

## Q&A of the Financial Results Briefing for FY2023 1H

Q : Regarding Public Solutions, it was explained that approximately 18% of current orders and estimated current sales remain. Is it correct to understand that competitive risks remain among these?

A : In terms of social infrastructure, particularly firefighting and disaster prevention systems, which we have positioned as our focus areas in the current fiscal year, we are continuously connecting with this fiscal year and the next fiscal year in a scenario where demand will expand from next fiscal year. In such a situation, while we have been able to acquire existing projects from our own company, we have not been able to acquire existing projects from other companies easily. We are moving toward achieving the mid-term business plan while rolling our strategy, and it is not necessarily limited to this fiscal year. In addition, there are also bidding projects for government offices, and there is a risk of competition because these are bidding projects. In terms of the remaining competing risks for this fiscal year, I think this area is applicable.

Q : What are your domestic and international first-half results and annual projections for ATM shipments for Enterprise Solutions?

A : For domestic banks : 1H actual 3,100 units, annual projections 7,700 units  
For distribution : 1H actual 3,6000 units, annual projections 7,500 units  
Overseas : 1H actual 750 units, annual projections 3,500 units

Q : About 40 billion yen of Enterprise Solutions hardware sales in the second half of the fiscal year is said to be a large deal. Is the large deal a special demand due to the work associated with banknote issuance?

A : In addition to the work associated with banknote issuance, it also includes several other projects worth 10 billion yen.

Q : Component Products is performing poorly, but is it correct to understand that you have not changed your full-year forecast, including the downside risk of Component Products against the initial plan? Are you leaving the operating income forecast of 15 billion yen unchanged, taking into account the upside potential and downside risk?

A : That's right. Component Products have the greatest downside risk. But the impact is smaller than last year's Solution System. Upside potentials include Enterprise Solutions construction and maintenance, which is definitely showing strong momentum, Public Solutions defense, and EMS.

Q : Regarding Component Products, you explained that "Profits declined due to stagnant overseas demand and a decline in sales due to excessive inventory" I would like to know the specific region.

A : The largest exposure in our printer business is in Europe. In the previous fiscal year, there was a rush of demand before price hikes, etc., and the European region was weak, including a reactionary decline from those hikes.

Q : Regarding EMS, there was an explanation that there was "a sense of stagnation in some markets due to the slowdown in the Chinese economy." What are the specific effects of local economic trends?

A : There was a tendency for demand to decline due to a sense of stagnation in the FA and robot markets. However, it should be understood that our company did not conduct extensive business activities in China and was indirectly influenced by customers operating in China.

Note: The forward-looking statements in this document are made based on information currently available to OKI and certain assumptions considered reasonable as of the date of this material. Therefore, actual results may differ from its projections upon the changes of business environments and other conditions.

In addition, for convenience only, some additions and revisions were made.