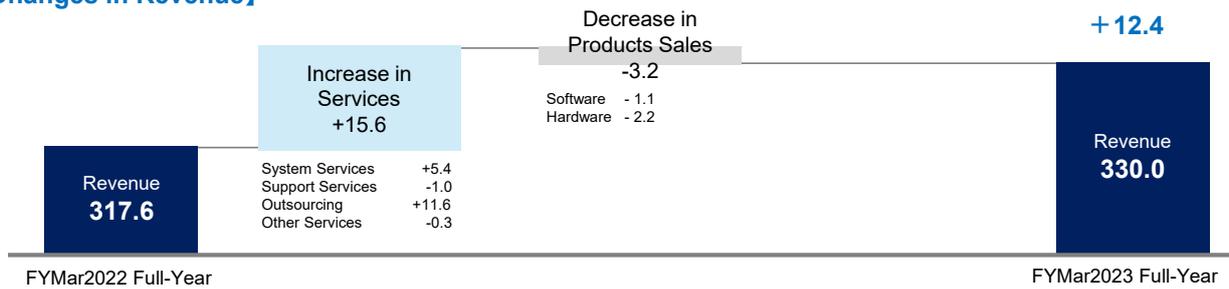
We have operated business under the name of BIPROGY Inc. towards realizing a sustainable society as stated in the Vision 2030 since April 1, 2022.

We of the BIPROGY group will do our best to live up to your expectations about the medium-to long-term growth and further developments.

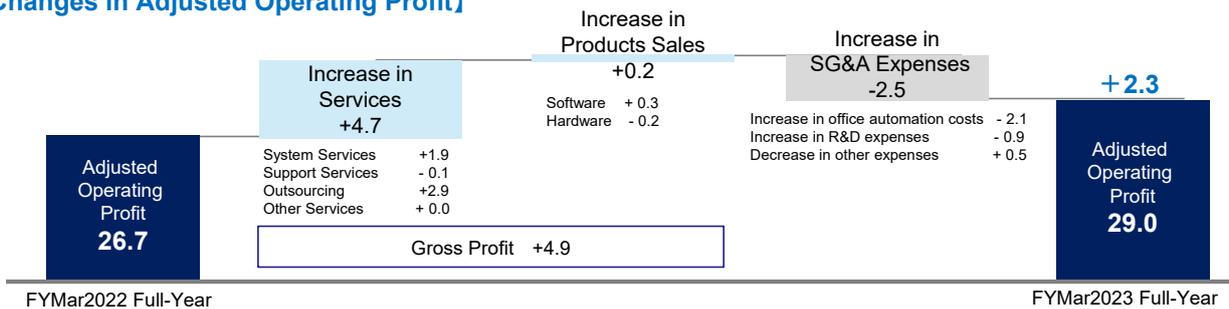
(Reference) Full-Year Performance Forecast for FYMar2023 (IFRS) Breakdown Details

【Changes in Revenue】

(Unit: Billion of Yen)

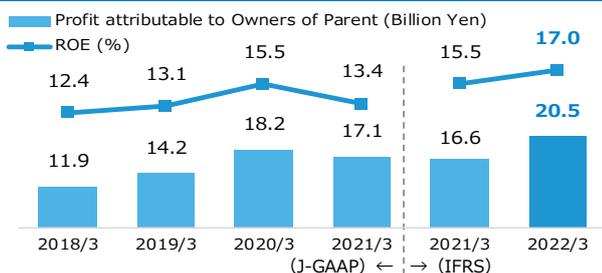


【Changes in Adjusted Operating Profit】



(Reference) Financial Indicators

Profit Attributable to Owners of Parent, ROE

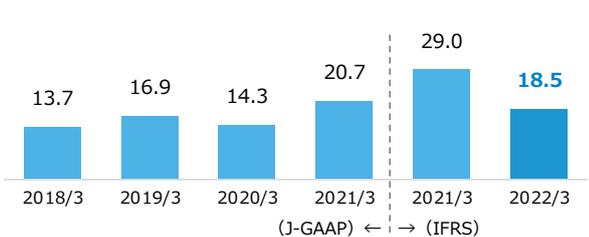


Total Shareholder Return (TSR)

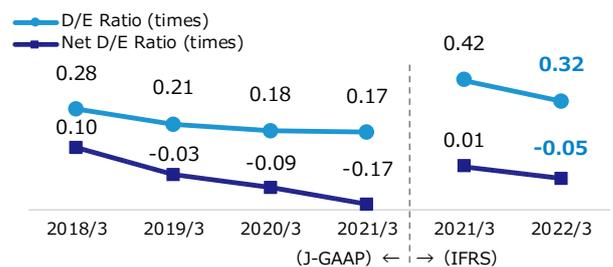


Free Cash Flow

(Unit: Billion Yen)



D/E Ratio



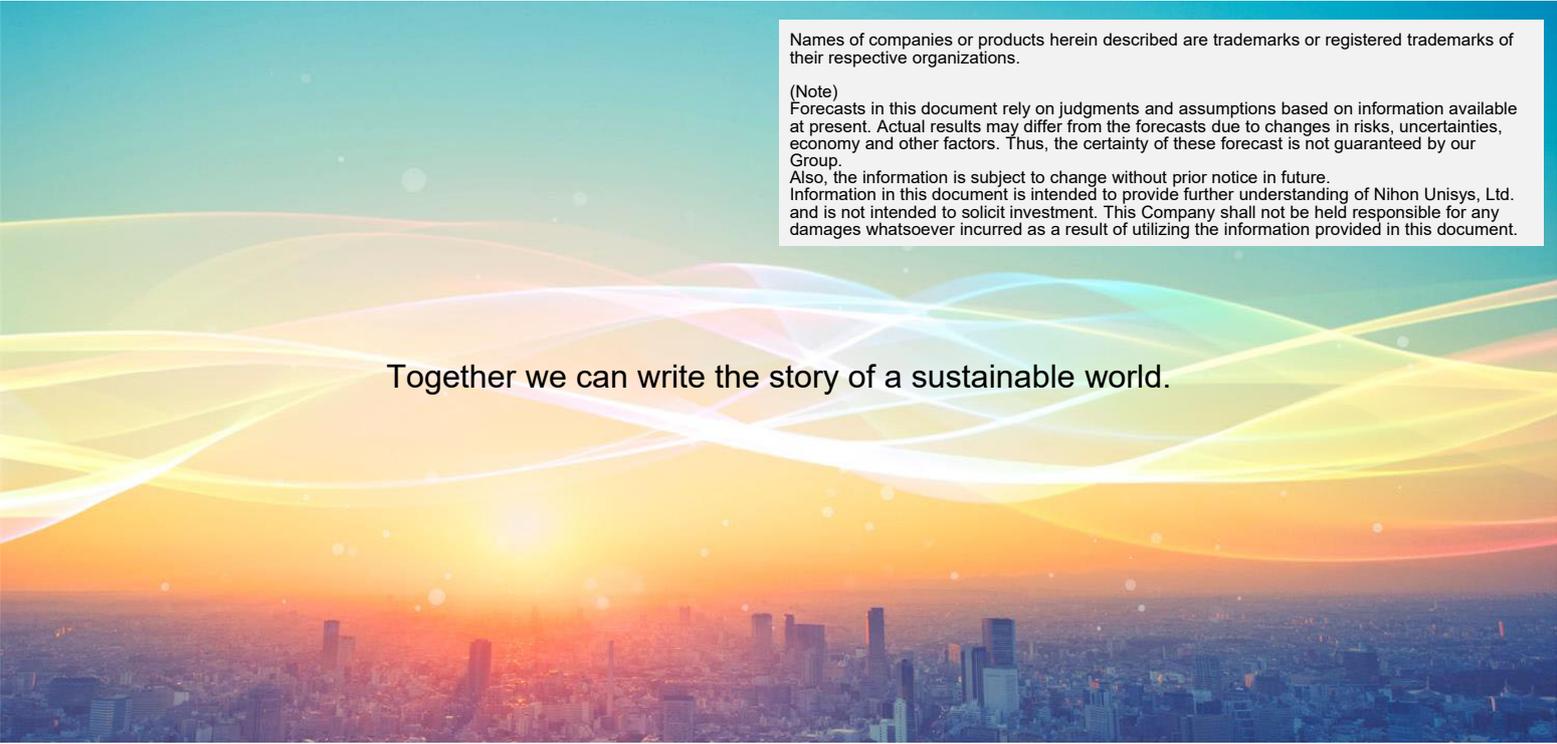
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(Note)

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.

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Together we can write the story of a sustainable world.



Nihon Unisys, Ltd. has changed its corporate name to BIPROGY Inc. as of April 1, 2022.