

Q&A of the Financial Results Briefing for FY2023 Q1

Q : Could you tell us specifically about the increase in inventory relative to the plan, particularly in the affected segments?

A : While inventory is growing across all segments, the impact of Enterprise Solutions and EMS is significant. As components that have not been received until now, such as legacy semiconductors, are beginning to be delivered, inventory is accumulating slightly larger than planned.

Q : What is your full-year outlook for the impact of higher component costs on Enterprise Solutions?

A : It peaked in the first quarter and is expected to continue through the second quarter, with some remaining through the third quarter, at about 3 billion yen a year.

Q : What is FY2022 actual and FY2023 annual plan for Enterprise Solutions breakdown (Hardware/Software, Construction and Maintenance services)?

A : Hardware/Software : FY2022 actual ▲ 4.9 billion JPY. Annual Plan 4 billion JPY
Construction and Maintenance services : FY2022 actual 6.6 billion JPY. Annual Plan 7.0 billion JPY

Q : We would like to confirm the first quarter results for domestic and overseas ATM shipments

in Enterprise Solutions.

A : For domestic banks : Q1 actual 1,240 units, Q1 plan 1,400 units
For distribution : Q1 actual 1,610 units, Q1 plan 1,450 units
Overseas : Q1 actual 300 units, Q1 plan 500 units

Q : With regard to ATMs, is there any change in the current year's plan or scenario after the first quarter?

A : Although there has been some movement to move the plan slightly forward in response to the announcement of renewals, no factors have arisen to revise the annual plan for the current fiscal year at this point in time. The biggest challenge is to complete the current year's plan.

Q : Is the decline in the number of projects for communications carriers in Public Solutions as expected?

A : We expected a decrease from this fiscal year.

Q : Regarding Public Solutions, We think it is about time for the disaster prevention system to be updated. What is the status of orders?

A : We plan to present its annual outlook when it releases its second-quarter results amid tough competition.

Q : With regard to EMS, capital investment in the FA market and semiconductors has weakened considerably. What is the accuracy and support of the plan to increase net sales and operating income?

A : While we are seeing a decline in demand in some markets, we do not expect that our company EMS will have much impact on this year's plan as it is focused on the domestic niche.

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.