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May 13, 2025

Company name: Business Engineering Corporation
Representative: Masakazu Haneda, President & CEO
(Code number: 4828, Tokyo Stock Exchange, Prime Market)
Contact: Shigeaki Betsunou, Senior Managing Director
Phone: +81-3-3510-1600

Notice Regarding Formulation of Growth Strategy BE 2030

Business Engineering Corporation (the "Company") hereby announces that it has resolved, at a meeting of the Board of Directors held on May 13, 2025, to formulate a new growth strategy entitled BE 2030, which outlines the Company's vision and targets for fiscal year 2030 (ending March 2031), as described below.

1. Background to the formulation of BE 2030

In its earnings forecast for fiscal year 2025 (ending March 2026), the Company anticipates achieving all of the consolidated performance targets set forth in its management plan, Management Vision 2026 Revised Version, ahead of schedule. In light of this, the Company has decided to announce a new direction toward 2030 entitled BE 2030.

2. Main contents of BE 2030

- It outlines the Company's vision and targets for fiscal year 2030, along with growth scenarios and business models.
- Announces new capital allocation and shareholder return policies to support the 2030 targets, as well as newly established financial and M&A policies.

For further details, please refer to the attached document.

Growth strategy
BE 2030

May 13, 2025
Business Engineering Corporation
Securities Code : 4828　TSE Prime

B-EN-G
Business Engineering for Growth

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Introduction | About BE 2030

What is BE 2030?

We are announcing our growth strategy BE 2030, which represents B-EN-G's vision and targets for FY 2030 (ending March 2031).

Purpose and objectives of BE 2030

- In August 2021, with a final year of FY2026 (fiscal year ending March 2027), we formulated our management plan, Management Vision 2026. As we achieved our profit targets ahead of schedule and to reflect changes in our business environment, in November 2023, we announced Management Vision 2026 Strategy Revision.
- As our earnings forecast for FY2025 indicates we will achieve our revised targets ahead of schedule, we are now publishing our direction towards 2030 as BE 2030.
  We will continue the qualitative initiatives of Management Vision 2026.

Business segments in BE 2030

This document uses different business segments from our previous disclosures.

		BE 2030 business segments			
		Systems integration Business	License Business	Global Business	New Business & Others
Disclosed segments	Solutions Business	●			●
	Products Business		●	●	
	Systems support	●			

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Management Vision 2026 Targets and Review

Strong DX demand drove earnings expansion, achieving targets ahead of schedule.
Qualitative initiatives of Management Vision 2026 continue.

(Consolidated)	FY2020 Results	Management Vision 2026 FY2026 Target (Aug 2021)	Management Vision 2026 Revision FY2026 Target (Nov 2023)	FY2024 Results
Net sales	17.7 bil. yen	22.0 bil. yen	22.0 bil. yen	20.7 bil. yen
Operating profit	1.9 bil. yen	3.2 bil. yen	4.8 bil. yen	4.67 bil. yen
Net profit	1.28 bil. yen	2.11 bil. yen	3.2 bil. yen	3.33 bil. yen

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Achievements from Management Vision 2026

Profitability improved dramatically compared to FY2020, achieving initial profit targets ahead of schedule.

Achievements	• The Products Business simultaneously accelerated growth while maintaining profitability, a challenging management combination • The Solutions Business established a stable growth model based on client trust, significantly improving profitability • We strategically strengthened our global expansion, particularly expanding our client base in Asian markets

	FY2020 Results	FY2024 Results	Management Vision 2026 Final Year FY2026 Target
Net sales (bil. yen)	17.7	20.7	22.0
CAGR	—	+4.1%	+3.7%
Operating profit (bil. yen)	1.9	4.67	4.80
Operating profit margin	10.7%	22.5%	21.8%
CAGR	—	+25.2%	+16.7%
Net profit (bil. yen)	1.28	3.33	3.20
ROE	22.7%	27.4%	—

This execution capability, strength of achievement, and growth trajectory provide strong momentum for our next targets, BE 2030.

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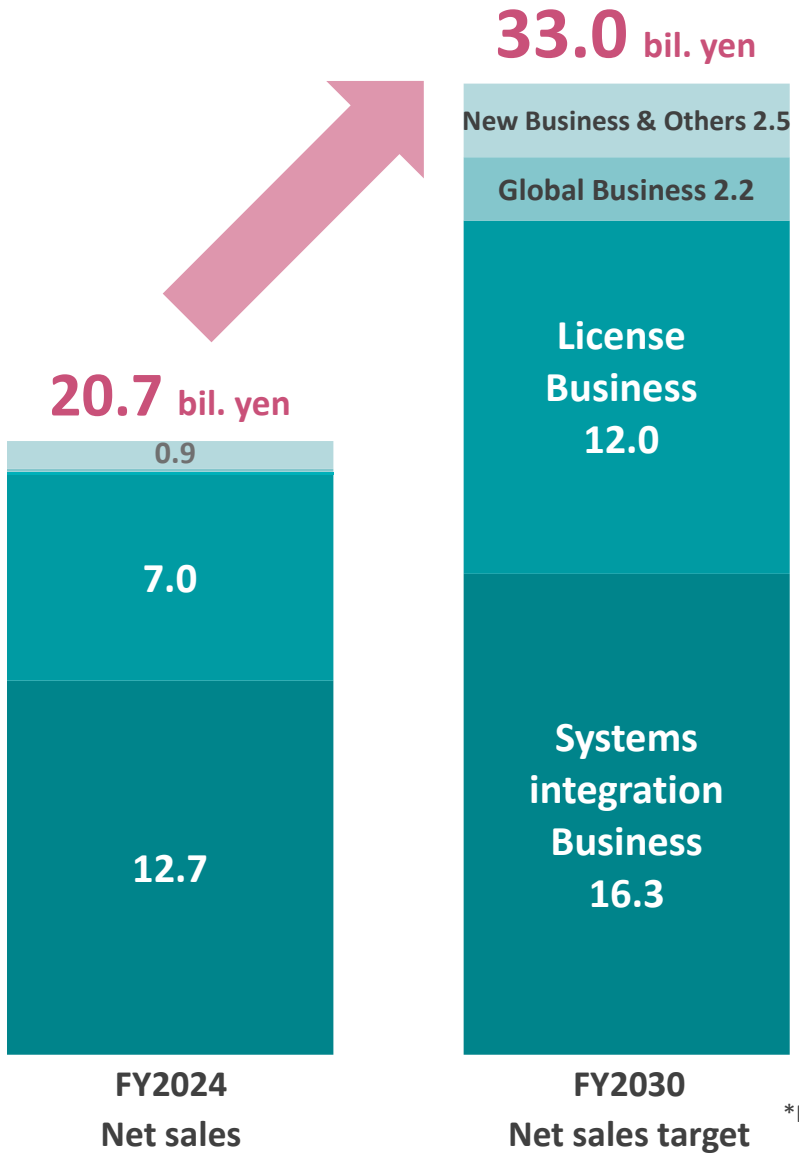
BE 2030 | Our Future Vision



Net sales	Operating profit	ROE
33.0 bil. yen	10.0 bil. yen	20% or higher

This plan does not include earnings from inorganic growth such as M&A

New Business & Others	**2.5 bil. yen**	• Expanding data utilization and DcX business • Expanding user co-creation business • Business development & service provision in new fields
Global Business*	**2.2 bil. yen**	• Expanding license sales & implementation support by overseas subsidiaries • Establishing new overseas locations
License Business	**12.0 bil. yen**	• Establishing position as de facto standard for manufacturing through hybrid offering of existing mcframe + cloud products (mcframe X)
Systems integration Business	**16.3 bil. yen**	• Stable and robust revenue base through continuous customer problem-solving with SAP + extended solutions and maintenance services

*FY2024 Global net sales are for US subsidiary only. Total overseas subsidiaries' consolidated sales for FY2024 are approximately 0.9 bil. yen.

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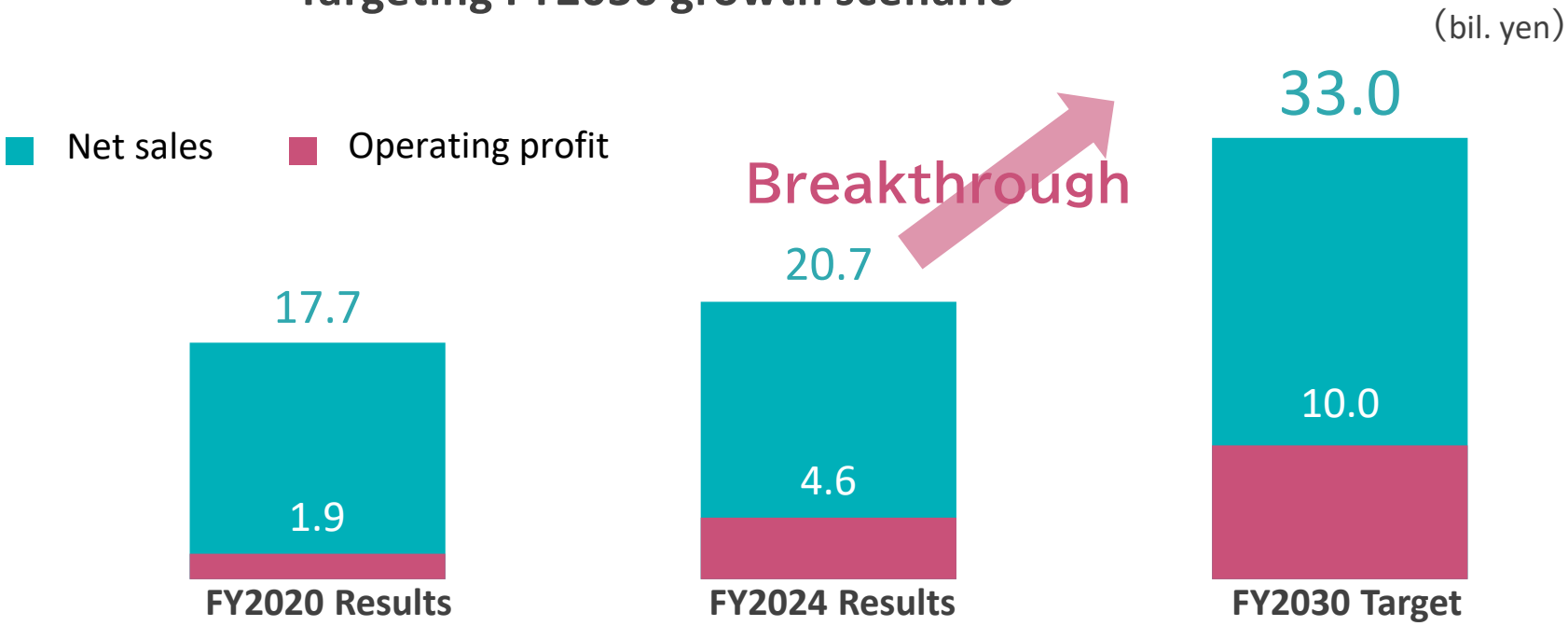
BE 2030 | Growth Scenario

Targeting FY2030 growth scenario



	FY2020 Results	FY2024 Results	FY2030 Target
Net sales (bil. yen)	17.7	20.7	33.0
CAGR	—	+4.1%	+8.0%
Operating profit (bil. yen)	1.90	4.67	10.0
Operating profit margin	10.7%	22.5%	30.3%
CAGR	—	+25.2%	+13.5%
Net profit (bil. yen)	1.28	3.33	6.60
ROE	22.7%	27.4%	25.0%

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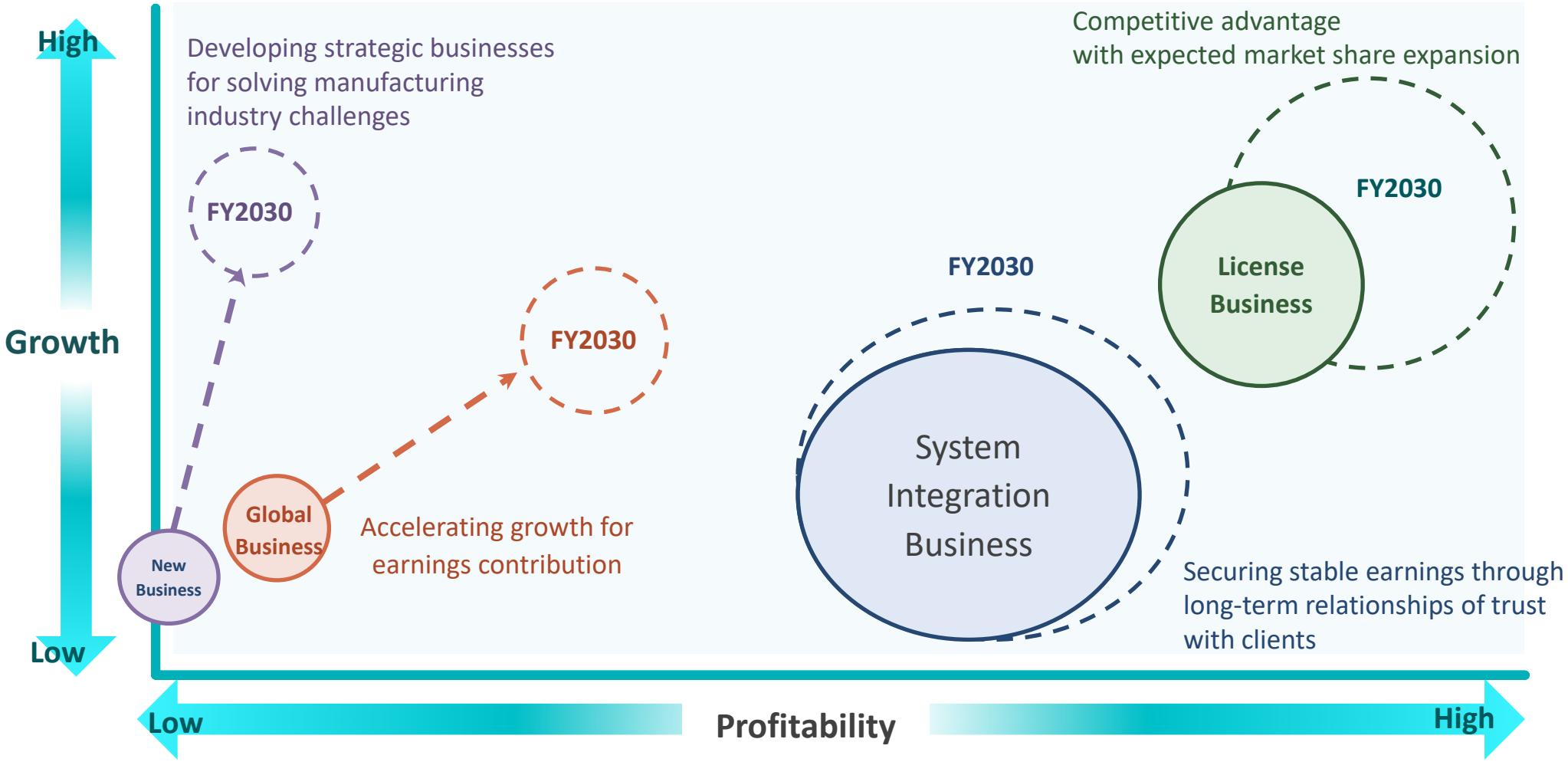
BE 2030 | Growth Scenario

Our portfolio, leveraging the strengths of each business

Size of circle: Net sales



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Our Business Model

2 earnings pillars for sustainable growth and global expansion

License Business
Growth engine: 10% annual growth

- Unique market positioning focused on large/mid-sized manufacturers
- Expanded sales network through partnerships with major IT vendors
- High-profit model through license/SaaS

Systems integration Business
Stable earnings base : 5% annual growth

- Sustainable earnings base built on long-term trust with large enterprise customers
- Deep expertise in manufacturing-specific core system implementation
- Problem-solving capabilities through core systems and complementary solutions

Global Business
Overseas expansion

- Establishing first-mover advantage leveraging domestic client base
- Improving profitability through vertically integrated business model
- Building future growth foundation through strategic regional expansion

Client base and expertise cultivated through license & Systems integration businesses drive global expansion

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Our Business | License Business

Establishing overwhelming dominance as de facto standard in supply chain management
Growth engine: 10% annual growth

Strategic market positioning	Large and medium-sized manufacturers as main target clients, establishing unwavering market dominance and brand power
Strengthening sales capabilities through partnership strategy	Expanding market share by significantly enhancing sales capabilities through partnerships with major IT vendors
Ideal earnings structure with high margins and high growth	Establishing a high-margin, high-growth earnings model through combination of initial license sales and recurring maintenance revenue (15-20%)
Cloud product strategy	Responding to market needs by providing cloud-compatible products and expanding target customer base

Accelerating growth momentum through cloud product offerings

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Our Business | Systems integration Business

Stable growth model based on long-term customer trust
Stable earnings base: 5% annual growth

Robust earnings base built on high client trust	Centered on large enterprises, building a robust earnings base based on long-term trust relationships with clients
Problem-solving capabilities leveraging manufacturing industry expertise	Expanding competitive advantage that rivals cannot match through problem-solving capabilities that leverage deep knowledge of complex business processes unique to manufacturing
Core systems × Enhanced solutions	Establishing a repeat business structure and high-margin model through the integrated provision of core systems and unique complementary solutions
Continuous client support throughout system lifecycle	Maintaining and strengthening relationships of trust with clients through continuous support from system implementation to post-implementation service, leading to future business opportunities

Deeply exploring client challenges and developing new solutions to solve them

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Our Business | Global Expansion

Establishing competitive advantage through unique business model in emerging Asian markets

Strategic positioning in emerging Asian markets	Establishing first-mover advantage in untapped territories where major ERP vendors have not actively entered
Proprietary product strategy enabling flexible localization	Developing globally usable products with flexible support for multiple languages, currencies, and country-specific tax systems
Unique vertically integrated business model	Simultaneously capturing high-profit margins from product sales and stable earnings from implementation support through integration of license sales and implementation support by overseas subsidiaries
Expansion of overseas locations and entry into new countries	Strengthening organizational capabilities of overseas subsidiaries and expanding beyond ASEAN countries

Expanding global business through strengthening of existing locations and development of new locations

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Our Business | New Business Development

Leveraging 25+ years of manufacturing digitalization experience to develop 4 strategic businesses

User Co-creation Business	Creating new value by integrating client hardware/services with our solutions
Data Centric Business	Advanced analytics using core system data to support decision-making
Field DX Support	Revolutionizing manufacturing operations where digitalization has lagged, to enhance productivity and transfer of skills
Life Science Specialized Solutions	Providing unique value in the evolving life science domain, balancing regulatory compliance and quality improvement

Developing as a key business pillar that leverages synergies with existing businesses to drive next-generation growth

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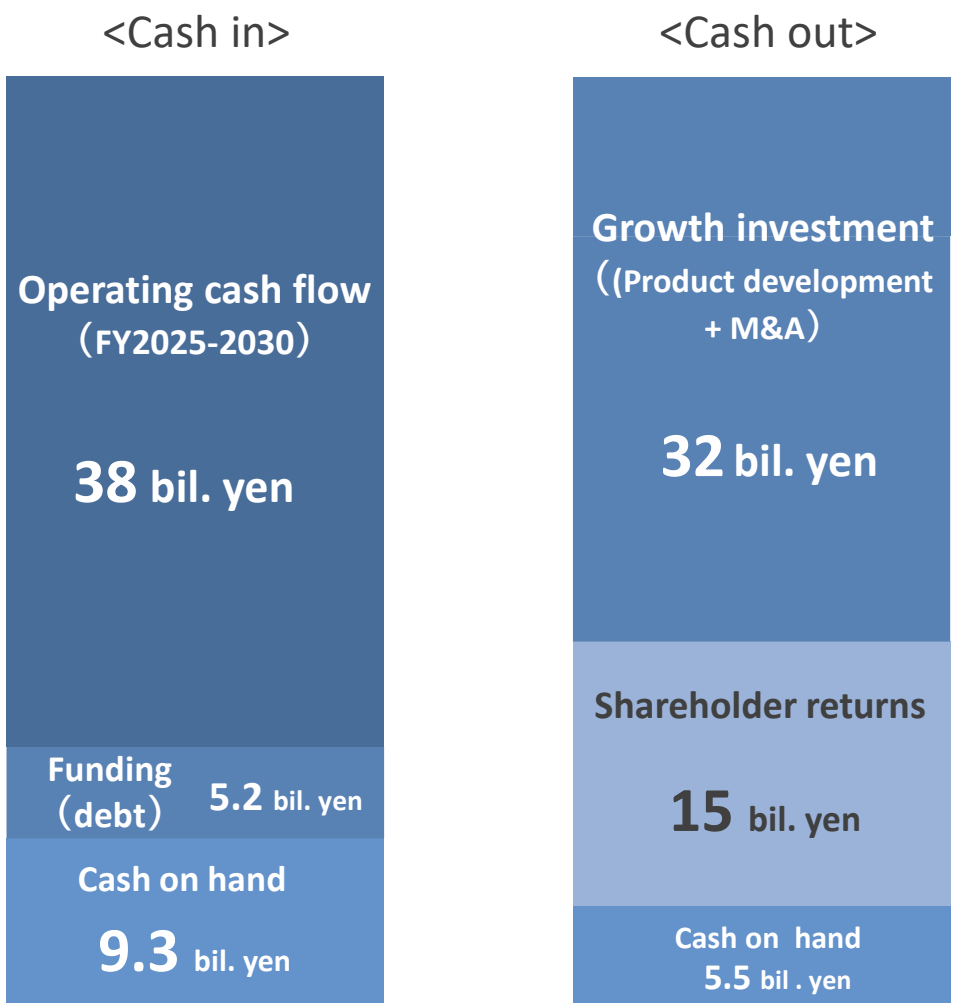
Capital Allocation

Promoting resource allocation for both growth investment (product development and M&A) and shareholder returns to achieve FY2030 targets.



	FY2024		FY2030
Cash to total assets ratio	51%	▶	16%
Months of cash on hand	5.4 months	▶	2.0 months
Equity ratio	73%	▶	65%

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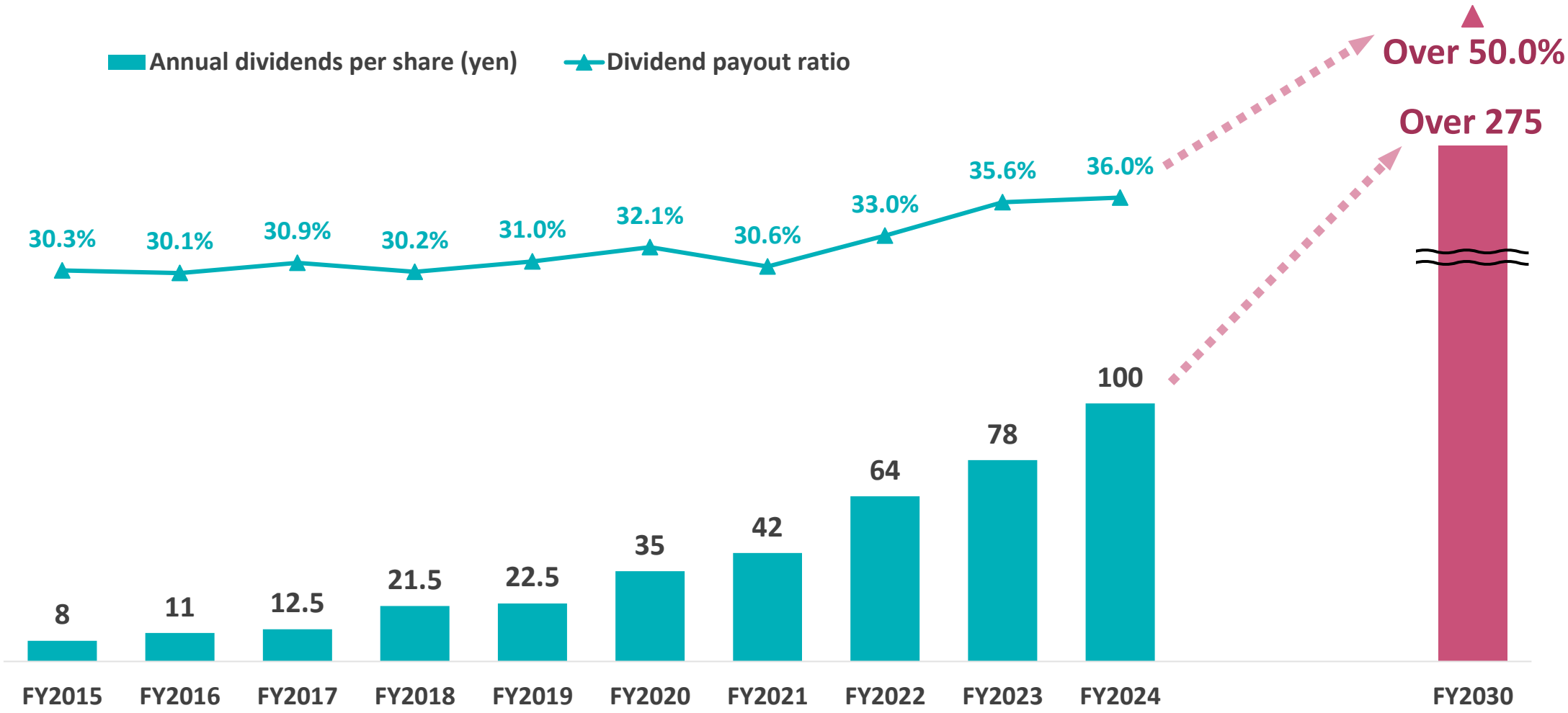
Shareholder Returns

Progressive dividend* with consolidated payout ratio exceeding 50% in the medium to long term.

*Progressive dividend: Long-term commitment to no dividend reduction, maintaining or increasing dividends



※ Results prior to FY2021 represent actual dividend amounts after adjustment for the stock split on June 1, 2022.

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Financial Policy and M&A Policy

Financial Policy	**Cash on hand**	Maintain approximately 2 months of sales as a guideline
	Funding	Consider borrowing while maintaining financial soundness with equity ratio of 50% or more
	Investment decisions	Evaluate investments for returns exceeding latest cost of capital
M&A Policy	**Basic policy**	Contribute to business expansion and sustainable corporate growth, with thorough discussion of effects on each business
	M&A targets	• Systems integration: Expand client base and solution portfolio • License & Global: Expand sales channels and product lineup • New Businesses: Acquire new technologies, knowledge, and know-how
	Financial criteria & governance	• Funding: Considering cost of capital, source in order of free cash flow, then borrowing, • Regular monitoring of M&A synergy creation against planned values • Consider divestment/sale if planned synergies or investment returns are not achieved within planned period

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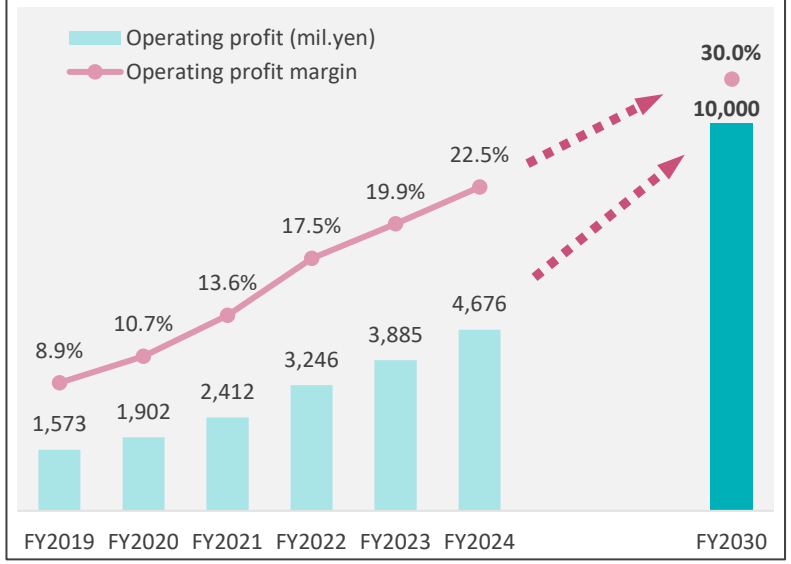
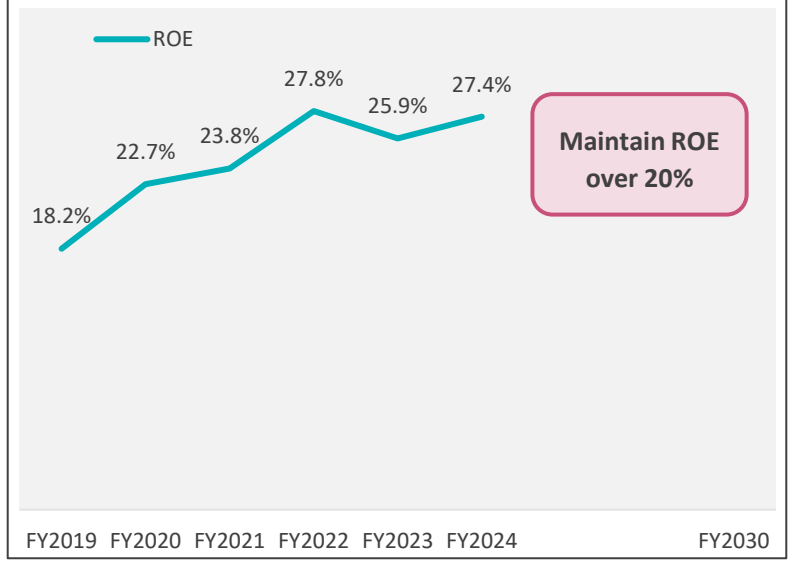
Capital Cost-Conscious Management

Pursuing further corporate value enhancement through BE 2030 growth strategy execution and capital cost/stock price conscious management.

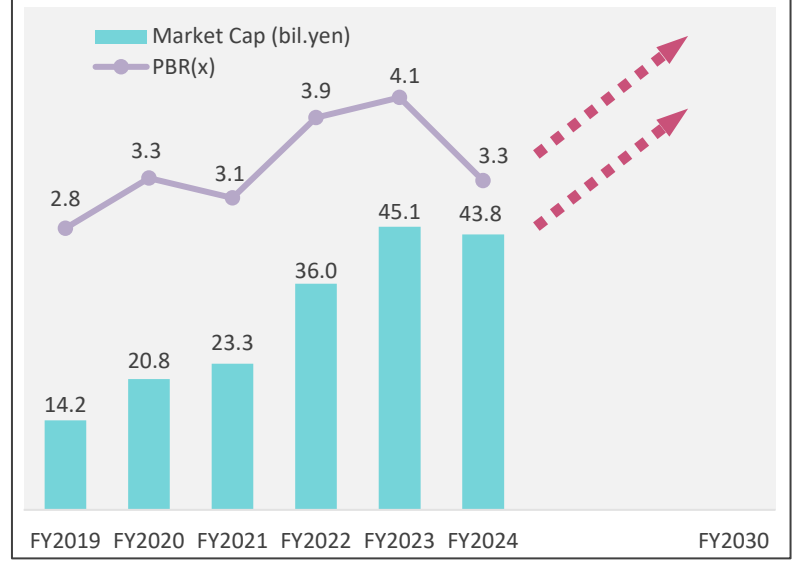
Profitability enhancement



Capital efficiency



Evaluation by the market



Measures for maintaining capital efficiency and enhancing corporate value

- Steady execution of business strategies aimed at achieving BE 2030 targets
- Strategic resource allocation balancing growth investments (R&D, business development, human resources, business infrastructure, M&A) and shareholder returns
- Enhanced investment appeal through progressive dividends and consolidated dividend payout ratio exceeding 50% in the medium to long term
- Appropriate corporate value assessment through proactive IR activities and constructive dialogue with investors

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B-EN-G

Business Engineering for Growth

＜Forward-Looking Statements>

- This document contains forward-looking statements, including performance forecasts, based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ materially from these projections due to various factors.
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IR information https://www.b-en-g.co.jp/en/ir/

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