

OKI Group  
**Business Strategy Meeting**  
**Public Solutions**  
**Segment**

**Hajime Inoue**

**Executive Officer**

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**June 1, 2023**

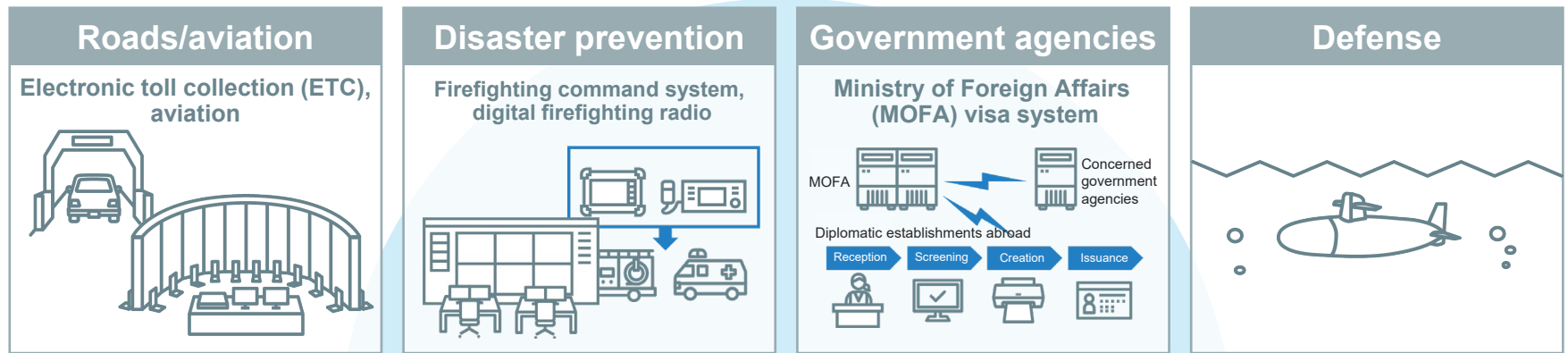
**01** Segment Overview

**02** Vision for the Future

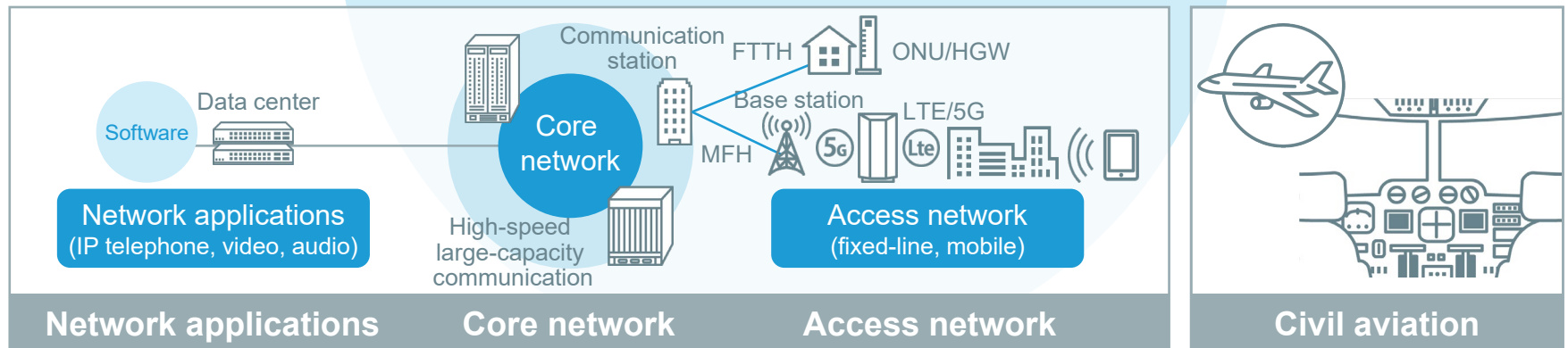
**03** Medium-Term Business Plan 2025: Targets

**04** Key Initiatives / Enter New Fields through Business-Specific Platforms / Prepare for Global Expansion / Investment

We provide solutions for mission-critical systems in fields such as transportation, disaster prevention, and defense, and networks ranging from edge to backbone networks



We provide safety, security, and convenience through a combination of communication infrastructure and social infrastructure solutions, and thereby contribute to society



Continue to provide valuable solutions that meet the expectations of customers involved in “social infrastructure” in both our core businesses and new fields, and grow and develop alongside our customers

### Business environment

- Improved external environment
- Core businesses moving out of changeover period
- Expanding social infrastructure market

### Envisioned direction

#### Safe and convenient social infrastructure



- Improve mission-critical infrastructure and ensure stable operation

#### Conservation of global environment



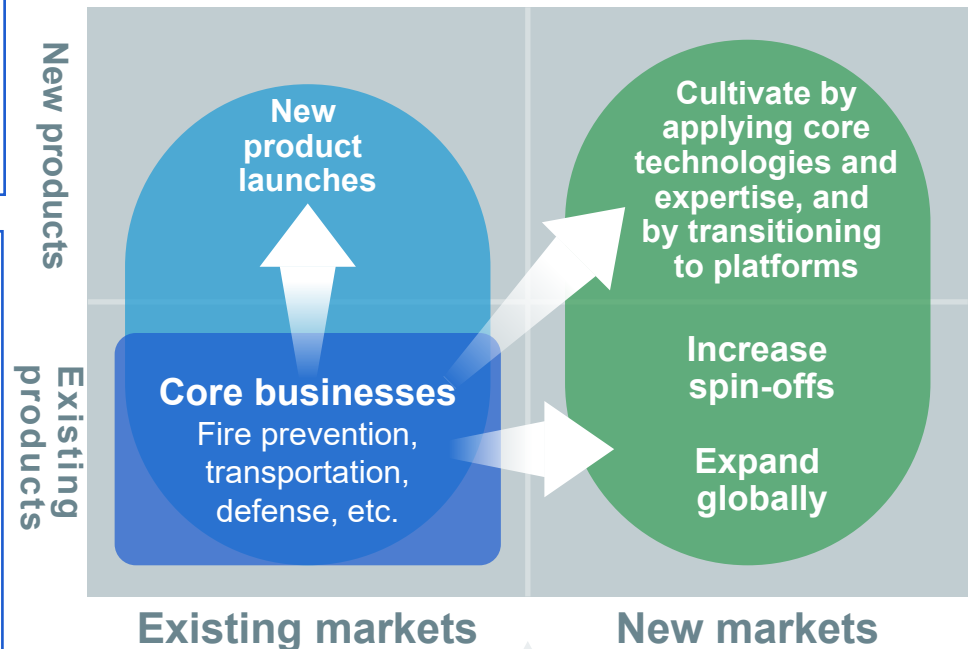
- Reduce CO<sub>2</sub> emissions by enabling smooth traffic flow
- Protect marine life by monitoring ocean noise

#### Job satisfaction and productivity enhancement



- Improve efficiency of public services and address labor shortages

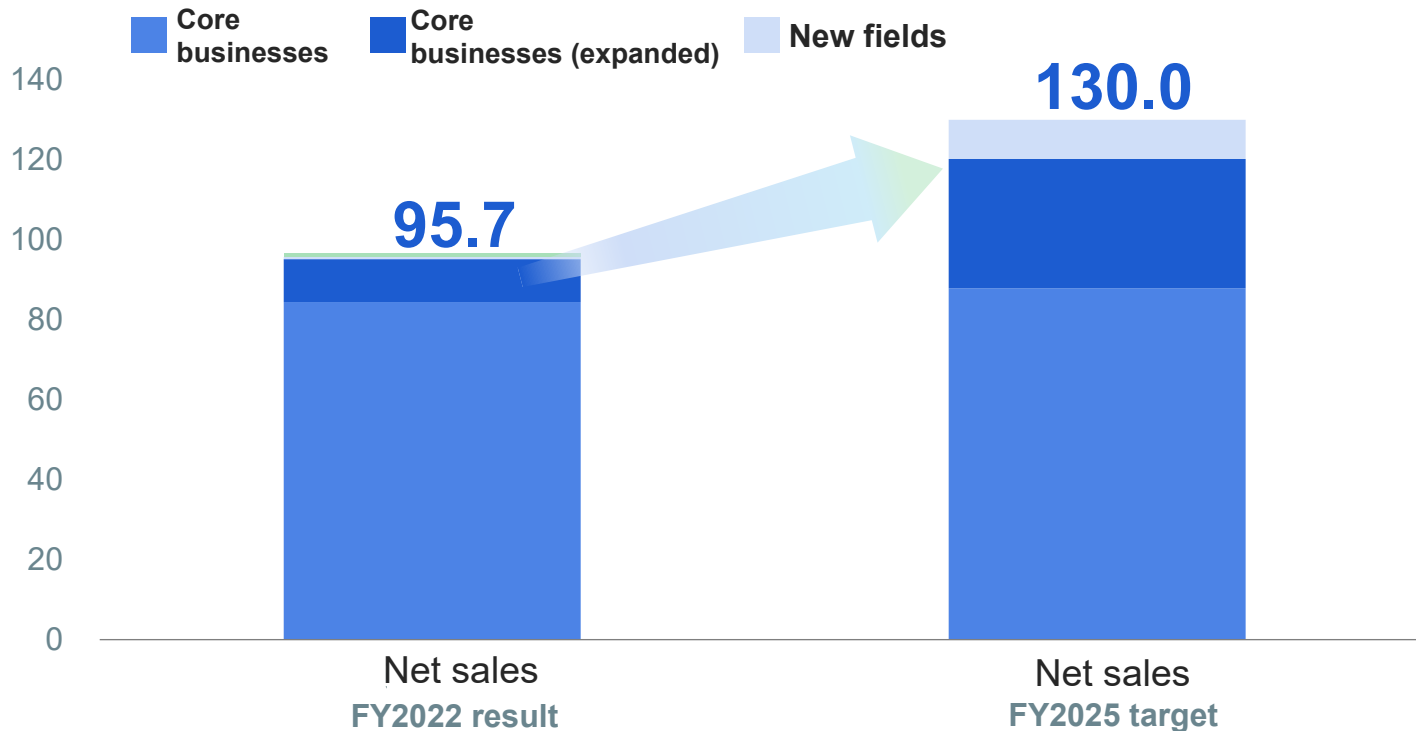
### Direction of growth



- Launch new products and expand market share in core businesses
- Grow markets through spin-offs and global expansion
- Cultivate new fields by applying technologies and expertise, and by transitioning to platforms

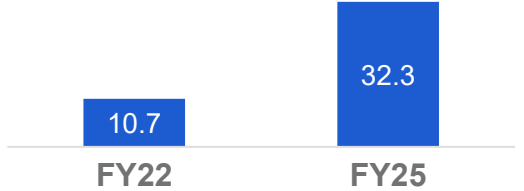
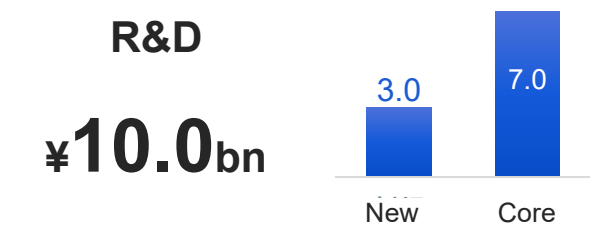
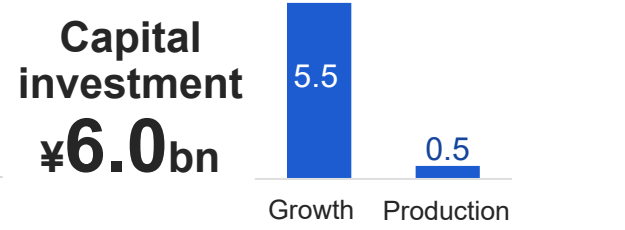
2025	Net sales	Operating income	Operating income margin
	¥ <b>130.0</b> bn	¥ <b>9.5</b> bn	<b>7%</b>

- Forecast top-line growth in FY25 supported by a recovery in the external environment and the acquisition of upgrade projects in the fire prevention and disaster prevention markets
- Increase operating income by growing the top line and improving productivity, and actively invest to achieve vision for the future



Operating income margin: 4% ► **7%**

Push ahead with the realization of the Medium-Term Business Plan 2025 targets and vision for the future through expansion of core businesses, product strengthening, global expansion, and investment

Key initiatives	KPIs													
<p>Launch distinct new products that meet customer needs</p>	<p>Capture upgrade demand centered on the fire prevention and disaster prevention markets</p>	<p><b>Net sales</b></p>  <table border="1"> <tr> <th>Year</th> <th>Net sales</th> </tr> <tr> <td>FY22</td> <td>10.7</td> </tr> <tr> <td>FY25</td> <td>32.3</td> </tr> </table>	Year	Net sales	FY22	10.7	FY25	32.3						
Year	Net sales													
FY22	10.7													
FY25	32.3													
<p>Enter new fields through business-specific platforms</p>	<p>Provide platforms specializing in edge data for markets where OKI's expertise in fields such as roads, disaster prevention, and marine applications can be leveraged</p>													
<p>Promote global expansion</p>	<p>Expand civil aviation portfolio, and leverage sales channels of overseas sites</p>													
<p>Invest to fuel growth in core and new businesses</p>	<p><b>R&amp;D</b></p> <p>¥10.0bn</p>  <table border="1"> <tr> <th>Business Type</th> <th>R&amp;D Investment (bn)</th> </tr> <tr> <td>New</td> <td>3.0</td> </tr> <tr> <td>Core</td> <td>7.0</td> </tr> </table>	Business Type	R&D Investment (bn)	New	3.0	Core	7.0	<p><b>Capital investment</b></p> <p>¥6.0bn</p>  <table border="1"> <tr> <th>Business Type</th> <th>Capital Investment (bn)</th> </tr> <tr> <td>Growth</td> <td>5.5</td> </tr> <tr> <td>Production</td> <td>0.5</td> </tr> </table>	Business Type	Capital Investment (bn)	Growth	5.5	Production	0.5
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Provide business-specific platforms that combine OKI's strengths in edge devices, operational expertise, and core technologies

**Core technologies**  
Networks, data processing, wireless technology, sensors, environmental durability



**Expertise**  
Operation, construction, system integration (SI)

Solve material issues (materiality) through new business-specific applications

Provide business-specific platforms that leverage OKI's core technologies and expertise

Expand install base through edge devices

Optical fiber sensors

Zero energy water-level gauge

Vehicle sensing **AISON**

920MHz band wireless **SmartHop**

Roadside video surveillance

River basin flood control

Bridge monitoring

Railway crossing monitoring

Toughness

AI

Data management

Edge platform

Edge devices in physical locations

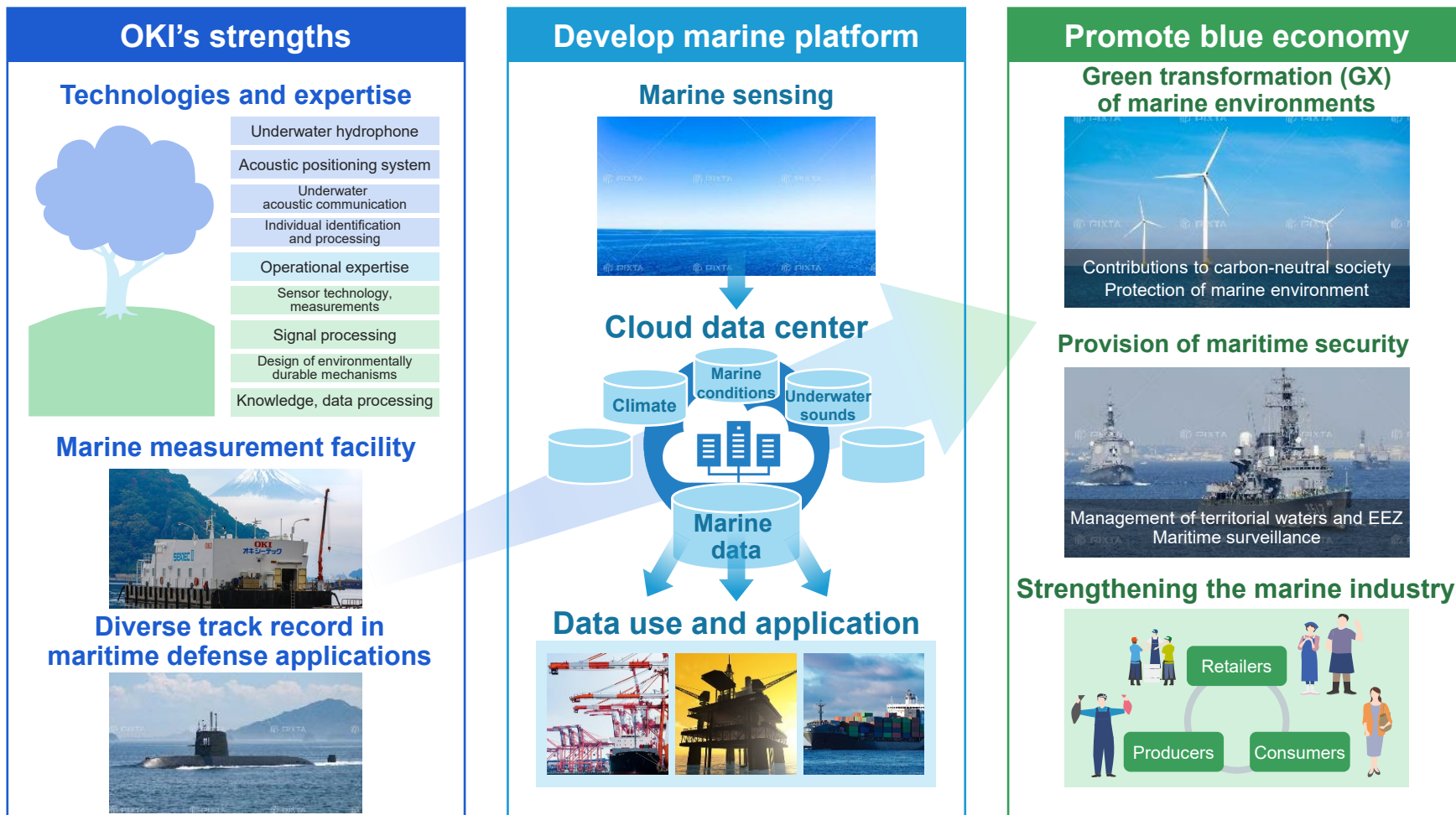
Marine applications

Autonomous driving and vehicle-to-everything (V2X) infrastructure

2025

2031

Develop a marine platform that leverages OKI's strengths to facilitate everything from marine data gathering to data provision; Strive to promote the blue economy





Expand portfolio with existing customers in the civil aviation business,  
and leverage sales channels of overseas sites

STEP  
1

Expand portfolio with existing customers

Existing customers  
(cockpit display)



Expansion into Asia

STEP  
2

Set up production sites,  
increase sales channels

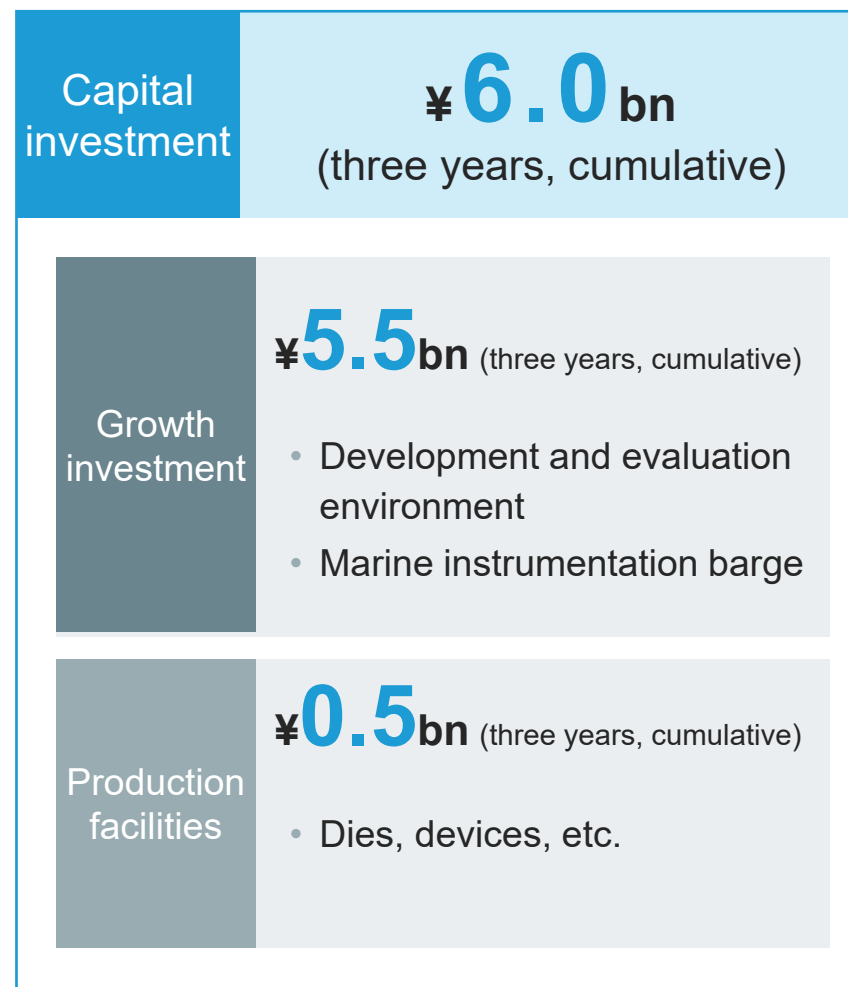
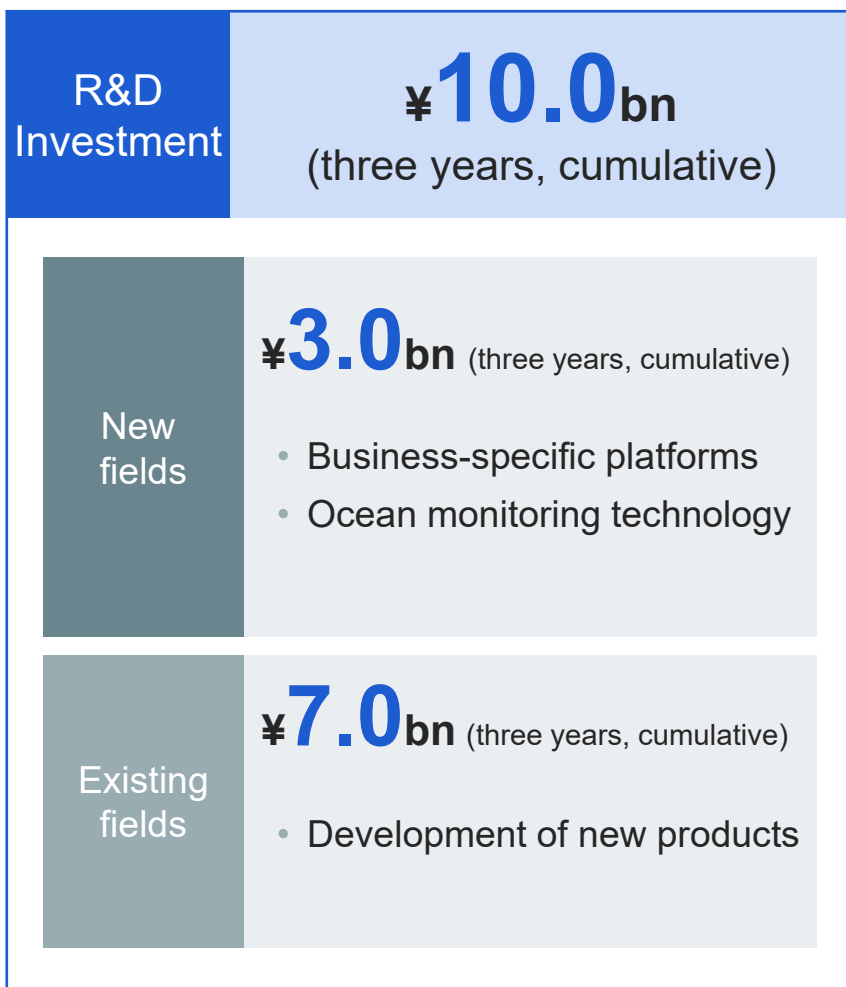
Singapore site

STEP  
3

Promote global  
expansion

Expansion into  
North America

## Actively invest in expansion of core and new businesses



**OKI** *Open up your dreams*



Delivering OK! to your life.