

# Information Systems



**Kazushige Matsui**  
Company President

## • System Solutions Company

System Solutions Company (SSC) offers IT solutions that create value for customers. By combining IT and Internet technology, SSC provides these solutions to government and public agencies, regional governments, travel agents, airlines, railways and logistics companies.

In the ITS field, due to an expansion in service areas on November 30, 2001, Oki constructed and now operates electronic toll collection (ETC) systems at approximately 100 toll stations, including the Chuo, Joshin-etsu and Matsuyama highways. We also launched Loco Mobi™, a new ITS portal service, which enables transportation companies to obtain from office computers such information as road conditions and a vehicle's current position.

In the e-government field, Oki supplied electronic document management and information disclosure systems to government ministries and agencies. Also, in e-government for regional government, Oki moved into broadband by focusing on sales of videoconference and VOD systems using Oki MediaServer.

In business for travel agents, airlines and railway companies, Oki supplied Japan Air System Co., Ltd., with a system for issuing reserved tickets, and installed ticketing terminals in travel agencies and airports nationwide. We also developed an online automatic ticketing machine with Railway Information Systems Co., Ltd., and began operations on a trial basis.

As part of our business review, we transferred our car electronics business to the Keihin Corporation.



This online automatic ticketing machine, based on Oki's advanced technologies in the field of mechatronics, enables customers to easily buy passenger and commuter rail tickets.



**Takashi Hattori**  
Company President

## • Financial Solutions Company

To further strengthen the financial system solutions business—the core of Oki's business—Financial Solutions Company (FSC) was established and made independent of SSC. We focus on customer contact—a solution that creates contact points to provide a variety of services for the customer. As part of our effort to expand business, we offer e-banking solutions in addition to banking branch systems and ATMs. These e-solutions have enabled Oki to provide new financial services using its network expertise—the Company's main strength.

In business for financial institutions, in fiscal 2002 we developed systems for the integration of city banks and received orders for next-generation branch systems for regional banks. In sales of system terminals, the space-saving CP21V—an ATM for convenience stores—was very successful.



Oki developed and shipped the CM21, an open cash management terminal, in fiscal 2002. Through the use of enhanced network functions, the CM21 enables total management of cash information at financial branches and is the first development of its kind in the industry.

Responding to higher concern for security in the market, we began sales of IRISPASS-h, an iris authentication device that verifies the user's identity when using a PC. We also provided many other security products, including IRISPASS, an iris recognition system that controls gate access, which we delivered to Kuraya Sanseido Inc., and Emerald, an intruder detection system.

To expand productions of ATMs and sell products in the Chinese market, we established Oki Electric Industry (Shenzhen) Co., Ltd., in Shenzhen, Guangdong, and began mass production and shipping in October 2001.



The ATM21 series, an ATM for use with integrated circuit (IC) cash cards compatible with the standard specifications of the Japanese Bankers Association's IC cash cards, were shipped to The Fuji Bank, Limited, now part of Mizuho Bank, Ltd., in August 2001.



The IRISPASS-h is a compact and low-priced iris individual authentication unit that can be connected to a PC compatible with the Universal Serial Bus (USB) interface.



**Toshinao Takeuchi**  
Company President

#### • NetBusiness Solutions Company

NetBusiness Solutions Company (NBC) offers optimum services and solutions in the network transaction field, contributing to the realization of an e-society.

NBC offers network transaction consulting; InterDebit Wallet Service, an Internet-based payment service for consumers; point-of-sale (POS) services; an Internet-based payment service for retailers; and application service provider (ASP) services to the financial, travel and telecommunication carrier markets. Payment First Corporation—jointly established in June 2000 as an Internet payment service company—launched services in April 2001 and expanded services for i-mode in December 2001. Similarly, in March 2002 this service was adopted for Japan's Postal Services Agency, allowing depositors to make various payments online through the Agency's web site.



**Yuzou Sakamaki**  
Company President

#### • Enterprise System Solutions Company

Under the concept of manufacturing application integration (MAI), Enterprise System Solutions Company (ESC) aims to achieve total enterprise solutions by providing mission-critical business systems and subsystems to the manufacturing industry. The concept behind MAI is to provide bill of material (BOM) -based solutions that integrate designing and manufacturing processes vertically and horizontally. We are expanding this business in alliances and collaborations with customers and partners.

In the recent tough business environment, companies are revising their business models and investing in information systems for such focused business processes as new product development and lean manufacturing. ESC has a proven track record in Japan's manufacturing industry

as a system integrator of mission-critical business systems. Based on its achievements, ESC primarily offers mission-critical systems such as ERP—including BaanERP and SAP R/3—and PLM, such as Teamcenter and Metaphase. ESC is also focusing on creating a network transaction system and introducing integrated solutions for ERP with PLM or SCM, as well as CRM with CTI. Oki will continue to utilize its strengths in improving its total solutions lineup.



**Masahiko Kawai**  
*Company President*

### • Oki Data Company

Oki Data Company offers printing solutions with its color LED page printers and dot impact printers. Its business has expanded globally to over 120 countries.

In color page printers, Oki began domestic sales of two models of the cW series designed for businesspeople and three models of the cV series, which boasts a wide variety of options, including a finisher. Overseas, Oki launched the Real Estate Edition, designed for producing real estate leaflets, and the Studio Edition for designers, with improved color matching functions. The Microline 8480SER dot impact printer—with corrective functions with diagonal medium set—was launched domestically.

The Oki Data division in Oki Electric Industry (Shenzhen) will be established in 2002. Production began and business in the Chinese market is expected to expand aggressively.

In small multifunction peripherals (MFPs), OKIOFFICE 87, a high-speed transmission Super G3 device, was marketed in North and South America.



MICROLINE 3020cW is a page printer for the business market, optimized for a Japanese Windows environment. It prints at high speeds of 22 pages per minute (ppm) for color A4 pages and 26 ppm for monochrome pages.

## Telecommunications Systems



**Kazunori Hata**  
*Company President*

### • Network Systems Company

To maintain and expand its top brands, Network Systems Company (NSC) is continuously bringing advanced products onto the market using CTI and VoIP. In response to market growth for network services, we are concentrating our management resources in this field, promoting R&D, transferring employees from network infrastructure to network services and strengthening marketing abilities.

In fiscal 2002, we adapted to the sudden expansion in IP networks by augmenting our product lineup using CTI and VoIP—NSC's strengths. In products for public networks, we expanded solution sales to meet the telecommunications industry's demand for IP telephone services. We also launched optical cross-connect equipment and media convertors for optical telecommunications—the backbone of the broadband age.

In products for enterprise customers, we marketed the DISCOVERY01™, an IP-PBX with improved multimedia communications, and intra-office ADSL solutions using the user's existing telephone lines.

NSC is moving into such new business areas as commissions for LSI and circuit design, services for interconnections and voice quality verifications of VoIP terminals, and the sale of electronic parts information. This represents our decision to market our intangible assets, such as the technology and knowledge we have accumulated over many years.

NSC is striving to help create an e-society, covering everything from core systems for telecommunications networks to integrated network solutions.



This media convertor enables high-speed communications infrastructure through FTTH Internet access services.



DISCOVERY01™ is a multimedia communications server that offers business communications network solutions with VoIP and CTI.



**Masashi Tsuboi**  
Company President

### • Multimedia Messaging Company

Multimedia Messaging Company (MMC) offers new communication models that meet customer needs in this broadband and ubiquitous age.

We are expanding the applications of Oki's CTstage—Japan's leading CTI product, launched in 1996—for wider solutions. We began sales of a CTstage adapted to VoiceXML, a software language that enables Internet access with voice recognition. We are also expanding the accreditation system that certifies technicians in the CTstage CTI system. Using Oki's state-of-the-art CTI technology and the highly popular CTstage brand, MMC is adding to its lineup of solutions for unified messaging, customer contact and information services.



This call center uses CTstage 4i, the latest CTI and IP communications system.



**Atsushi Nagasaka**  
Company President

### • Broadband Media Company

The popularization of broadband networks has led to a sudden expansion in broadband. Broadband Media Company (BMC) meets this new demand by offering technology and product development, providing proposals for future needs in the carrier and broadcasting market and focusing on market cultivation.

BMC developed the OKI MediaServer V5.0—a scalable parallel dispersion VOD server and a high-quality MPEG-4 advanced simple profile (ASP) CODEC for distributing broadband content.



This high-quality MPEG-4 enterprise broadcast system uses the OKI MediaServer V5.0, a scalable VOD server with improved functions in protecting copyrights—an essential part of commercial content distribution services—and in managing licenses and charging fees.

We also received orders for a large-scale VOD system for the archives of the Japan Broadcasting Corporation (NHK), a commercially available video distribution system for Plala Networks Inc. (an NTT Group company).

## Electronic Devices



**Katsuhiko Sano**  
Company President

### • Silicon Solutions Company

Silicon Solutions Company (SiSC) is endeavoring to minimize the influence of drastic changes in the semiconductor market and raise customer allegiance to ensure stable profits. SiSC is also seeking to expand sales of our mainstay—system LSI—and of system memory and application-specific dynamic random access memory (ASDRAM), as well as increasing the percentage of new products. In production, we are taking steps to enable flexible responses to market changes as much as possible through limited investments. We are also seeking to use outside production facilities to ensure manufacturing capacity and transforming fixed costs into variable costs.

To respond to sudden market changes, SiSC shifted from standard DRAM for PCs to the logic and system LSI fields. Although we focused on the telecommunications network market, such as mobile phones, and the memory market for consumer systems, such as mobile phone units and PC peripherals, market changes were even more harsh than expected and sales dropped. In LSI for the Bluetooth™ wireless technology for short-distance networks, orders increased following Oki becoming the first Japanese company to receive certification for the new commercially available Bluetooth™ Version 1.1 specification. Several potential new products were launched on the market, such as a telecommunications LSI and a sound generator LSI for mobile phones. SiSC will continue to concentrate on the logic and system LSI fields, and, in particular, on expanding the sales of telecommunications LSI. We are aiming to secure stable capacity for the supply of semiconductors in the future by tightening our relationship with Grace Semiconductor Manufacturing Corporation, which has received our technical licenses. The manufacturing facilities of Grace Semiconductor Manufacturing are currently being built in Shanghai, PRC. Oki has also jointly developed a 0.22μm complementary metal-oxide semiconductor (CMOS) process with UMC Japan Inc.

In environmental conservation, Miyagi Oki Electric Co., Ltd., followed Miyazaki Oki Electric Co., Ltd., in achieving zero emissions, and Oki also achieved zero hazardous waste at its major domestic semiconductor manufacturing sites.



Oki was the first company to mass-produce LSI using the fully depleted 0.35μm silicon-on-insulator (SOI) technology commercially. Power consumption has been reduced to 25% of its previous level, making possible, in combination with solar batteries, the development of watches not requiring battery replacement.



**Tetsuzo Taniguchi**  
Company President

### • Optical Components Company

Optical Components Company (OCC) is focusing particularly on high-value-added components for high-speed optical telecommunications in the module, subsystem and discrete devices areas. We are aiming to maintain our technical expertise and become a niche leader in advanced optical telecommunications technology.

Although fiscal 2002 started out well as a result of favorable conditions in fiscal 2001, the IT market slumped and the U.S. optical telecommunications market—a major sector—plunged into a significant downturn in the second half of fiscal 2002. Accordingly, OCC marketed new products, such as superhigh-speed 10 Gb/s and 40 Gb/s devices and modules and high-power laser modules, and acquired better access to the U.S. optical telecommunications market by improving its technical support and services. Furthermore, OCC is now entering into new markets other than the U.S. and optical telecommunications markets. As a result, although we could not avoid dramatically lower sales, we actively expanded our business centered around gigabit ethernet and metro wavelength division multiplexing (WDM) systems.



A 40 Gb/s EA-modulated laser module

## Other



**Hiroshi Nii**  
Company President

### • Manufacturing Service Company

Following the reorganization of the Takasaki manufacturing center and the Honjo manufacturing center in the north Kanto region, the Manufacturing Service Company (MSC) was established as an affiliate company to offer manufacturing services. MSC not only supervises the manufacturing for SSC, FSC and NSC but is also actively involved in the Advanced Mechatronics & Electronics Manufacturing Service (AMS) business, which receives manufacturing commissions from other companies. The number of companies under contract rose to approximately 100 in early 2002. MSC is developing a structure that can deal with production changes and maintaining a scale appropriate to reduced factory output caused by transfers of plants overseas and less manufacturing of equipment. We are striving to achieve greater revenue by expanding AMS and original design manufacturing (ODM).



**Kazuhiko Miyata**  
Company President

### • Oki Customer Adtech

Oki Customer Adtech (OCA) aims to improve the cost performance of corporate customers and raise the quality of their services by offering one-stop services through a network of service bases in approximately 300 locations and a 24-hour, year-round customer support center.

In fiscal 2002, OCA expanded its business, focusing on support services, network business and product sales. OCA actively cultivated new business and expanded IT management services in such areas as systems operation, administration and housing as well as multivendor support. We also strived to augment the sale of systems equipment using alliances with overseas manufacturers, expand our business in support services and improve the sale of color printers made by Oki Data Corporation.