

[Summary]Consolidated Financial Report for the Fiscal Year Ending March 31, 2022 [IFRS]

May 6, 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 Date for Ordinary General Meeting of Shareholders: Jun 28, 2022
 Scheduled Starting Date for Dividend Payment: Jun 29, 2022
 Scheduled Submission Date for Securities Report: Jun 29, 2022
 Earnings Supplementary Explanatory Documents: yes
 Earnings Results Briefing: yes (for institutional investors, analysts and press)

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

1. Consolidated Financial Results for FY2022 (from April 1, 2021 to March 31, 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	%
FY2022	317,600	3.0	27,425	11.4	29,575	19.6	20,490	23.1	23,780	40.2
FY2021	308,426	—	24,624	—	24,723	—	16,639	—	16,961	—

(Note) Adjusted operating profit FY2022 : 26,671 Million Yen (5.9%) FY2021: 25,193 Million Yen (—)

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	Return on Equity attributable to owners of parent	Profit before tax to total assets	Operating Profit to net sales
	Yen	Yen	%	%	%
FY2022	204.04	203.38	17.0	11.3	8.6
FY2021	165.78	165.18	15.5	9.9	8.0

(Reference) Share of Profit of Entities Accounted for Using Equity Method FY2022: 915 Million Yen FY2021: (231) Million Yen

(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	Ratio of equity attributable to owners of parent to total assets
	Millions of Yen	Millions of Yen	Millions of Yen	%	Yen
FY2022	268,647	130,674	128,917	48.0	1,283.45
FY2021	254,035	113,986	112,271	44.2	1,118.31

(3) Consolidated Cash Flow Status

	Operating Activities	Investing Activities	Financing Activities	Cash and Cash Equivalents at End of Period
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
FY2022	29,435	(10,957)	(16,118)	48,703
FY2021	40,567	(11,583)	(16,301)	46,281

2. Dividends

	Dividends Per Share					Total Dividends (Annual)	Dividend Payout Ratio (Consolidated)	Ratio of Dividends to Net Assets (Consolidated)
	End of Q1	End of Q2	End of Q3	Year-end	Total			
FY2021	—	35.00	—	35.00	70.00	7,026	42.2	6.5
FY2022	—	35.00	—	50.00	85.00	8,537	41.7	7.1
FY2023 (Forecast)	—	40.00	—	40.00	80.00		40.2	

(Note) Breakdown of the FY2022 year-end dividends: Ordinary dividend per share ¥40.00 and commemorative dividend per share ¥10.00

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

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

* Notes

(1) Change in the scope of consolidation (change of condition of significant consolidated subsidiaries) during this period: 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)

FY2022	109,663,524	FY2021	109,663,524
FY2022	9,218,006	FY2021	9,269,280
FY2022	100,423,103	FY2021	100,375,598

2. Number of shares of treasury shares

3. Average number of shares outstanding (during the period)

*This Consolidated Financial Report is not subject to audit procedures.

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

The Company group has applied the International Financial Reporting Standards (IFRS) from the first quarter of the fiscal year ending March 31, 2022. Financial results figures on the transition date and of the previous fiscal year are also presented in accordance with IFRS.

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. Consolidated Financial Statements and Notes

(1) Consolidated Statements of Financial Position

Millions of Yen

	Transition date (As of April 1, 2020)	FY2021 (As of March 31, 2021)	FY2022 (As of March 31, 2022)
Assets			
Current assets			
Cash and cash equivalents	33,615	46,281	48,703
Trade and other receivables	73,669	73,003	80,249
Contract assets	5,755	4,552	6,467
Inventories	8,407	7,091	9,550
Other financial assets	520	600	666
Other current assets	11,687	11,744	12,419
Total current assets	133,655	143,273	158,056
Non-current assets			
Property, plant and equipment	14,330	13,332	11,479
Right-of-use assets	28,415	24,571	19,888
Goodwill	1,509	1,873	1,589
Intangible assets	19,356	21,201	21,722
Investments accounted for using equity method	2,470	1,617	2,855
Other financial assets	31,480	35,929	42,293
Deferred tax assets	9,501	5,586	3,222
Retirement benefit asset	699	1,414	1,623
Other non-current assets	5,528	5,235	5,916
Total non-current assets	113,292	110,761	110,590
Total assets	246,947	254,035	268,647

Millions of Yen

	Transition date (As of April 1, 2020)	FY2021 (As of March 31, 2021)	FY2022 (As of March 31, 2022)
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables	24,935	27,859	29,771
Contract liabilities	18,899	18,038	19,959
Borrowings	5,617	4,317	6,275
Lease liabilities	8,286	8,571	8,033
Other financial liabilities	2,960	2,787	2,203
Income taxes payable	4,660	5,118	6,039
Provisions	1,340	559	161
Other current liabilities	24,236	23,833	25,704
Total current liabilities	90,937	91,086	98,148
Non-current liabilities			
Borrowings	15,717	17,012	14,575
Lease liabilities	21,431	17,540	12,967
Other financial liabilities	138	503	389
Retirement benefit liability	13,276	12,558	9,945
Provisions	1,201	1,284	1,652
Deferred tax liabilities	23	18	262
Other non-current liabilities	-	44	30
Total non-current liabilities	51,787	48,962	39,823
Total liabilities	142,725	140,048	137,972
Equity			
Share capital	5,483	5,483	5,483
Capital surplus	14,909	14,901	14,944
Treasury shares	(13,513)	(13,475)	(13,400)
Other components of equity	5,051	6,618	8,290
Retained earnings	90,729	98,744	113,599
Total equity attributable to owners of parent	102,660	112,271	128,917
Non-controlling interests	1,562	1,715	1,757
Total equity	104,222	113,986	130,674
Total liabilities and equity	246,947	254,035	268,647

(2) Condolidated Statements of Profit or Loss and Comprehensive Income

(Consolidated Statements of Profit or Loss)

Millions of Yen

	FY2021 (Fiscal year ended March 31, 2021)	FY2022 (Fiscal year ended March 31, 2022)
Revenue	308,426	317,600
Cost of sales	229,209	234,462
Gross profit	79,217	83,138
Selling, general and administrative expenses	54,023	56,466
Share of profit (loss) of investments accounted for using equity method	(231)	915
Other income	197	251
Other expenses	534	413
Operating profit	24,624	27,425
Finance income	514	2,324
Finance costs	415	173
Profit before tax	24,723	29,575
Income tax expense	7,956	8,915
Profit	16,767	20,660
Profit attributable to		
Owners of parent	16,639	20,490
Non-controlling interests	127	169
Profit	16,767	20,660
Earnings per share		
Basic earnings per share	165.78	204.04
Diluted earnings per share	165.18	203.38

(Consolidated Statements of Comprehensive Income)

Millions of Yen

	FY2021 (Fiscal year ended March 31, 2021)	FY2022 (Fiscal year ended March 31, 2022)
Profit	16,767	20,660
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	1,924	1,968
Remeasurements of defined benefit plans	(1,688)	1,003
Share of other comprehensive income of investments accounted for using equity method	(0)	2
Total of items that will not be reclassified to profit or loss	234	2,975
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(39)	145
Total of items that may be reclassified to profit or loss	(39)	145
Other comprehensive income, net of tax	194	3,120
Comprehensive income	16,961	23,780
Comprehensive income attributable to		
Owners of parent	16,840	23,595
Non-controlling interests	121	185
Comprehensive income	16,961	23,780

(3) Consolidated Statements of Changes in Equity
FY2021 [From April 1, 2020 to March 31, 2021]

(Millions of yen)

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Treasury shares	Other components of equity			Share of other comprehensive income of investments accounted for using equity method
				Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Share acquisition rights	
As of April 1, 2020	5,483	14,909	(13,513)	4,559	-	491	0
Profit	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	1,924	(1,688)	-	(0)
Comprehensive income	-	-	-	1,924	(1,688)	-	(0)
Dividends of surplus	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	(0)	-	-	-	-
Disposal of treasury shares	-	-	37	-	-	(28)	-
Share-based payment transactions	-	-	-	-	-	55	-
Obtaining of control of subsidiaries	-	-	-	-	-	-	-
Loss of control of subsidiaries	-	-	-	-	-	-	-
Changes in ownership interest in subsidiaries	-	(7)	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	-	(350)	1,688	-	-
Other	-	-	0	-	-	-	-
Total transactions with owners	-	(7)	37	(350)	1,688	27	-
As of March 31, 2021	5,483	14,901	(13,475)	6,132	-	518	0

	Equity attributable to owners of parent					
	Other components of equity		Retained earnings	Total	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total				
As of April 1, 2020	-	5,051	90,729	102,660	1,562	104,222
Profit	-	-	16,639	16,639	127	16,767
Other comprehensive income	(34)	200	-	200	(5)	194
Comprehensive income	(34)	200	16,639	16,840	121	16,961
Dividends of surplus	-	-	(7,276)	(7,276)	(109)	(7,386)
Purchase of treasury shares	-	-	-	(0)	-	(0)
Disposal of treasury shares	-	(28)	(9)	0	-	0
Share-based payment transactions	-	55	-	55	-	55
Obtaining of control of subsidiaries	-	-	-	-	146	146
Loss of control of subsidiaries	-	-	-	-	-	-
Changes in ownership interest in subsidiaries	-	-	-	(7)	(5)	(13)
Transfer from other components of equity to retained earnings	-	1,338	(1,338)	-	-	-
Other	-	-	-	0	-	0
Total transactions with owners	-	1,366	(8,625)	(7,229)	31	(7,197)
As of March 31, 2021	(34)	6,618	98,744	112,271	1,715	113,986

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Treasury shares	Other components of equity			Share of other comprehensive income of investments accounted for using equity method
				Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Share acquisition rights	
As of April 1, 2021	5,483	14,901	(13,475)	6,132	-	518	0
Profit	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	1,968	944	-	2
Comprehensive income	-	-	-	1,968	944	-	2
Dividends of surplus	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	(0)	-	-	-	-
Disposal of treasury shares	-	(3)	38	-	-	(33)	-
Share-based payment transactions	-	50	37	-	-	-	-
Obtaining of control of subsidiaries	-	-	-	-	-	-	-
Loss of control of subsidiaries	-	-	-	-	-	-	-
Changes in ownership interest in subsidiaries	-	(3)	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	-	(403)	(944)	-	(0)
Other	-	-	(0)	-	-	-	-
Total transactions with owners	-	43	74	(403)	(944)	(33)	(0)
As of March 31, 2022	5,483	14,944	(13,400)	7,698	-	485	3

	Equity attributable to owners of parent					
	Other components of equity			Total	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Total	Retained earnings			
As of April 1, 2021	(34)	6,618	98,744	112,271	1,715	113,986
Profit	-	-	20,490	20,490	169	20,660
Other comprehensive income	138	3,105	-	3,105	15	3,120
Comprehensive income	138	3,105	20,490	23,595	185	23,780
Dividends of surplus	-	-	(7,028)	(7,028)	(110)	(7,139)
Purchase of treasury shares	-	-	-	(0)	-	(0)
Disposal of treasury shares	-	(33)	-	1	-	1
Share-based payment transactions	-	-	-	88	-	88
Obtaining of control of subsidiaries	-	-	-	-	-	-
Loss of control of subsidiaries	-	-	-	-	(166)	(166)
Changes in ownership interest in subsidiaries	-	-	-	(3)	133	130
Transfer from other components of equity to retained earnings	-	(1,398)	1,398	-	-	-
Other	-	-	(5)	(6)	-	(6)
Total transactions with owners	-	(1,432)	(5,635)	(6,950)	(142)	(7,093)
As of March 31, 2022	104	8,290	113,599	128,917	1,757	130,674

(4) Consolidated Statements of Cash Flows

Millions of Yen

	FY2021 (Fiscal year ended March 31, 2021)	FY2022 (Fiscal year ended March 31, 2022)
Cash flows from operating activities		
Profit before tax	24,723	29,575
Depreciation and amortization	17,578	16,692
Impairment losses	465	324
Interest and dividend income	(344)	(348)
Interest expenses	166	160
Share of loss (profit) of investments accounted for using equity method	231	(915)
Decrease (increase) in trade and other receivables	624	(7,303)
Decrease (increase) in contract assets	1,202	(1,914)
Decrease (increase) in inventories	1,315	(2,459)
Increase (decrease) in trade and other payables	2,859	1,946
Increase (decrease) in contract liabilities	(859)	1,927
Increase or decrease in retirement benefit asset or liability	(290)	(1,022)
Other	(392)	(69)
Subtotal	47,282	36,593
Interest and dividends received	356	350
Interest paid	(167)	(160)
Income taxes paid	(6,904)	(7,348)
Net cash provided by (used in) operating activities	40,567	29,435
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,825)	(1,624)
Proceeds from sale of property, plant and equipment	1	0
Purchase of intangible assets	(8,140)	(7,441)
Purchase of investment securities	(1,928)	(3,866)
Proceeds from sale of investment securities	589	1,308
Proceeds from acquisition of subsidiaries	146	-
Decrease due to losses on control of subsidiaries	-	(480)
Purchase of investments accounted for using equity method	(352)	-
Proceeds from sale of investments accounted for using equity method	972	-
Other	(46)	1,146
Net cash provided by (used in) investing activities	(11,583)	(10,957)
Cash flows from financing activities		
Proceeds from long-term borrowings	5,612	3,837
Repayments of long-term borrowings	(5,617)	(4,317)
Repayments of lease liabilities	(8,816)	(8,800)
Dividends paid	(7,275)	(7,026)
Dividends paid to non-controlling interests	(117)	(110)
Other	(88)	299
Net cash provided by (used in) financing activities	(16,301)	(16,118)
Effect of exchange rate changes on cash and cash equivalents	(16)	62
Net increase (decrease) in cash and cash equivalents	12,666	2,421
Cash and cash equivalents at beginning of period	33,615	46,281
Cash and cash equivalents at end of period	46,281	48,703