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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2026 [Japanese GAAP]

August 10, 2026

Company name: Business Engineering Corporation
Stock exchange listing: Tokyo Stock Exchange, Prime Market
Code number: 4828
URL: https://www.b-en-g.co.jp/
Representative: Masakazu Haneda, President & CEO
Contact: Shigeaki Betsunou, Senior Managing Director and Division General Manager, Corporate Administration & Planning Div.
Phone: +81-3-3510-1600
Scheduled date of commencing dividend payments: –
Availability of supplementary briefing materials on financial results: Available
Schedule of financial results briefing session: Scheduled (for institutional investors and securities analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2026 (April 1, 2026 to June 30, 2026)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2026	6,781	12.3	1,910	10.5	1,921	9.7	1,274	(7.1)
June 30, 2025	6,039	19.8	1,728	48.0	1,750	48.0	1,371	70.8

(Note) Comprehensive income: Three months ended June 30, 2026: ¥1,408 million [19.1%]
Three months ended June 30, 2025: ¥1,182 million [40.0%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	21.36	–
June 30, 2025	22.91	–

(Note) The Company conducted a five-for-one stock split of its common shares effective January 1, 2026. “Basic earnings per share” is calculated assuming that the stock split was executed at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2026	23,193	16,878	72.0
As of March 31, 2026	21,526	16,071	74.7

(Reference) Equity: As of June 30, 2026: ¥16,709 million
As of March 31, 2026: ¥16,071 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	78.00	–	26.00	–
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		21.00		21.00	42.00

(Notes) 1. Revision to the most recently announced dividends forecast: None

2. The Company conducted a five-for-one stock split of its common shares effective January 1, 2026. The year-end dividend per share for the fiscal year ended March 31, 2026 reflects the impact of the stock split, while the total annual dividend is indicated with a dash ("-"). Without factoring in the stock split, the year-end dividend would be ¥130, and the annual dividend would be ¥208.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(% represents changes from the previous fiscal year for full year, and on a year-on-year basis for quarterly results.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	13,200	7.5	3,450	2.4	3,450	1.7	2,300	(7.6)	38.53
Full year	26,800	9.6	6,900	7.6	6,900	7.2	4,600	(5.9)	77.05

(Note) Revision to the most recently announced financial results forecast: None

*** Notes:**

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2026: Yes
New subsidiaries: 5 companies (Toyo Business Engineering (Thailand) Co., Ltd., Toyo Business Engineering Holding (Thailand) Co., Ltd., Toyo Business Engineering Singapore Pte. Ltd., Toyo Business Engineering (Shanghai) Co., Ltd., and PT. Toyo Business Engineering Indonesia)
Excluded subsidiaries: –

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: None
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: None
4) Retrospective restatement: None

(4) Total number of issued shares (common shares)
1) Total number of issued shares at the end of the period (including treasury shares):
June 30, 2026: 60,000,000 shares
March 31, 2026: 60,000,000 shares
2) Total number of treasury shares at the end of the period:
June 30, 2026: 292,265 shares
March 31, 2026: 353,340 shares
3) Average number of shares during the period:
Three months ended June 30, 2026: 59,678,217 shares
Three months ended June 30, 2025: 59,871,660 shares

(Notes) 1. The Company conducted a five-for-one stock split of its common shares effective January 1, 2026. Accordingly, "Average number of shares during the period" is calculated assuming that the stock split was executed at the beginning of the previous fiscal year.
2. "Total number of treasury shares at the end of the period" and "Average number of shares during the period" are calculated by including the Company's shares held by stock grant trust for directors and RS Trust for employees in the treasury shares that are deductible.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on the information currently available to the Company and certain assumptions that are deemed reasonable. They are not a pledge by the Company to achieve the forecasted results. Actual results, etc. may differ significantly from these forecasts due to a wide range of factors. For more details on the above forecasts, please refer to "1. Qualitative Information on Quarterly Financial Results for the Period under Review (3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information" on page 3.

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1. Qualitative Information on Quarterly Financial Results for the Period under Review

Five overseas subsidiaries that had been treated as non-consolidated subsidiaries in the previous fiscal year became consolidated subsidiaries from the first quarter under review due to their increased significance.

(1) Explanation of Operating Results

During the three months ended June 30, 2026, the Japanese economy gradually recovered as corporate earnings remained at a high level and business sentiment also stayed at a favorable level, although the country saw some signs of weakness due to the impact of the situation in the Middle East.

In the information service industry, customers' willingness to invest in digital transformations (DX) is robust, and investments in information technology in the manufacturing industry remained strong.

In such a business environment, under the management plan "Management Vision 2026 Revised Version" for the six years through the fiscal year ending March 31, 2027, as well as the growth strategy "BE 2030," the vision and targets for FY2030, the Group has worked to resolve management issues such as the promotion of DX and global expansion in the manufacturing industry, in order to support its main customers facing changes in the business environment of the manufacturing industry with products and services that leverage the strengths of the Group. At the same time, the Group has been working to contribute to sustainability.

The financial results during the three months ended June 30, 2026 are as follows.

Orders received were ¥7,214 million (up 17.0% year on year) and net sales were ¥6,781 million (up 12.3% year on year), reflecting growth supported by robust investments in information technology, with both setting consecutive record highs, mainly owing to increased license sales and the expanded scope of consolidation. In addition, owing to robust license sales, sales of mcframe licenses were ¥2,040 million (up 43.5% year on year), setting a consecutive record high. In terms of profits, owing to increased license sales, operating profit was ¥1,910 million (up 10.5% year on year), and ordinary profit was ¥1,921 million (up 9.7% year on year), achieving quarterly record-highs in each profit indicator for the fifth consecutive year. Profit attributable to owners of parent was ¥1,274 million (down 7.1% year on year) owing to the reactionary decline following the recognition of gain on sales of investment securities as an extraordinary income in the previous fiscal year.

Operating results by business segment are as follows.

(i) Solutions Business

The Solutions Business mainly engages in the consulting and system construction services, which are based on ERP package products developed by other companies. We provided complex solutions that contribute to the resolution of customers' issues and actively engaged in proposal activities based on customer needs. Orders received for this segment were ¥4,494 million (up 6.7% year on year) and net sales were ¥3,935 million (down 1.4% year on year). Segment profit was ¥1,165 million (down 10.0% year on year) due to an increase in selling expenses, among others, associated with proactive sales activities.

(ii) Products Business

The Products Business engages in sales of products such as the in-house developed ERP package "mcframe" series in Japan and overseas through business partners as well as support for the introduction of these products. We continued our efforts to strengthen our relationships with customers and business partners, focused on license sales, and implemented initiatives to continuously enhance brand power. Due to robust license sales and the expanded scope of consolidation, orders received for this segment were ¥2,643 million (up 38.8% year on year), net sales were ¥2,739 million (up 40.2% year on year), and segment profit was ¥1,159 million (up 52.9% year on year).

(iii) Systems Support Business

The Systems Support Business mainly engages in operation and maintenance services of systems introduced to customers, and offering proposals and additional development through these services. This business segment is operated by Business System Service Corporation, a subsidiary of the Company. We continued to work on enhancing life cycle support for customers' systems. As a result, orders received for this segment were ¥77 million (up 65.7% year on year), net sales were ¥106 million (up 11.8% year on year), and segment profit was ¥131 million (down 5.1% year on year).

(2) Explanation of Financial Position

(Assets)

Current assets increased by ¥1,681 million from the end of the previous fiscal year to ¥18,901 million. This was mainly attributable to increases in cash and deposits and notes and accounts receivable - trade, and contract assets. The ratio of current assets to total assets at the end of the first quarter under review was 81.5%.

Non-current assets decreased by ¥14 million from the end of the previous fiscal year to ¥4,292 million. This was mainly attributable to purchase of property, plant and equipment, which exceeded the depreciation of property, plant and equipment, and a decrease in deferred tax assets.

As a result, total assets at the end of the first quarter under review increased by ¥1,667 million from the end of the previous fiscal year to ¥23,193 million.

(Liabilities)

Liabilities at the end of the first quarter under review increased by ¥860 million from the end of the previous fiscal year to ¥6,315 million. This was mainly attributable to an increase in advances received, a decrease in income taxes payable, and an increase in accrued expenses.

(Net assets)

Net assets at the end of the first quarter under review increased by ¥806 million from the end of the previous fiscal year to ¥16,878 million. This was mainly attributable to an increase owing to the recording of profit attributable to owners of parent and a decrease due to dividends of surplus.

As a result, the equity ratio at the end of the first quarter under review decreased by 2.7 percentage points from the end of the previous fiscal year to 72.0%.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-Looking Information

There has been no change from the forecast announced on May 12, 2026.

2. Consolidated Quarterly Financial Statements
(1) Consolidated Quarterly Balance Sheet

(thousands of yen)

	FY03/2026 (As of Mar. 31, 2026)	1Q FY03/2027 (As of Jun. 30, 2026)
Assets		
Current assets		
Cash and deposits	12,141,599	13,083,919
Notes and accounts receivable - trade, and contract assets	4,416,213	4,749,776
Work in process	14,279	46,200
Other	647,367	1,021,140
Total current assets	17,219,461	18,901,037
Non-current assets		
Property, plant and equipment	173,299	256,263
Intangible assets		
Software	2,116,897	2,151,276
Leased assets	—	3,219
Other	3,783	3,635
Total intangible assets	2,120,681	2,158,131
Investments and other assets		
Investment securities	932,049	902,250
Leasehold deposits	308,005	327,551
Deferred tax assets	513,193	480,617
Other	264,943	173,008
Allowance for doubtful accounts	(5,499)	(5,499)
Total investments and other assets	2,012,692	1,877,927
Total non-current assets	4,306,672	4,292,322
Total assets	21,526,134	23,193,360

(thousands of yen)

	FY03/2026 (As of Mar. 31, 2026)	1Q FY03/2027 (As of Jun. 30, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	409,824	536,320
Short-term borrowings	100,000	―
Accrued expenses	633,376	845,675
Income taxes payable	1,049,131	673,870
Advances received	1,647,023	2,551,911
Lease liabilities	―	2,750
Provision for bonuses	723,614	357,754
Provision for bonuses for directors (and other officers)	51,800	―
Provision for employee stock compensation	97,413	25,906
Reserve for guarantee for after-care of products	4,290	4,369
Other	680,163	1,222,345
Total current liabilities	5,396,639	6,220,905
Non-current liabilities		
Lease liabilities	―	30,665
Provision for share awards for directors (and other officers)	58,134	62,738
Other	―	754
Total non-current liabilities	58,134	94,158
Total liabilities	5,454,773	6,315,064
Net assets		
Shareholders' equity		
Share capital	697,600	697,600
Capital surplus	565,273	565,273
Retained earnings	15,293,148	15,708,386
Treasury shares	(440,171)	(342,618)
Total shareholders' equity	16,115,850	16,628,641
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(1,650)	(21,086)
Foreign currency translation adjustment	(42,838)	101,500
Total accumulated other comprehensive income	(44,489)	80,414
Non-controlling interests	―	169,240
Total net assets	16,071,360	16,878,296
Total liabilities and net assets	21,526,134	23,193,360

(2) Consolidated Quarterly Statements of Income and Comprehensive Income

Consolidated Quarterly Statement of Income(For the Three-month Period)

（thousands of yen）

	1Q FY03/2026 (Apr. 1, 2025 – Jun. 30, 2025)	1Q FY03/2027 (Apr. 1, 2026 – Jun. 30, 2026)
Net sales	6,039,489	6,781,441
Cost of sales	3,197,914	3,385,151
Gross profit	2,841,574	3,396,289
Selling, general and administrative expenses	1,113,485	1,486,092
Operating profit	1,728,088	1,910,197
Non-operating income		
Interest income	—	4,889
Dividend income	26,682	12,119
Other	—	722
Total non-operating income	26,682	17,732
Non-operating expenses		
Interest expenses	160	378
Foreign exchange losses	232	2,372
Commission expenses	2,493	2,627
Miscellaneous expenses	980	1,143
Total non-operating expenses	3,867	6,522
Ordinary profit	1,750,903	1,921,407
Extraordinary income		
Gain on sale of investment securities	239,012	—
Total extraordinary income	239,012	—
Profit before income taxes	1,989,916	1,921,407
Income taxes	618,389	637,835
Profit	1,371,526	1,283,571
Profit attributable to non-controlling interests	—	8,975
Profit attributable to owners of parent	1,371,526	1,274,596

Consolidated Quarterly Statement of Comprehensive Income(For the Three-month Period)

（thousands of yen）

	1Q FY03/2026 (Apr. 1, 2025 – Jun. 30, 2025)	1Q FY03/2027 (Apr. 1, 2026 – Jun. 30, 2026)
Profit	1,371,526	1,283,571
Other comprehensive income		
Valuation difference on available-for-sale securities	(199,505)	(19,435)
Foreign currency translation adjustment	10,432	144,339
Total other comprehensive income	(189,073)	124,903
Comprehensive income	1,182,453	1,408,475
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,182,453	1,380,157
Comprehensive income attributable to non-controlling interests	—	28,317