

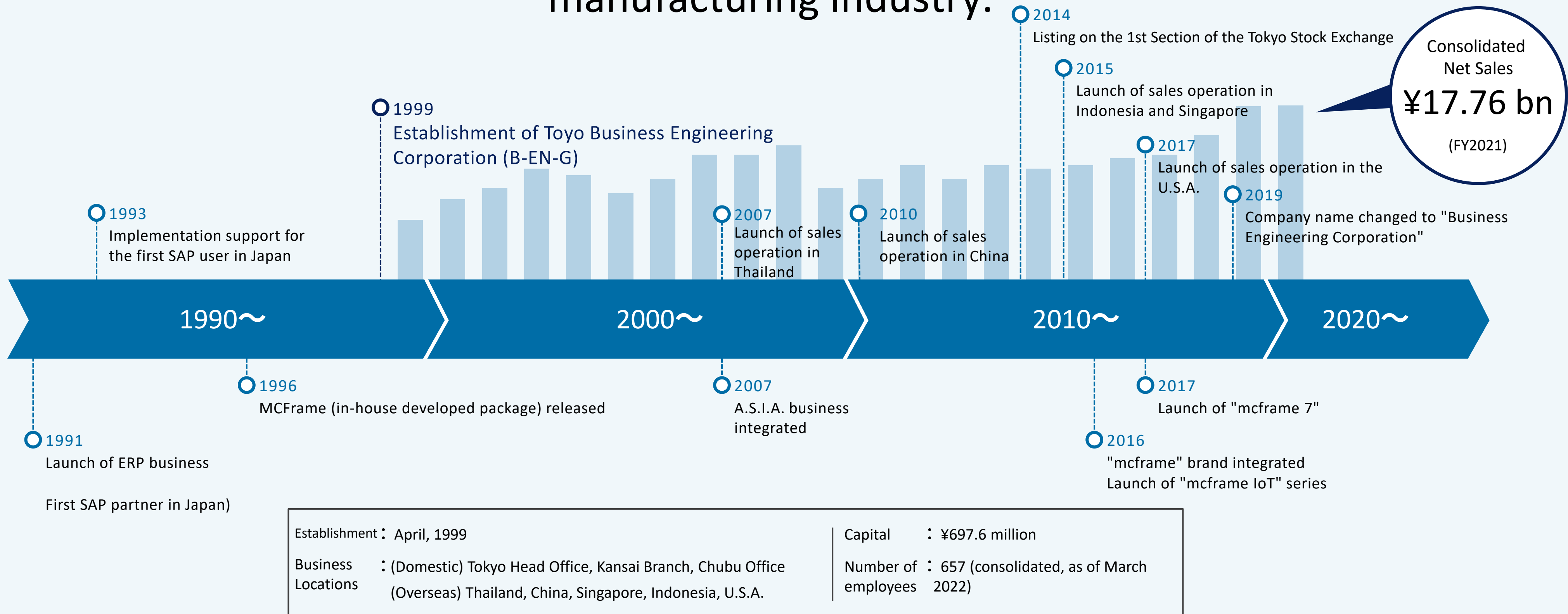
Fiscal Year 2021 Financial Results

May 12, 2022
Business Engineering Corporation

Our Business

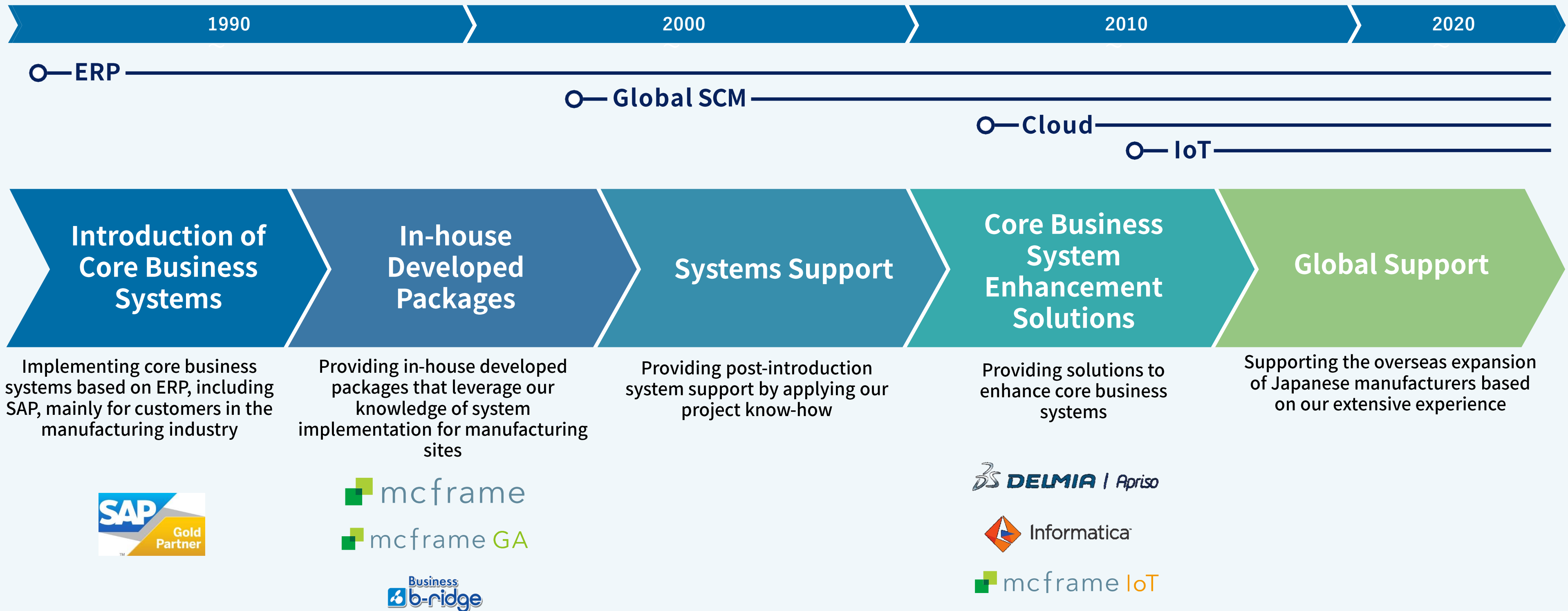
B-EN-G's Business

Providing "IT for Manufacturing" by leveraging our extensive knowledge of the manufacturing industry.



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B-EN-G's Business | Three Business Segments

B-EN-G operates its business in three segments, each with its own unique characteristics.

System integration based on extensive knowledge of and experience in the manufacturing industry

Solutions Business

SI business based on SAP and other third-party package products

Highly profitable license sales, developed in-house with know-how cultivated over many years

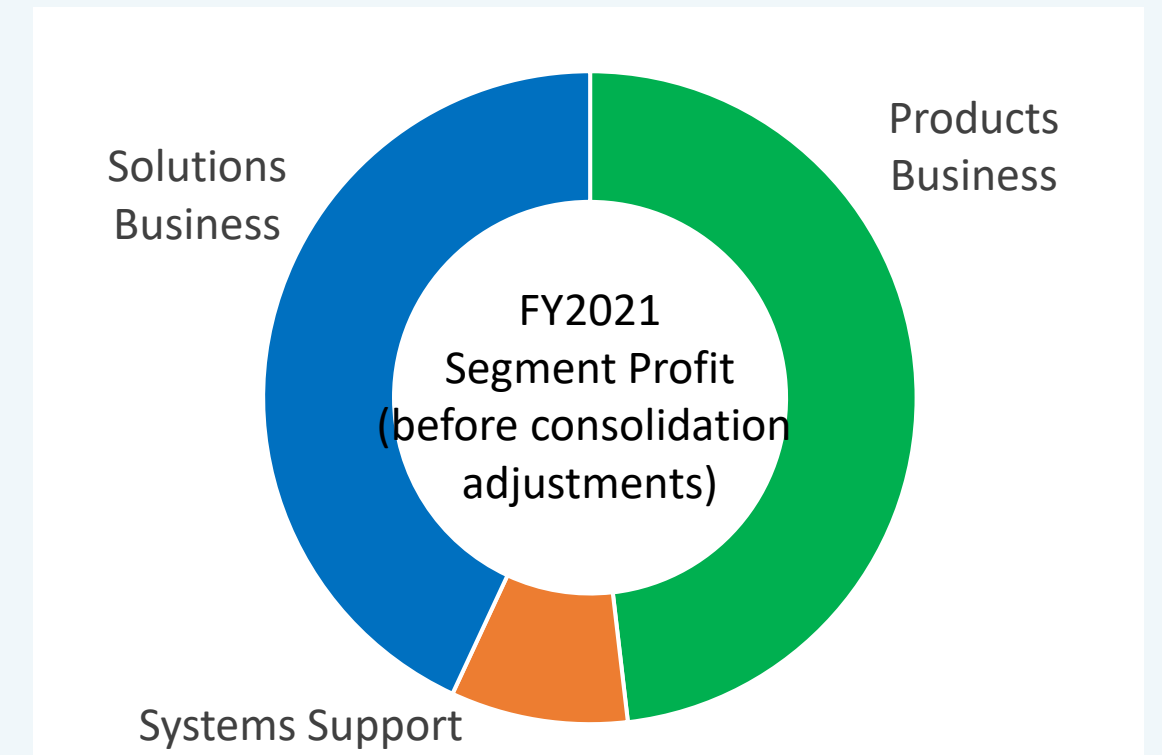
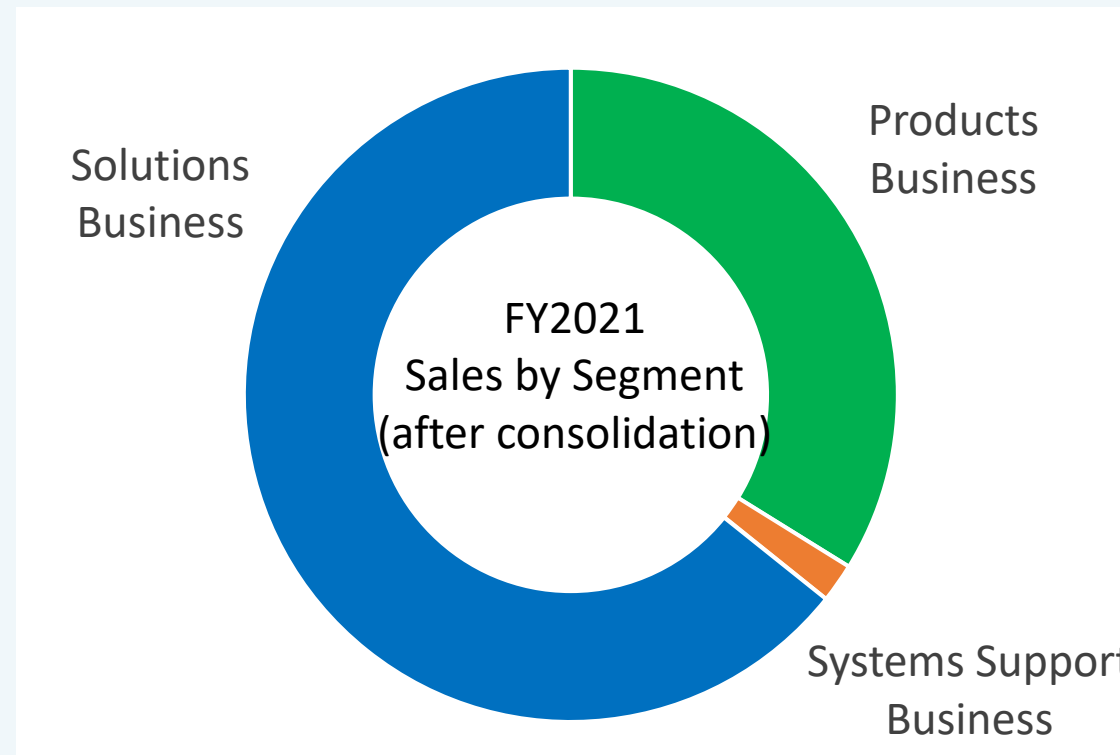
Products Business

Development, sales, and implementation business for the "mcframe" series of in-house developed packages

Systems Support Business

Post-introduction operation and maintenance services / system development

Operation and maintenance services to utilize system after delivery



Summary of FY2021 Financial Results

Key Points of FY2021 Financial Results

Business Environment

- Despite the impact of COVID-19 and supply constraints, corporate earnings are on an improving trend.
- Information technology investment in the manufacturing industry is generally strong, reflecting growing DX needs.

Summary of Financial Results

- Net Sales } Increased slightly from the previous year
- Operating Profit } All record highs for 6th consecutive fiscal year
- Ordinary Profit } Annual dividend expected to be 84 yen per share,
- Current Net Profit } marking 7th consecutive fiscal year of increase
- Scheduled Dividend }

Summary of Profit and Loss (YoY)

(Million Yen)	FY2021	FY2020	Difference (Percentage Change)
Net Sales	17,760	17,707	+53 (+0.3%)
Gross Profit Gross Profit ratio	5,882 (33.1%)	5,435 (30.7%)	+447 (+8.2%)
Operating Profit Operating Profit ratio	2,412 (13.6%)	1,902 (10.7%)	+510 (+26.8%)
Ordinary Profit Ordinary Profit ratio	2,443 (13.8%)	1,895 (10.7%)	+548 (+28.9%)
Current Net Profit Current Net Profit ratio	1,643 (9.3%)	1,288 (7.3%)	+354 (+27.5%)
Orders Received	17,912	17,582	+330 (+1.9%)
Dividends (non-consolidated)	84.0 yen	70.0 yen	+14.0 yen
ROE	23.8%	22.7%	(+1.1%)

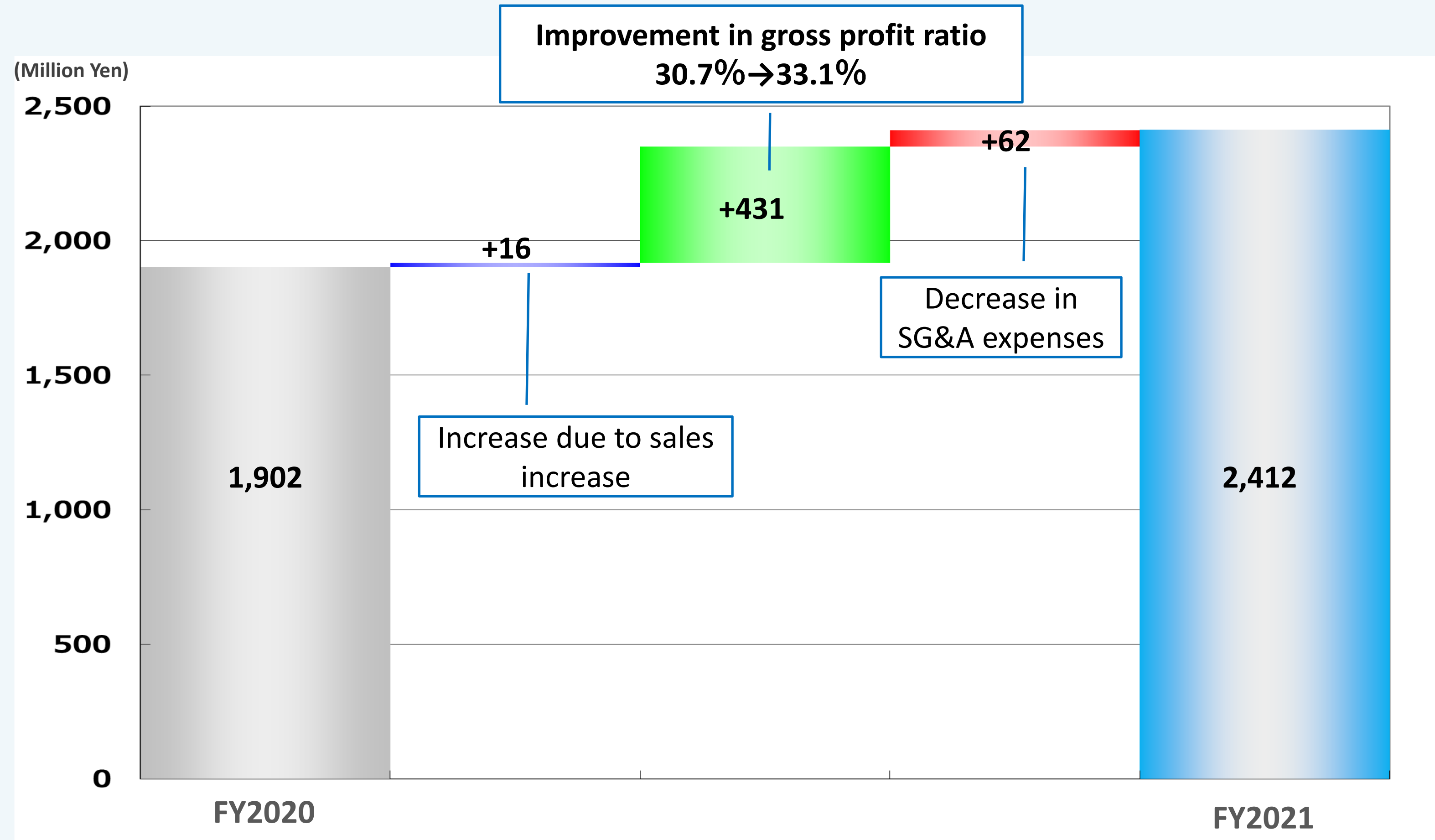
Despite an unprofitable project in the Solutions Business, a double-digit increase in profit was recorded due to a significant increase in license sales and other factors.

Notes:

All amounts in this presentation are rounded down to the nearest million yen. "Profit attributable to owners of parent" is shown as "Current Net Profit".

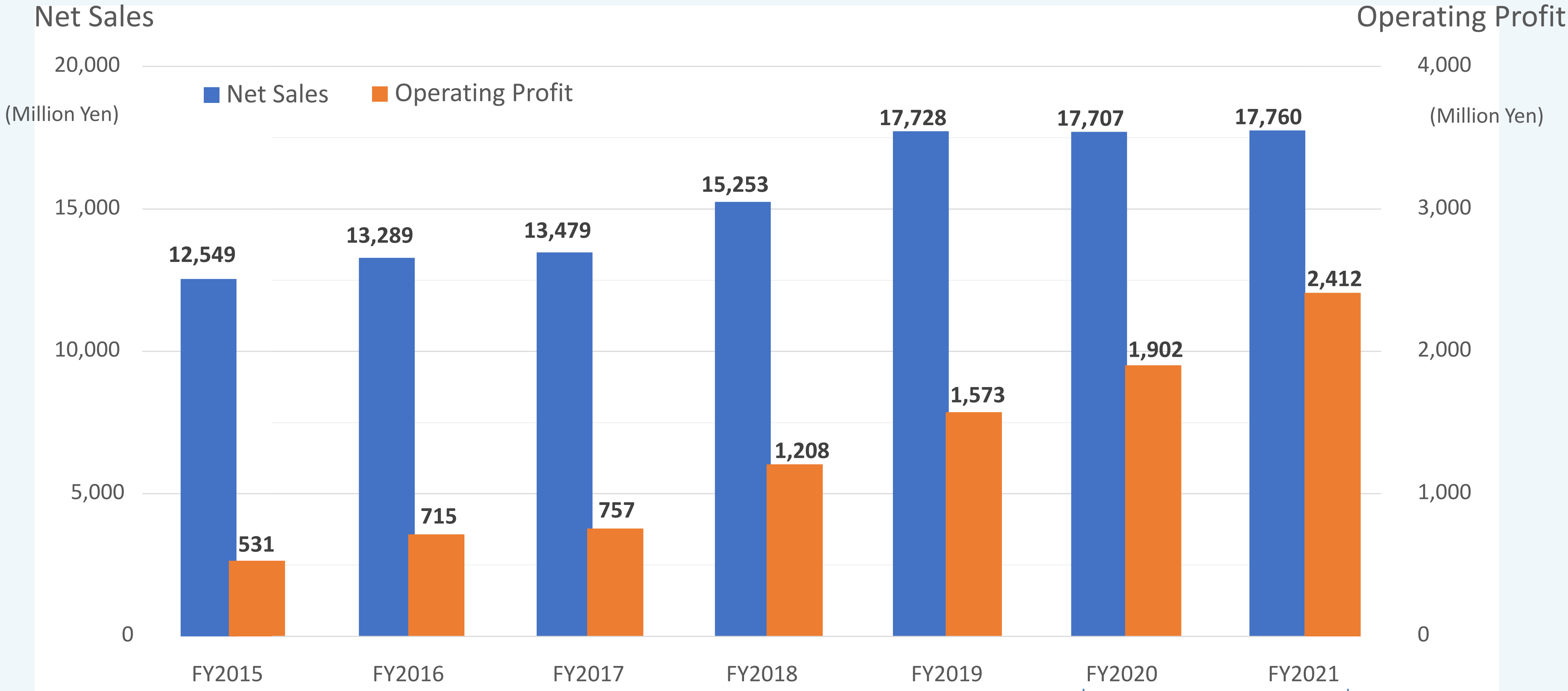
FY2020 results are after retrospective application of the Accounting Standard for Revenue Recognition.

Analysis of Changes in Operating Profit (YoY)



Note: FY2020 results are after retrospective application of the Accounting Standard for Revenue Recognition.

Net Sales and Operating Profit

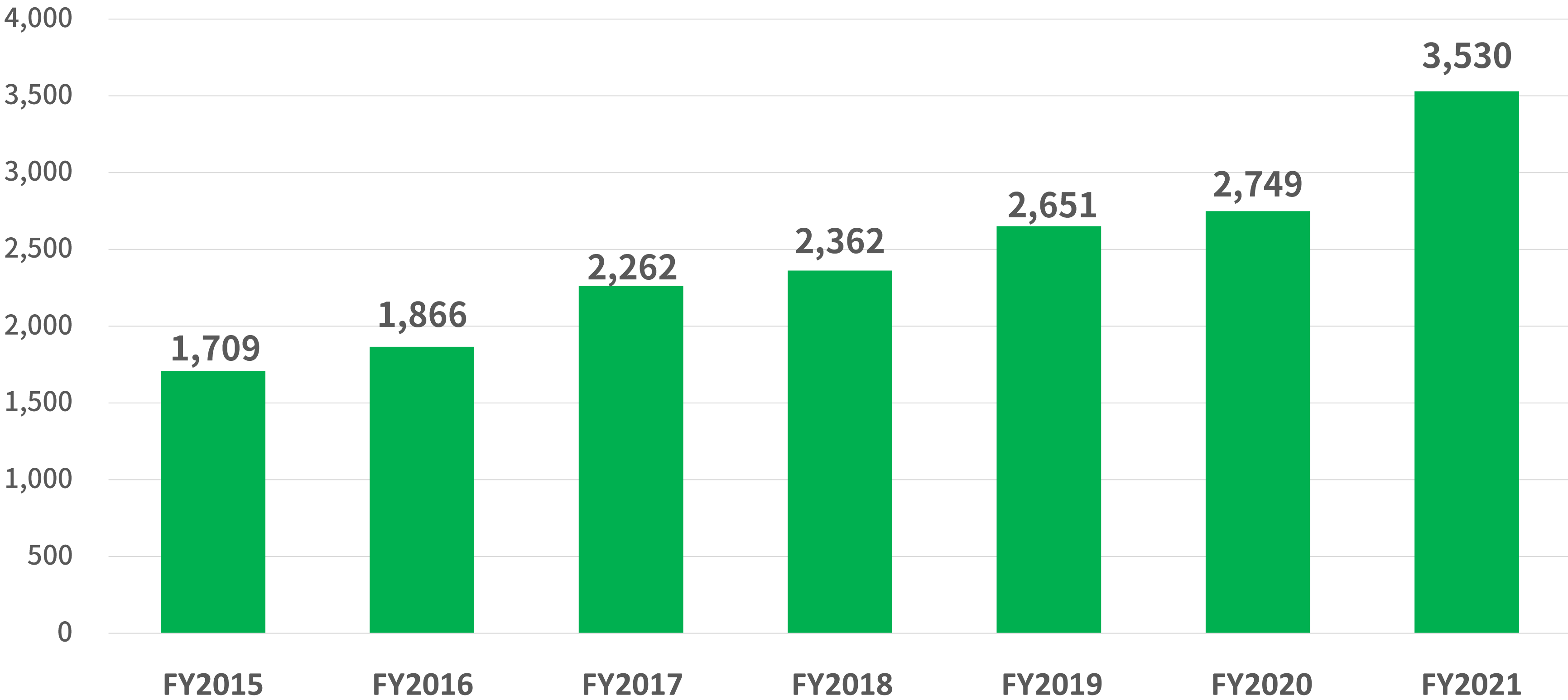


Notes:
 FY2020 results are after retrospective application of the Accounting Standard for Revenue Recognition.
 The figures before the retroactive application are net sales of 17,855 million yen and operating income of 2,032 million yen.

Application of the Accounting Standard for Revenue Recognition

Net Sales of mcframe License

Net Sales (Million Yen)

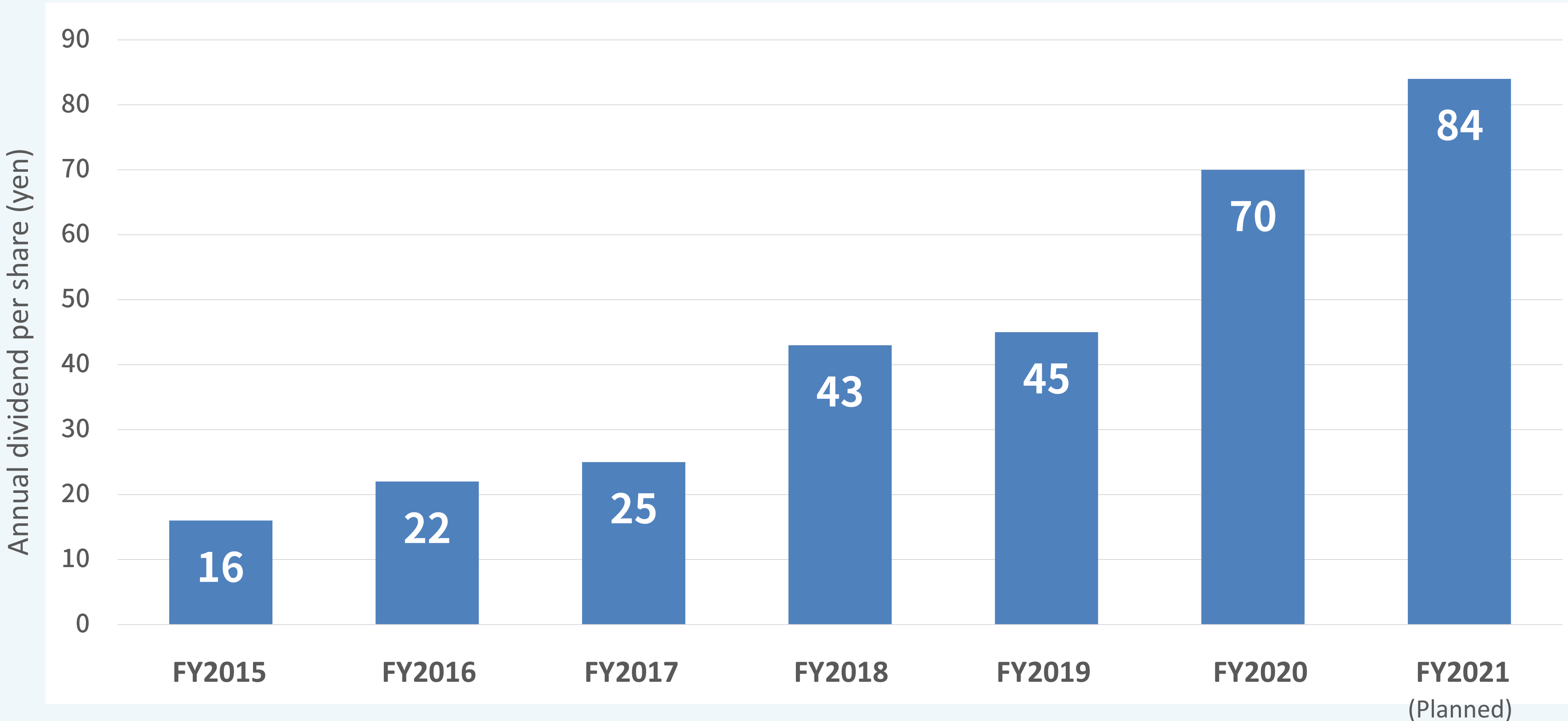


Notes:
FY2020 results are after retrospective application of the Accounting Standard for Revenue Recognition.
The figure before the retroactive application is 2,865 million yen.

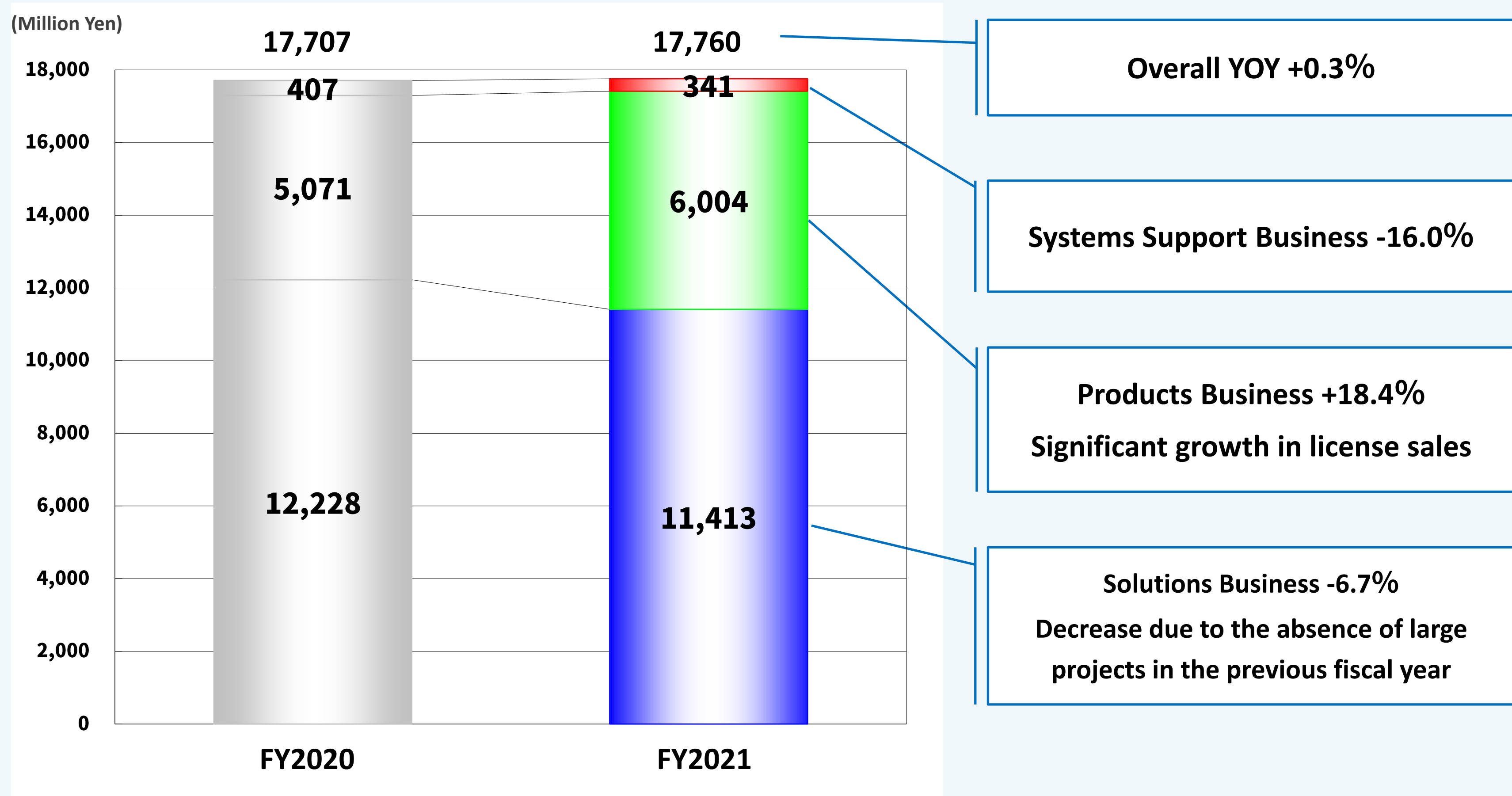
Application of the Accounting Standard for Revenue Recognition

Dividends

Dividends are expected to increase for the 7th consecutive year

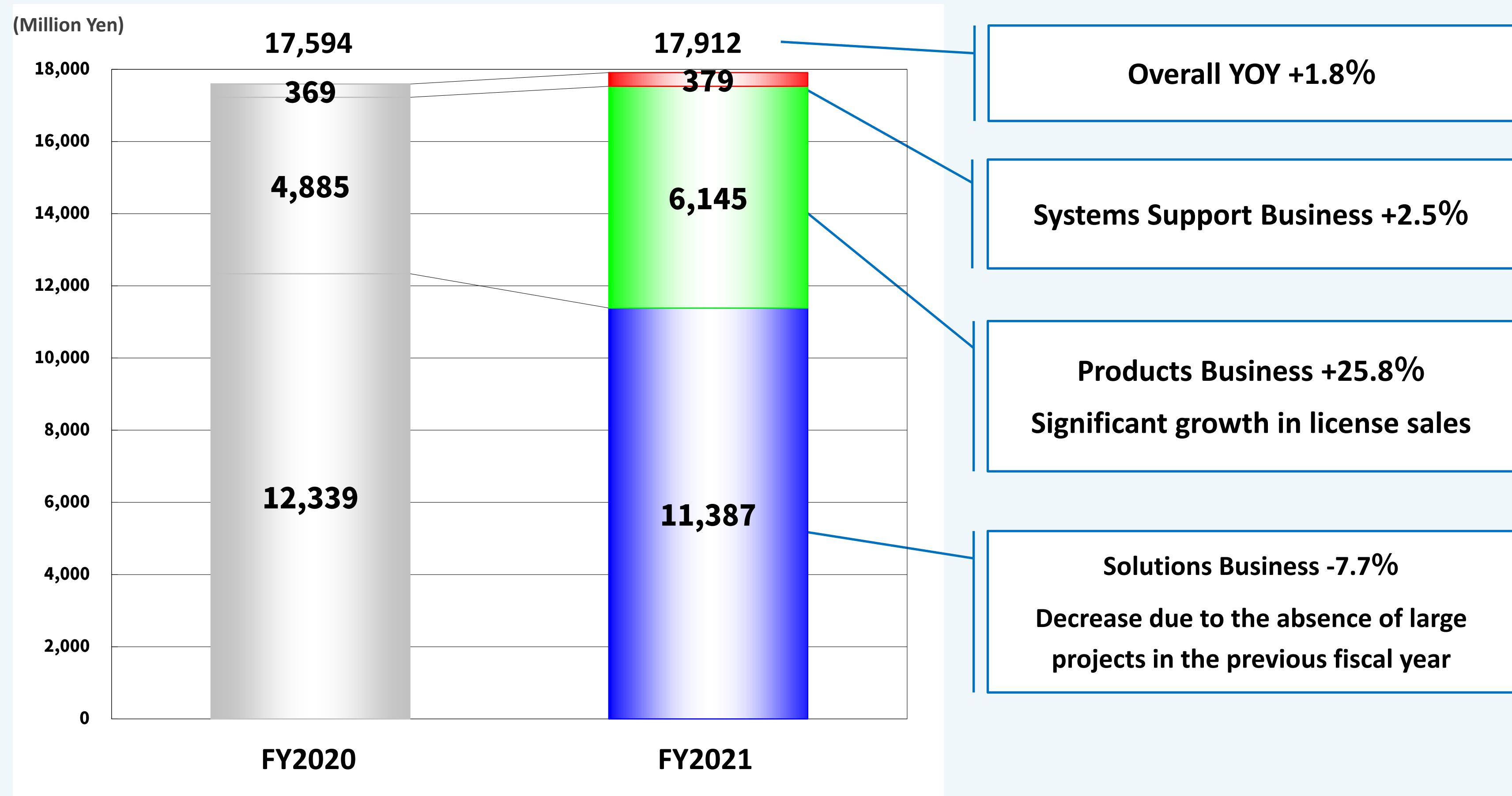


Summary of Net Sales (YoY)



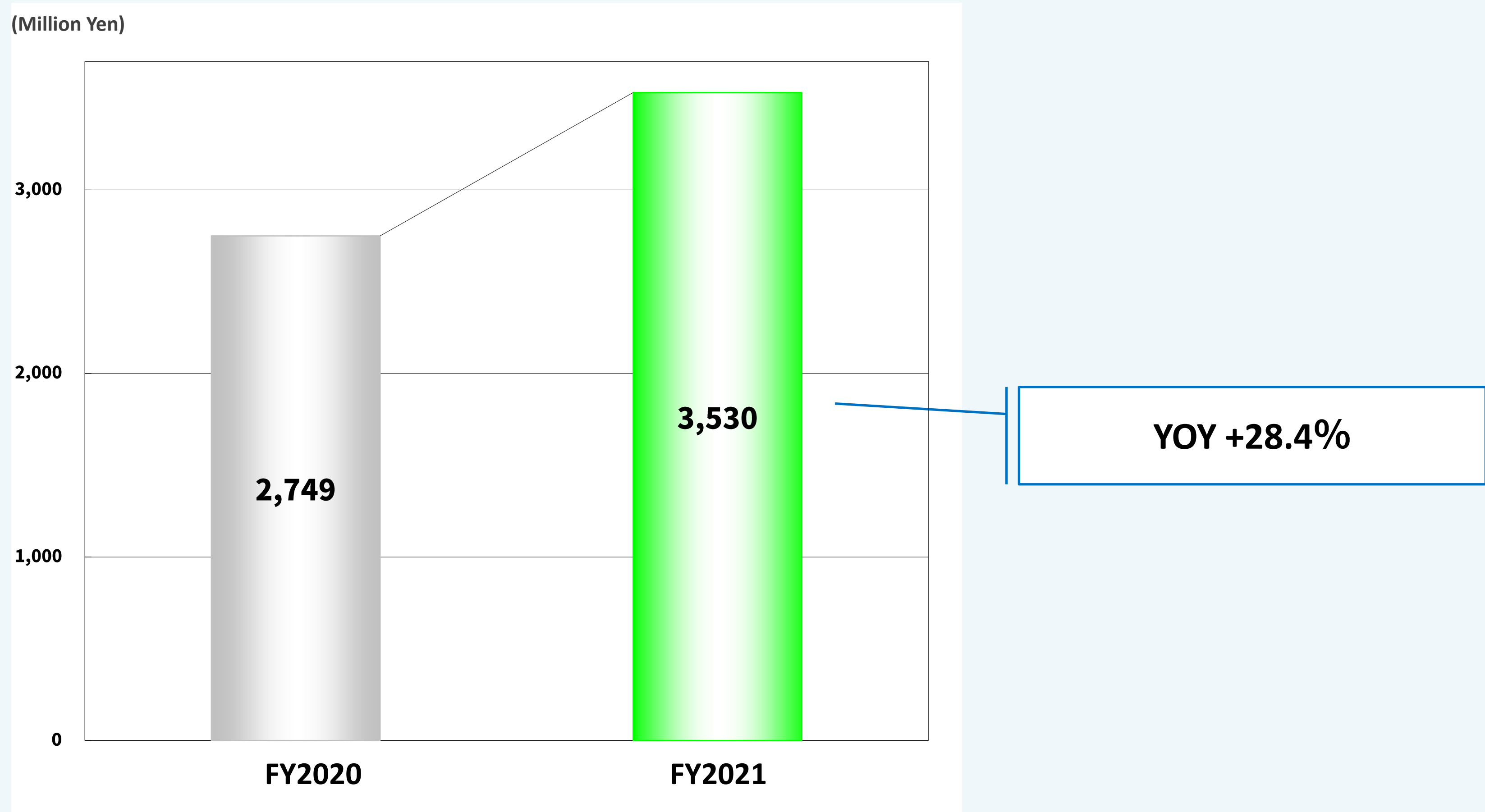
Note: FY2020 results are after retrospective application of the Accounting Standard for Revenue Recognition.

Summary of Orders Received (YoY)



Note: FY2020 results are after retrospective application of the Accounting Standard for Revenue Recognition.

Summary of Net Sales of mcframe License (YoY)



Note: FY2020 results are after retrospective application of the Accounting Standard for Revenue Recognition.

Summary of Balance Sheet (YoY) | Assets

(Million Yen)	End of FY2021	End of FY2020	Difference
Cash and deposits	4,945	4,078	+867
Notes, accounts receivable and contract assets	3,468	3,171	+296
Inventory assets	7	67	-60
Other current assets	445	457	-12
Total current assets	8,866	7,775	+1,091
(component ratio)	(77.2%)	(74.2%)	
Property, plant and equipment	150	158	-7
Intangible assets	1,321	1,298	+23
Investments and other assets	1,152	1,248	-96
Total non-current assets	2,624	2,705	-80
(component ratio)	(22.8%)	(25.8%)	
Total assets	11,491	10,481	+1,010
(component ratio)	(100.0%)	(100.0%)	

Summary of Balance Sheet (YoY) | Liabilities and Net assets

(Million Yen)	End of FY2021	End of FY2020	Difference
Outstanding account	1,119	1,446	-327
Short-term borrowings	100	300	-200
Other current liabilities	2,797	2,251	+545
Total current liabilities	4,016	3,997	+18
Long-term borrowings	-	170	-170
Total non-current liabilities	-	170	-170
Total liabilities	4,016	4,168	-152
(component ratio)	(34.9%)	(39.8%)	
Share capital	697	697	-
Capital surplus	565	565	-
Retained earnings	6,251	5,105	+1,145
Treasury shares	0	-170	170
Accumulated other comprehensive income	-38	114	-153
Total net assets	7,475	6,312	+1,162
(component ratio)	(65.1%)	(60.2%)	
Total liabilities and net assets	11,491	10,481	+1,010
(component ratio)	(100.0%)	(100.0%)	

Note: FY2020 results are after retrospective application of the Accounting Standard for Revenue Recognition.

Summary of Cash Flows (YoY)

(Million Yen)	FY2021	FY2020	Difference
Cash flows from operating activities	2,287	2,539	-251
Cash flows from investing activities	-713	-817	+103
Cash flows from financing activities	-701	196	-898
Effect of exchange rate change on cash and cash equivalents	-4	0	-4
Net increase (decrease) in cash and cash equivalents	+867	1,918	-1,051
Cash and cash equivalents at beginning of period	4,078	2,159	1,918
Cash and cash equivalents at end of period	4,945	4,078	+867

Note: FY2020 results are after retrospective application of the Accounting Standard for Revenue Recognition.

Notice of Stock Split and Post-Split Shareholder Benefit Plan

2-for-1 Stock Split

- The record date is May 31 (Tue), and shareholders' equity as of that date is eligible.
- The effective date is June 1 (Wed), and the shares will be split in two.

No change to the shareholder benefit plan after the stock split, the current plan will be maintained!

- After the stock split, shareholders who hold 100 or more shares are eligible.
- No change in the record date, frequency, and items for shareholder benefit.

Reference: Our shareholder benefit plan

- Four times a year (record dates: end of June, September, December, and March)
- Shareholders who hold 100 shares (one unit) or more as of each record date will receive a QUO card of 500 yen (2,000 yen per year).

Earnings Forecast for FY2022

Key Points of the Earnings and Dividend Forecast for FY2022

Overview of Business Environment and Earnings Forecast

- IT investment in the manufacturing industry, driven by DX needs, continues to be strong, but concerns of recession have not been dispelled due to increased business risks arising globally.
- Both sales and profits are expected to increase for both the full year and the first half of the fiscal year. Full-year operating profit is expected to increase by 7.8%, mainly due to improved project profitability.

Dividend Forecast

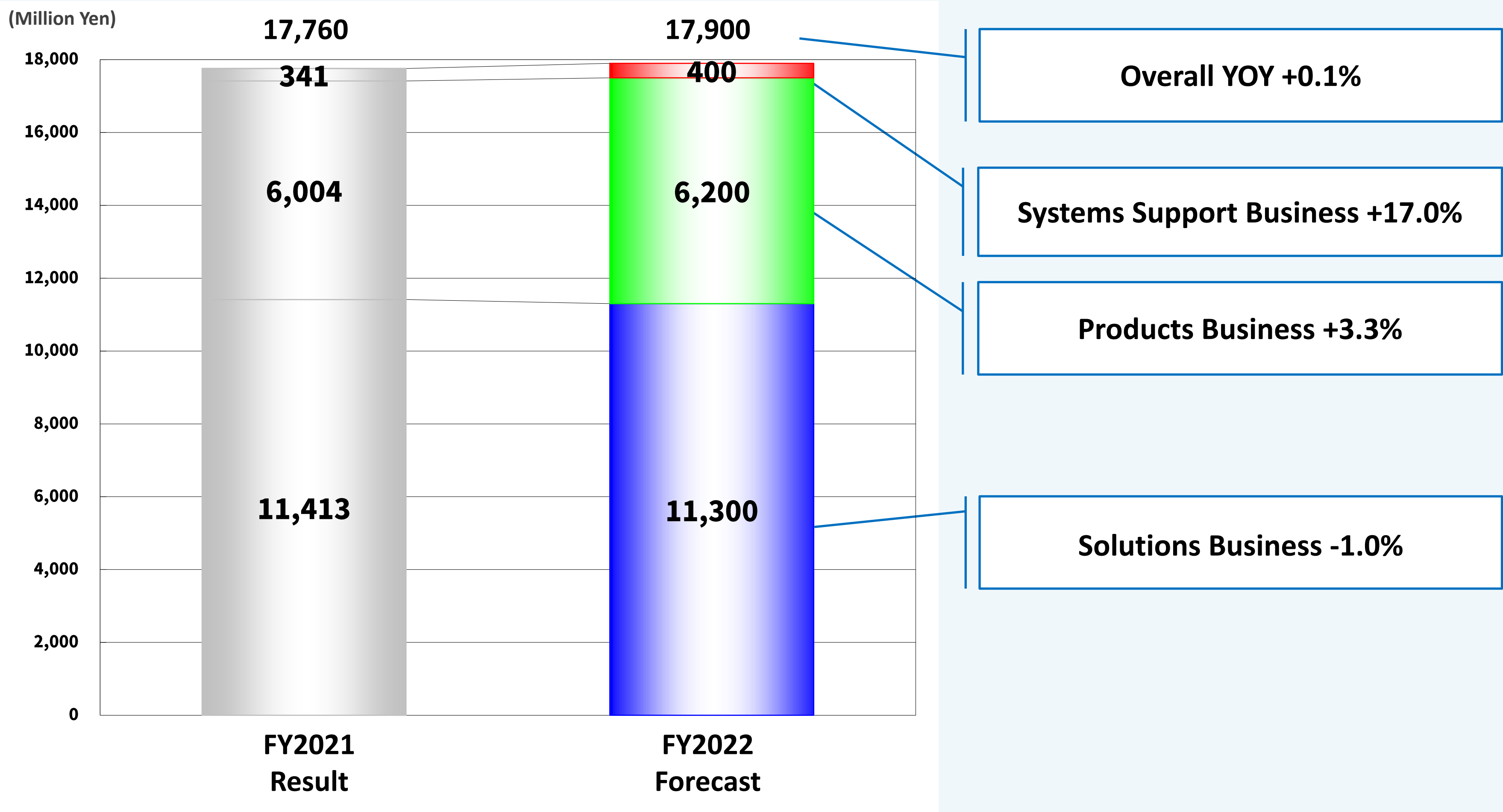
- Dividend forecast for FY2022 is 42 yen per share (virtually the same amount as FY2021). *
- * After the 2-for-1 stock split scheduled to take effect on June 1, 2022.
The pre-split dividend for FY2021 is expected to be 84 yen per share.

Forecast of Profit and Loss (YoY)

(Million Yen)	FY2022 Forecast	FY2021 Result	Difference (Percentage Change)
Net Sales	17,900	17,760	+139 (+0.8%)
Gross Profit	6,310	5,882	+427
Gross Profit ratio	(35.3%)	(33.1%)	(+7.3%)
Operating Profit	2,600	2,412	+187
Operating Profit ratio	(14.5%)	(13.6%)	(+7.8%)
Ordinary Profit	2,600	2,443	+156
Ordinary Profit ratio	(14.5%)	(13.8%)	(+6.4%)
Current Net Profit	1,770	1,643	+126
Current Net Profit ratio	(9.9%)	(9.3%)	(+7.7%)
Orders Received	18,000	17,912	+87 (+0.5%)
Dividends (non-consolidated)	42.0 yen	84.0 yen	-42.0 yen
ROE	21.8%	23.8%	(-2.0%)

Note: After the 2-for-1 stock split scheduled to take effect on June 1 of this year (virtually the same amount as FY2021).

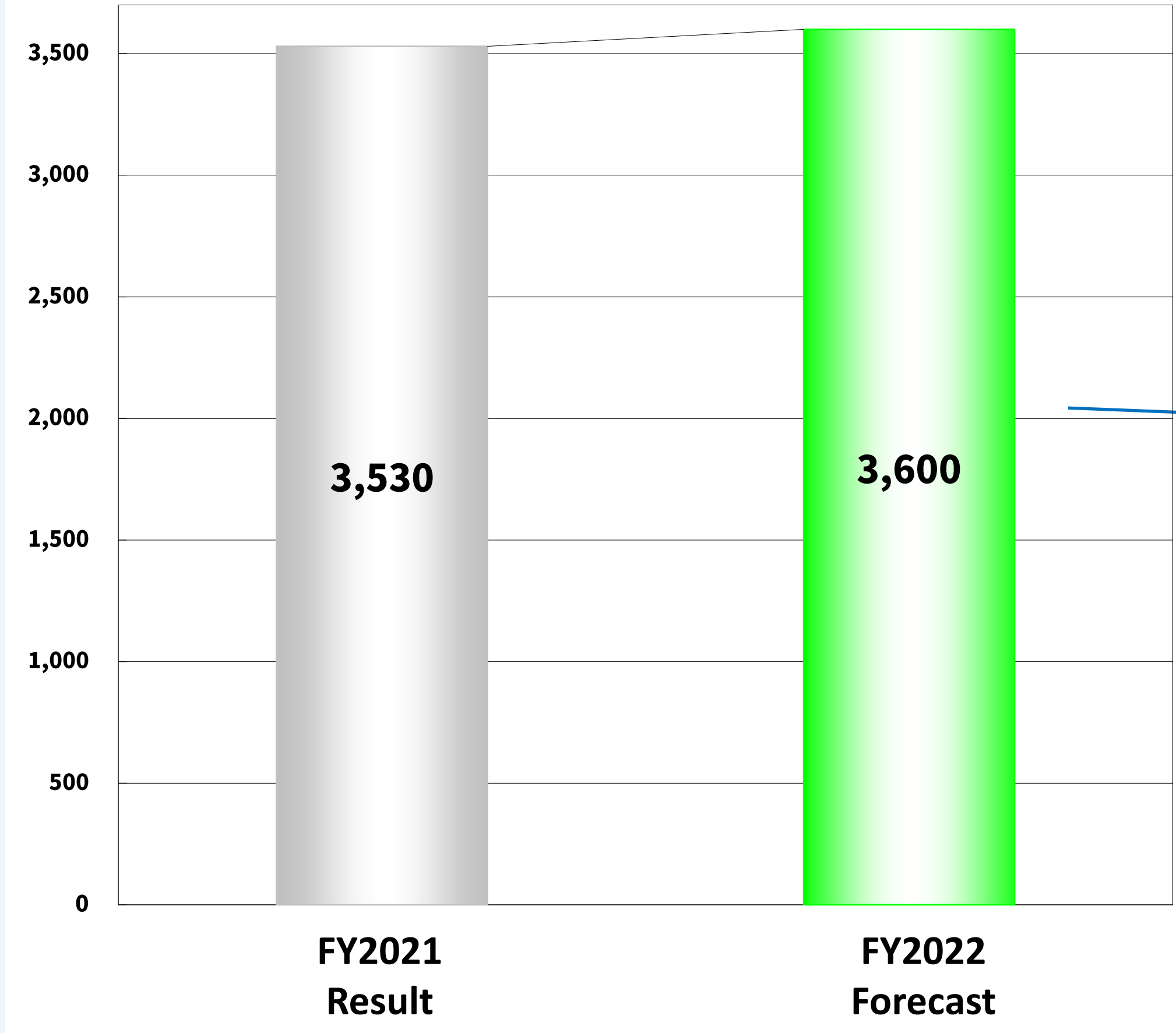
Forecast of Net Sales (YoY)



Forecast of Net Sales of mcframe License(YoY)



(Million Yen)



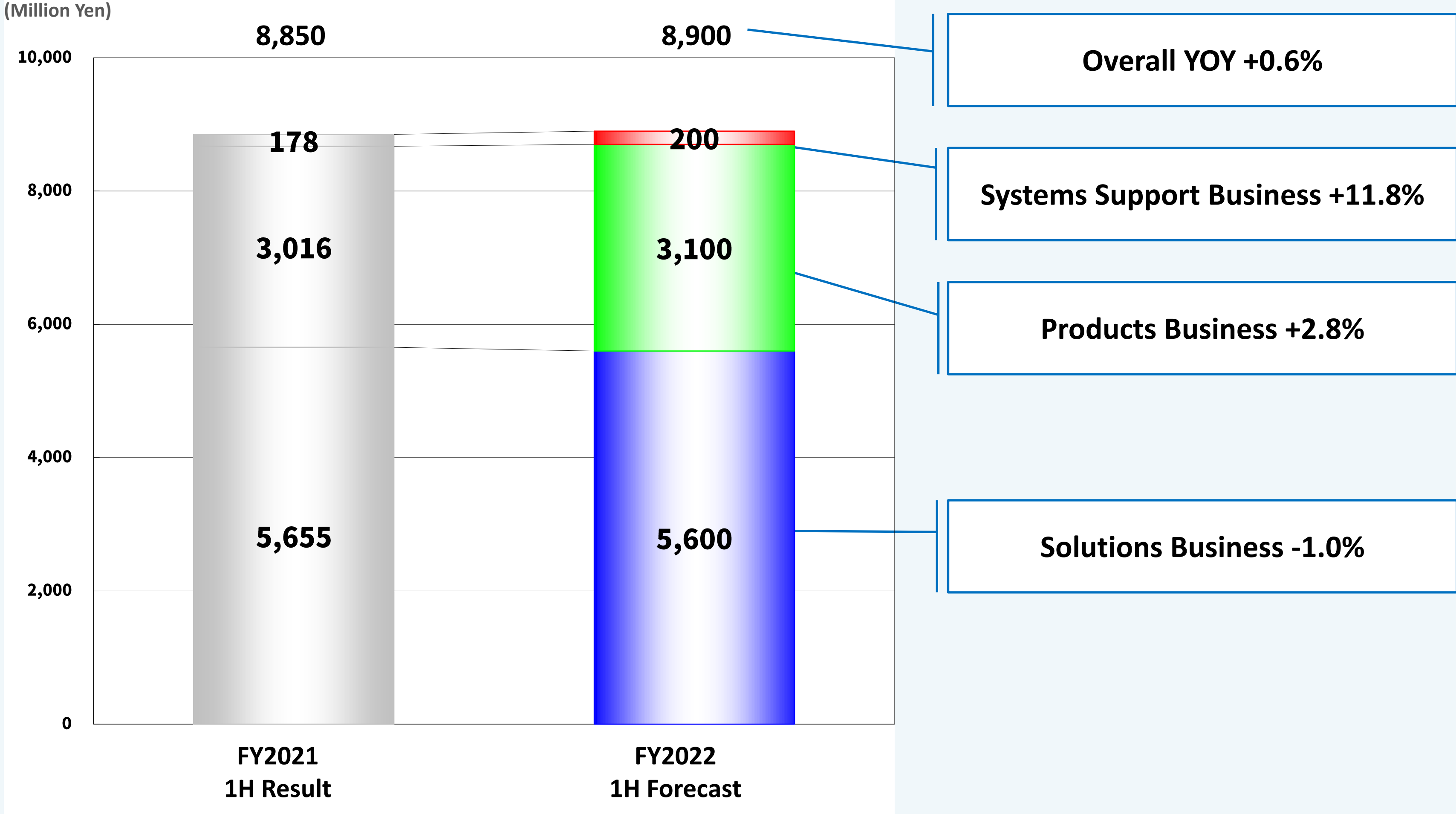
YOY +2.0%

Earnings Forecast for the First Half of FY2022

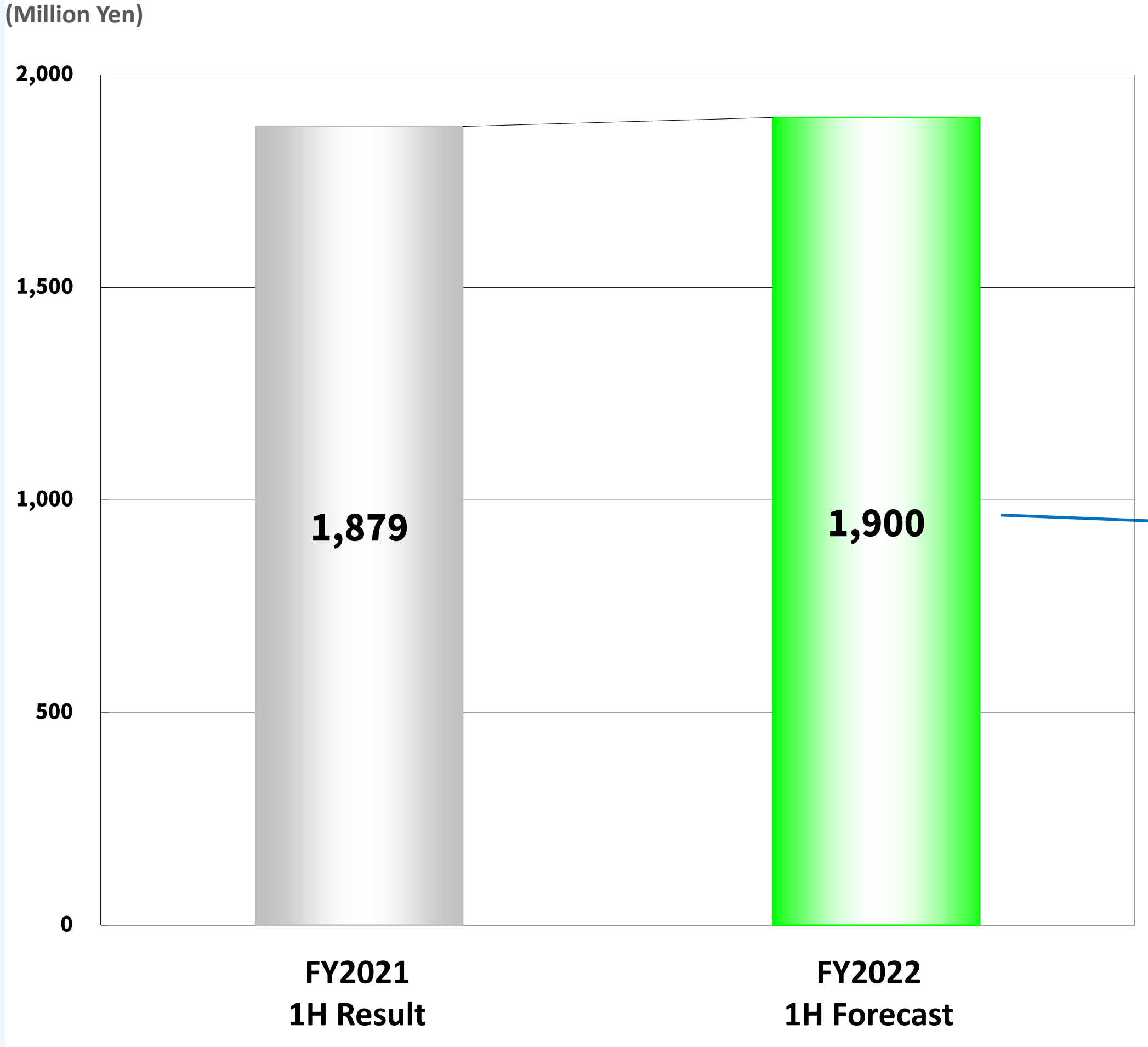
Forecast of Profit and Loss for the First Half (YoY)

(Million Yen)	FY2022 1H Forecast	FY2021 1H Result	Difference (Percentage Change)
Net Sales	8,900	8,850	+49 (+0.6%)
Gross Profit Gross Profit ratio	3,070 (34.5%)	2,902 (32.8%)	+167 (+5.8%)
Operating Profit Operating Profit ratio	1,230 (13.8%)	1,154 (13.0%)	+75 (+6.5%)
Ordinary Profit Ordinary Profit ratio	1,230 (13.8%)	1,160 (13.1%)	+69 (+6.0%)
Quarterly Current Net Profit Quarterly Current Net Profit ratio	830 (9.3%)	790 (8.9%)	+39 (+5.0%)
Orders Received	8,900	8,450	+449 (+5.3%)

Forecast of Net Sales for the First Half (YoY)



Forecast of Net Sales of mcframe License(YoY)



YOY +1.1%



b-en-g

<Disclaimer>

The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to our company and certain assumptions that our company considers reasonable. Actual results may differ significantly due to a variety of factors.