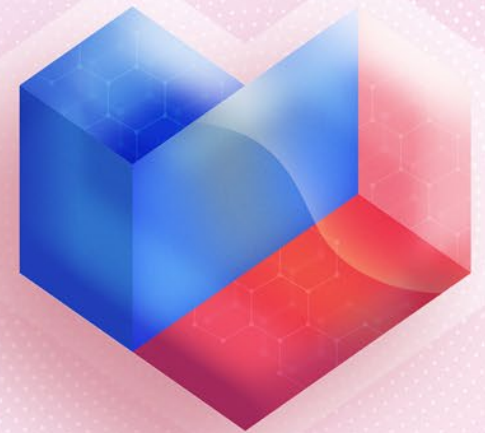




**Fiscal Year Ended March 2026 (50th Business Year)**

# **Financial Results Presentation**



May 15, 2026  
Focus Systems Corporation  
(Securities Code: 4662)

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## Financial summary Changes from the previous fiscal year/Changes from the Plan

Steadily increased profits by implementing priority initiatives\*, with each segment achieving double-digit profit growth.

Overall, achieved an operating margin of 8.0% or higher as set forth in our Medium-Term Management Plan 24-26.

\*(1) Increase in high-margin projects; (2) Rigorous project management; (3) Price negotiations and price pass-through (Unit: Million yen)

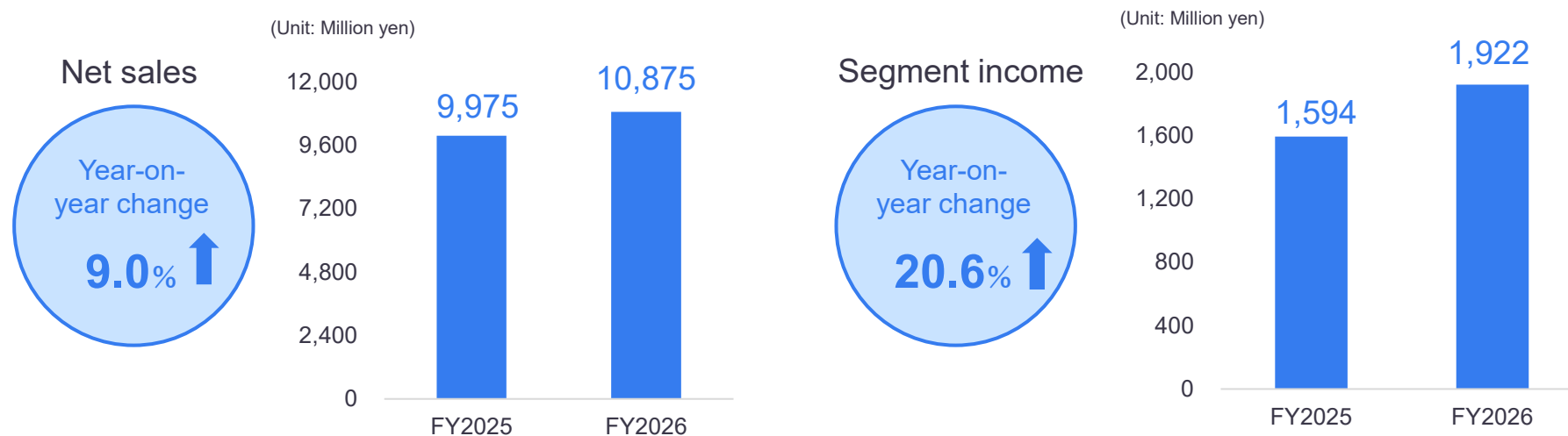
	FY2025 Results	FY2026 Targets	FY2026 Results	Changes from the previous fiscal year		Changes from the Targets	
				Amount Change	Ratio	Amount Change	Ratio
Net sales	32,555	33,250	35,698	3,143	9.7%	2,448	7.4%
Operating income	2,171	2,660	3,036	864	39.8%	376	14.1%
Ordinary income	2,164	2,660	3,068	903	41.7%	409	15.3%
Net income	1,566	1,880	2,333	766	48.9%	453	24.1%

## Segment Overview ①

### Public sector

From the design and manufacture of social infrastructure-related systems, whose end users are mainly government offices and local governments, through to post-system operation management and maintenance

**Revenue and profits increased, driven by the expansion of a stable, continuous order cycle, rigorous project management, and price negotiations**



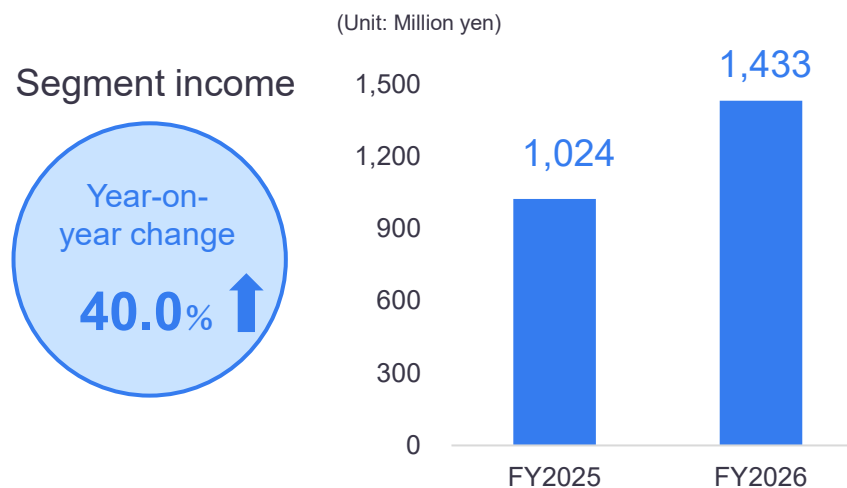
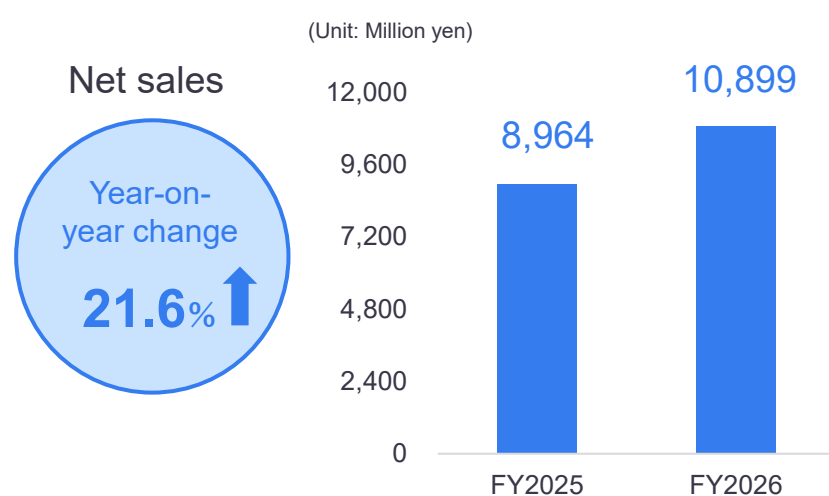
- Large-scale projects in fields related to social security, medical care, and automotive performed well.
- Built up portfolio related to electronic tax filing and individual number (My Number) systems.

## Segment Overview ②

### Enterprise business

Mainly corporate company core business systems/online system development, network/infrastructure design/construction, RPA solutions, related operation/maintenance, and ICT consulting

**Revenue and profits increased significantly primarily in ERP and infrastructure, as a result of strengthened consulting services and expanded contract service delivery capacity**



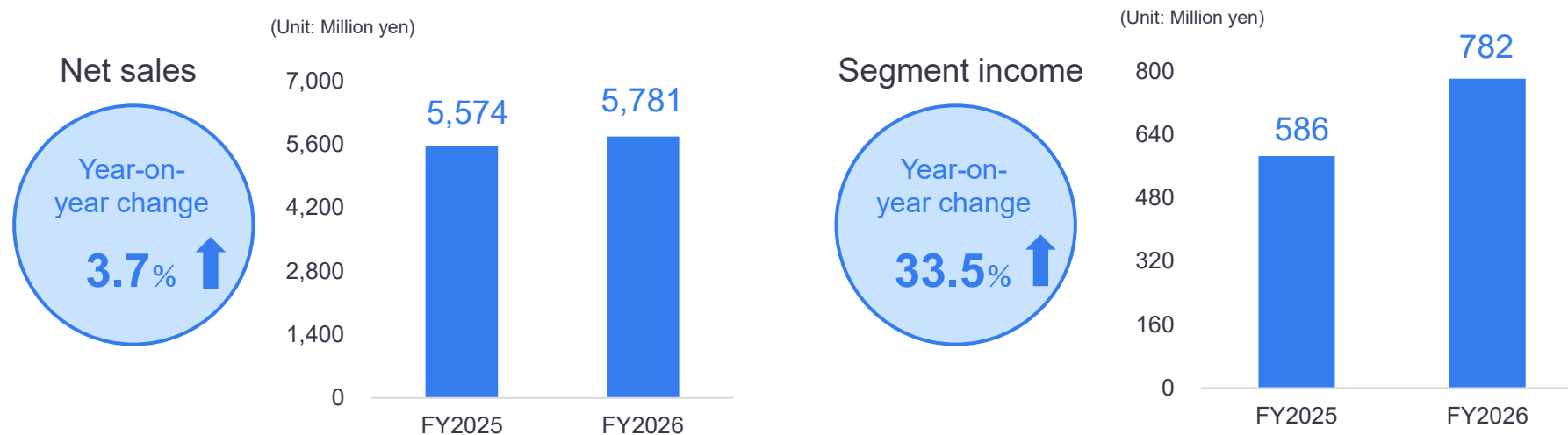
- Successfully secured new projects through strategic targeting and enhanced value-added offerings. (intra-mart, BizJ)
- Significantly boosted overall performance through the stable operation of large-scale projects throughout the year.

## Segment Overview ③

### Wide-ranging solutions

Communication control system development, embedded system development, system development for private companies and government agencies, AI solutions, related operation/maintenance, and ICT consulting, mainly in the Tokyo, Nagoya, and Osaka areas

**Grew steadily through a shift to high-margin projects and effective price pass-through**



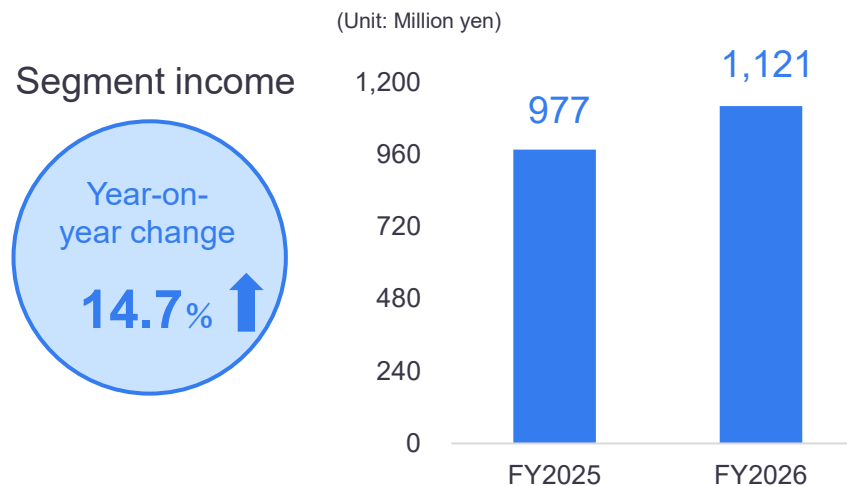
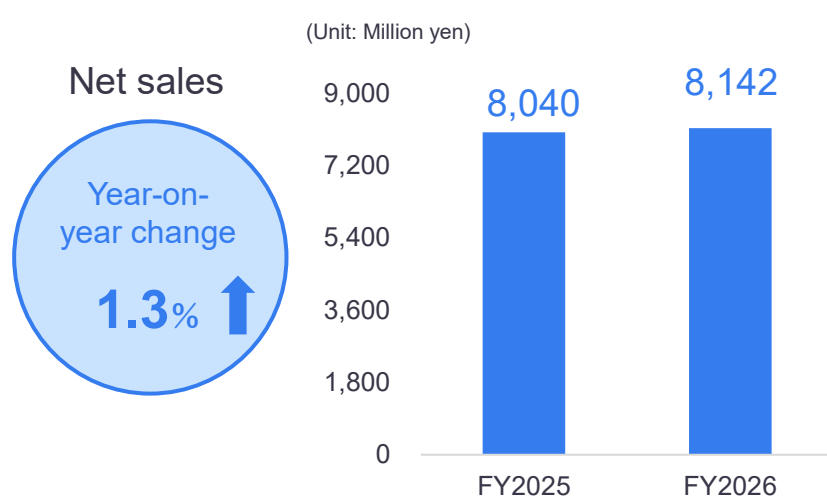
- Steadily secured prime contractor projects, primarily through bidding, and maintained solid progress in shifting towards highly profitable projects.
- Additional projects acquired through existing customers and ongoing projects also contributed to boosting overall performance.

## Segment Overview ④

### Innovation

Mainly infrastructure design/construction, mainframe construction, system development, related operation/maintenance, in-house product manufacturing, provision of IoT solutions

**Infrastructure projects fueled the segment's growth, and profitability-focused development projects undertaken as a prime contractor also progressed smoothly.**



- Increased technical support for mainframes and large companies.
- Progress in expanding the in-house product lineup (digital watermarking, encryption, IoT\*) and developing new sales channels.

\*IoT: Abbreviation for "Internet of Things," a system in which various functions are expanded by enabling all kinds of "things" around us to exchange information with one another via the Internet or other networks. Security measures will become increasingly important for such systems.

# Financial Position ① Balance Sheet (B/S)

(Unit: Million yen)

	Previous Fiscal Year	Fiscal Year Ended March 2025
<b>Assets</b>		
Current assets	13,584	15,017
Non-current assets	7,308	8,804
Property, plant, and equipment	3,505	3,514
Intangible assets	48	41
Investments and other assets	3,754	5,248
<b>Total assets</b>	<b>20,893</b>	<b>23,821</b>
<b>Liabilities</b>		
Current liabilities	5,906	7,480
Non-current liabilities	938	959
<b>Total liabilities</b>	<b>6,845</b>	<b>8,439</b>
<b>Net assets</b>		
Shareholders' equity	12,751	13,483
Capital	2,905	2,905
Capital surplus	2,188	2,199
Retained earnings	7,996	9,604
Treasury shares	△339	△1,225
Valuation difference on available-for-sale securities	1,296	1,899
<b>Total net assets</b>	<b>14,047</b>	<b>15,382</b>
<b>Total liabilities and net assets</b>	<b>20,893</b>	<b>23,821</b>

Total assets increased by 2,928 million yen year-on-year

## Main reason for increase

- Increase in investment securities 1,331 million yen
- Increase in accounts receivable-trade and contract assets 756 million yen
- Increase in cash and deposits 427 million yen
- Increase in prepaid expenses 173 million yen
- Increase in merchandise and finished goods 113 million yen
- Increase in long-term deposits 100 million yen
- Increase in insurance funds 44 million yen

## Main reason for decrease

- Decrease in electronically recorded monetary claims-operating 18 million yen

Total liabilities increased by 1,594 million yen year-on-year

## Main reason for increase

- Increase in short-term borrowings 500 million yen
- Increase in accounts payable – other 406 million yen
- Increase in income taxes payable, etc. 370 million yen
- Increase in accounts payable – trade 308 million yen
- Increase in deferred tax liabilities 173 million yen

## Main reason for decrease

- Decrease in long-term borrowings 153 million yen

Total net assets increased by 1,334 million yen year-on-year

## Main reason for increase

- Increase in retained earnings brought forward 1,607 million yen
- Increase in valuation difference on available-for-sale securities 602 million yen

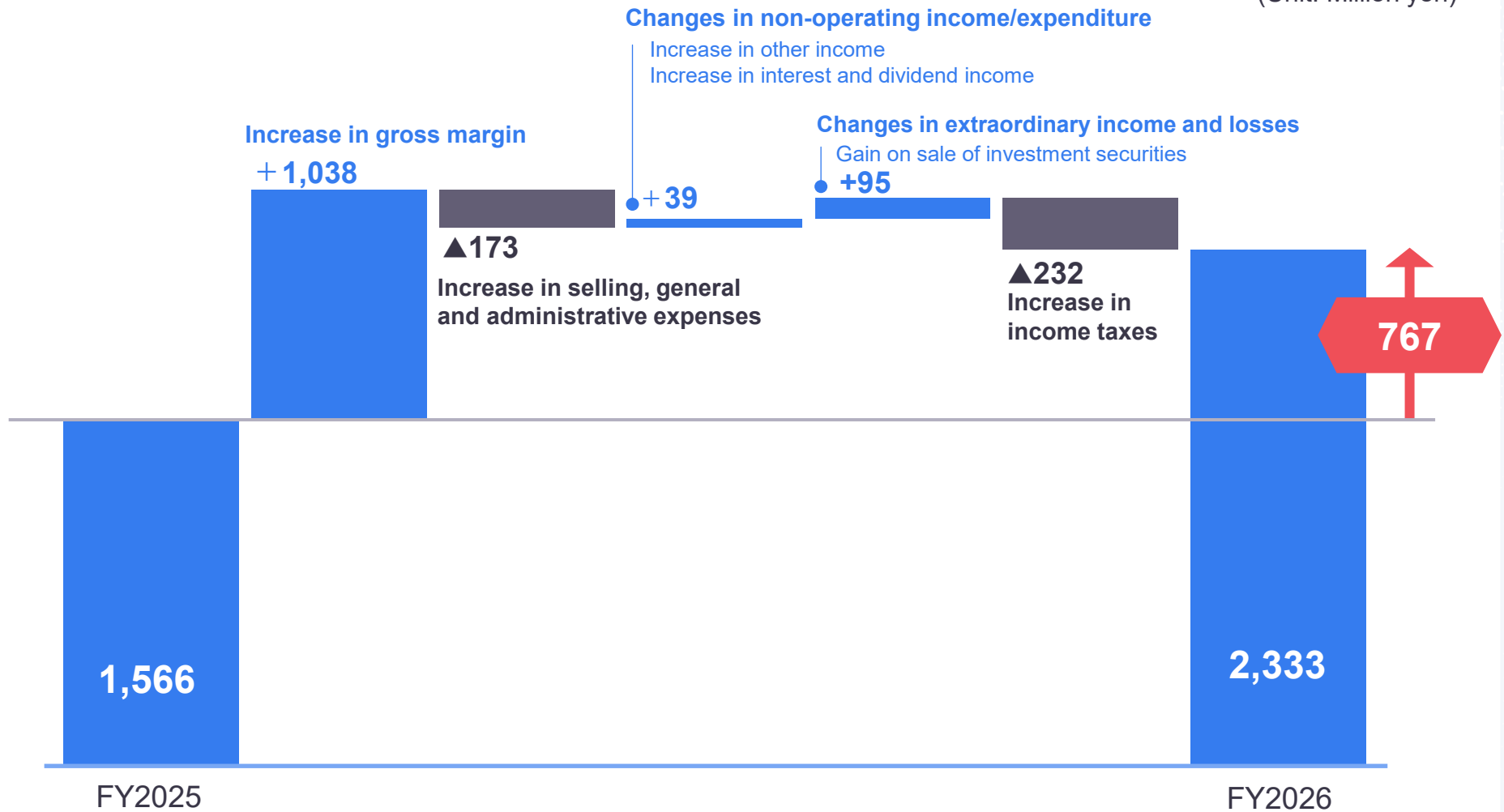
## Main reason for decrease

- Decrease due to acquisition of treasury shares 886 million yen



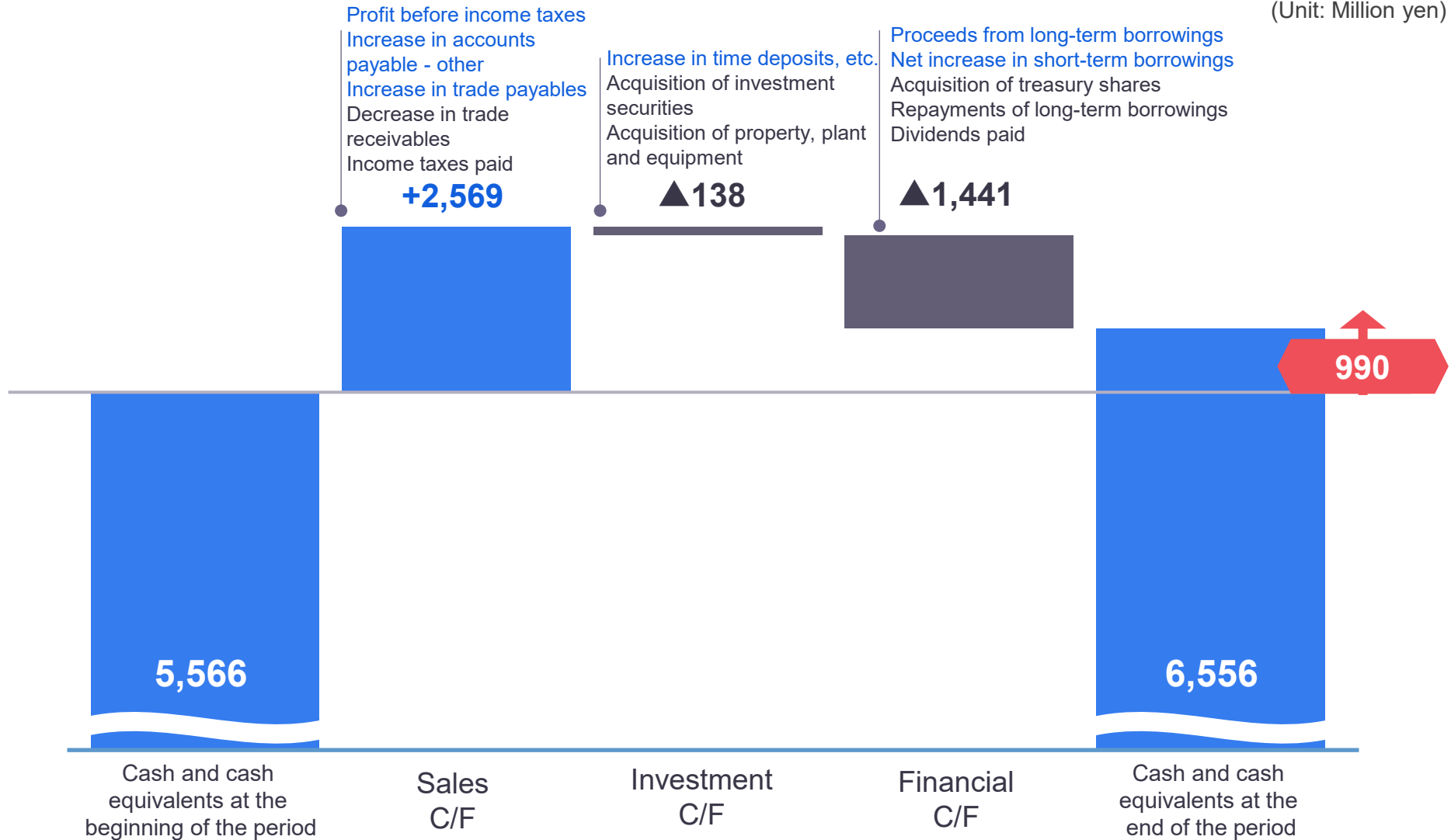
## Financial Position ② Net Income Increase/Decrease Analysis

(Unit: Million yen)



## Financial Position ③ Cash Flow (C/F)

(Unit: Million yen)



## Topics – Expansion of In-house Product Lineup –



### Launched "WalkCare," an AI-equipped gait analysis tool

"WalkCare" is an AI-equipped gait analysis system. By attaching sensors to the calves and walking for about 10 meters, it is able to quantify not only walking speed, stride length, and left-right balance, but also the "quality" of motor function, such as how smooth the movements are and the force applied when pushing off the ground while walking.

Since it can detect and quantitatively evaluate early signs of age-related functional decline, such as unsteadiness and swaying while walking, it is expected to offer a wide range of applications in various settings, not only in medical and nursing care settings, but also at health support events organized by companies and local governments.



### Launched "acuagraphy online," a cloud-based digital watermarking service

Digital watermarking technology embeds specific information in an inconspicuous way into digital data such as still images, videos, and audio, and can be used to protect content rights and prevent unauthorized use. Focus Systems has launched a cloud-based digital watermarking service that requires no installation or system development, based on the concepts of "easy to use," "hassle-free," and "always up-to-date."

This contributes to addressing the growing demand for digital rights management, and to the protection of intellectual property across diverse industries.



### Launched "netacoco," a proposal-based AI service for PR departments

"netacoco" is proposal-based AI service targeted at PR departments. It simultaneously collects and analyzes internal information scattered across platforms such as Slack, Gmail, and Google Drive, as well as external information such as industry news, trends, and hot topics, providing a one-stop service covering solutions from proposing ideas to creating the first draft.

This creates an environment that allows PR professionals to focus on creative activities only humans can perform—such as making strategic decisions on what to communicate now based on AI-curated ideas and building trusted relationships with media outlets.

## Topics – Our activities that received high praise –

### Award · Partner

- Biz[® (“Biz[AWARD 2025” Superior Award)
- cotchi cotchi® (Winner of the 19th Kids Design Award)
- Connecting with Corals for the Future! (“2025 Environmental Conservation Activity Award” Corporate Grand Prize)
- NTT Data (core business partner)
- Broadcom Inc. (professional service partner)
- Esri Japan (business partner)
- PagerDuty (authorized reseller agreement and MSP partner)

### Patent granted

- Tertiary batteries, IoT devices
- Patent granted jointly with the University of Tsukuba

### Case

- cotchi cotchi® (by Suguri Nursery School, Tsurugaoka Mammy Kodomoen)
- WAN-RECORD Plus for On-premises (by a government agency)
- Intra-mart® (by Japan Bank for International Cooperation)

Our website 「News」 <https://en.focus-s.com/news>

## Earnings and Dividend forecast - Fiscal Year Ending March 2027 -(51th Business Year)

- Achieved record highs in sales and profits.
- Annual dividend per share of 68.00 yen  
(interim dividend of 16.00 yen + year-end dividend of 52.00 yen).

	FY2026 results	FY2027 projections	Year-on-year change
Net sales (million yen)	35,698	39,000	9.2%
Operating income (million yen)	3,036	3,500	15.3%
Ordinary income (million yen)	3,068	3,500	14.1%
Net income (million yen)	2,333	2,460	5.4%

	FY2026 results	FY2027 projections
Net income per share (yen)	155.63	164.30
Dividend per share (yen)	64.00	68.00
	(Breakdown) Interim dividend 12.00	(Breakdown) Interim dividend 16.00
	Year-end dividend 52.00	Year-end dividend 52.00
Dividend payout ratio (%)	41.1	41.4

# Review of the Previous Medium-Term Management Plan 24-26

Achieved the targets for "Growth Investment," "Profitability Improvement," and "Enhanced Returns to Employees, Shareholders, etc."

## Growth Investment

- Invested in each segment against the backdrop of strong demand; steady progress in investments
- Explored advanced fields and launched a new company

## Profitability Improvement

- Achieved the target operating margin of 8.0%
- Achieved ROE of 15.9%

## Enhanced Returns to Employees, Shareholders

- Maintained stable dividends with a payout ratio of over 40%
- Increased base pay for 3 consecutive years

KPI	Targets	Results
Net sales	¥33.0 billion or more	¥35.6 billion
Operating income	¥2.65 billion or more	¥3.03 billion
Operating margin	8.0% or more	8.5%
Dividend per share	Maintain stable dividends	¥64.0
Dividend payout ratio	35 - 40%	41.1%
ROE	12.0% or more	15.9%

# Overview of the New Medium-Term Management Plan 27-29

## 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; Strengthen consulting business; Advance R&D for solutions**

### Corporate Department

**Secure specialist talent; Strengthen organizational capabilities**

## Key Indicators and Investments

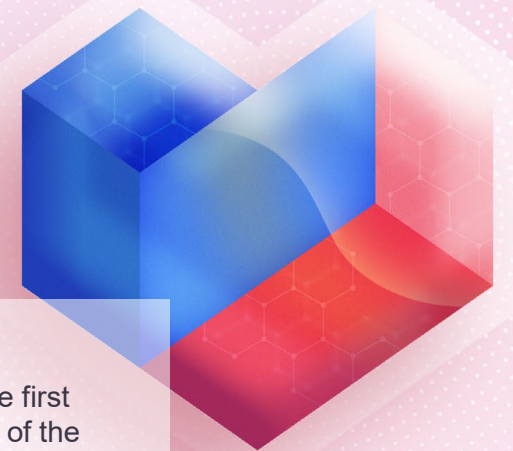
K P I		Investment	
Net sales	¥45.0 billion	Strategic Investment	¥8.50 billion
Operating income	¥4.50 billion		
Operating margin	10.0%	Shareholder Returns	¥3.50 billion
ROE	16.0% or more		

Focus Systems sincerely requests  
the continued guidance and support of all stakeholders.

FY refers to a fiscal year ending in March of that year.

(Example) FY2026: the fiscal year commencing April 1, 2025 and ending on March 31, 2026

In this document, values are rounded down to the nearest whole number and percentages are rounded to the first decimal place. This document is based on information available as of May 15, 2026, and on assumptions as of the same date concerning uncertain factors affecting future financial results. Actual financial results may materially differ from projections due to various factors in the future. Consequently, Focus Systems Corporation does not guarantee any certainty. This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.





# Focus Systems in numbers

Established

**50** years

\* As of April 1, 2026

Amount of Sales

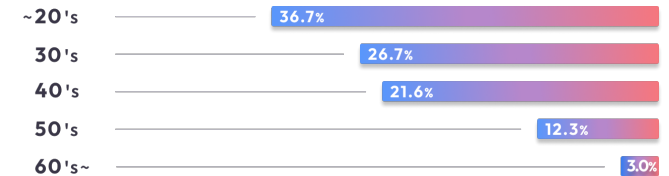
**35.6** billion yen

\* The Fiscal Year Ending March 2026

Age structure



\* As of the March 31, 2026



Number of employees

**1,434** people

\* As of the March 31, 2026

Capital ratio

**64.6%**

\* As of the March 31, 2026

Number of qualified persons (total)

\* People who have Ministry of Economy, Trade and Industry or various vendor qualifications, etc.

**2,133** people

\* As of the March 31, 2026

Annual education and training expenses

**110** million yen

\* The Fiscal Year Ending March 2026

Number of projects per year

**500** PJ

\* The Fiscal Year Ending March 2026

The number of customers

**200** companies

\* The Fiscal Year Ending March 2026

Longest trading years

**49** years

\* As of the March 31, 2026

The capture rate of paternity leave

Woman

**100%**

Man

**75.0%**

\* The Fiscal Year Ending March 2026

Return to work rate of paternity leave

**94.3%**

\* The Fiscal Year Ending March 2026

Average number of days taken for childcare leave

Woman

**515** days

Man

**94** days

\* The Fiscal Year Ending March 2026

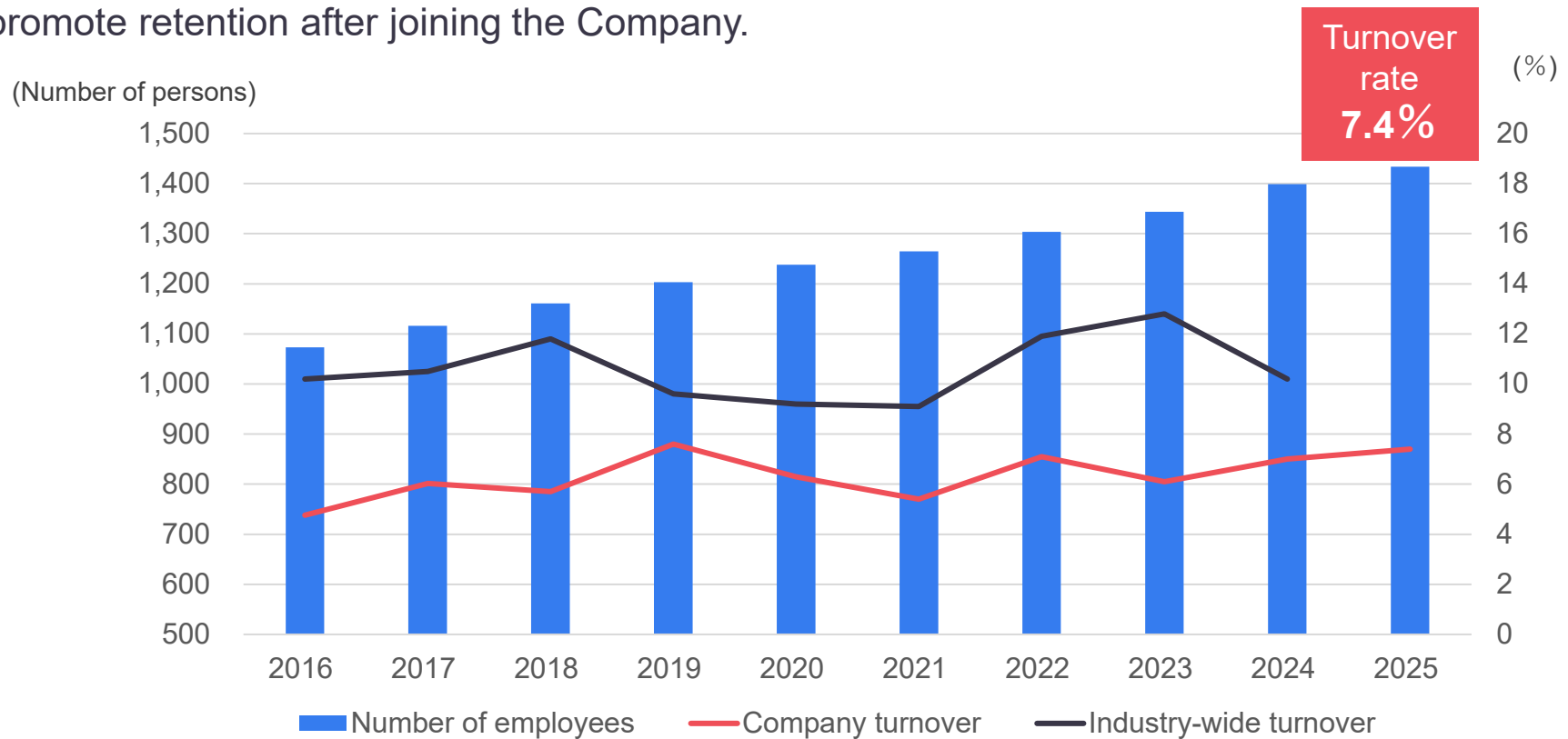
Rate of turnover

**7.4%**

\* The Fiscal Year Ending March 2026

## Changes in the Number of Employees & Turnover Rate

As new graduate recruitment becomes earlier, we are increasing opportunities for internships and information sessions and strengthening follow-up after job offers are made. Efforts to increase awareness of the Company's draws and reduce the mismatch during recruitment, including improved information disclosure to job seekers, are being strengthened to promote retention after joining the Company.



\*The industry turnover rate has been excerpted from the "Survey on Employment Trends" (Ministry of Health, Labour and Welfare).

\*Our turnover rate is based on the fiscal year, while the industry turnover rate is based on the calendar year.

# Health Management



We have been recognized as a "Corporations with Exceeding Health Management (large-scale corporate division)" for the seventh consecutive year.

\*The Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi recognize corporations that practice excellent health and productivity management.

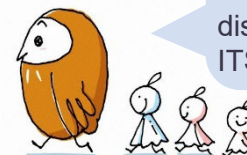
## 01 Support for club activities

・・・In order to promote employee health, we provide support for club activities. Currently, approximately 100 employees and eight clubs are active.



## 02 Health maintenance seminars

・・・Thematic seminars such as mindfulness training for physical and mental conditioning, and seminars on improving eating habits and preventing stiff shoulders and back pain.



We also implemented measures to address mental health, and promoted understanding of health by disseminating information through the ITS Collabo-Health initiative

# Work–Life Balance

01

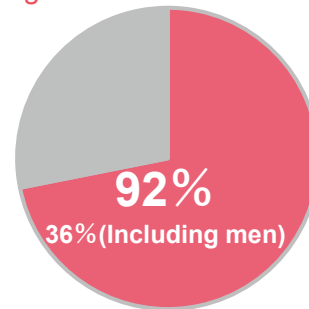
## Systems for shortened working days or reduced working hours

- • Systems for helping employees balance work duties with childcare or eldercare. Employees can choose shortened working days (3 days a week) or reduced working hours (choice of 5 hours or 6 hours per day).  
\*Employees are eligible for the systems until their children reach the third grade in elementary school or until they no longer are required to do nursing care.  
\*A combination of these systems and the flextime system is also possible.

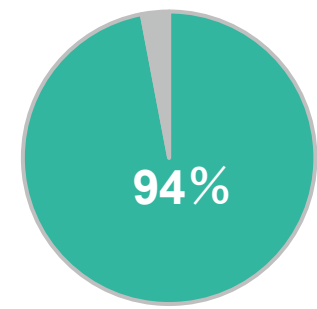
Kurumin (child-rearing support) certified



Usage percentage of shortened working days/reduced working hours after childcare leave



Percentage of employees who Return to work after child care leave



\*As of March 31, 2026

02

## "Job Return" system (re-employment system)

- • Re-employment is possible within 10 years of resignation due to a life event (marriage, childbirth, or child-rearing) or for career advancement (overseas study or change of employer).

03

## Flextime system

- • This system helps employees work based on their lifestyles.

# Diversity

## 01 Occupational field creation

・・・ In 2015, we began producing vegetables through hydroponics, aiming at creating new fields of employment for persons with disabilities. We have now established farms in Chiba and Ibaraki Prefectures, providing employment to persons with disabilities who wish to engage in agricultural work.



## 02 Information exchange for female employees

・・・ Addressing young women, this meeting serves to communicate information on work methods and support for career advancement.



### Eruboshi (Female employee career promotion)

We are certified as an "Eruboshi" company for being an outstanding company based on the Act on Promotion of Women's Participation and Advancement in the Workplace.

We have received the third-level "Eruboshi" certification by meeting all the criteria in the five areas of "recruitment," "continued employment," "working hours and other working practices," "ratio of managers," and "diverse career paths."



## OUR STRENGTHS ① - Brand story -

### The focus is always there

We want to be at the center of changing times.

With that strong desire, about 50 years ago, Focus Systems' IT challenge has begun.

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.

## OUR STRENGTHS ② - Focus that shapes us -

01

Focus on



### Future

Always thinking and acting with a view to what lies ahead.

①

Expansion and development with a view to progress

②

Contributing to the future of society

③

Ideas that take the next step forward in time

02

Focus on



### Opportunity

Create opportunities with your own strength, and make use of it

①

An environment that encourages the spirit of challenge

②

Empowerment of all employees

③

Creating the foundations for limitless challenges

03

Focus on



### Character

Respect and refine every individual, be a special team

①

A unique position established through association of individuals

②

Resonating with and working alongside the individuality of the client

③

Internal structures that support the powerful ideas of employees and provide backing

04

Focus on



### Unlimited

Always imagining with free thought, and generating limitless possibilities.

①

Comprehensive expertise built up over time

②

The ability to pursue projects and generate new value

③

The ability to innovate to enable limitless options

05

Focus on



### Stability

Stay stable for peace of mind

①

Stable economic foundations

②

Flexibility and capacity that closely accompany a variety of issues

③

Trustworthy reputation built up over time