

Company Briefing Material

Focus Systems Corporation (Securities Code: 4662)

March 26, 2026



Point
01

About Focus Systems

Point
02

The Past and Future in Three Phases

01 Stable Business and Financial Foundation

02 Improvement of Profit Margin

03 Further Leap as an Independent Sier

About Focus Systems



Established

April 1, 1977

Business

System consulting, commissioned development, maintenance and operation, technical support, information security related etc...

Capital

2.9 billion yen(as of March 31, 2025)

Sales

32.5 billion yen(for the fiscal year ending March 2025)

Stock Exchange

Tokyo Stock Exchange Prime (4662)

Number of Employees

1,482(as of April 1, 2025)

President and representative director

MORI KEIICHI

After working at an audit firm and an accounting firm, he joined our company. With many years of experience in accounting, he has built the current stable financial foundation since becoming president.

Corporate 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.

Corporate Slogan

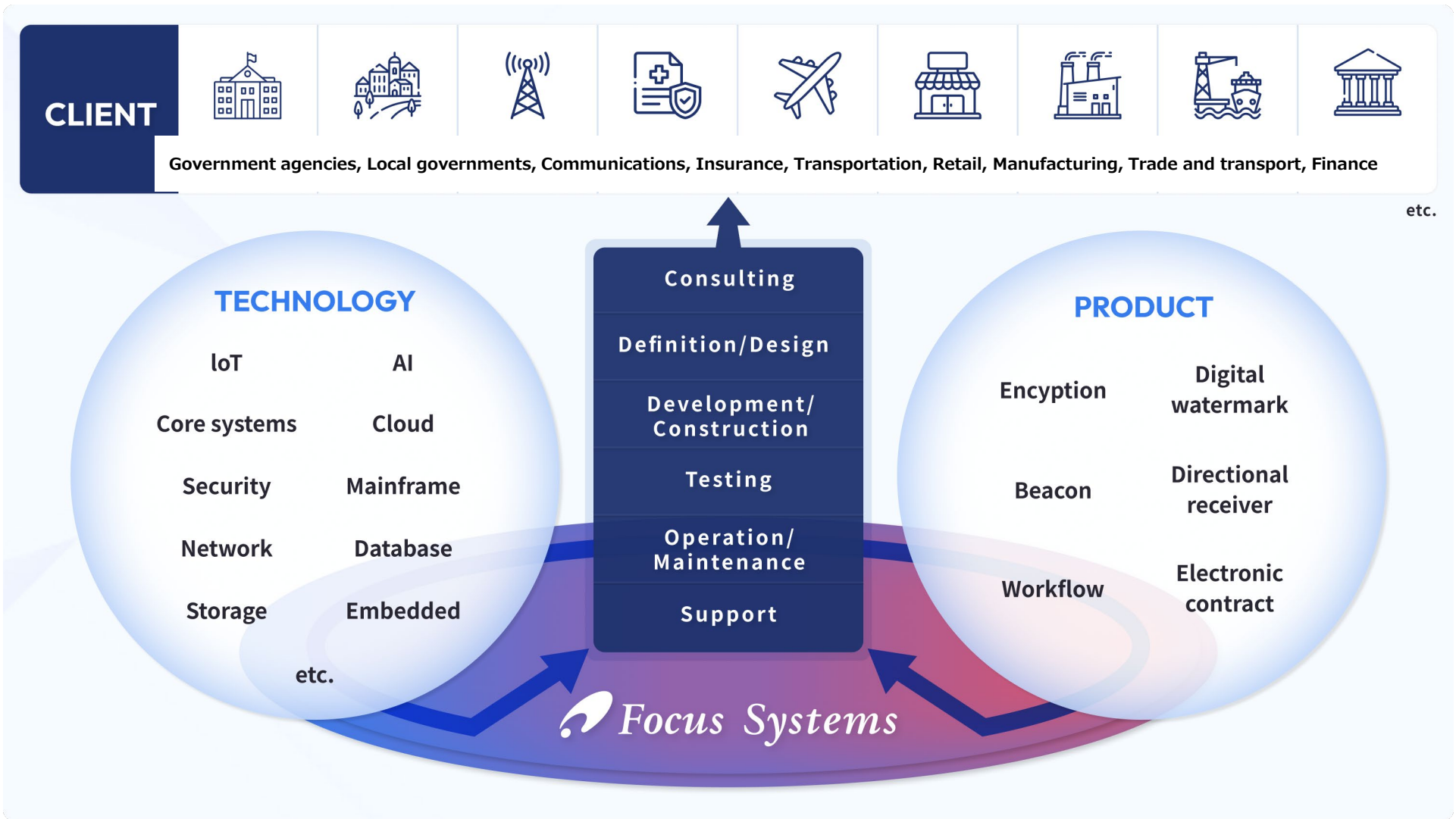
Tech with heart.



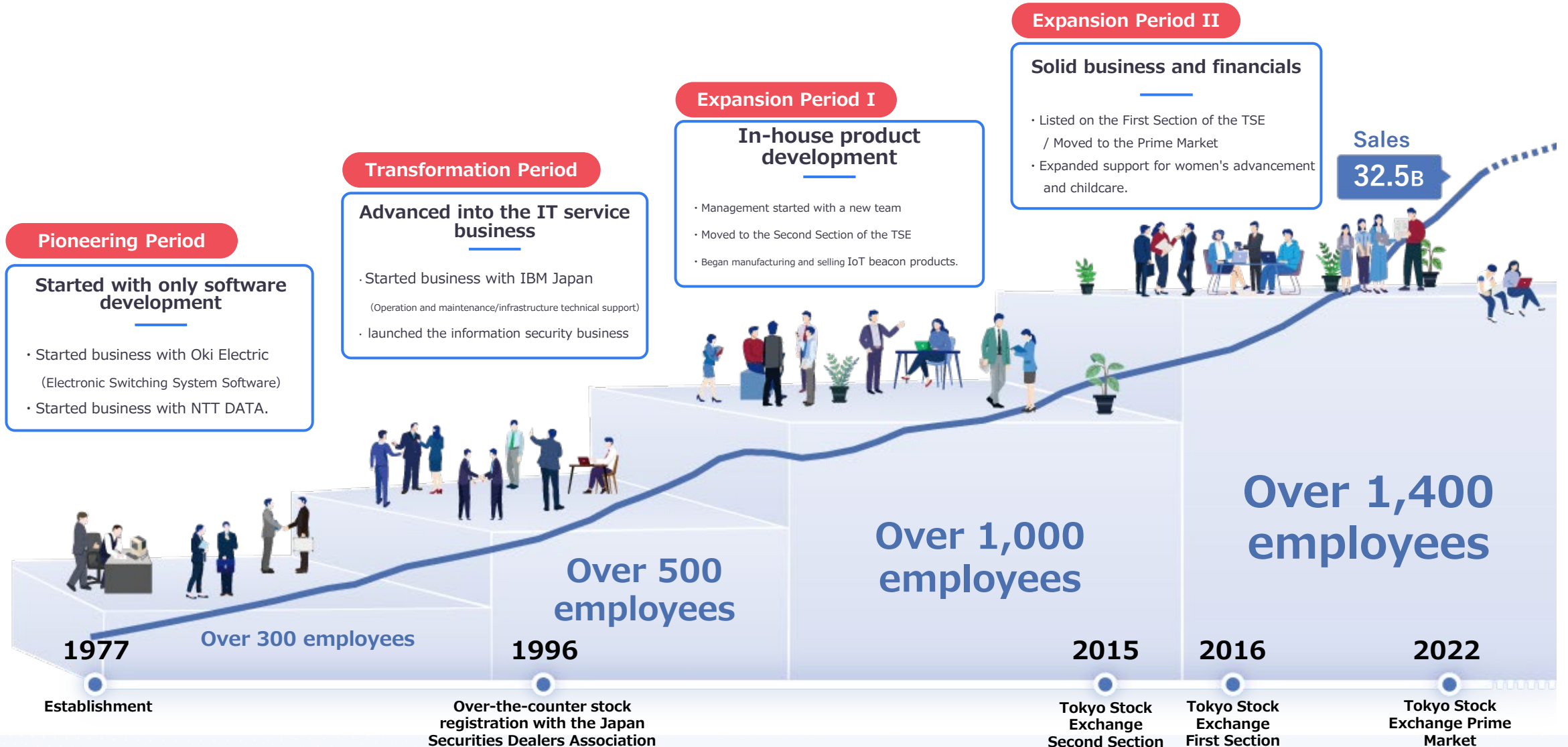
Comparison of System Integrators by Type

	Independent	User-affiliated	Manufacturer-affiliated
overview	Management and capital are independent.	Information system subsidiaries or former system departments of trading/financial companies.	Computer or hardware companies.
Strengths	A wide and free business field, and cultivated assets become company assets.	The utilization of the parent company's know-how and a stable business foundation.	The utilization of the parent company's hardware, solution proposals, and a stable business foundation.
Weakness	Everything must be acquired independently. Management and financial foundation Clients, Partners, Intellectual Property	Limited specialized fields and a narrow business domain.	Being bound by the parent company.

A business domain that can fulfill what customers truly desire, without being limited by fields or products

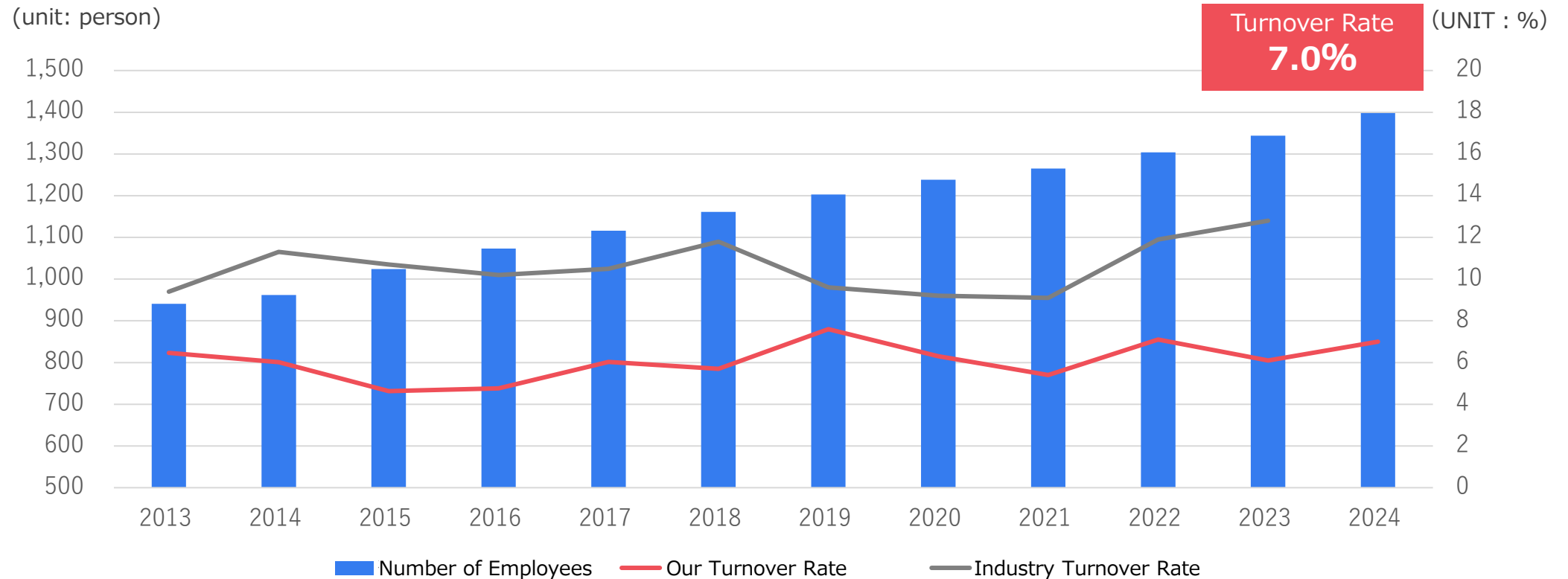


Continuously growing in both sales and personnel since its establishment



Growing with People: A turnover rate significantly below the industry average

- Amid increasing mobility within the industry, sales are growing due to a continuous increase in the number of employees.
- Improving the recognition of our appeal Reducing the gap between pre- and post-employment expectations.



*Industry turnover rates are excerpted from the "Summary of Employment Trends Survey Results" (Ministry of Health, Labor and Welfare).

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

Overview of the Four Business Segments

Private

Innovation

- Core business
Infrastructure design and construction, mainframe operations, in-house products (IoT, security).
- The main client
Kyndryl Japan, IBM Japan. etc...

Wide-Area Solutions

- Core business
Communication control, embedded system development, system development using low-code, AI (image-based).
- The main client
Oki Electric Industry Group. etc...

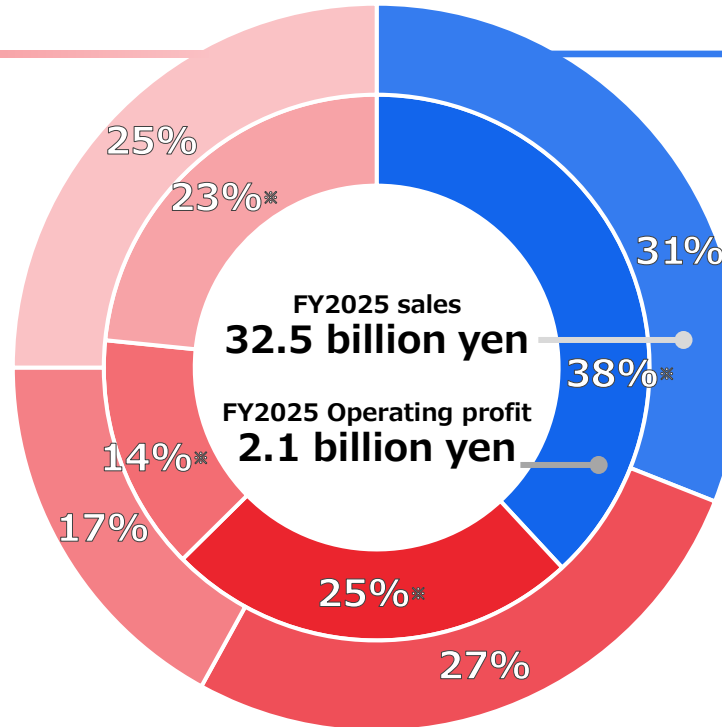
Public

Public sector

- Core business
System development for central government agencies (My Number, e-Tax, air traffic control, etc.).
- The main client
NTT DATA Group. etc...

Enterprise business

- Core business
Core business system development, virtualization and cloudification, network infrastructure design and construction.
- The main client
municipalities and corporate enterprises. etc...

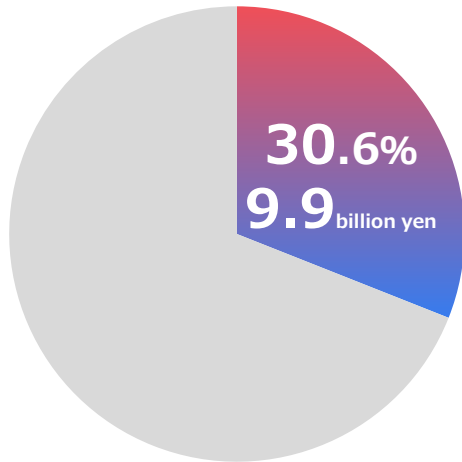


*The total of all reportable segments is used as the denominator.

- Effective from the fiscal year ending March 31, 2027, the "Wide-Area Solutions" segment will be integrated into the "Public Sector" and "Innovation" segments, changing the structure to three reportable segments.
Reference: "Notice Concerning Change in Reportable Segments" (March 9, 2026)

Four Segments: Public Sector Business

Proportion of sales FY2025



Experts in public systems and a long track record
e.g., air traffic control, social security, medical care, eLTAX, My Number, etc.



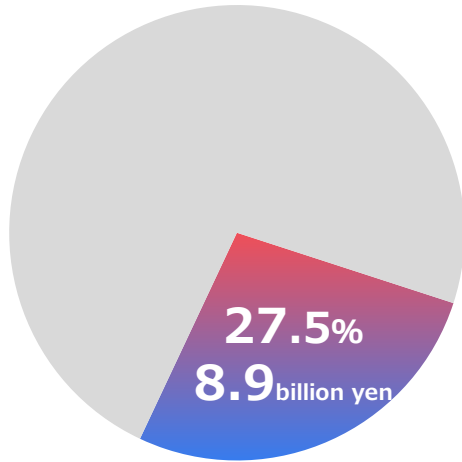
Stable business foundation, system life cycle



Long-term relationships of trust with major clients
(NTT DATA Group)

Four Segments: Enterprise Business

Proportion of sales FY2025



Abundant experience in contract development, new business development starting from contracting
(Excerpts: Meguro Ward/municipalities, AIN HOLDINGS INC./retail, etc.)



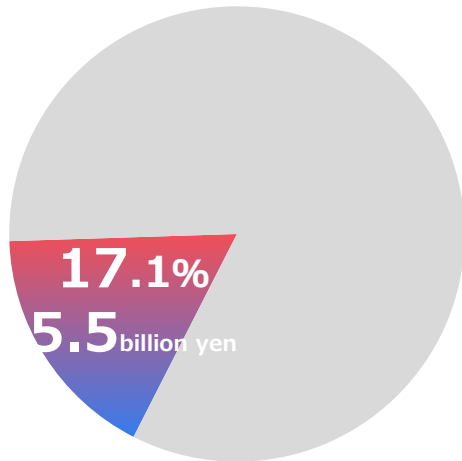
Optimal proposals, ability to solve problems
(Excerpts: Core systems, Web systems, RPA, virtualization, etc.)



Flexible business foundation
contracting, operation and maintenance, consulting, etc.

Four Segments: Wide-Area Solutions Business

Proportion of sales FY2025



Wide range of technical fields and engineers
(e.g., communications/basic control, cars/home appliances/embedded, AI, etc.)



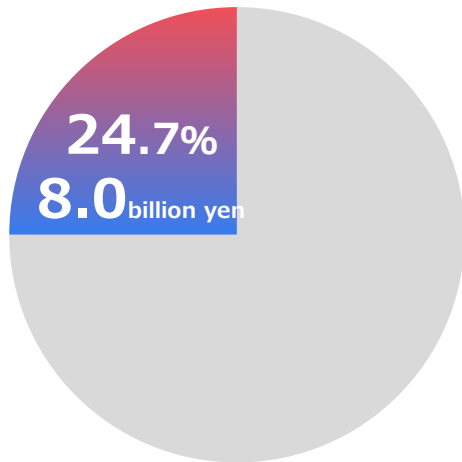
Customer base tied to regions
Tokyo, Nagoya, Osaka



Relationships with customers that have continued since the company's founding
(e.g., SES general NTT DATA Group, communications business/Oki Electric, etc.)

Four Segments: Innovation Business

Proportion of sales FY2025



Supporting social innovation behind the scenes
(Major clients: IBM Japan, Kyndryl Japan)



Business strategy that drives stability



In-house product development
(e.g., IoT, encryption, copyright protection solutions, etc.)

Focus Systems services for the home and for wider society



① Communications

② Finance

③ Social welfare

④ Aviation

⑤ Automobiles/Transportation

⑥ Trade and Transport

⑦ e-government

⑧ Local Government

⑨ ERP systems

⑩ Digitization and efficiency improvement

⑪ **Workflow management** and e-contracts

⑫ **Encryption**

⑬ **Beacons and Directional receivers**

⑭ **Digital watermarks**

⑮ Cloud-based and virtual solutions

⑯ Security

⑰ IT infrastructure

⑱ Embedding

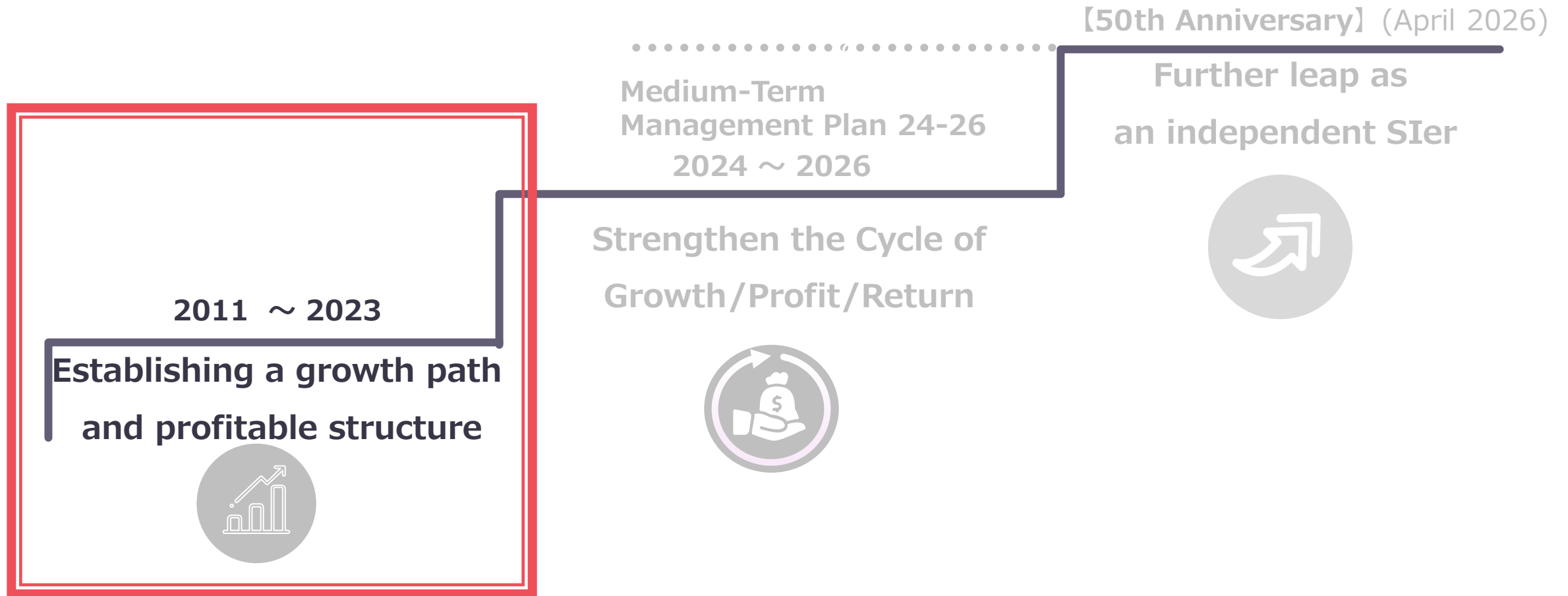
(Some in-house products are included in the red text)



The Past and Future in Three Phases

- 01** Establishing a growth path and profitable structure
- 02** Strengthen the Cycle of Growth/Profit/Return
- 03** Further Leap as an Independent Sier

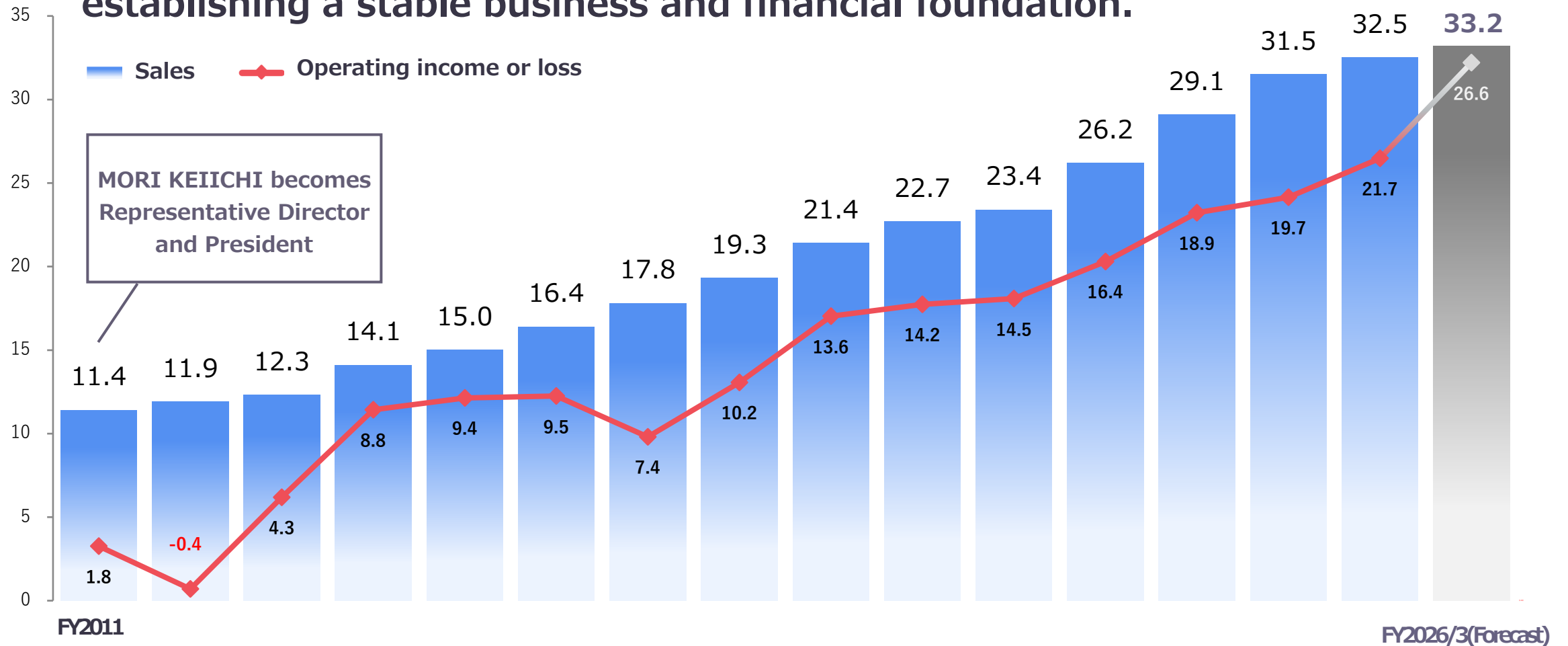
The Past and Future in Three Phases



Stable Business Foundation

Since taking office in 2011, we have focused on establishing a stable business and financial foundation.

(Unit: billion yen)



Reasons for Stable Growth

- Growing with the dual engines of the public sector, which is resistant to economic fluctuations, and the private sector, which has a large IT market.
- Still growing with an average annual sales growth rate of approximately **7%** in the public sector and **9%** in the private sector.



*Segment change from April 2020

The Past and Future in Three Phases

2011 ~ 2023

Establishing a growth path
and profitable structure



.....
**Medium-Term
Management Plan 24-26
2024 ~ 2026**

**Strengthen the Cycle of
Growth/Profit/Return**



[50th Anniversary] (April 2026)

**Further leap as
an independent Sier**



Medium-Term Management Plan: Quantitative Targets

	FY2023 Results	FY2024 Results	FY2025 Results	FY2026/3 Medium-Term Management Plan Targets	FY2026 (Forecast)
Sales	29.1 billion yen	31.5 billion Yen	32.5 billion yen	33.0 billion yen or more	33.2 billion yen
Operating Income	1.89 billion yen	1.97 billion yen	2.17 billion yen	2.65 billion yen or more	2.66 billion yen
Operating Profit Margin	6.5%	6.3%	6.7%	8.0% or more	8.0% or more
ROE	10.1%	10.7%	11.4%	12.0% or more	12.0% or more
Dividend per Share	35.0 yen	38.0 yen	42.0 yen	Maintain stable dividends	64.0 yen
Dividend Payout Ratio	38.0%	40.8%	40.2%	35~40%	40.0% or more

01

Shift to High-Profit Projects

- **Increase the ratio of prime contracts**
Direct contracts with clients
Participation in upstream processes
- **In subcontracting projects,**
we select and choose projects with
an emphasis on profitability.

02

Increasing the Profitability of Awarded Projects

- **Thorough project management to prevent progress delays**
- **Quality management to improve project efficiency and reduce bugs and defects.**

03

Improving Employee Engagement

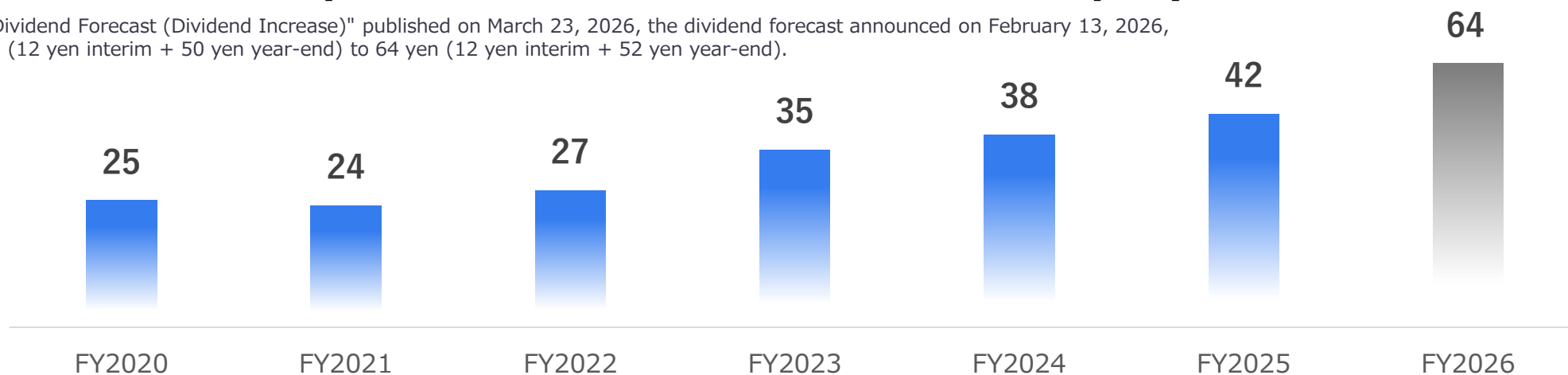
- **Creating opportunities to participate in upstream and high-skill projects by increasing prime contracts**
- **An educational environment that develops leaders in 10 years**
- **Comprehensive education system / Support for acquiring qualifications**
- **Also focusing on improving job satisfaction and employee benefits**
- **Quickly catching and responding to employee requests and concerns.**

Dividends Based on Profit Levels

**Aiming to increase dividends by improving our profit structure.
The annual dividend per share is expected to be 64.00 yen
(Interim dividend of 12.00 yen + Year-end dividend of 52.00 yen).**

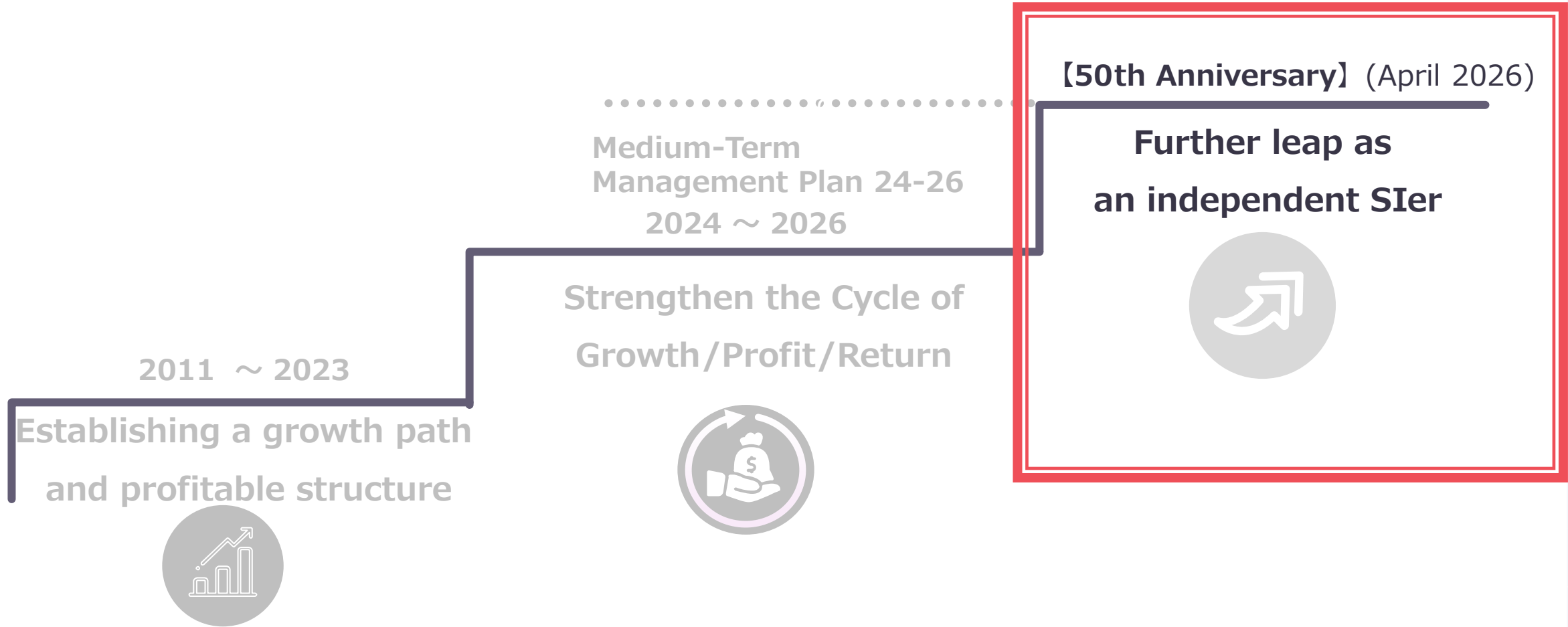
(UNIT:yen)

In the "Notice of Revision to Dividend Forecast (Dividend Increase)" published on March 23, 2026, the dividend forecast announced on February 13, 2026, has been revised from 62 yen (12 yen interim + 50 yen year-end) to 64 yen (12 yen interim + 52 yen year-end).



Net income per share (yen)	61.83	68.08	70.76	92.18	93.13	103.67	125.40
Dividend per share (yen)	25.00	24.00	27.00	35.00	38.00	42.00	64.00
Dividend payout ratio (%)	40.4	35.3	38.2	38.0	40.8	40.2	-

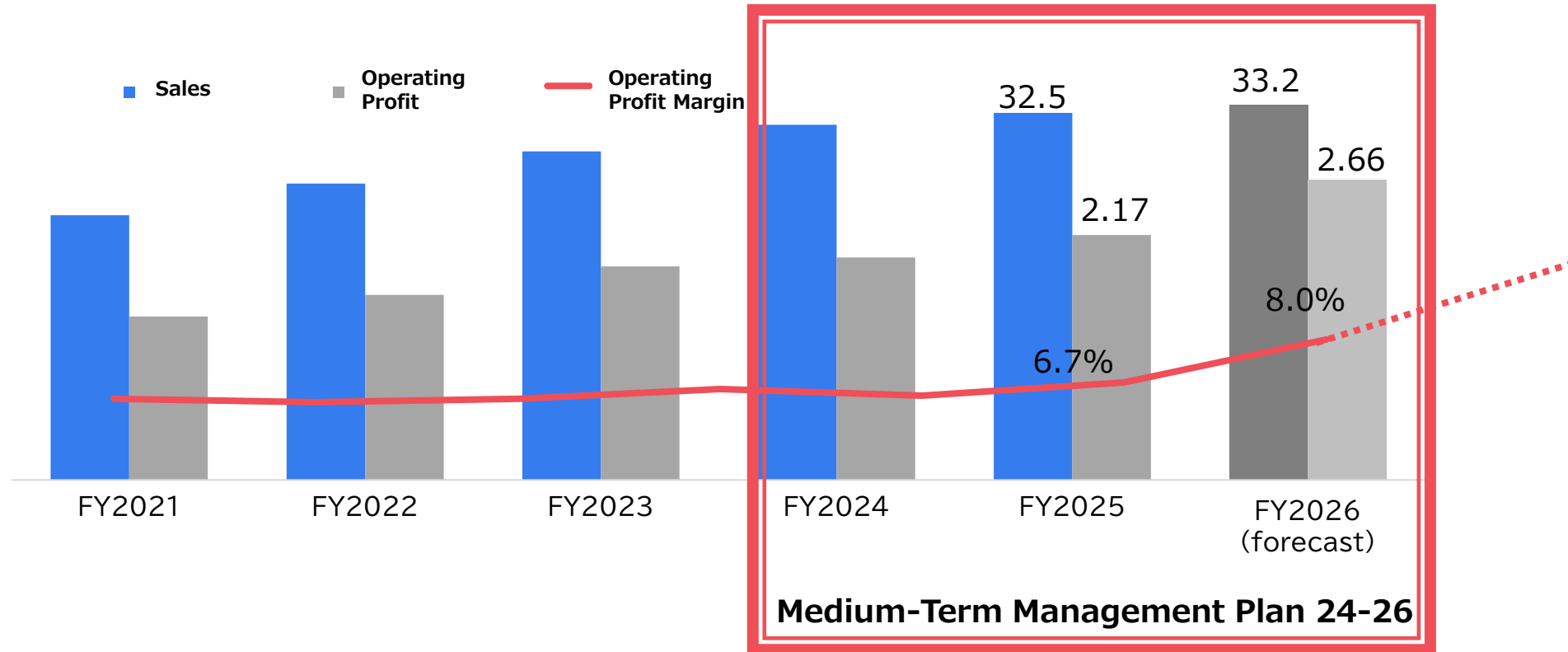
The Past and Future in Three Phases



Further Leap After the 50th Anniversary (April 2026)


Aiming for dramatic growth from 2026 onwards, based on the earning power strengthened by the "Medium-Term Management Plan 24-26."

(UNIT : Billion yen)





Appendix

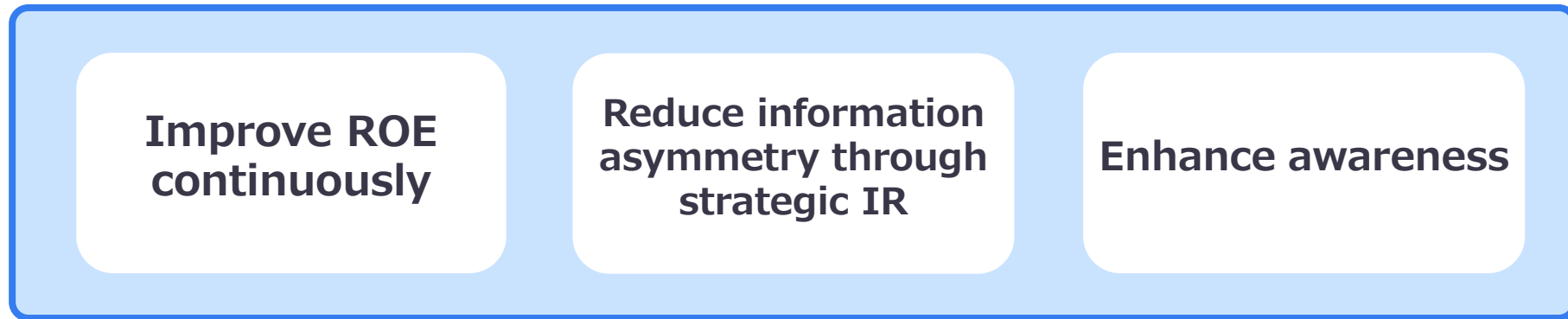
- Management Conscious of Cost of Capital and Stock Price : Policies
 - Initiatives for the Future
 - Work-Life Balance
- 

Management Conscious of Cost of Capital and Stock Price : Policies

Pursue an optimal capital structure aligned with our growth stage and risk tolerance to strike the right balance among growth investments, financial stability, and shareholder returns.

By clearly linking our shareholder return policy to investment outcomes, we aim to elevate market expectations for growth and reinforce investor confidence in the capital markets.

Priority Areas



Management Conscious of Cost of Capital and Stock Price : Key Initiatives



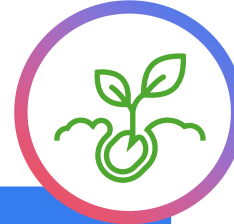
Initiatives for the Future



Energy Saving

Proof of concept for tertiary batteries

- **batteries that charge with ambient heat**
(Temperature rise and fall)
- **aiming to realize "chargeless" IoT devices**



Venture Support

Subsidiary
Focus Incubate Corporation

- **commitment to the growth of our group**
- **venture investment and training and social implementation**



Overseas Expansion

Contribution to basic education in the Philippines

- **expectations for the Philippine market**
- **development of our own products**

Work-Life Balance

Support for the next generation



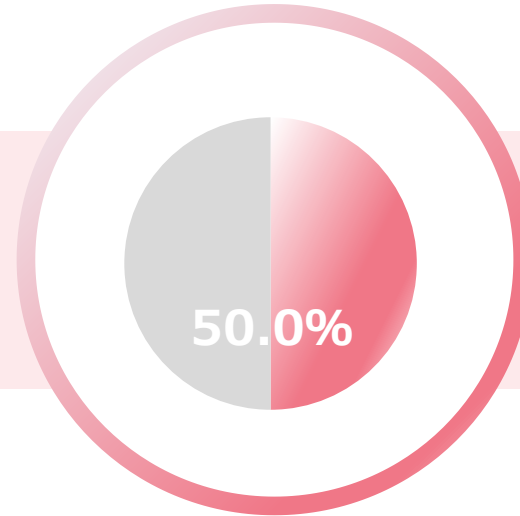
Shorter working days/
Shorter working hours system

promotion of women's activities

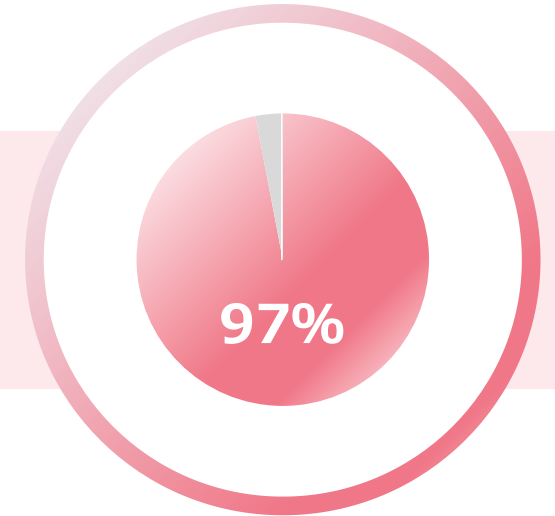


job return system
(re-employment system)

Paternity leave acquisition rate



Return-to-work rate after childcare leave



flextime system

Work-Life Balance



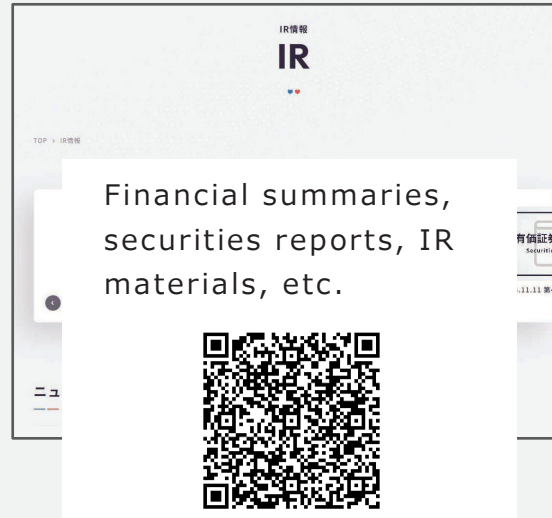
Corporate Website Information

On our homepage, we publish a variety of information to help our shareholders and investors gain a deeper understanding of our company.

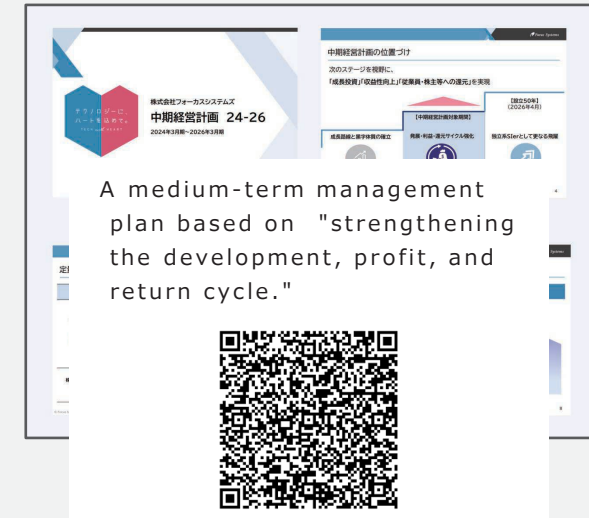
News List



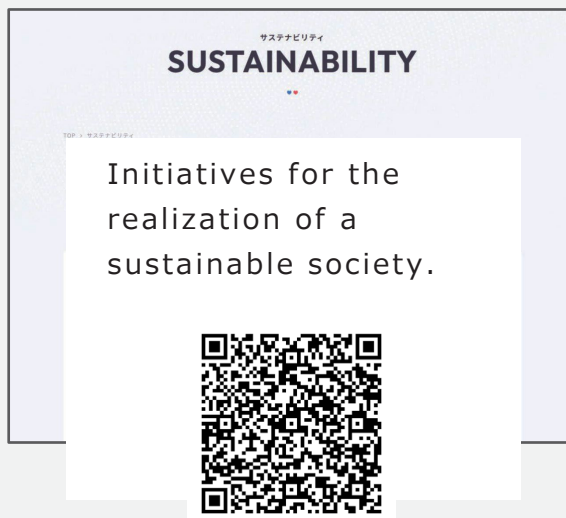
IR Information



Medium-Term Management Plan 24-26



Sustainability



New Initiatives



FAQ



Contact Information

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Disclaimer

In this document, as a general rule, values are truncated to the nearest whole number, and percentages etc. are rounded to the first decimal place.

The information in this document is based on information and assumptions available at the time of its creation, and actual results may differ due to various factors. The Company does not guarantee its certainty.

