

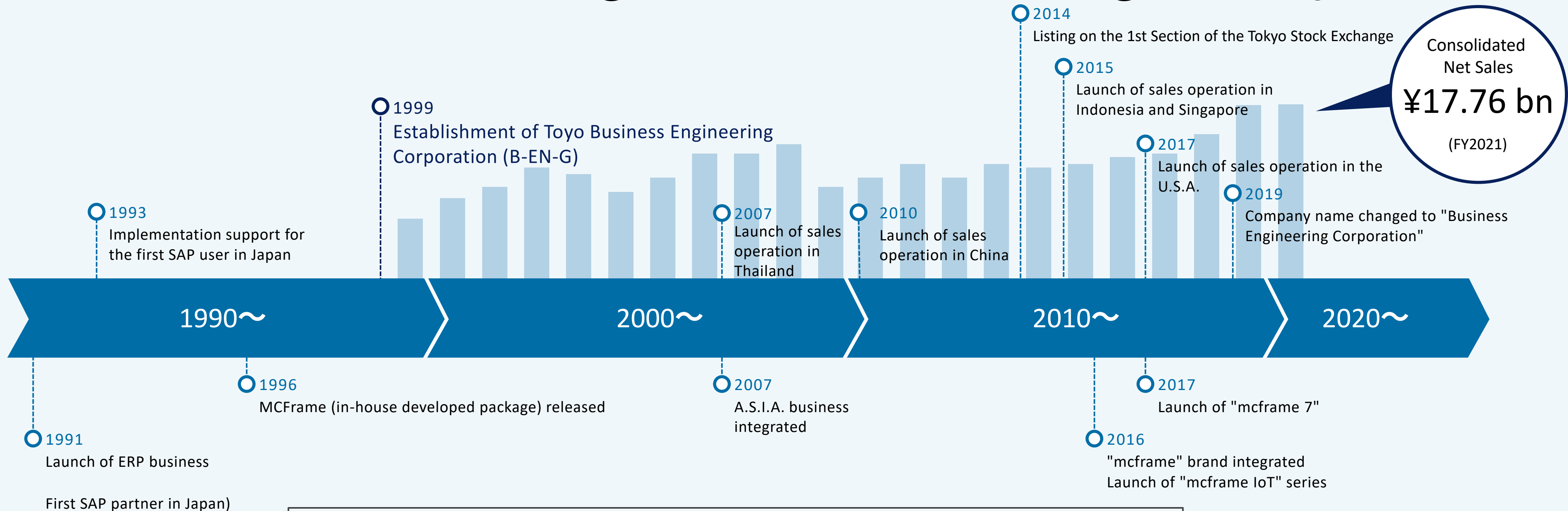
Second Quarter of FY2022 Financial Results

November 11, 2022
Business Engineering Corporation

Our Business

B-EN-G's Business

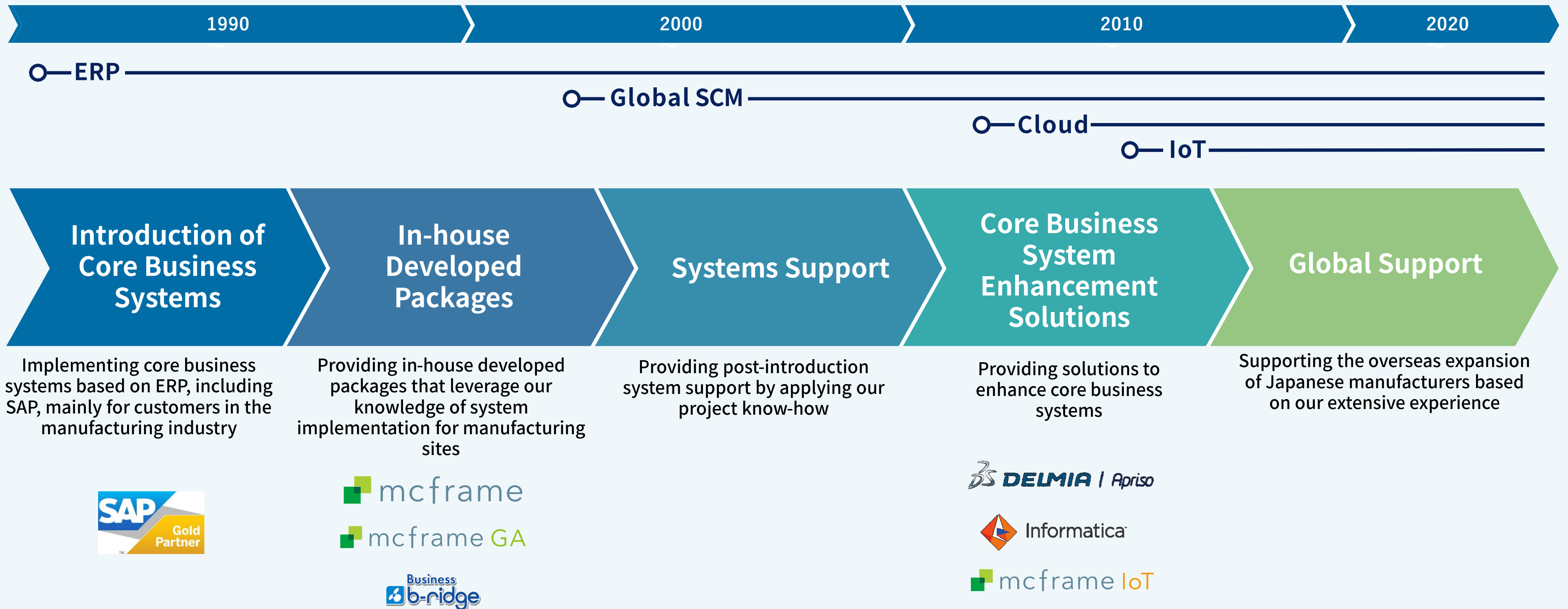
Providing "IT for Manufacturing" by leveraging our extensive knowledge of the manufacturing industry.



Establishment	: April, 1999	Capital	: ¥697.6 million
Business Locations	: (Domestic) Tokyo Head Office, Kansai Branch, Chubu Office (Overseas) Thailand, China, Singapore, Indonesia, U.S.A.	Number of employees	: 657 (consolidated, as of March 2022)

B-EN-G's Business

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



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

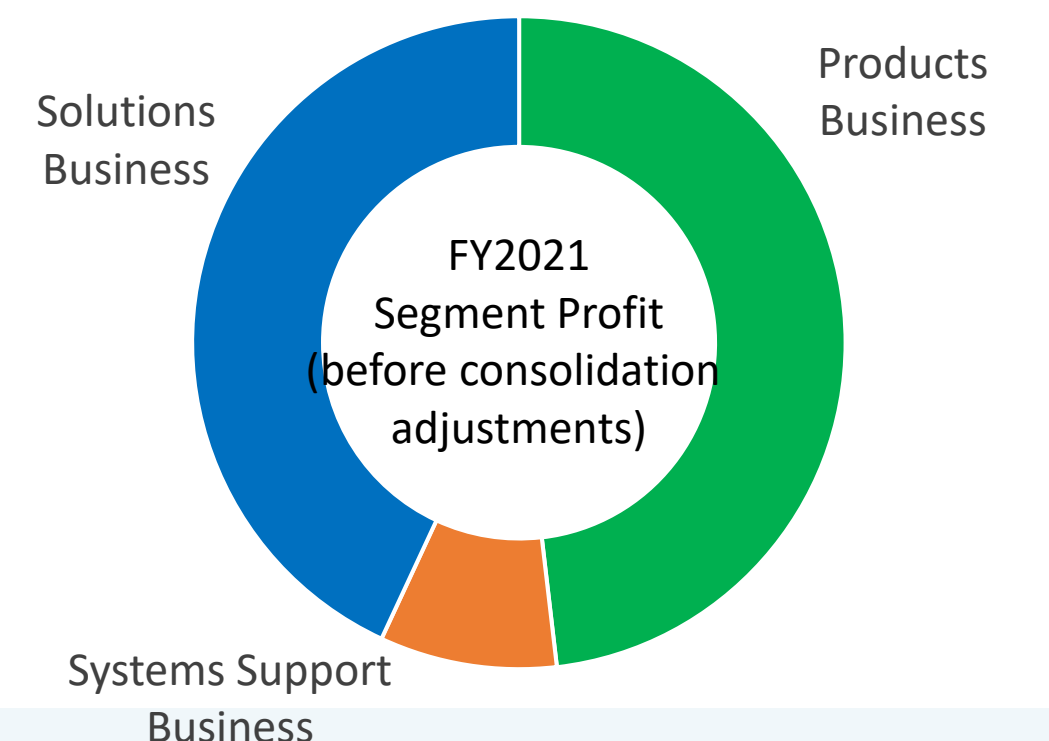
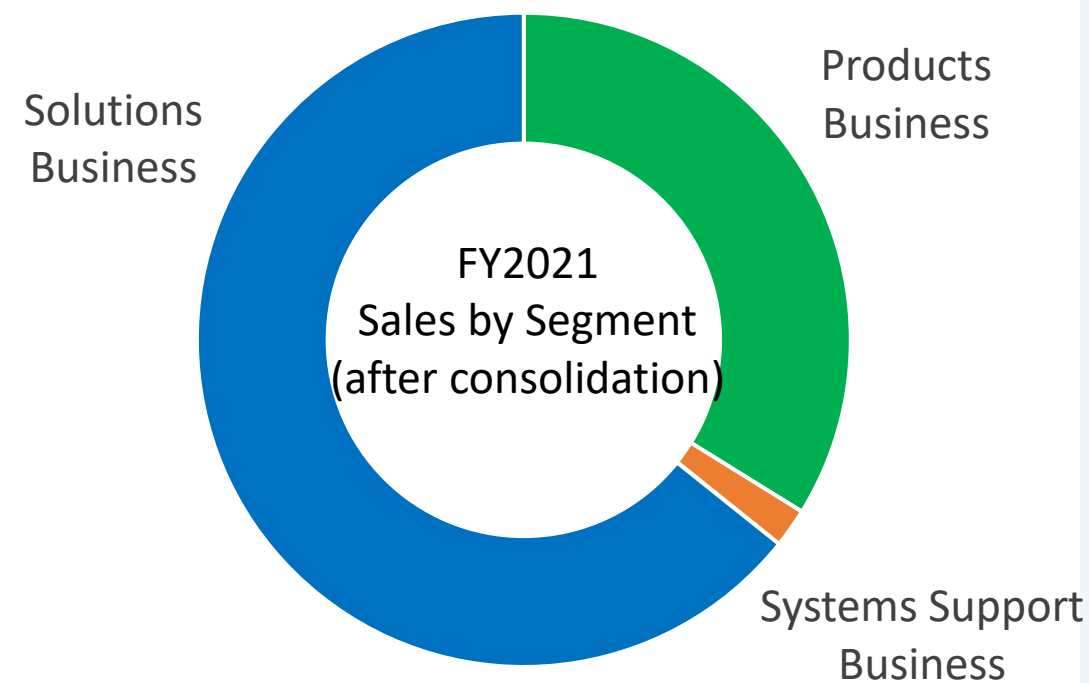
Products Business

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
Second Quarter of FY2022
Financial Results**

FY2022 Financial Results

Business Environment

- Despite the rising resource prices, overall corporate earnings remained high.
- Information technology investment in the manufacturing industry is generally strong, reflecting growing DX needs.

Summary of Financial Results

- Net Sales The same level as the previous year
- Operating Profit } All record highs for 5th consecutive year
- Ordinary Profit }
- Current Net Profit }
- Interim Dividend 21 yen per share

Summary of Profit and Loss (YoY)

(Million Yen)	2Q/FY2022 Results	2Q/FY2021 Results	Difference (Percentage Change)
Net Sales	8,859	8,850	8 (+0.1%)
Gross Profit Gross Profit ratio	3,416 (38.6%)	2,902 (32.8%)	514 (+17.7%)
Operating Profit Operating Profit ratio	1,614 (18.2%)	1,154 (13.0%)	460 (+39.9%)
Ordinary Profit Ordinary Profit ratio	1,620 (18.3%)	1,160 (13.1%)	460 (+39.7%)
Current Net Profit Current Net Profit ratio	1,090 (12.3%)	790 (8.9%)	300 (+38.0%)
Orders Received	9,160	8,450	709 (+8.4%)

In terms of profits, in addition to the control of the unprofitable project and improvement of project profitability in the Solutions Business, an increase in license sales in the Products Business and improvement of profitability in the Systems Support Business contributed to a significant improvement year on year.

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".

Summary of Profit and Loss (Comparison with previous forecast)

(Million Yen)	2Q/FY2022 Results	2Q/FY2021 Forecast as of 2022/8/4	Difference (Percentage Change)
Net Sales	8,859	8,900	\triangle 40 (\triangle 0.5%)
Gross Profit Gross Profit ratio	3,416 (38.6%)	3,270 (36.7%)	146 (+4.5%)
Operating Profit Operating Profit ratio	1,614 (18.2%)	1,430 (16.1%)	184 (+12.9%)
Ordinary Profit Ordinary Profit ratio	1,620 (18.3%)	1,430 (16.1%)	190 (+13.3%)
Current Net Profit Current Net Profit ratio	1,090 (12.3%)	970 (10.9%)	120 (+12.5%)
Orders Received	9,160	8,900	260 (+2.9%)

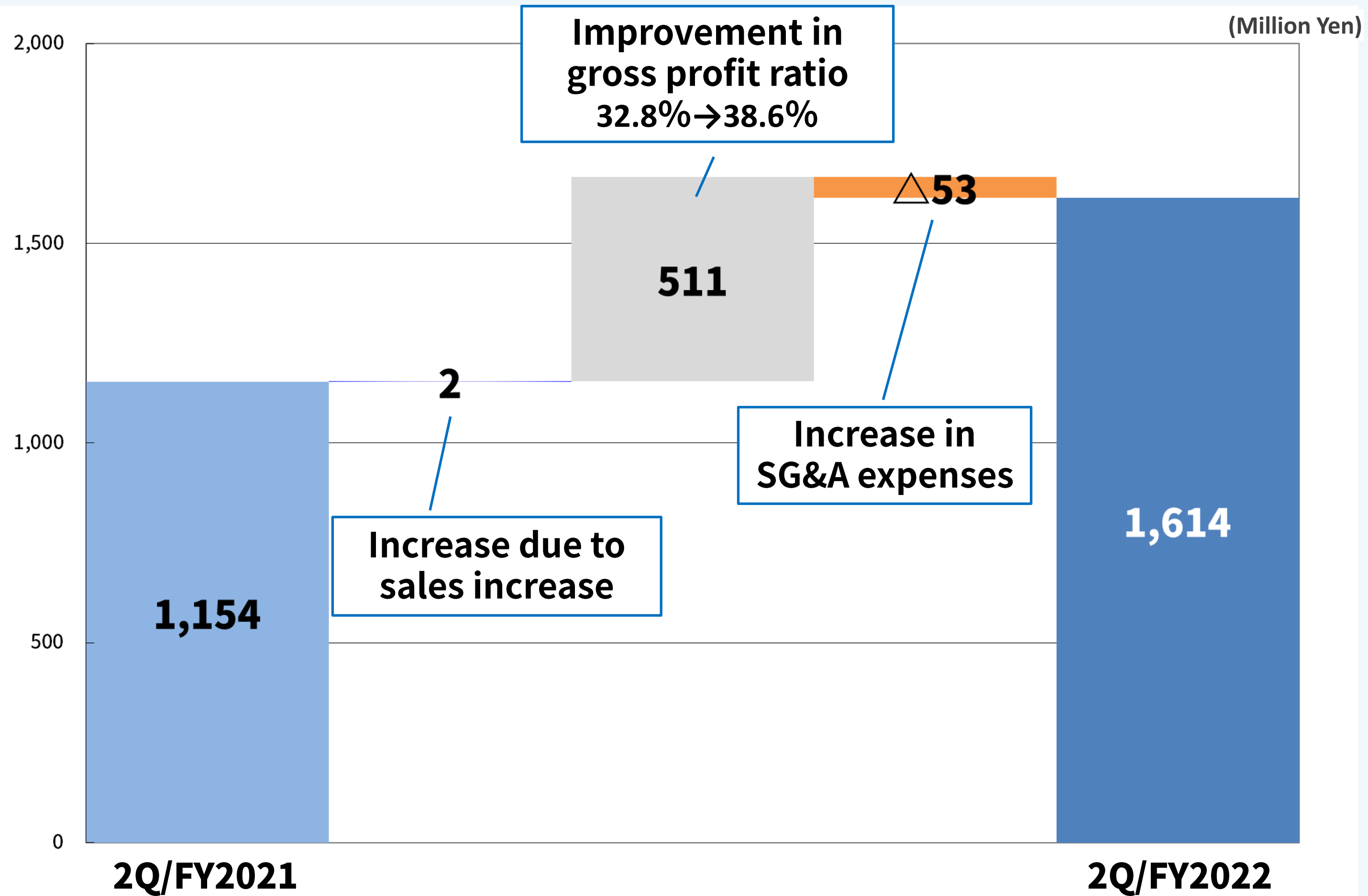
Raised its profit forecasts from the previous financial results forecast for the full-year financial results forecast for the fiscal year ending March 31, 2023, due to:

- an increase in license sales in the Products Business, and
- improvement of profitability in the Systems Support Business.

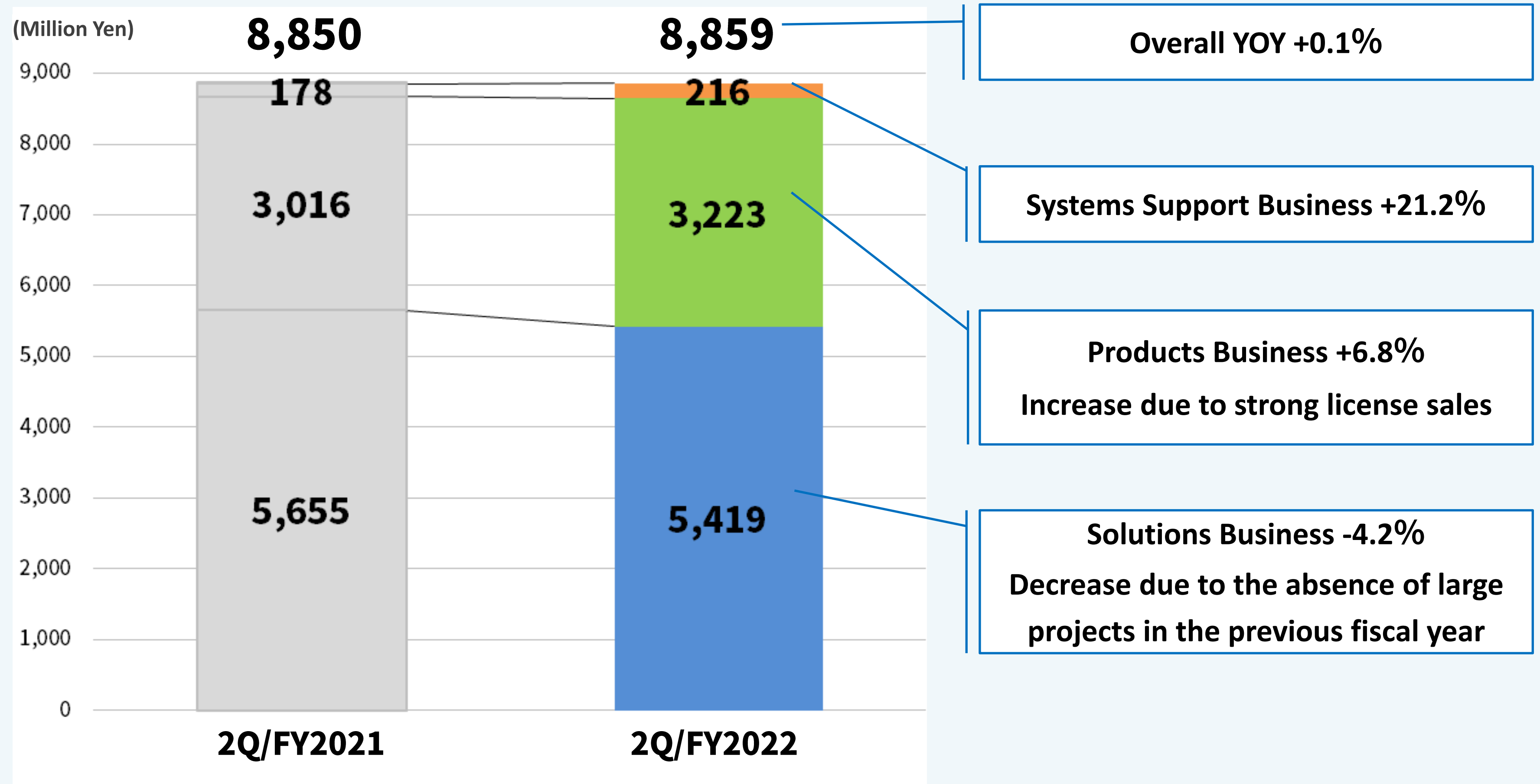
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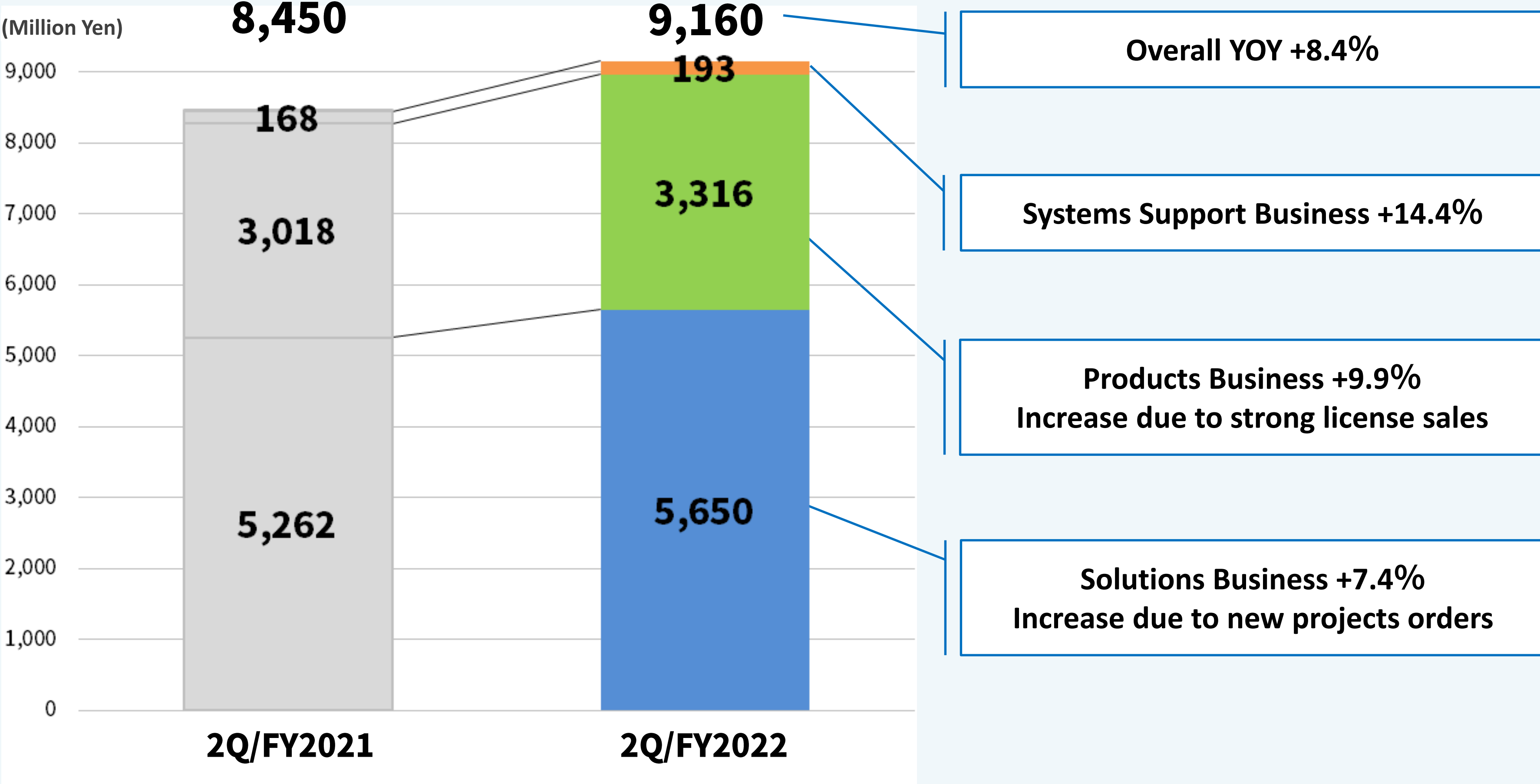
Analysis of Changes in Operating Profit (YoY)



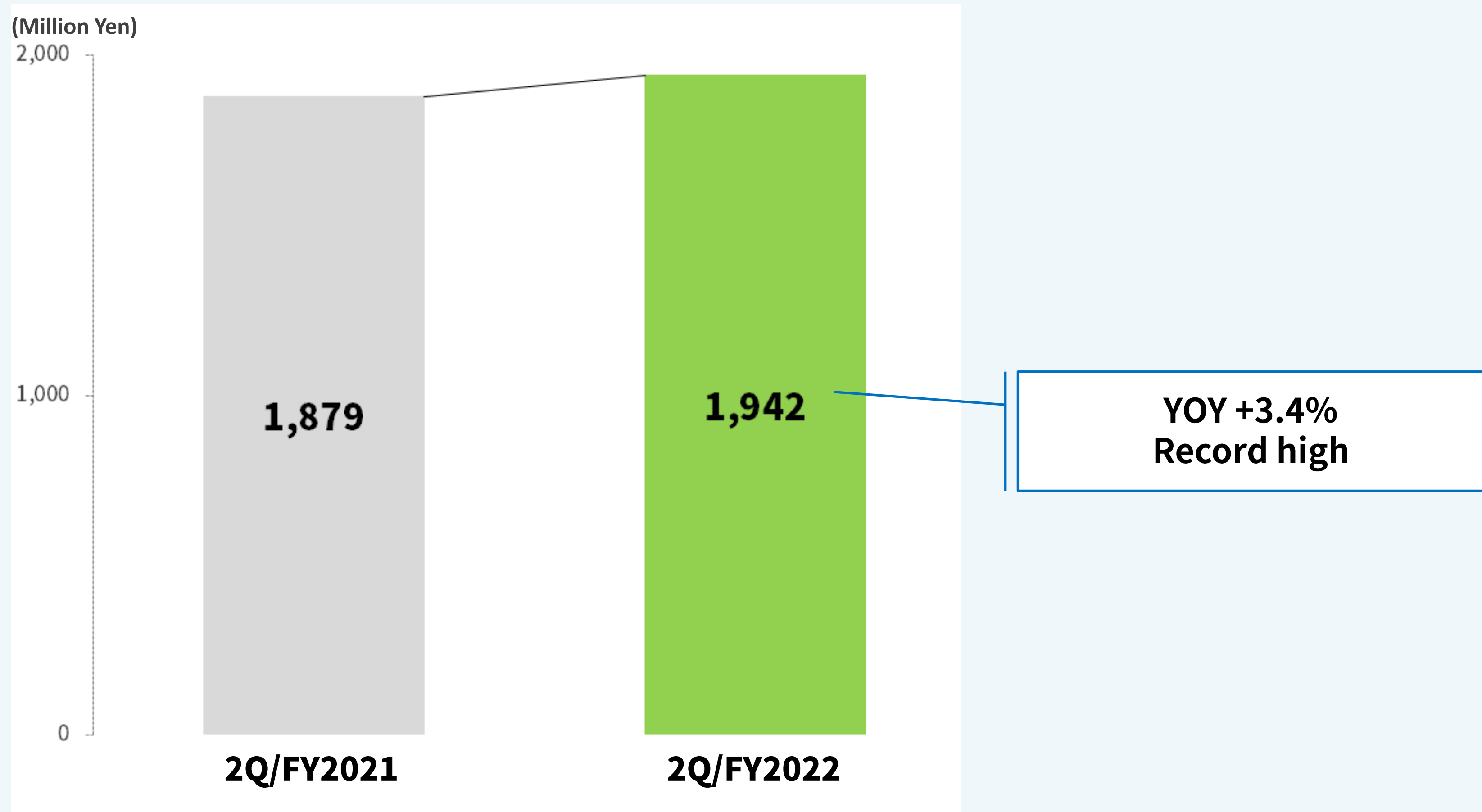
Summary of Net Sales (YoY)



Summary of Orders Received (YoY)



Summary of Net Sales of mcframe License (YoY)



Summary of Balance Sheet (YoY) | Assets

(Million Yen)

	End of 2Q/FY2022	End of FY2021	Difference
Cash and deposits	5,871	4,495	925
Notes, accounts receivable and contract assets	3,105	3,468	△363
Inventory assets	69	7	62
Other current assets	592	445	147
Total current assets	9,638	8,866	771
(component ratio)	(78.8%)	(77.2%)	
Property, plant and equipment	142	150	△8
Intangible assets	1,317	1,321	△4
Investments and other assets	1,137	1,152	△14
Total non-current assets	2,597	2,624	△26
(component ratio)	(21.2%)	(22.8%)	
Total assets	12,235	11,491	744
(component ratio)	(100.0%)	(100.0%)	

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

(Million Yen)	End of 2Q/FY2022	End of FY2021	Difference
Outstanding account	1,090	1,119	△ 29
Short-term borrowings	—	100	△ 100
Other current liabilities	2,886	2,797	89
Total current liabilities	3,976	4,016	△ 39
Total liabilities (component ratio)	3,976 (32.5%)	4,016 (34.9%)	△ 39
Share capital	697	697	-
Capital surplus	565	565	-
Retained earnings	7,048	6,251	796
Treasury shares	0	0	0
Accumulated other comprehensive income	△ 51	△ 38	△ 13
Total net assets (component ratio)	8,259 (67.5%)	7,475 (65.1%)	783
Total liabilities and net assets (component ratio)	12,235 (100.0%)	11,491 (100.0%)	744

Summary of Cash Flows (YoY)

(Million Yen)	2Q/FY2022	2Q/FY2021	Difference
Cash flows from operating activities	1,658	124	1,534
Cash flows from investing activities	△325	△422	96
Cash flows from financing activities	△393	△580	187
Effect of exchange rate change on cash and cash equivalents	△14	△3	△10
Net increase (decrease) in cash and cash equivalents	925	△882	1,807
Cash and cash equivalents at beginning of period	4,945	4,078	867
Cash and cash equivalents at end of period	5,871	3,195	2,675

Earnings Forecast for FY2022

Earnings and Dividend Forecast for FY2022

Overview of Business Environment

- 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.

Earnings and Dividend Forecast

Raised the full-year forecast (operating profit 2.6 billion⇒3.0 billion) and dividend forecast (¥42⇒¥60)

- Net Sales
 - Operating Profit
 - Ordinary Profit
 - Current Net Profit
 - Dividend forecast
- In general, performance as planned. Increasing revenue is expected on a YoY
- All record highs for 7th consecutive year are expected
- Records high for 8th consecutive year are expected.

The pre-split dividend for FY2021 was 42 yen per share.*

*This is restated to reflect the 2-for-1 stock split on June 1, 2022.

Forecast of Profit and Loss (Comparison with previous forecast)

(Million Yen)	FY2022 New Forecast	FY2022 Forecast as of 2022/5/12	Difference (Percentage Change)
Net Sales	17,900	17,900	—
Gross Profit	6,790	6,310	480
Gross Profit ratio	(37.9%)	(35.3%)	(+7.6%)
Operating Profit	3,000	2,600	400
Operating Profit ratio	(16.8%)	(14.5%)	(+15.4%)
Ordinary Profit	3,000	2,600	400
Ordinary Profit ratio	(16.8%)	(14.5%)	(+15.4%)
Current Net Profit	2,100	1,770	330
Current Net Profit ratio	(11.7%)	(9.9%)	(+18.6%)
Orders Received	18,000	18,000	—
Dividends (non-consolidated)	60.0 yen	42.0 yen*	18.0 yen
ROE	25.4%	21.8%	(3.6%)

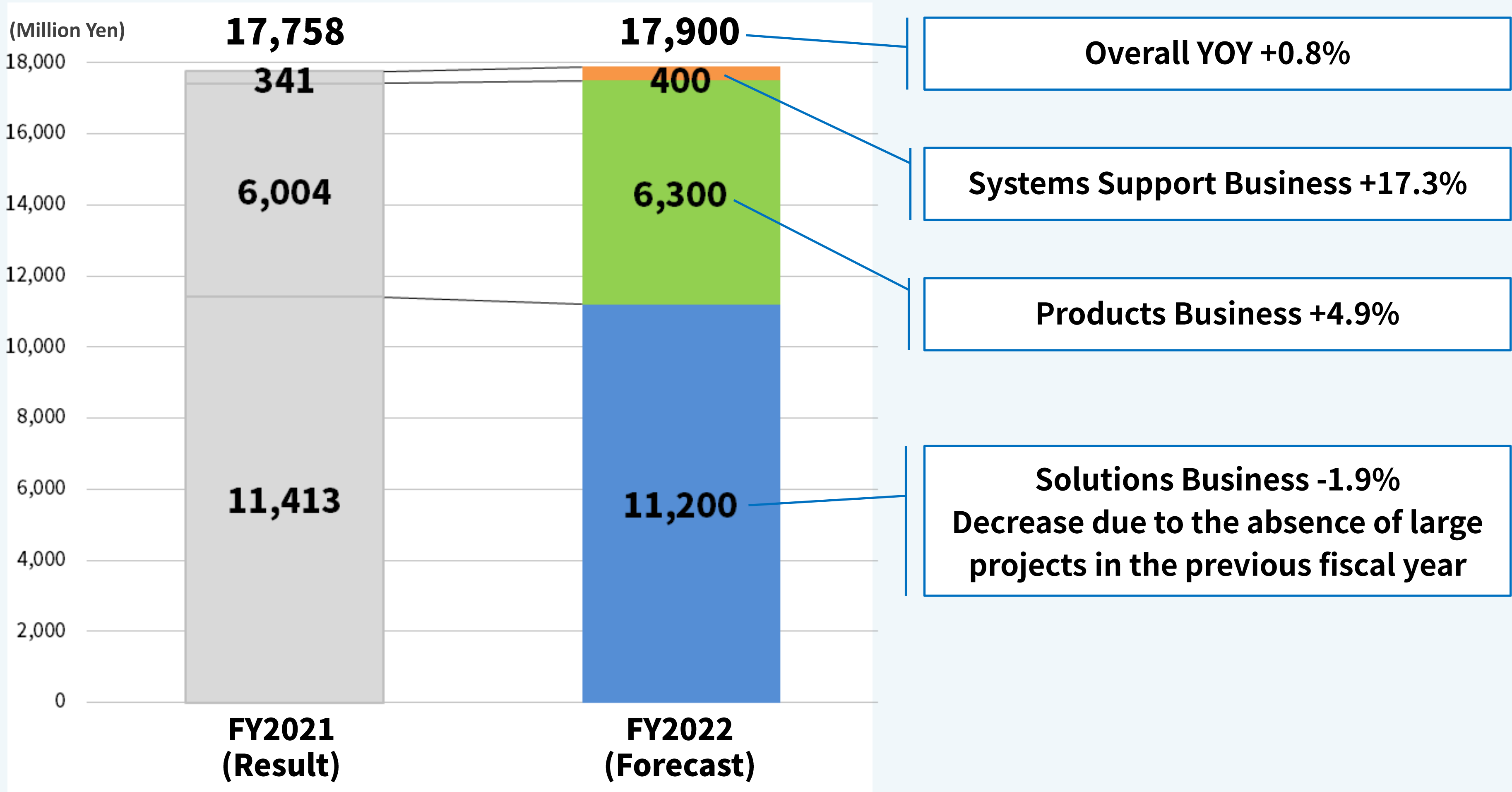
*This is restated to reflect the 2-for-1 stock split on June 1, 2022.

Forecast of Profit and Loss (YoY)

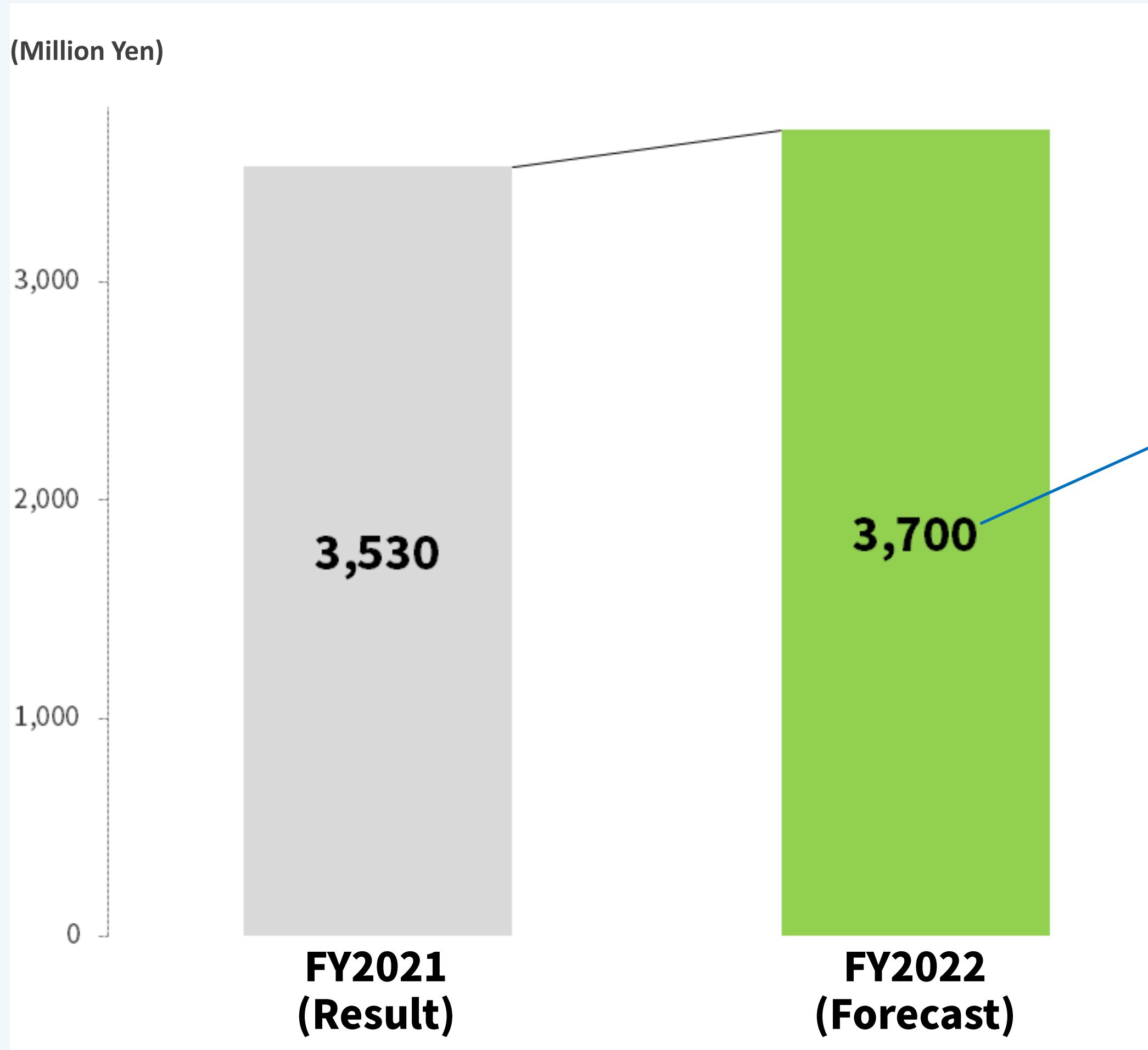
(Million Yen)	FY2022 Forecast	FY2021 Results	Difference (Percentage Change)
Net Sales	17,900	17,760	139 (+0.8%)
Gross Profit Gross Profit ratio	6,790 (37.9%)	5,882 (33.1%)	907 (+15.4%)
Operating Profit Operating Profit ratio	3,000 (16.8%)	2,412 (13.6%)	587 (+24.3%)
Ordinary Profit Ordinary Profit ratio	3,000 (16.8%)	2,443 (13.8%)	556 (+22.8%)
Current Net Profit Current Net Profit ratio	2,100 (11.7%)	1,643 (9.3%)	456 (+27.8%)
Orders Received	18,000	17,912	87 (+0.5%)
Dividends (non-consolidated)	60.0 yen	42.0 yen*	18.0 yen
ROE	25.4%	23.8%	(+1.6%)

*This is restated to reflect the 2-for-1 stock split on June 1, 2022.

Forecast of Net Sales (YoY)

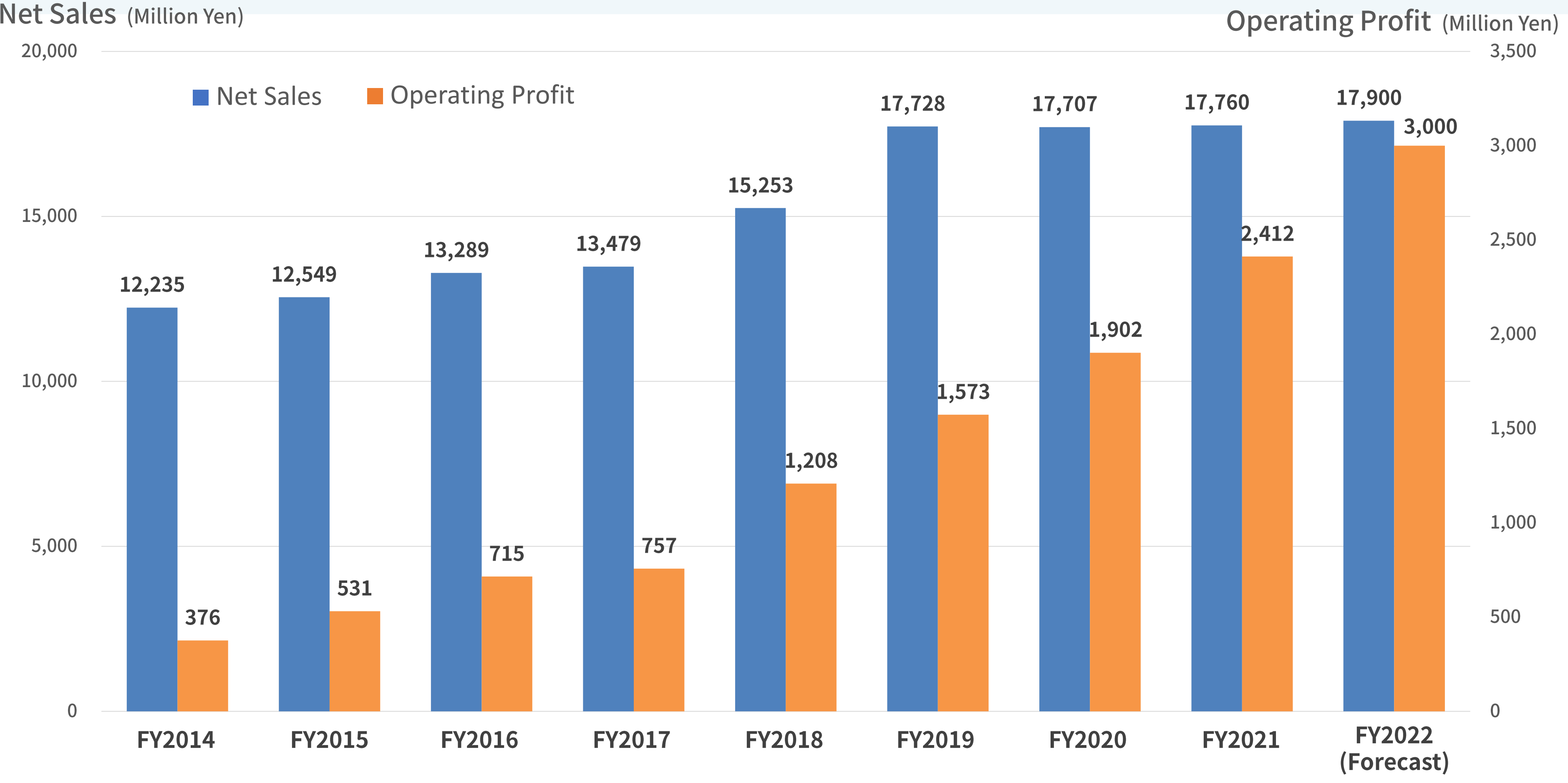


Forecast of Net Sales of mcframe License (YoY)

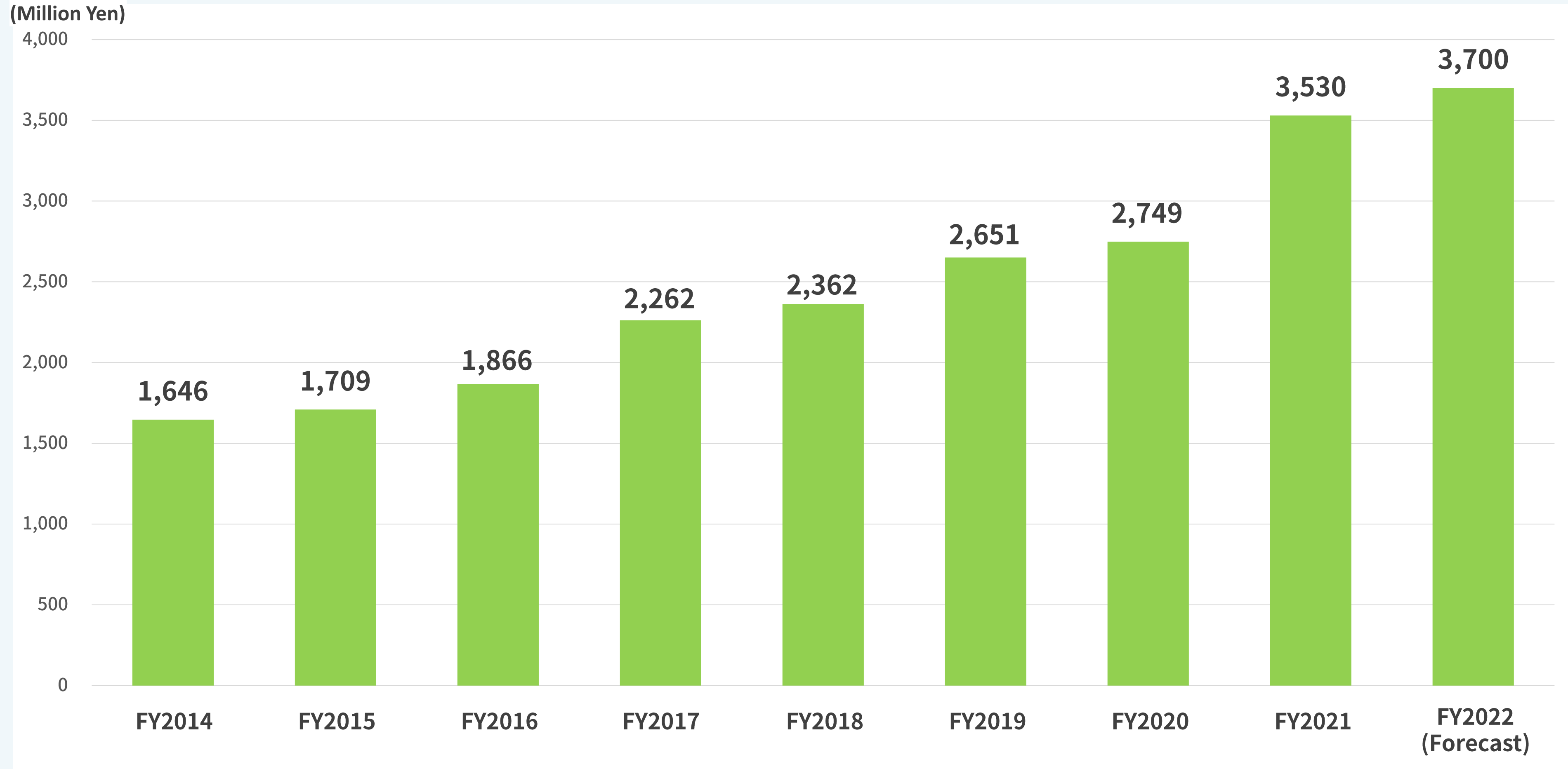


YOY +4.8%
Expected to record high

Net Sales and Operating Profit

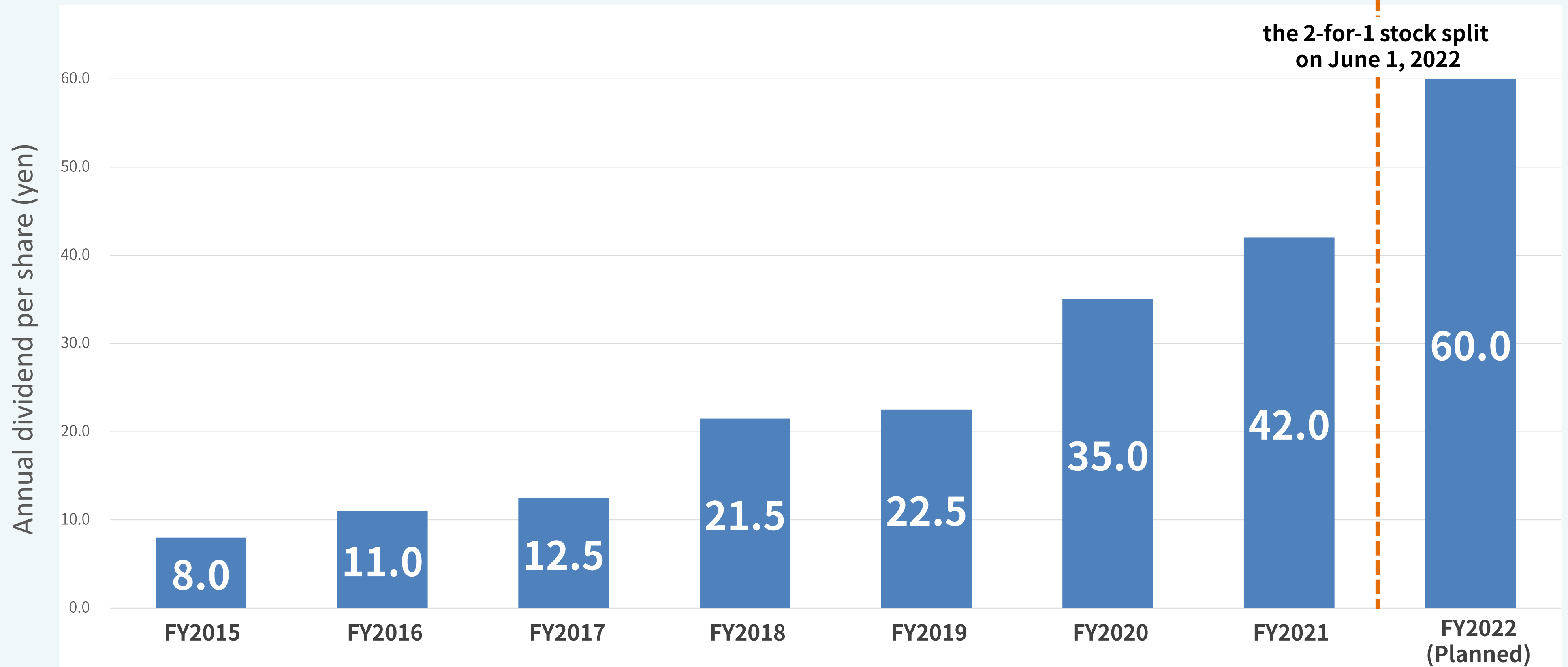


Net Sales of mcframe License



Dividends

Dividends are expected to increase for the 8th consecutive year



Note : These are restated to reflect the 2-for-1 stock split on June 1, 2022.



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<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.