

1Q FY12/26

Business Results Briefing Material

Broadleaf Co., Ltd

May 13, 2026

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Business Results for 1Q FY12/2026

Business Environment

Favorable



- Demand for DX enhancements among customers remains firm, driven by labor shortages and the increasing need for operational efficiency
- Although the impact of the situation in the Middle East has not been significant to date, potential spillover effects on customers' businesses require close attention

Business Progress

Steady



- Focused on implementation activities to ensure migration to cloud services according to the timeline set for each customer
- Strengthened individual support to address increasingly sophisticated and diversified needs, particularly among major customers

Business Results

Strong



- Achieved the highest first-quarter results since the application of the revenue recognition standard in FY2021
- Progress against both first-half and full-year forecasts remained on track

Under the favorable business environment, we continued to enhance the value we provide, achieving significant increases in both revenue and profit

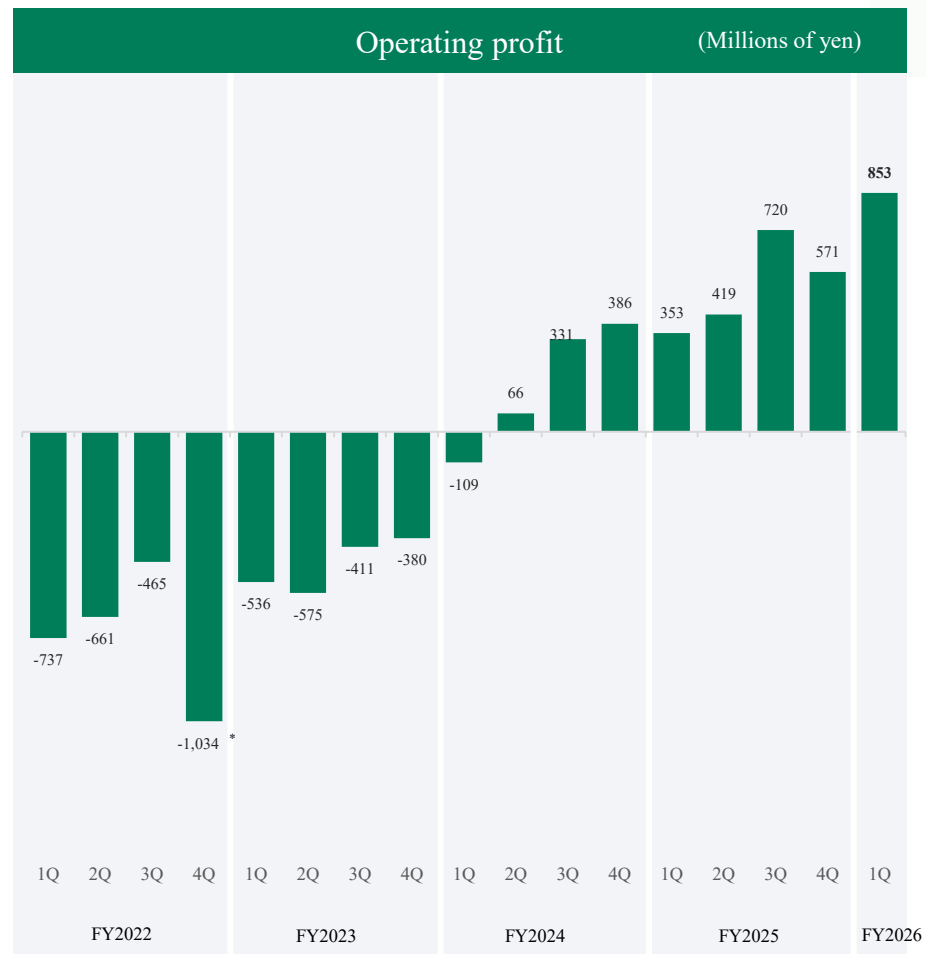
(Millions of yen)	FY2026 1Q	FY2025 1Q	YoY change	YoY ratio
Revenue	5,516	4,758	+758	+15.9%
Cost of sales	1,767	1,638	+129	+7.9%
Gross profit	3,749	3,120	+629	+20.2%
SG&A expenses, etc.	2,896	2,767	+129	+4.7%
Operating profit	853	353	+500	+141.8%
Quarterly profit before tax	834	298	+536	+180.0%
Quarterly profit attributable to owners of the parent	540	196	+344	+175.1%
Basic earnings per share for the quarter	5.98 yen	2.19 yen	-	-

Promoting migration to high-value-added cloud services as packaged system contracts expire

(Millions of yen)	FY2026 1Q	FY2025 1Q	YoY change	YoY ratio
Cloud services	3,398	2,490	+908	+36.5%
Software services	3,279	2,356	+923	+39.2%
Software	2,920	2,098	+822	+39.2%
Maintenance contract	192	127	+65	+51.2%
Initial setup	166	130	+36	+27.5%
Marketplace	119	134	-15	-11.0%
Packaged system	1,350	1,610	-259	-16.1%
Software sales	468	393	+76	+19.3%
Operation and support service	882	1,217	-335	-27.5%
Others	768	659	+109	+16.6%
Hardware	605	489	+115	+23.6%
Supply	163	170	-6	-3.6%
Total	5,516	4,758	+758	+15.9%
Recurring revenue*	3,995	3,442	+552	+16.0%
Recurring revenue ratio	72.4%	72.3%	-	-

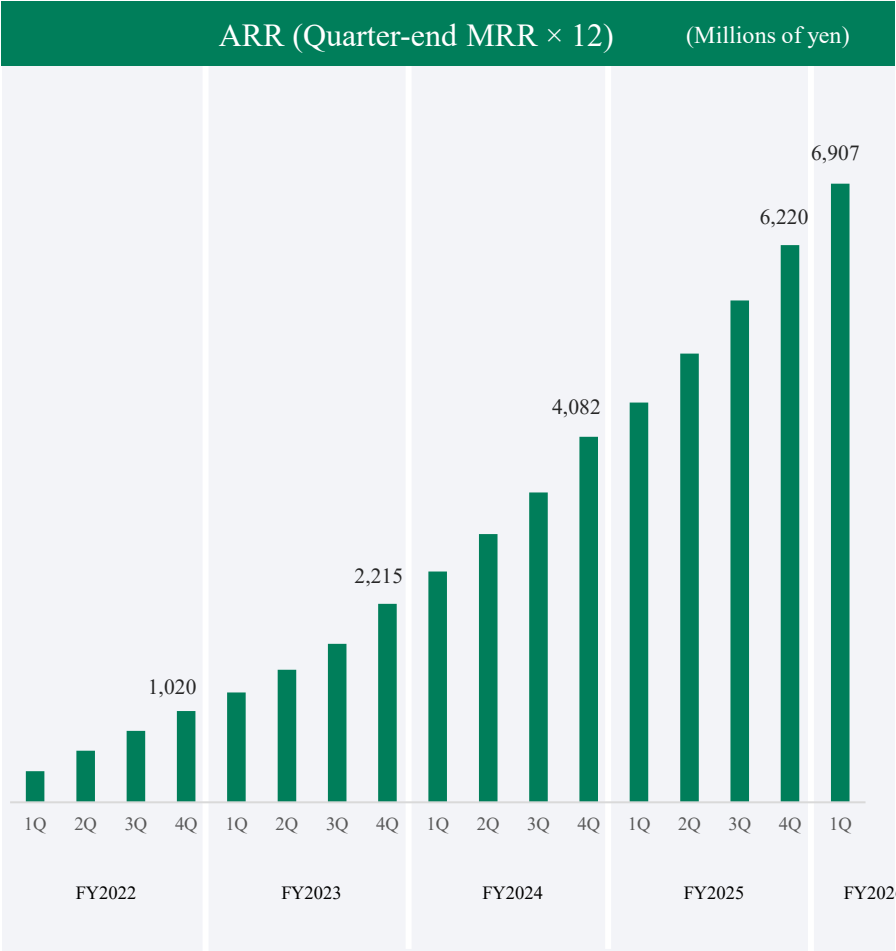
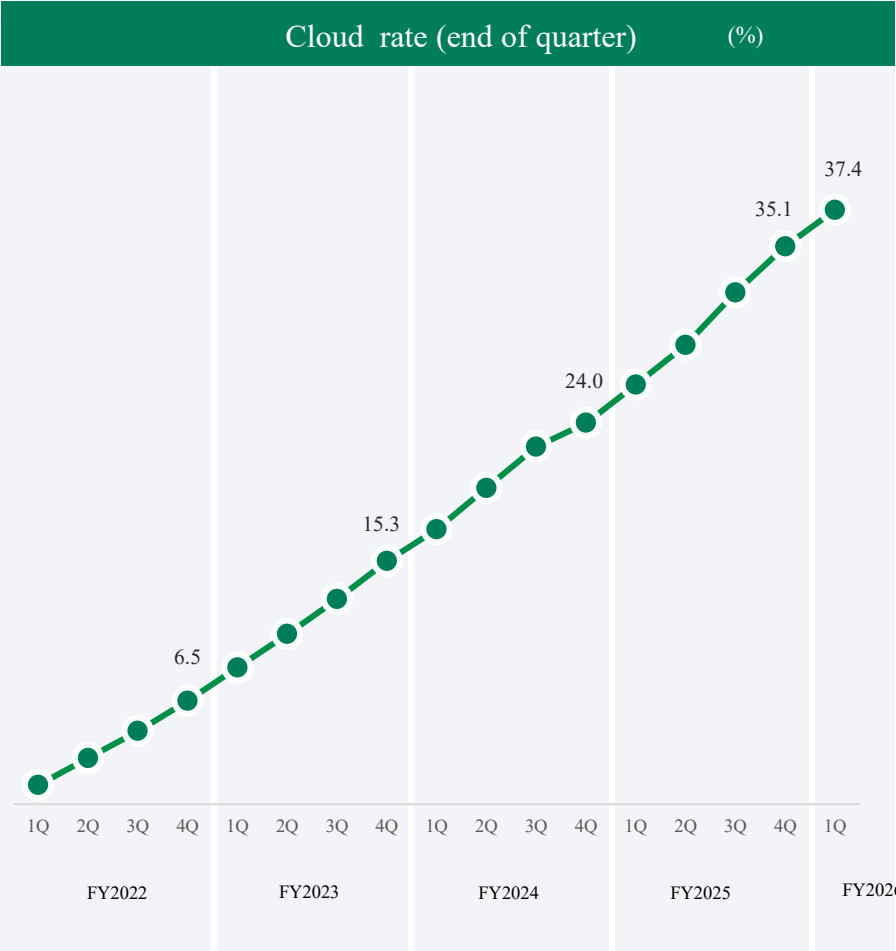
*Current sales: Total of software, maintenance contract cost, and operation and support service for software services

In line with the penetration of cloud services, recurring revenue continues to increase, driving strong profit growth



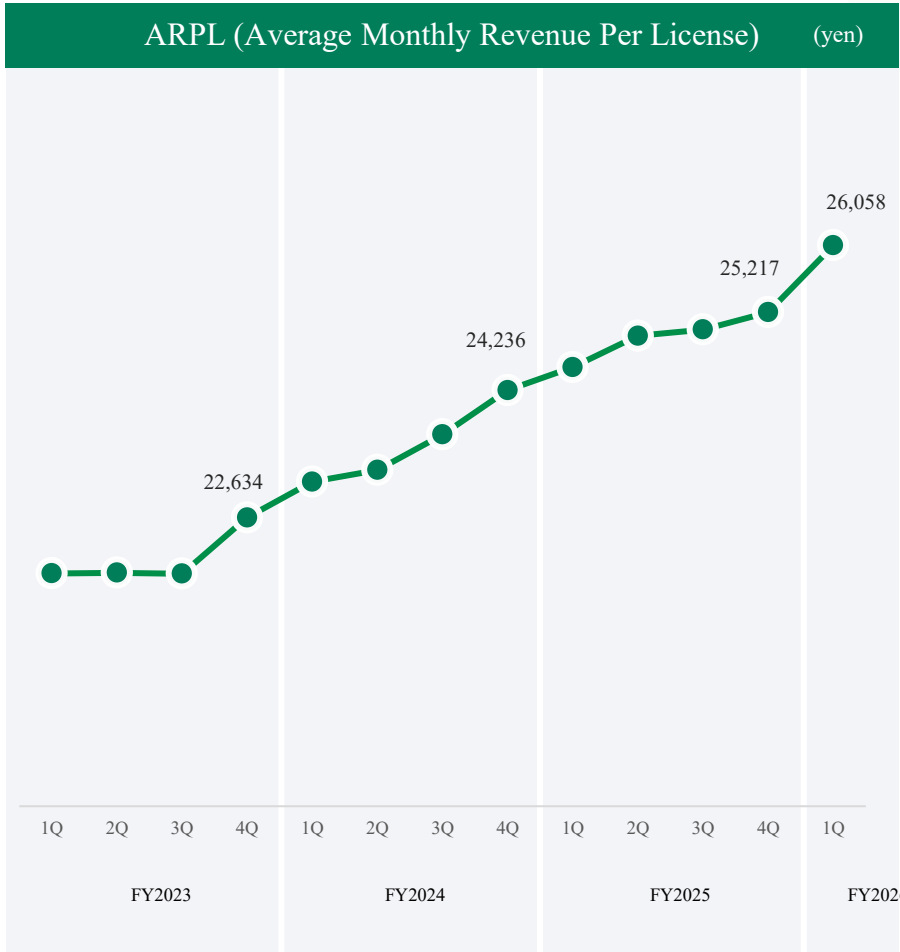
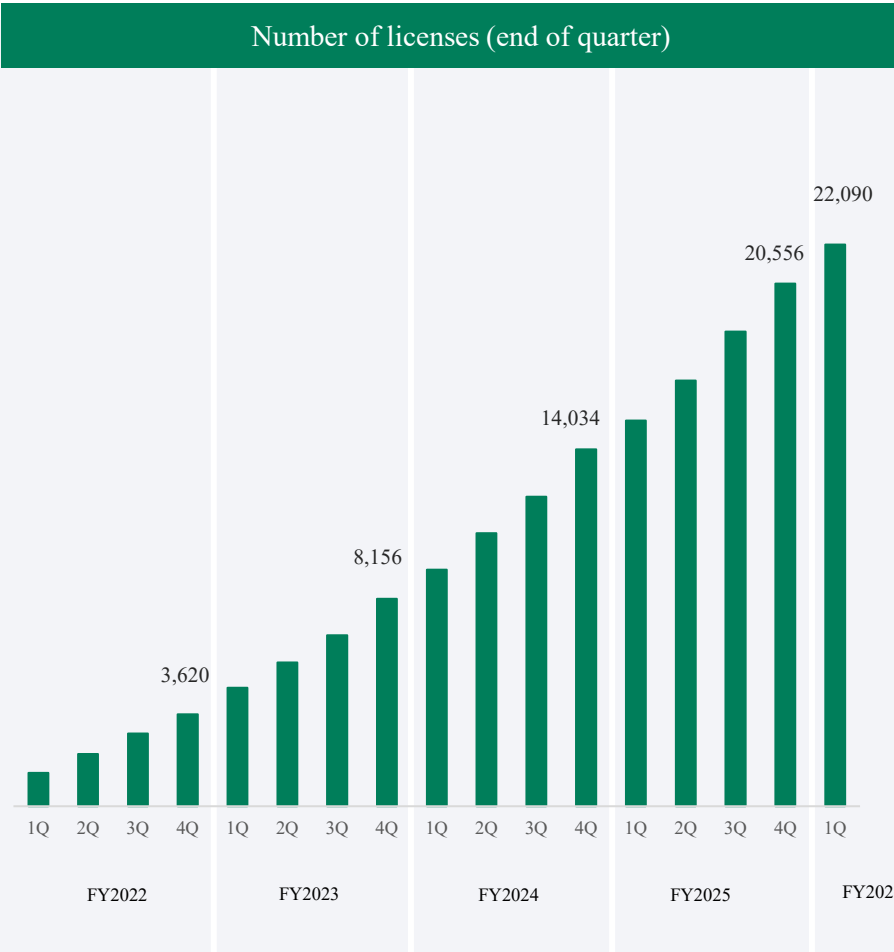
* In Q4 FY2022, impairment of subsidiary goodwill was recorded (-615 million yen)

The increase in the cloud rate toward 100% by the end of 2028 is one of the key drivers of ARR growth

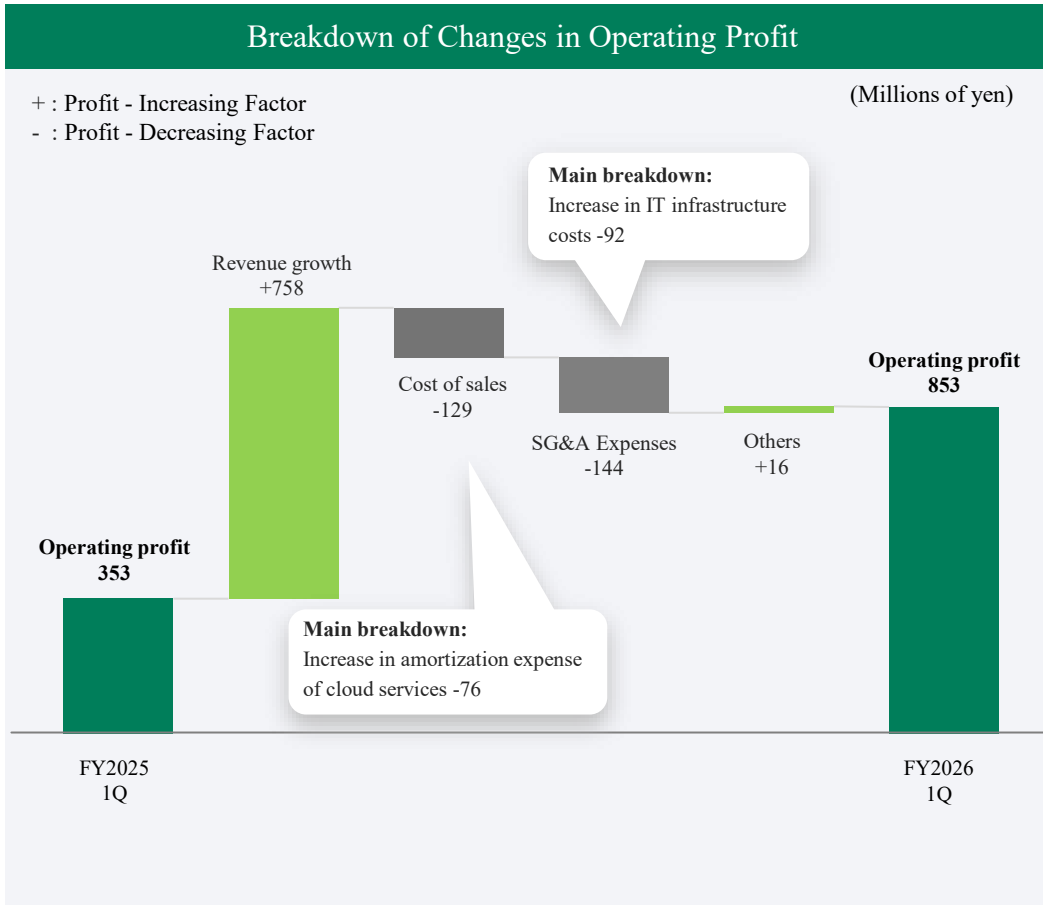


Note: Cloud adoption rate refers to the percentage of companies that have adopted cloud software among all target companies for released cloud software.

ARPL continued to increase, reflecting a higher proportion of installations among major and semi-major customers



Continued investing in functional enhancements and performance improvements in parallel with customers' progress in cloud migration



Cost of sales

- Cloud amortization expenses increased due to functional enhancements of cloud software
- Purchase costs increased due to higher hardware revenue, mainly from PCs

SG&A expenses

- IT infrastructure costs for providing cloud services increased
- Advertising expenses increased due to more active service promotion activities

Continuing development investments aimed at enhancing the added value of cloud services

(Millions of yen)	FY2026 1Q	FY2025 Year-end	YoY change	Main change factors
Current assets	7,515	8,464	-949	Cash and cash equivalents -728 Trade and other receivables -292
Non-current assets	34,425	32,960	+1,464	Property, plant and equipment +1,003* Intangible assets +461
Total assets	41,940	41,425	+516	-
Current liabilities	14,689	15,344	-655	Other current liabilities -453
Non-current liabilities	2,642	1,788	+855	Long-term interest-bearing debts +861
Total liabilities	17,332	17,132	+200	-
Total equity	24,608	24,293	+316	Net income +529
Total liabilities and equity	41,940	41,425	+516	-

* Renewal of the lease agreement for Broadleaf's head office building

Investment in intangible assets, mainly for cloud functional enhancements, decreased year on year

(Millions of yen)	FY2026 1Q	FY2025 1Q	YoY change	Main change factors
Cash flows from operating activities	1,242	337	+905	Increase in profit before tax +536 Decrease in trade and other receivables +152
Cash flows from investment activities	-1,120	-1,171	+51	Decrease in payments for acquisition of intangible assets +59
Cash flows from financing activities	-850	-158	-692	Net decrease in short-term borrowings -500 Increase in cash dividends paid -137
Free cash flow	122	-834	+956	-
Cash and cash equivalents at the end of the period	3,393	3,333	+60	-

First-Half and Full-Year Forecasts for FY12/2026

Only the cost structure has been revised; forecasts for revenue, operating profit and below remain unchanged

(Millions of yen)	FY2026 Current forecast for the 1H	FY2026 Previous forecast for the 1H*	Change	FY2025 1H	YoY change	YoY ratio
Revenue	10,400	10,400	±0	9,819	+581	+5.9%
Cost of sales	3,300	3,100	+200	3,448	-148	-4.3%
Gross profit	7,100	7,300	-200	6,371	+729	+11.4%
SG&A expenses, etc.	6,000	6,200	-200	5,600	+400	+7.1%
Operating profit	1,100	1,100	±0	771	+329	+42.6%
Interim profit before tax	1,050	1,050	±0	600	+450	+75.0%
Interim profit attributable to owners of the parent	700	700	±0	417	+283	+68.0%
Basic interim earnings per share	7.74 yen	7.74 yen	-	4.64 yen	+3.10 yen	-

* Announced on February 12, 2026

Cloud adoption is progressing in line with the plan, with no change to the forecast for software services

(Millions of yen)	FY2026 Current forecast for the 1H	FY2026 Previous forecast for the 1H*	Change	FY2025 1H	YoY change	YoY ratio
Cloud services	6,950	7,000	-50	5,336	+1,614	+30.2%
Software services	6,700	6,700	±0	5,076	+1,624	+32.0%
Marketplace	250	300	-50	260	-10	-4.0%
Packaged system	2,350	2,600	-250	3,002	-652	-21.7%
Software sales	700	600	+100	719	-19	-2.6%
Operation and support service	1,650	2,000	-350	2,283	-633	-27.7%
Others	1,100	800	+300	1,481	-381	-25.7%
Hardware	800	500	+300	1,142	-342	-29.9%
Supply	300	300	±0	340	-40	-11.7%
Total	10,400	10,400	±0	9,819	+581	+5.9%

* Announced on February 12, 2026

As with the first-half forecast, only the cost structure has been revised, and operating profit is expected to reach a record high since the Company's founding

(Millions of yen)	FY2026 Current forecast	FY2026 Previous forecast	Change	FY2025 Full-year	YoY change	YoY ratio
Revenue	23,500	23,500	±0	20,815	+2,685	+12.9%
Cost of sales	7,000	6,500	+500	7,296	-296	-4.1%
Gross profit	16,500	17,000	-500	13,520	+2,980	+22.0%
SG&A expenses, etc.	11,700	12,200	-500	11,457	+243	+2.1%
Operating profit	4,800	4,800	±0	2,063	+2,737	+132.7%
Profit before tax	4,750	4,750	±0	1,854	+2,896	+156.2%
Profit attributable to owners of the parent	3,200	3,200	±0	1,240	+1,960	+158.0%
Basic earnings per share	35.35 yen	35.35 yen	-	13.79 yen	+21.56 yen	-

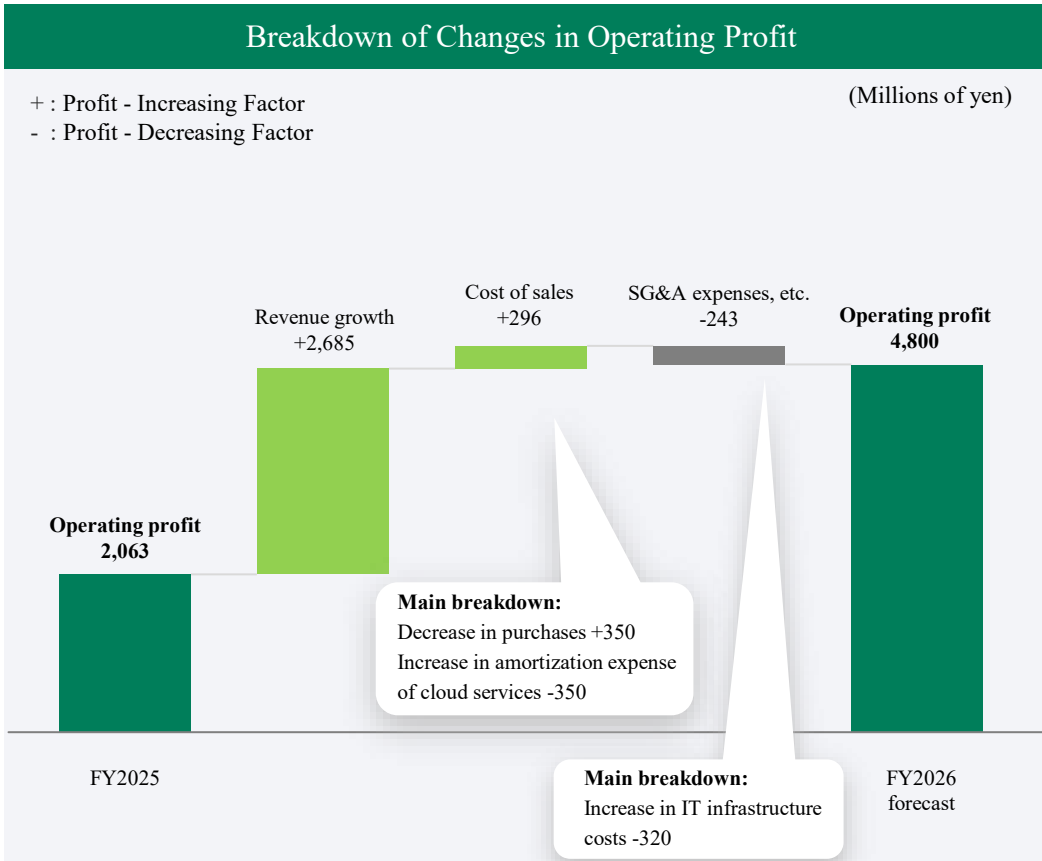
* Announced on February 12, 2026

The outlook remains unchanged for software services, the key driver of revenue growth, to accelerate in the second half

(Millions of yen)	FY2026 Current forecast	FY2026 Previous forecast*	Change	FY2025 Full-year	YoY change	YoY ratio
Cloud services	15,600	15,700	-100	11,832	+3,768	+31.8%
Software services	15,000	15,000	±0	11,302	+3,698	+32.7%
Marketplace	600	700	-100	530	+70	+13.2%
Packaged system	5,000	5,500	-500	5,699	-699	-12.3%
Software sales	1,800	1,600	+200	1,441	+359	+24.9%
Operation and support service	3,200	3,900	-700	4,258	-1,058	-24.8%
Others	2,900	2,300	+600	3,285	-385	-11.7%
Hardware	2,300	1,700	+600	2,613	-313	-12.0%
Supply	600	600	±0	672	-72	-10.7%
Total	23,500	23,500	±0	20,815	+2,685	+12.9%

* Announced on February 12, 2026

Total costs for the full year (cost of sales + SG&A expenses) will be controlled to remain at the previous fiscal year's level



Cost of sales

- Purchases decrease, reflecting the normalization of PC replacement demand
- Cloud amortization expenses increase, reflecting functional enhancements of cloud software
- Development costs recorded in cost of sales decrease

SG&A expenses, etc.

- IT infrastructure costs increase in line with the provision of cloud services
- Travel and advertising expenses increase, reflecting more active sales and promotional activities
- Strengthening recruitment and development of highly skilled personnel to accelerate business growth in the AI era
- Reducing various expenses through operational efficiency improvements driven by the active use of AI

Dividend policy will be reviewed as appropriate from a comprehensive perspective, including share liquidity

Dividend per Share

	FY2026 forecast	FY2025
Interim dividends	7.50 yen	2.50 yen
Year-end dividends	7.50 yen	3.50 yen
Annual dividend	15.00 yen	6.00 yen
Dividend Payout Ratio	42.4%	43.5%

Dividend Policy

[Basic Policy]

The Company positions shareholder returns as an important management priority and targets a consolidated dividend payout ratio of [40% or higher].

To enhance shareholder value, the Company will implement shareholder return measures flexibly and agilely from a comprehensive perspective, including share liquidity.

[Supplementary Information]

From FY12/2027 onward, the Company expects to continue achieving record-high profits and intends to optimize its capital policy in conjunction with the formulation of new growth strategies for the AI era.

Ordering Platform

Profit margins increase as revenue grows, reflecting high operating leverage in the revenue structure

(Millions of yen)	Actual results				Forecast*1		
	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Revenue	13,833	15,385	18,045	20,815	23,500	27,500	32,000
Operating profit*2	-2,897	-1,902	674	2,063	4,800	9,000	13,000
Operating profit rate	-	-	3.7%	9.9%	20.4%	32.7%	40.6%
Profit attributable to owners of the parent*2	-2,431	-1,487	343	1,240	3,200	6,000	8,500
Return on revenue	-	-	1.9%	6.0%	13.6%	21.8%	26.6%
Basic earnings per share*3	-	-	3.85	13.79	35.35	66.28	93.90

*1 Disclosed on February 12, 2026

*2 “-” indicates a loss





*3 Calculated using the number of shares outstanding at the end of FY2025

Marketplace is also expected to contribute to revenue growth from FY12/2027 onward

(Millions of yen)	Actual results				Forecast*		
	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Cloud services	2,748	5,459	8,210	11,832	15,600	20,900	26,800
Software services	2,078	4,810	7,626	11,302	15,000	19,600	24,300
Marketplace	670	649	584	530	600	1,300	2,500
Packaged system	9,230	8,021	7,450	5,699	5,000	4,500	3,300
Software sales	2,430	1,828	1,941	1,441	1,800	1,600	1,500
Operation and support service	6,800	6,194	5,508	4,258	3,200	2,900	1,800
Others	1,854	1,904	2,386	3,285	2,900	2,100	1,900
Hardware	1,108	1,156	1,689	2,613	2,300	1,500	1,300
Supply	746	749	697	672	600	600	600
Total	13,833	15,385	18,045	20,815	23,500	27,500	32,000

* FY2026 figures were disclosed on May 13, 2026
 FY2027 and FY2028 figures were disclosed on February 12, 2026

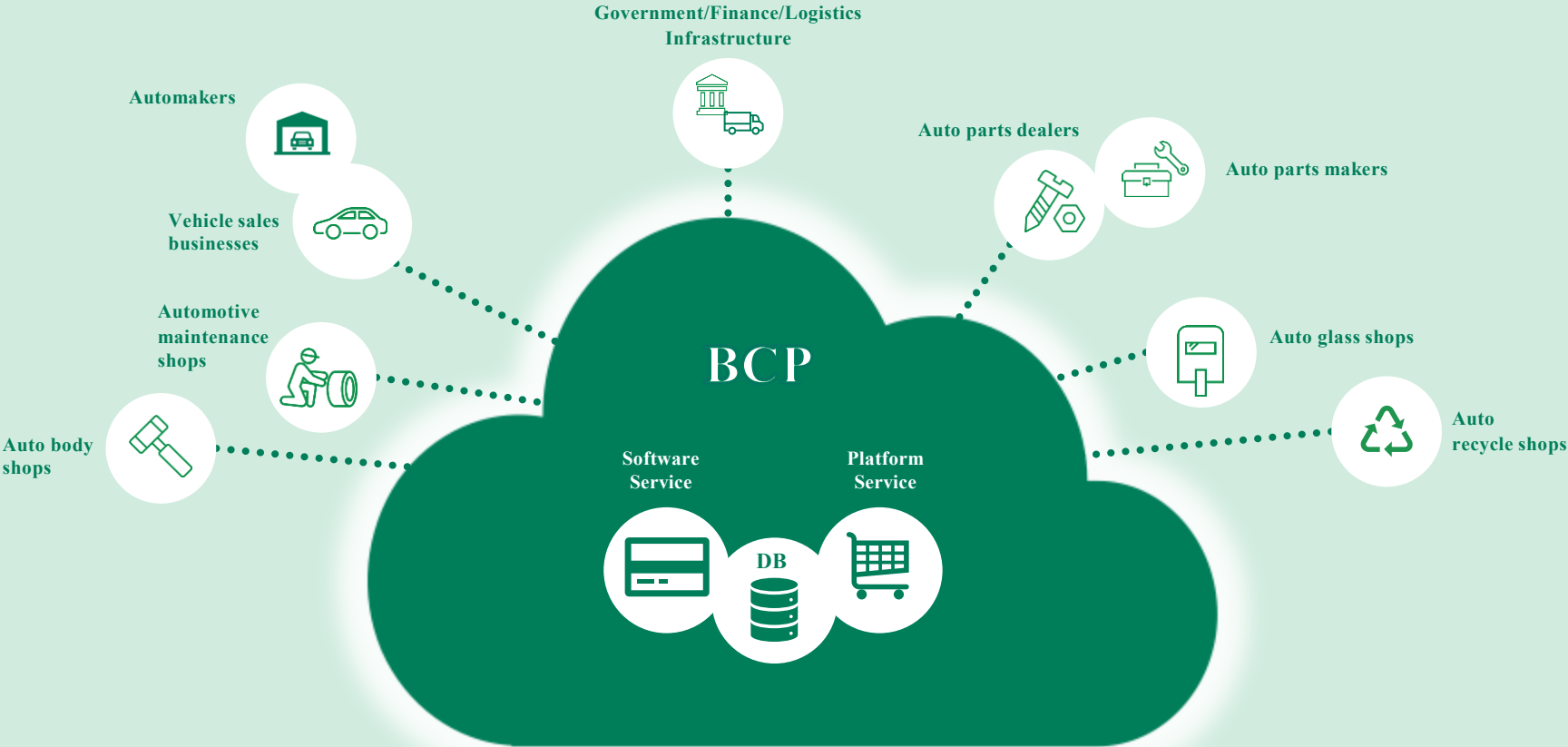
Marketplace revenue consists of transaction fees from the ordering platform and other related revenues

		Ordering Platform (Automotive Repair Parts Version)	
		EDI	B2B EC
Suitable transactions		Transactions involving standard items, recurring orders, and fixed trading partners	 Transactions with new trading partners for comparison purchasing and spot procurement
Seller benefits		<p>Streamline order-taking operations with existing customers</p> <ul style="list-style-type: none"> • Reduce labor required for order processing • Improve efficiency in document preparation, sending, and receiving 	<p>Expand touchpoints with new customers and sales channels</p> <ul style="list-style-type: none"> • Enable sales to customers beyond existing accounts • Improve inventory turnover • Expand sales opportunities
Buyer benefits		<p>Quickly and accurately procure regularly used parts</p> <ul style="list-style-type: none"> • Easily reorder standard items • Streamline delivery date confirmation and arrangements 	<p>Expand purchasing options and buy under optimal terms</p> <ul style="list-style-type: none"> • Procure from a wide range of listed items • Easily compare prices and delivery dates • Easily find the required parts

The number of transactions and transaction value on the ordering platform are expected to increase as cloud software adoption among parts wholesalers, the main sellers on the platform, progresses from mid-2026 onward

BCP serves as a network foundation for the mobility industry, with cloud software positioned as one of its service offerings and entry points to the platform

A network foundation connecting different business types and companies = industrial infrastructure



Topics

In March 2026, we began providing Maintenance.c, a cloud service for automotive maintenance shops, to WECARS Co., Ltd., which is invested in by ITOCHU Corporation and others, to help ensure transparency and operational integrity in vehicle inspection services across its nationwide service network.



WECARS is working to strengthen compliance by enhancing the visibility of maintenance work and electronically storing work records. The introduction of Broadleaf’s cloud service, Maintenance.c, will serve as a foundation for ensuring that these initiatives are implemented more reliably.

Note: The text shown in the photo are in Japanese only.



https://www.broadleaf.co.jp/company/press/press_detail/?itemid=352&dispmid=1002
(Available in Japanese only)

'GrowLeaf Project' Receives Environmental Contribution Award

The project received the Environmental Contribution Award at the Car, Culture, Society and Partnership Awards (CSP Awards), organized by the Automobile Business & Culture Association of Japan (ABAJ). (Announced in March 2026)



A defining feature of this project is its corporate participation model, under which initiatives that cannot be achieved by a single company alone are advanced together with companies that share the project's purpose. Today, the project has grown to include more than 130 participating companies from a wide range of industries, including mobility-related businesses such as maintenance shops, auto body shops, vehicle dealers, and auto parts wholesalers, as well as megabanks and leasing companies, and operates as a partnership-based platform for contributing to the SDGs.

Note: The text and names of the individuals shown in the photo are in Japanese only. For details, please refer to the Japanese version.

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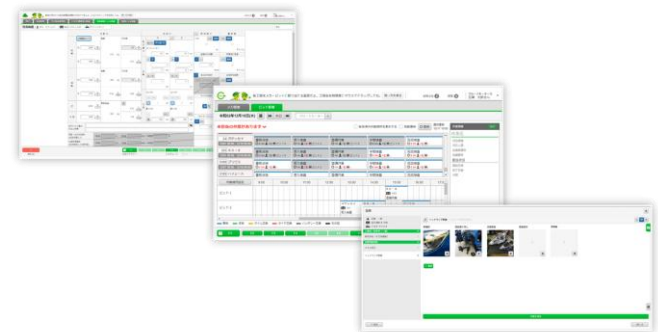
https://www.broadleaf.co.jp/company/press/press_detail/?itemid=351&dispmid=1002
(Available in Japanese only)

Broadleaf was featured in the June 2026 issue of Diamond ZAi, published in April 2026.



In the article, Broadleaf was featured as a cloud-related stock not easily substituted by AI, highlighting the strengths of its proprietary database accumulated over many years, as well as expectations for future earnings growth and dividend increases.

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