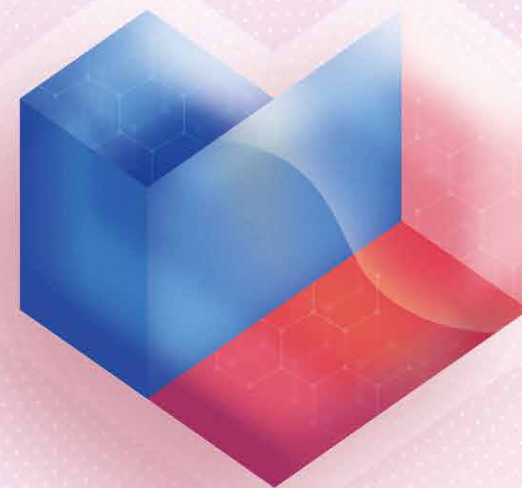


TECH with HEART

Focus Systems Corporation

FACT BOOK 2026



Using This Tool



Factbook

This tool systematically organizes key information such as our overview, finances, and strategy, serving as a foundational resource for understanding our company.

Editorial Policy

We position the Factbook as a tool for communicating with all stakeholders, and our aim is to accurately and efficiently convey the reality of our business through dialogue with everyone.

For more detailed information, please refer to the various disclosure channels.

			Information category	
Annual Securities Report		Contains financial information including the company's overview, business status, and financial statements, as well as non-financial information such as its corporate governance system, published in accordance with the Financial Instruments and Exchange Act.	Financial	Non-financial
Financial Results		Contains quarterly performance results and progress toward performance forecasts.	Financial	Non-financial
Financial Results Presentation		Provides a management perspective on the background of the financial results, business trends, and future outlook.	Financial	Non-financial
Company Briefing Material		Directed at individual investors and provides a clear and easy-to-understand explanation of the company's business, strengths, and growth strategy.	Financial	Non-financial
Company Brochure		Systematically compiles and presents information about the company, including its overview, business activities, and achievements.	Financial	Non-financial
Notice of Ordinary General Meeting of Shareholders		Contains information necessary for shareholders to exercise their voting rights, such as the agenda for the General Meeting of Shareholders and reports on the company's management status.	Financial	Non-financial
Corporate Governance Report		Contains information on the company's corporate governance structure and internal control approach, in accordance with the listing regulations of the stock exchange.	Financial	Non-financial
Sustainability site		Contains information on the company's Basic Policy on Sustainability, materiality, and ESG activities.	Financial	Non-financial

The focus is always there.

At the center of an ever-changing world.

Some 50 years ago, this was the vision that launched Focus Systems in the IT industry.

Though our capabilities were initially limited, we forged ahead in steadily building up a foundation of key technologies, never losing sight of the task in front of us.

We started out fueled mainly by enthusiasm and optimism.

“We never give up!”

This may be easy to say, and is often heard, but it's hard to put into practice.

Never changing, always forging ahead.

We have held fast to this conviction, always focused on the next step ahead, continuing to respond in the midst of a rapidly changing world.

Over the years, many people all over Japan have come into contact with IT systems developed or supplied by Focus Systems.

When a problem or challenge presents itself, our many years of experience and expertise are utilized by highly individual friends who trigger a chemical reaction and come together to survive the challenge with a newly derived solution.

In this way, by going outside the frame, we can create the new normal that is unconstrained by conventional wisdom.

We do not take on reckless challenges. That is because we understand and appreciate that we are all in this together.

And yet, we will never shy away from a challenge. That is because we see the need to grow and evolve further.

Our top speed is based on building up gradually, and this is how we are able to continue moving forward into the future.

More and more people have joined us in our unwavering conviction and commitment to the cause.

Our focus is on all people, including families, friends, acquaintances and ourselves.

We continue to provide vitally important IT services that everyone can use with confidence.

Straight ahead, without losing focus.

We are a company that always stays focused on the things that matter.

Philosophy

Focus Systems shall contribute to creating a better environment for the future through development and growth of the Company with all employees working together in accord as a joint force.

Vision

We are determined to fulfill the following three responsibilities.



**Individual
Responsibility**

We will hone our humanity and technical skills to provide the best service to our customers.



**Corporate
Responsibility**

We will create a company where employees can trust each other and feel safe and motivated to work.



**Social
Responsibility**

We shall create a company that is trusted by customers, investors and shareholders as well as needed by society.

corporate logo



Creating the future

The Focus Systems logo comprises an oval-shaped egg element implying birth and the future, and a circle at the core that represents our corporate philosophy and the natural warmth of life itself. The oval element stretching upward and to the right of the circle symbolizes the Focus Systems mission of continuing to generate new value into the future in line with our corporate philosophy and our ongoing commitment to working with all our heart.

corporate slogan

TECH with HEART



The entire team at Focus Systems is dedicated to our core mission of using technology to bring people closer together.

mascot character

Fukuesan

The owl is considered to be wise and clever, possessed of 360° vision and keen powers of insight typical of birds of prey. As such, the owl encapsulates the key qualities of Focus Systems, namely: providing comprehensive solutions to address any and all issues; a vision for the future; and enthusiasm for new challenges in different fields.



From “labor-intensive” to “intelligence-intensive” —establishing a competitive advantage through the use of advanced technology. Focus Systems is moving toward its next stage of growth.

Since its establishment in 1977, Focus Systems has been an independent system integrator, leveraging flexibility that is not dependent on capital or products to address its customers' challenges. We have always striven to remain a trusted team of professionals in the eyes of our customers.

Our position as an independent system integrator requires the discipline of constantly holding ourselves to rigorous standards, but it also allows us the flexibility to freely select the most suitable technology and services for our customers. Given these circumstances, we have expanded our business—which began with software development—to IT services, security, in-house products, and AI applications, proactively creating value while anticipating market changes.

Currently, our technology and services are delivered across a wide range of sectors that support Japan's social infrastructure, including government agencies, local authorities, telecommunications, finance, transportation, and manufacturing. Our ability to handle end-to-end services from upstream consulting to operation, maintenance, and support, along with the sophisticated technological prowess we have cultivated in our areas of expertise, is the source of our competitive advantage. Moreover, a well-balanced business portfolio encompassing both public and private sectors contributes to the establishment of a stable revenue structure that is not affected by economic fluctuations.

Meanwhile, the environment surrounding independent system integrators is changing dramatically. Amid the advancement of digital transformation (DX), cloud computing, and AI deployment, IT investment continues to grow, and the role that customers expect IT companies to fulfill is evolving toward being a partner that works with them to address management challenges. There is intensifying competition for highly skilled IT talent in the job market, while the stock market is scrutinizing companies for their growth potential, profitability, capital efficiency, and attitudes toward investing in human capital. These changes present growth opportunities and an excellent opportunity to demonstrate our flexibility and technological capabilities as an independent system integrator.

Under our Medium-Term Management Plan 24-26, which sets forth the goal of “strengthening the cycle of growth/profit/return,” we have been working steadily to improve profitability and strengthen our management foundation. Building on these achievements, Medium-Term Management Plan 27-29 aims for discontinuous growth that extends

beyond the status quo. This represents our challenge to advance our technological capabilities, human resources, and customer base, creating value that transcends the boundaries of system integrators.

Specifically, we strive to become a “strategic partner” that is deeply involved in addressing customers' challenges from the design stage, and which proactively leads customer transformation. We will expand our business into high-value-added domains such as DX and consulting, thereby diversifying our revenue sources and establishing a foundation for growth. At the same time, we aim to build a system that balances responsiveness and high quality to enhance the value we provide to our customers.

The evolution of AI is fundamentally changing the approach to system development. However, for Focus Systems, AI is not a threat, but rather a tool for transforming the practical knowledge we have cultivated over many years into a new winning strategy. Having successfully solved problems across diverse industries and business settings, our company possesses practical experience that cannot be gained through theoretical knowledge alone. In the age of AI, companies will truly be tested on their ability to identify customer challenges, implement technology in the field, and translate those solutions into results. We aim to maximize the field expertise and technological capabilities we have cultivated to establish a competitive advantage that will continue to make us the preferred choice even in the age of AI. Furthermore, we seek to accelerate the shift from “labor-intensive” to “intelligence-intensive” operations by leveraging advanced technologies such as AI.

We will also further increase our investment in human capital. We will strengthen our business foundation by harnessing growth investments and M&A, create an environment where each employee can demonstrate their abilities, and enhance the competitiveness of the organization as a whole. Financially, our policy is to maximize corporate value by prioritizing a balance between growth investments, financial soundness, and shareholder returns.

Through the period of Medium-Term Management Plan 27-29, we aim to achieve net sales of 45 billion yen and an operating margin of 10%, while also building a foundation for sustainable growth beyond that. We will continue to take on challenges so that we remain an indispensable presence in society. We look forward to your continued support in the future.



President, Representative Director

Mori Keiichi

Always serving as the focus of technological progress

At Focus Systems, this is our guiding principle in providing value to society in the form of IT systems.

Pioneering period

1977 to 1995

For those new to the world of computers, it was a fascinating industry to be in.

In the 1970s, the software market was dominated by hardware manufacturers. Focus Systems started out as an independent system integrator dedicated solely to software development. This was a time when, despite our lack of experience with computers, the flexible and adaptable team at Focus Systems worked hard to develop a range of tailored solutions for clients. Focus Systems made a great effort to get established as a system integrator in the BtoB market.

Transformation period

1996 to 2010

Always up for the challenge.

Focus Systems went public in 1996. In the midst of a global downturn compounded by financial instability, we felt that the largely unknown field of IT services was an untapped market just waiting to be exploited. We set about placing employees to build the essential foundations for success. Through a range of management reforms, we put in place the capacity-building structures that would enable the company to fulfill its social obligations well into the future.

Expansion phase I

2011 to 2015

Never constrained by the past.

The new management team embarked on the major challenge of getting the company listed on the First Section of the Tokyo Stock Exchange. The company evolved during this five-year period in preparation for the next new stage. It was decided that Focus Systems should break free of the past and start developing its own branded products, while also pursuing strategic investments in joint research projects. In order to build a strong and secure organizational foundation for pursuing the twin goals of growth and stability, considerable resources were devoted to areas such as internal controls, employee welfare and benefit schemes, and skills training. Employee numbers top 1,000, and the company moves to the Second Section of the Tokyo Stock Exchange.

Expansion phase II

2016 onward

Committed to meeting and exceeding expectations.

Focus Systems moved to the First Section of the Tokyo Stock Exchange in 2016, followed by the Prime Market in 2022, releasing a comprehensive plan for future growth and expansion. Our commitment to diligence and sincerity in all that we do is embedded in the DNA of Focus Systems. It is this very DNA that enables us to provide such a wide range of services in the pursuit of our core mission, and that continues to drive us today as we prepare for the exciting new challenges that lie ahead.

1977

Focus Systems Corporation established in Shinjuku, Tokyo.
Starts business focusing on general-purpose application software development.

1988

Starts doing business with Nippon Telegraph and Telephone Corporation and begins providing services for the development of systems for government and other public agencies.

1991

Osaka branch office opened.

1992

Gotanda head office building completed.

1996

Registered for over-the-counter stock trading.

1997

Commences business with IBM Japan, Ltd. to provide system operation/maintenance and infrastructure technology support services.

1999

Information security business launched.

2013

Nagoya office opened.

2015

Listing transferred to Tokyo Stock Exchange, Second Section.

2016

Designation changed to the Tokyo Stock Exchange, First Section.

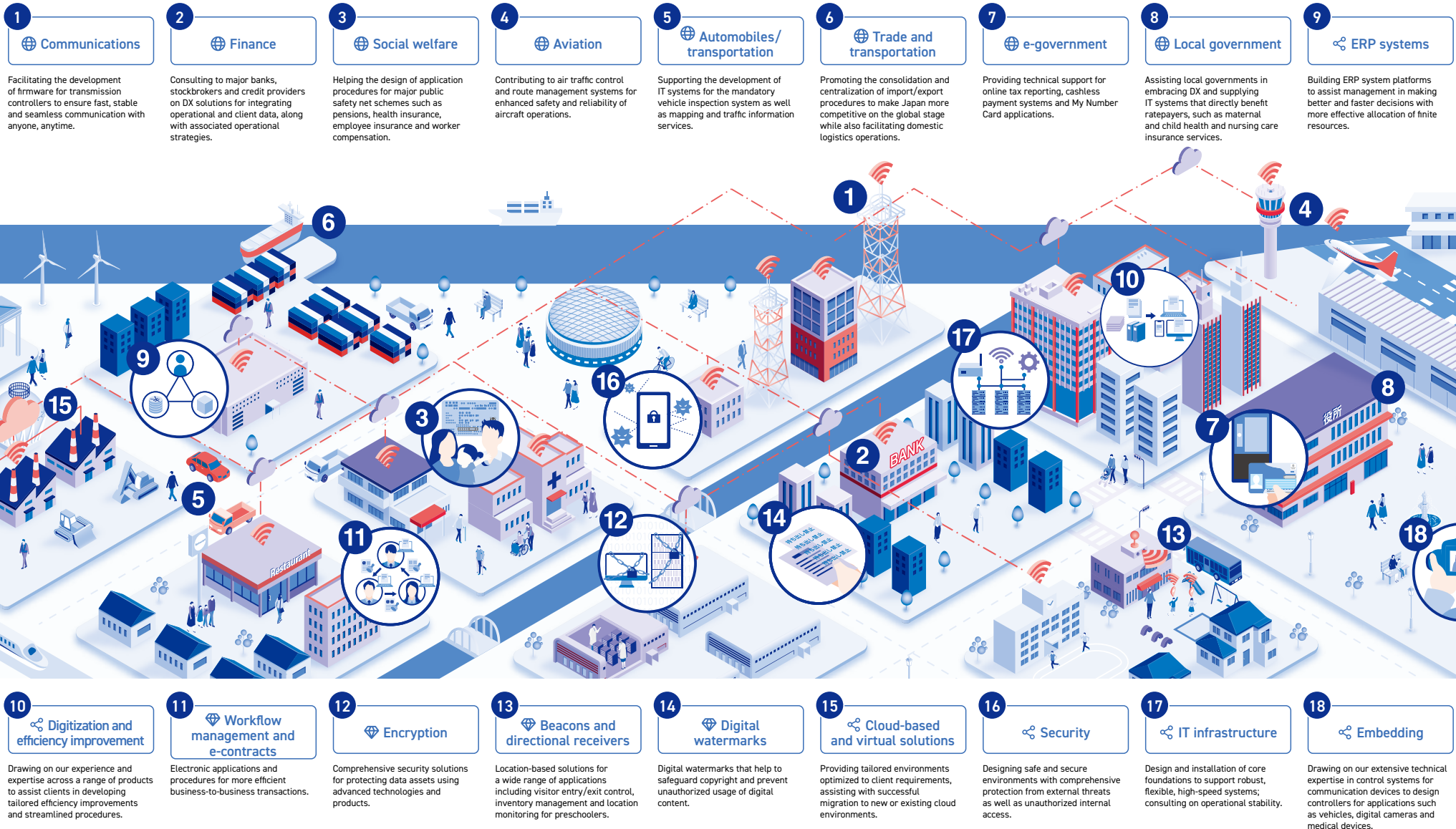
2022

Transition of market segment to the Tokyo Stock Exchange Prime Market.

Focus Systems' services for the home and for wider society

FIELD | TECHNOLOGY | PRODUCT

Our services are predicated on the needs and expectations of a variety of IT users. We see our role as providing IT-related services that are of benefit to consumers in the home, as well as society in general.



Medium-Term Management Plan 27-29

Drive innovation toward 100 billion yen in sales and become a leading player in the industry

Focus Systems has steadily built a solid foundation of trust through sound management, and improved profitability under the previous Medium-Term Management Plan.

Under the Medium-Term Management Plan 27-29, we will build on these achievements with the aim of achieving discontinuous growth that transcends the boundaries of system integrators, evolving to become a "strategic partner" that is deeply involved in addressing customers' management challenges from the design stage.

We will diversify our revenue sources by expanding our business into the domains of high-value-added DX and consulting, leveraging advanced technology such as AI to accelerate our shift from "labor-intensive" to "intelligence-intensive" operations.

Furthermore, by integrating the practical knowledge we have cultivated so far, we aim to establish a sustainable competitive advantage and achieve sales of 45 billion yen, driving further growth.

View details of the Medium-Term Management Plan by accessing the link below.
https://en.focus-s.com/company/20260515_middle_term_business_plan-E.pdf



Through FY2026

Strengthen
the cycle of growth/
profit/return

FY2026 to FY2029

1st step to becoming
a leading player
in the industry:
Build a foundation
for high growth

FY2030 onward

Accelerate investment
toward further growth

Key Indicators and Investments

KPI	Investment
Net sales 45 billion yen	Strategic Investment 8.50 billion yen
Operating income 4.50 billion yen	Shareholder Returns 3.50 billion yen
Operating margin 10.0%	
ROE 16.0% or more	

Vision

Be a strategic partner supporting the transformation of our customers through digital innovation

Business expansion

Strengthen profitability by enhancing value creation and productivity in core businesses, and achieve scalable expansion into the DX and consulting sectors

Overall corporate strategy

Business Departments

Enhance and Optimize Service Delivery

Reduce delivery time and improve quality by focusing on upgrading our services

- Introduce and utilize the latest technology
- Innovate technical approaches
- Ensure thorough quality control
- Improve QCD*¹ through knowledge management
- Achieve a leap forward in project management techniques

Strengthen the Consulting Business

Diversify revenue sources by expanding the consulting business

Become a strategic partner for customers and create ongoing business opportunities

- Provide support for DX strategy planning, RFP*² preparation, infrastructure operation consulting, in-house production, etc.
- Build long-term partnerships

Advance R&D for Solutions

Collect, verify, and disseminate information on new technologies that facilitate upgrading (reducing lead time, maintaining quality)

*¹QCD: Acronym for Quality, Cost, and Delivery

*²RFP (Request for Proposal): A document specifying requirements, business issues, budget, delivery timeline, and other conditions to request proposals and estimates.

Corporate Departments

Secure Specialist Talent

Secure talent with know-how of the latest technology and consulting skills

Explore and develop diverse training methods

- Engineers with advanced solution-delivery technical expertise and knowledge
- Project managers
- Consultants, etc.

Strengthen Organizational Capabilities

Maximize the value of human capital and data with a focus on advancing technology and management practices

- Actively incorporate AI and automation tools, and improve processes
- Expand measures to enhance employee engagement
- Improve internal transparency and engage in data-driven organizational management
- Optimize the organization and structure in response to changes in the business environment, etc.

Basic Policy on Sustainability

Focus Systems aims to become an essential company for the future and is committed to contributing to the realization of a sustainable society and environment. We shall pursue the enhancement of our corporate value while placing high value on our engagement with stakeholders in our business activities.

Sustainability Promotion Policy

We have established the Sustainability Promotion Policy as a basic initiative for realizing the Basic Policy on Sustainability. This document discloses the Sustainability Promotion Policy, demonstrating that we believe it is important to work with stakeholders and to make sustainability efforts throughout the entire supply chain. We share the contents of this policy with our stakeholders and work together with them to resolve social issues, while gaining their understanding and approval.

Materiality identification process

To pinpoint social issues (materiality) that are critical to our sustainable value creation, we identify, evaluate, and determine material issues through the following process.

STEP 01

Understanding the issues

We map the issues that reflect our company's management challenges, drawing on the 169 SDGs targets, IIRC, SASB, etc.

STEP 02

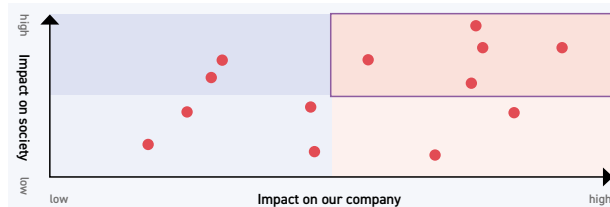
Analysis of issues

We identify the social issues that we want to address through our business. Considering our company's strengths and role, we identify the social issues to prioritize and the internal challenges that we need to overcome in order to resolve them.

STEP 03

Evaluation of issues

We engage in dialogue with various stakeholders, designate high-priority themes that have a high impact on our company's management challenges as material issues, and evaluate them.



STEP 04

Materiality identification

We identify key issues through discussions within the Sustainability Committee and deliberations and resolutions by the Board of Directors.

Materiality issues identified

To achieve our goal of becoming a company that is needed in the future and contributing to the realization of a sustainable society and environment, we have identified our material issues and clarified the challenges we need to address in accordance with our Basic Policy on Sustainability.

Materiality indicators, targets, and relevant SDGs

Materiality	KPI	FY2029 target	Relevant SDGs
Climate change	Scope 1 and 2 GHG emissions reduction rate	Reduce by 15% compared to FY2024	
Diversity and Inclusion	- Percentage of female employees - Percentage of women in team leader-level (Chief) positions - Percentage of women in managerial positions - Percentage of female officers - Ratio of male employees taking childcare leave	- Increase proportion of female employees to at least 30% - Increase proportion of women in team leader-level (Chief) positions to at least 15% - Increase proportion of women in managerial positions to at least 5% - Maintain a female officer ratio of at least 30% - Maintain a minimum rate of 75% for male employees taking leave for child-rearing purposes (childcare leave or our internal holiday leave program)	
Talent development and retention	Turnover rate	Maintain turnover rate below industry average of 10.2%* *Based on "2024 Survey on Employment Trends" (Ministry of Health, Labour and Welfare)	
Training and education	Number of employees with advanced qualifications equivalent to ITSS Level 4	Increase the number of employees with advanced qualifications equivalent to ITSS Level 4 to at least 120	
Occupational safety and health; labor practices	- Reduction of overtime hours - Improving health literacy The following shall be used as metrics for those aged 40 and over: - Percentage maintaining healthy weight - Smoking rate - Percentage at risk of high blood pressure - Percentage considered at risk of high blood sugar	- Improve overtime hours to a monthly average of below 20 hours - Improving health literacy - Improve the percentage of those maintaining healthy weight to at least 60% - Improve the smoking rate to below 28% - Maintain the percentage of those at risk of high blood pressure at below 2.2% - Maintain the percentage of those considered at risk of high blood sugar at below 1.3%	
Driving innovation	Number of employees with advanced technology qualifications	Number of employees with advanced technology qualifications: 1.2 times that of the previous year	
Product and service safety	Number of customer complaints	Serious complaints: None	
Corporate governance	Status of resolving issues to ensure the practical implementation of each corporate governance principle	- Conduct re-examination of all principles that are being complied with - Complete corrective actions or formulate improvement plans for all identified material issues (100%)	
Compliance	Number of serious compliance violations	None	
Risk management	ESG risk assessment implementation rate for suppliers	At least 95%	
Continuous strengthening of information security	Number of incidents	Serious incidents: None* *Incidents that must be disclosed to external parties	

Society

At Focus Systems, we aim to create a comfortable working environment based on one of the three pillars of our management vision, "We shall create a company where employees trust each other and work with a sense of assurance and satisfaction."

Diversity

Toward an organization of sustainable growth, where individual strengths resonate with one another

Creating an environment where diverse talents can maximize their abilities is a crucial "investment in human capital" that supports growth. Through the following priority initiatives, we are advancing efforts to create a workplace where everyone's background is respected.

- **Women's empowerment and support for work-life balance**

In addition to obtaining the 3-Star Eruboshi Certification under the Act on Promotion of Women's Participation and Advancement in the Workplace, we have established targets for the relevant metrics and are managing our progress toward achieving them. These include increasing the ratio of women in managerial positions, maintaining the return rate after taking childcare leave, and promoting the uptake of childcare leave by male employees. We support diverse work styles that suit various life stages and encourage long-term career development.

- **Our distinctive model to support the employment of persons with disabilities**

As part of our efforts to open up new fields of employment for persons with disabilities, we operate "Fukurou Farm," a hydroponic farming business. We are also contributing to local communities by creating employment opportunities and ensuring stable employment in the agricultural sector.

- **Embracing diversity**

We recruit mid-career professionals on an ongoing basis to bring diverse talent with various experiences and expertise into our organization. We are also advancing efforts to foster an inclusive workplace environment where employees with diverse backgrounds, including age, gender, disability status, and values, can thrive in the long term. We aim to contribute to the sustainable development of both society and businesses by enhancing the value of human capital.

Environment

As a responsible corporate citizen, we aim to harmonize our business activities with the global environment and contribute to the realization of a prosperous society and environment. Environmental issues are, by their nature, problems on a global scale that encompass a wide range of areas—from atmospheric conditions such as global warming and ozone depletion, to water and soil conditions, waste and recycling, and chemical substances. To help improve these environmental conditions, we will work to conserve the environment as a member of society.

View details of the initiatives by accessing the link below.
<https://en.focus-s.com/sustainability/environmental>



Health and productivity management

Leveraging employee health as capital that will shape the future

We consider the health of our employees to be a crucial management resource. Guided by our belief that the consistent delivery of high performance by each individual drives corporate value creation, we are promoting health and productivity management through the following system.

- **Identifying and addressing health issues**

In addition to conducting regular health checkups and stress checks, we analyze the results and use the findings to provide follow-up measures, interviews, and self-care support, thereby visualizing and addressing health issues. Focus Systems has been recognized as a "2026 Outstanding Organization of KENKO Investment for Health Program (Large Enterprise Category)" through external evaluation, recognizing the effectiveness of our health management system.

- **Alignment with work style reform**

We strive to achieve a balance between improving productivity and reducing health risks by aligning our health management efforts with initiatives such as curbing long working hours and promoting the use of paid leave. Furthermore, we are continuously strengthening measures that prioritize workplace environment improvements and disease prevention, thereby reinforcing the foundation that supports the long-term careers of our employees.

- **Improving employee engagement**

With a priority on improving the vitality of the entire organization and fostering employee engagement, we are working to create an environment where employees feel secure and fulfilled in their work. Through strengthening our human resources foundation with health at its core, we will contribute to the sustainable growth of both our company and society.

View details of the initiatives by accessing the link below.
<https://en.focus-s.com/sustainability/social>



Governance

We aim to achieve sustainable growth and enhance our corporate value through highly transparent management and a system that can respond quickly and accurately to change. To secure the trust of all stakeholders, including our shareholders and customers, and to achieve sustainable growth and enhance corporate value, we consider the strengthening of our corporate governance a crucial management issue.

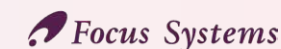
View details of the initiatives by accessing the link below.
<https://en.focus-s.com/sustainability/corporate-governance>



View our Corporate Code of Conduct by accessing the link below.
https://en.focus-s.com/sustainability/corporate_codeofconduct



FINANCIAL SUMMARY



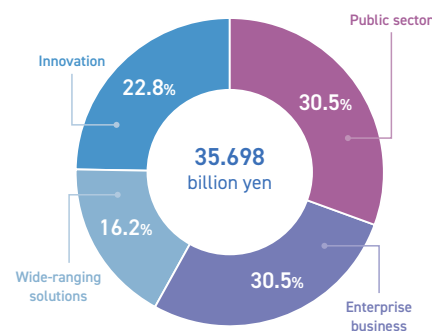
	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Financial data (Unit: Million yen)										
Operating results										
Net sales	17,846	19,327	21,453	22,703	23,485	26,278	29,124	31,509	32,555	35,698
Operating profit	743	1,025	1,368	1,428	1,450	1,640	1,894	1,974	2,171	3,036
Ratio of operating profit to net sales	4.2	5.3	6.4	6.3	6.2	6.2	6.5	6.3	6.7	8.5
Ordinary profit	731	1,019	1,375	1,467	1,469	1,600	1,911	1,971	2,164	3,068
Profit	551	719	874	930	1,025	1,066	1,390	1,406	1,566	2,333
Financial position										
Total assets	14,567	17,030	15,991	15,361	17,808	23,372	20,417	20,989	20,893	23,821
Net assets	7,258	9,201	9,106	8,885	11,063	14,764	12,814	13,416	14,047	15,382
Equity-to-asset ratio (%)	49.8	54.0	56.9	57.8	62.1	63.2	62.8	63.9	67.2	64.6
Cash flows										
Cash flows from operating activities	490	641	1,322	745	936	1,249	2,152	817	1,839	2,569
Cash flows from investing activities	(62)	49	(395)	(587)	(624)	(277)	(539)	107	(810)	(138)
Cash flows from financing activities	88	544	(832)	(874)	(401)	(590)	(679)	(652)	(1,020)	(1,441)
Cash and cash equivalents at end of period	3,447	4,683	4,778	4,062	3,971	4,352	5,285	5,557	5,566	6,556
Per share information										
Basic earnings per share	39.83	51.21	58.11	61.83	68.08	70.76	92.18	93.13	103.67	155.63
Net assets per share	524.24	611.34	605.04	590.56	734.43	979.16	848.98	888.09	929.15	1,050.08
Annual dividends per share	12.5	16.0	20.0	25.0	24.0	27.0	35.0	38.0	42.0	64.0
Key indicators										
Return on equity (ROE)	7.5	8.7	9.6	10.3	10.3	8.3	10.1	10.7	11.4	15.9
Ratio of ordinary profit to total assets (ROA)	5.0	6.5	8.4	9.4	8.9	7.8	8.7	9.5	10.3	13.7
Total cash dividends	173	240	300	376	361	407	528	574	634	943
Payout ratio	31.4	31.2	34.4	40.4	35.3	38.2	38.0	40.8	40.2	41.1
Ratio of dividends to net assets (DOE)	2.4	2.9	3.3	4.2	3.6	3.2	3.8	4.4	4.6	6.4

*All numerical figures in this document are rounded down to the nearest whole number, and percentages are rounded to the first decimal place.

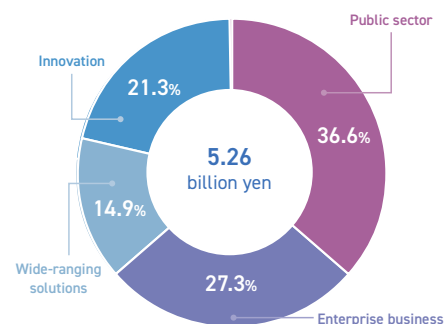
Performance by segment

	FY2022	FY2023	FY2024	FY2025	FY2026
Net sales (Unit: Million yen)					
Public sector	7,669	8,481	9,646	9,975	10,875
Enterprise business	6,587	7,824	8,486	8,964	10,899
Wide-ranging solutions	4,970	5,232	5,465	5,574	5,781
Innovation	7,050	7,586	7,912	8,040	8,142
Segment income (Unit: Million yen)					
Public sector	1,374	1,416	1,773	1,594	1,922
Enterprise business	803	908	824	1,024	1,433
Wide-ranging solutions	622	651	114	586	782
Innovation	702	756	1,078	977	1,121
Net sales composition ratio (Unit: %)					
Public sector	29.2	29.1	30.6	30.6	30.5
Enterprise business	25.1	26.9	26.9	27.5	30.5
Wide-ranging solutions	18.9	18.0	17.3	17.1	16.2
Innovation	26.8	26.1	25.1	24.7	22.8
Segment income composition ratio (Unit: %)					
Public sector	39.2	38.0	46.8	38.1	36.6
Enterprise business	22.9	24.3	21.8	24.5	27.3
Wide-ranging solutions	17.8	17.4	3.0	14.0	14.9
Innovation	20.1	20.3	28.4	23.4	21.3

Net sales composition ratio for FY2026

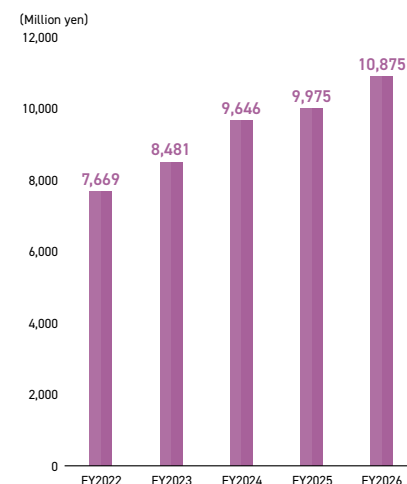


Segment income composition ratio for FY2026

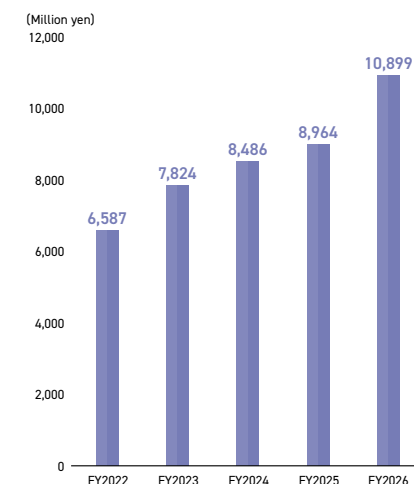


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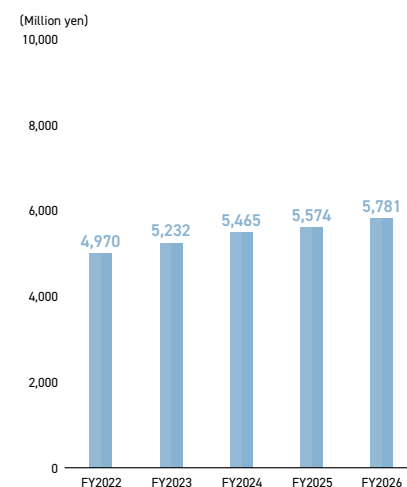
Public sector



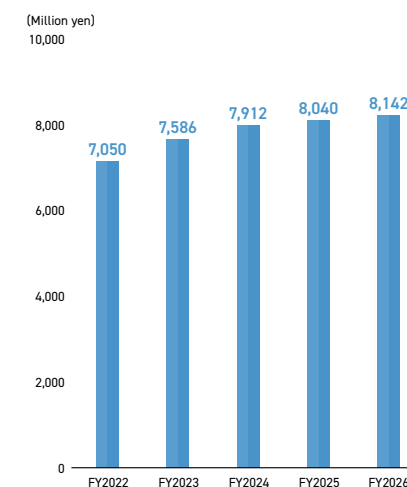
Enterprise business



Wide-ranging solutions



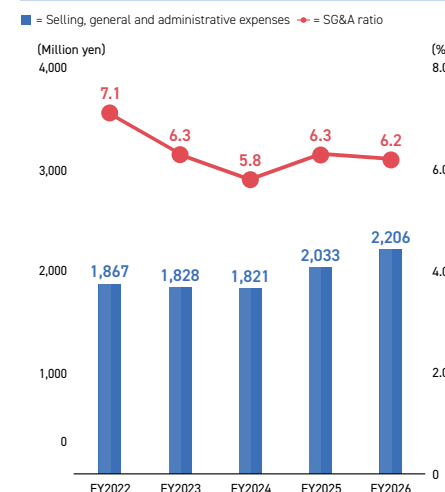
Innovation



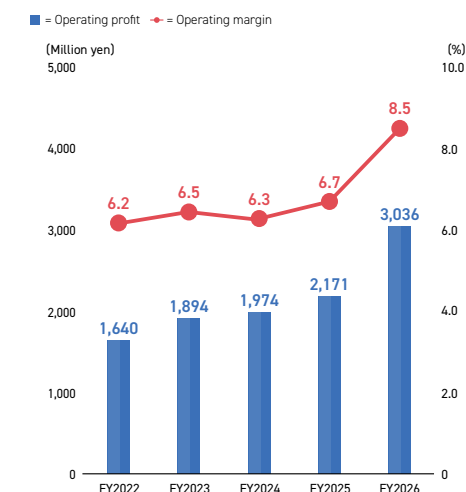
Profitability indicators

	FY2022	FY2023	FY2024	FY2025	FY2026
(Unit: Million yen)					
Net sales	26,278	29,124	31,509	32,555	35,698
Gross profit	3,508	3,723	3,795	4,205	5,242
Selling, general and administrative expenses	1,867	1,828	1,821	2,033	2,206
Operating profit	1,640	1,894	1,974	2,171	3,036
Ordinary profit	1,600	1,911	1,971	2,164	3,068
Profit	1,066	1,390	1,406	1,566	2,333
(Unit: %)					
Gross profit rate	13.4	12.8	12.0	12.9	14.7
SG&A ratio	7.1	6.3	5.8	6.3	6.2
Operating margin	6.2	6.5	6.3	6.7	8.5
Ordinary income margin	6.1	6.6	6.3	6.7	8.6
Net income margin	4.1	4.8	4.5	4.8	6.5

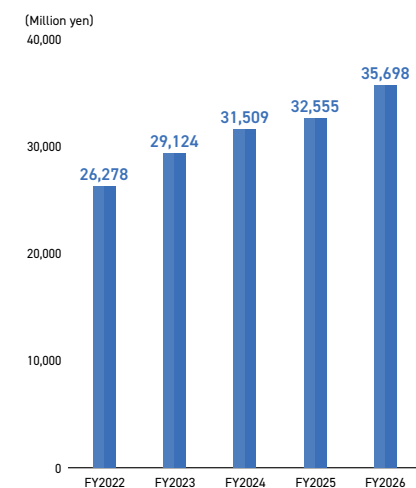
Selling, general and administrative expenses/SG&A ratio



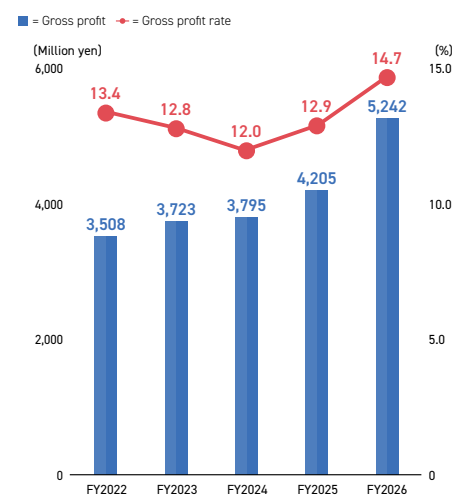
Operating profit/Operating margin



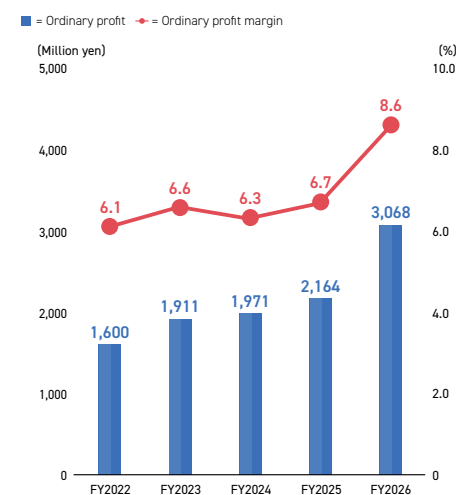
Net sales



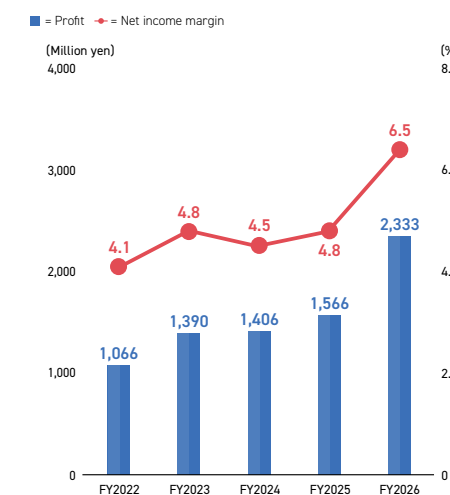
Gross profit/Gross profit rate



Ordinary profit/Ordinary profit margin



Profit/Net income margin

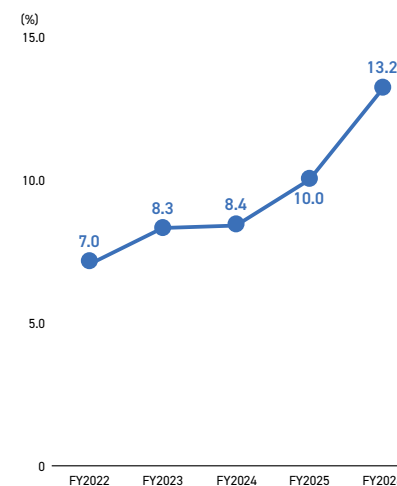


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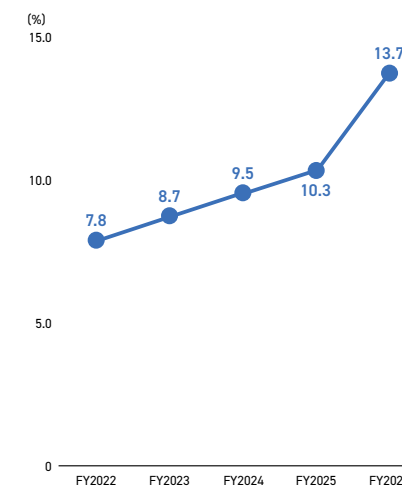
Efficiency indicators

	FY2022	FY2023	FY2024	FY2025	FY2026
(Unit: %)					
ROE	8.3	10.1	10.7	11.4	15.9
ROA	5.2	6.4	6.8	7.5	10.4
ROIC (invested capital)	7.0	8.3	8.4	10.0	13.2
ROIC (business assets)	13.8	17.2	16.0	18.7	25.3
Return on total assets (ordinary income basis)	7.8	8.7	9.5	10.3	13.7
(Unit: times)					
Total asset turnover	1.28	1.33	1.52	1.56	1.60
Trade receivables turnover	4.61	4.87	4.92	4.80	5.04
Inventory turnover	352.41	398.80	384.33	348.47	212.12
Trade payables turnover	15.09	13.60	14.11	15.29	15.28

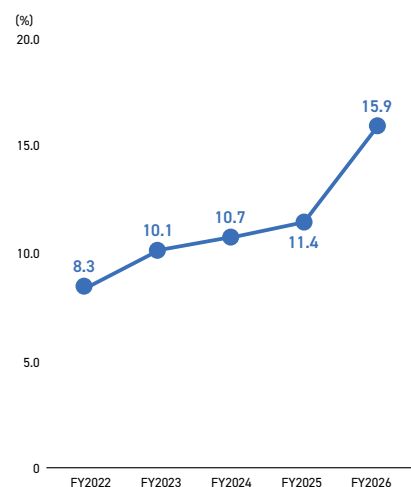
ROIC (invested capital)



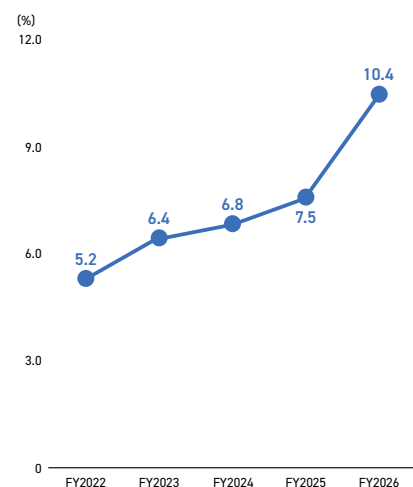
Return on total assets (ordinary income basis)



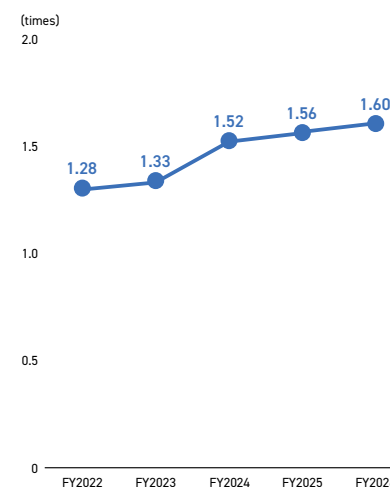
ROE



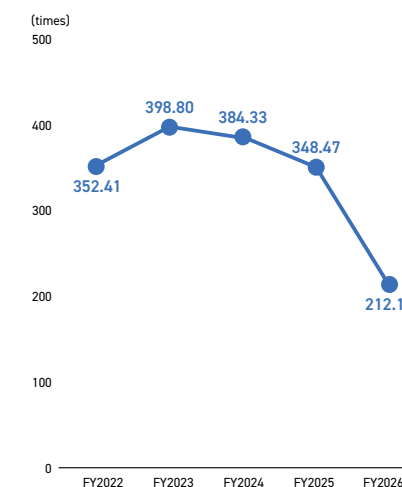
ROA



Total asset turnover



Inventory turnover

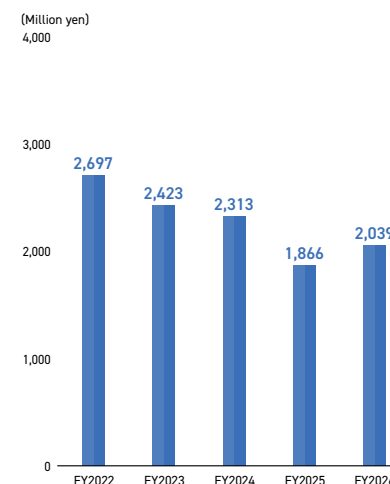


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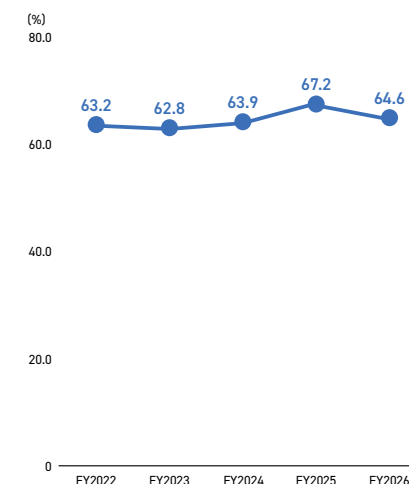
Financial soundness indicators

	FY2022	FY2023	FY2024	FY2025	FY2026
(Unit: Million yen)					
Equity	14,764	12,814	13,416	14,047	15,382
Total assets	23,372	20,417	20,989	20,893	23,821
Non-current assets	12,503	8,541	7,900	7,308	8,804
Current assets	10,869	11,875	13,089	13,584	15,017
Current liabilities	5,277	5,841	6,150	5,906	7,480
Interest-bearing debt	2,697	2,423	2,313	1,866	2,039
(Unit: %)					
Equity-to-asset ratio	63.2	62.8	63.9	67.2	64.6
Non-current assets to equity ratio	84.7	66.7	58.9	52.0	57.2
Current ratio	206.0	203.3	212.8	230.0	200.8
Debt Equity Ratio (times)	0.18	0.19	0.17	0.13	0.13
Interest coverage ratio (times)	85.5	147.6	63.8	106.0	104.1

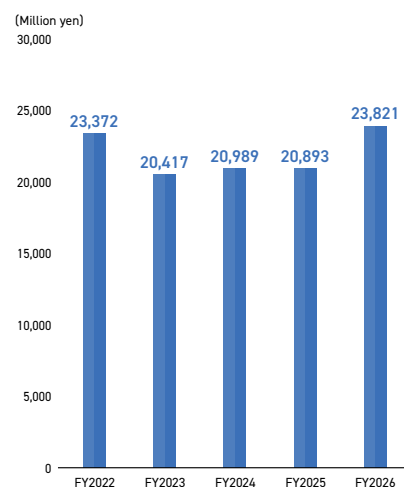
Interest-bearing debt



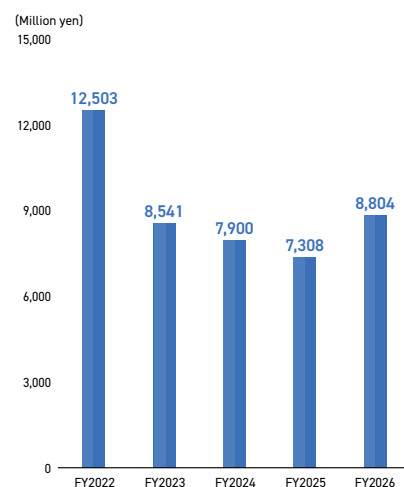
Equity-to-asset ratio



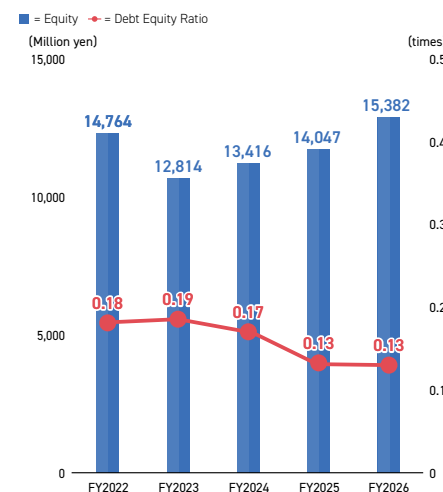
Total assets



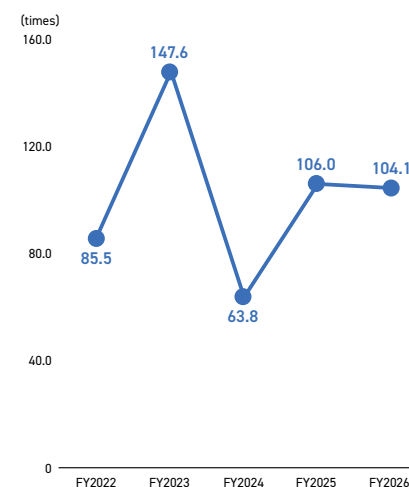
Non-current assets



Equity/Debt Equity Ratio



Interest coverage ratio



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Balance Sheet

(Unit: Thousand yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	6,508,050	6,935,659
Electronically recorded monetary claims - operating	73,976	55,525
Accounts receivables - trade and contract assets	6,709,725	7,465,768
Merchandise and finished goods	86,188	199,708
Work in process	1,261	-
Prepaid expenses	185,980	359,014
Accounts receivable - other	6,981	6,474
Other	12,789	9,245
Allowance for doubtful accounts	(99)	(14,080)
Total current assets	13,584,854	15,017,318
Non-current assets		
Property, plant and equipment		
Buildings	1,386,029	1,397,117
Accumulated depreciation	(1,029,384)	(1,054,887)
Buildings, net	356,644	342,230
Structures	62,939	62,939
Accumulated depreciation	(30,531)	(34,283)
Structures, net	32,408	28,656
Vehicles	12,686	12,686
Accumulated depreciation	(9,497)	(10,828)
Vehicles, net	3,189	1,858
Tools, furniture and fixtures	618,992	601,206
Accumulated depreciation	(508,281)	(461,390)
Tools, furniture and fixtures, net	110,711	139,816
Land	3,002,419	3,002,419
Total property, plant and equipment	3,505,371	3,514,980
Intangible assets		
Software	42,840	38,134
Goodwill	2,540	-
Telephone subscription right	2,962	2,962
Total intangible assets	48,343	41,097
Investments and other assets		
Investment securities	2,883,564	4,215,159
Shares of subsidiaries and associates	120,514	142,214
Investments in capital	100	100
Long-term loans receivable	87,000	87,000
Insurance funds	442,576	486,725
Long-term time deposits	-	100,000
Other	307,710	304,209
Allowance for doubtful accounts	(87,000)	(87,000)
Total investments and other assets	3,754,465	5,248,408
Total non-current assets	7,308,180	8,804,486
Total assets	20,893,035	23,821,804

(Unit: Thousand yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	1,838,810	2,147,645
Short-term borrowings	486,000	986,000
Current portion of bonds payable	40,000	-
Current portion of long-term borrowings	786,720	653,449
Accounts payable - other	500,248	906,510
Accrued expenses	239,696	209,105
Income taxes payable	340,583	711,181
Accrued consumption taxes	567,209	641,193
Contract liabilities	377,214	317,069
Deposits received	60,518	62,442
Provision for bonuses	625,200	790,714
Provision for bonuses for directors (and other officers)	30,000	40,000
Other	14,725	15,280
Total current liabilities	5,906,926	7,480,591
Non-current liabilities		
Long-term borrowings	553,351	399,888
Deferred tax liabilities	287,623	461,494
Long-term accounts payable - other	97,750	97,750
Total non-current liabilities	938,724	959,132
Total liabilities	6,845,651	8,439,724
Net assets		
Shareholders' equity		
Share capital	2,905,422	2,905,422
Capital surplus		
Legal capital surplus	749,999	749,999
Other capital surplus	1,438,641	1,449,701
Total capital surplus	2,188,641	2,199,701
Retained earnings		
Other retained earnings		
Retained earnings brought forward	7,996,215	9,603,595
Total retained earnings	7,996,215	9,603,595
Treasury shares	(339,254)	(1,225,791)
Total shareholders' equity	12,751,024	13,482,927
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,296,359	1,899,152
Total valuation and translation adjustments	1,296,359	1,899,152
Total net assets	14,047,384	15,382,079
Total liabilities and net assets	20,893,035	23,821,804

Non-consolidated Statement of Income

(Unit: Thousand yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	32,555,008	35,698,834
Cost of sales	28,349,677	30,456,135
Gross profit	4,205,331	5,242,698
Selling, general and administrative expenses	2,033,429	2,206,566
Operating profit	2,171,902	3,036,131
Non-operating income		
Interest and dividend income	22,322	29,283
Rental income from buildings	16,237	14,124
Subsidy income	-	29,280
Other	6,385	12,591
Total non-operating income	44,945	85,279
Non-operating expenses		
Interest expenses	17,204	21,203
Interest expenses on bonds	399	70
Depreciation of assets for rent	4,351	3,393
Loss on retirement of non-current assets	19,601	14,495
Commission expenses	3,663	5,562
Other	6,804	8,378
Total non-operating expenses	52,025	53,103
Ordinary profit	2,164,822	3,068,307
Extraordinary income		
Gain on sale of investment securities	-	93,900
Total extraordinary income	-	93,900
Extraordinary losses		
Loss on valuation of golf club membership	1,636	-
Total extraordinary losses	1,636	-
Profit before income taxes	2,163,186	3,162,207
Income taxes - current	611,513	930,270
Income taxes - deferred	(15,180)	(101,250)
Total income taxes	596,333	829,020
Net income	1,566,852	2,333,186

Non-consolidated Statement of Cash Flows

(Unit: Thousand yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	2,163,186	3,162,207
Depreciation	176,845	150,081
Amortization of goodwill	3,811	2,540
Increase (decrease) in allowance for doubtful accounts	99	13,980
Increase (decrease) in provision for bonuses	36,075	165,514
Increase (decrease) in provision for bonuses for directors (and other officers)	30,000	10,000
Interest and dividend income	(22,322)	(29,283)
Interest expenses	17,204	21,203
Interest expenses on bonds	399	70
Loss (gain) on sale of investment securities	-	(93,900)
Loss on retirement of non-current assets	19,601	14,495
Subsidy income	-	(29,280)
Decrease (increase) in trade receivables	105,760	(737,592)
Decrease (increase) in inventories	(12,189)	(112,259)
Decrease (increase) in prepaid expenses	100,973	(166,295)
Increase (decrease) in contract liabilities	(78,674)	(60,145)
Increase (decrease) in trade payables	(29,700)	308,835
Increase (decrease) in accounts payable - other	101,766	399,091
Increase (decrease) in accrued expenses	50,574	(30,581)
Increase (decrease) in deposits received	(68,423)	1,924
Increase (decrease) in accrued consumption taxes	(12,397)	73,983
Other, net	28,242	41,713
Subtotal	2,610,834	3,106,305
Interest and dividends received	22,041	29,252
Interest paid	(17,352)	(24,684)
Subsidies received	-	29,280
Income taxes paid	(776,096)	(570,731)
Other, net	479	413
Net cash provided by (used in) operating activities	1,839,907	2,569,836

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from investing activities		
Decrease (increase) in time deposits and other	(692,762)	462,461
Purchase of investment securities	-	(459,780)
Proceeds from sale of investment securities	-	100,000
Purchase of shares of subsidiaries and associates	-	(21,700)
Purchase of insurance funds	(44,438)	(44,149)
Purchase of property, plant and equipment	(64,745)	(137,817)
Proceeds from sale of property, plant and equipment	300	-
Purchase of intangible assets	(3,497)	(24,493)
Payments of guarantee deposits	(11,396)	(36,464)
Proceeds from refund of guarantee deposits	5,904	23,634
Net cash provided by (used in) investing activities	(810,634)	(138,307)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(50,000)	500,000
Proceeds from long-term borrowings	600,000	600,000
Repayments of long-term borrowings	(877,374)	(886,734)
Redemption of bonds	(120,000)	(40,000)
Purchase of treasury shares	-	(889,472)
Dividends paid	(572,780)	(725,251)
Net cash provided by (used in) financing activities	(1,020,154)	(1,441,457)
Net increase (decrease) in cash and cash equivalents	9,117	990,070
Cash and cash equivalents at beginning of period	5,557,015	5,566,133
Cash and cash equivalents at end of period	5,566,133	6,556,203

COMPANY (As of March 31, 2026)

Company Name	Focus Systems Corporation	
Main Office	141-0022 Focus Gotanda Building, 2-7-8 Higashigotanda, Shinagawa-ku, Tokyo	
Establishment	April 1, 1977	
Capital	2.9 billion yen (As of March 31, 2026)	
Number of Employees	1,434 (As of March 31, 2026)	
Business	Consulting and contract computer systems developer Systems operation, maintenance and technical support Development and distribution of information security technology and associated products Development and distribution of software packages Planning and production of web content Temp staffing service Other computer-related services	
Officer Composition	President, Representative Director Vice-President, Representative Director Senior Managing Director Managing Director Director Outside Director Audit and Supervisory Board Member Outside Audit and Supervisory Board Member	Mori Keiichi Miura Hiroyuki Muroi Makoto Goto Makoto Suzuki Takahiro Seo Sadataka・Araya Mayumi・Akiyama Erika Yoshino Mitsuru・Takahashi Isao Matsubara Yoko・Hagiwara Kiyomi

Accreditations and Certifications



Stock Information (As of March 31, 2026)

Total Number of Shares Authorized to be Issued	36,000,000 shares	
Total Number of Shares Issued	16,292,942 shares	
Total Number of shareholders	8,092 shareholders	
Major Shareholders	The Master Trust Bank of Japan, Ltd. (Trust Account) FRONTEO, Inc. Employee Shareholders Association The Nomura Trust and Banking Co., Ltd. (Investment Trust Account) BBH FOR FIDELITY LOW-PRICED STOCK FUND HATAYAMA YOSHIFUMI Custody Bank of Japan, Ltd. (Trust Account) STATE STREET BANK AND TRUST CLIENT OMNIBUS ACCOUNT OM02 505002 MORI KEIICHI Yasuji Iwasaki	1,469,900 shares (9.02%) 900,000 shares (5.52%) 703,200 shares (4.31%) 665,482 shares (4.08%) 379,737 shares (2.33%) 369,200 shares (2.26%) 360,100 shares (2.21%) 319,000 shares (1.95%) 272,800 shares (1.67%) 263,000 shares (1.61%)
(Note) In addition, we own 1,644,462 shares as treasury stock.		
Shareholder Information	Securities Code: Stock Exchange: Fiscal Year-End: Annual General Meeting of Shareholders: Record Date: Dividend Record Date: Shareholder Registrar: Shareholder Registrar Office: Number of Shares per Trading Unit: Method of Public Notice:	4662 Tokyo Stock Exchange Prime Market March 31 June March 31 March 31 Mizuho Trust & Banking Co., Ltd. 1-3-3 Marunouchi, Chiyoda-ku, Tokyo Securities Transfer Department, Head Office of Mizuho Trust & Banking Co., Ltd. 100 shares Electronic public notice

