

Progress of the Medium-Term Business Plan 2025

Under the basic policy of “steer toward growth and break free from the downward trend,” the Medium-Term Business Plan 2025 has management targets of net sales of 450.0 billion yen, operating income of 18.0 billion yen, and a shareholders’ equity ratio of 30.0% for fiscal year 2025, with the aim to “return to fiscal year 2019 levels of performance and restore the weakened financial foundation” and “create future businesses for fiscal year 2026 and beyond.” To meet these targets, after completing the measures set forth under the “First Stage of Steering toward Growth,” we will move toward the “Second Stage of Steering toward Growth” (fiscal year 2026 and beyond), aiming to expand future businesses by 2031, the 150th anniversary of the Company’s founding.

Review of Fiscal Year 2024 and Future Outlook

Financial Overview

▶ P. 7

Net sales in fiscal year 2024 increased for the third consecutive year, surpassing 450.0 billion yen for the first time in five years. Operating income absorbed one-off negative factors and remained at the same level as the previous fiscal year. Excluding these one-off factors, underlying business profit increased, demonstrating improved profitability. In addition, both ROE and the shareholders’ equity ratio exceeded the management targets set under the Medium-Term Business Plan 2025, indicating a steady recovery in profitability indicators and financial soundness.

For fiscal year 2025, we are aiming to exceed the plan’s targets, with profit attributable to owners of parent projected at 14.0 billion yen against the 10.0 billion yen target, ROE at 9.4% versus the 8.0% target, the shareholders’ equity ratio at 37.0% versus the 30.0% target, and a net debt-to-equity (D/E) ratio of 0.5 times versus the 0.7 times target.

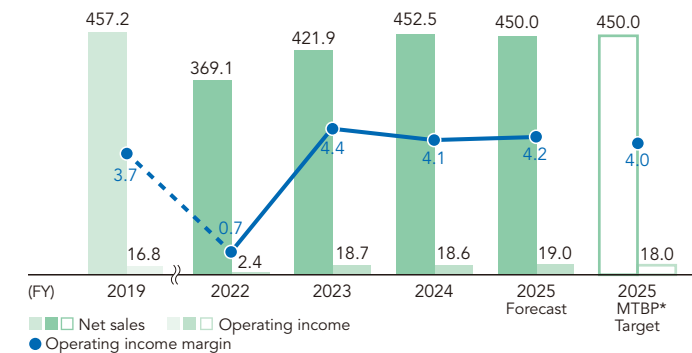
While steadily completing Medium-Term Business Plan 2025, we will also work to strengthen the foundation for sustainable growth and drive further reforms with a view to the future beyond the current plan.

Sustainability

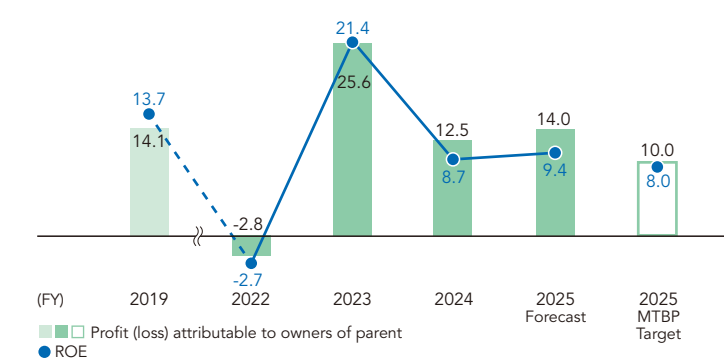
In alignment with the vision for OKI in fiscal year 2031, we are working to strengthen sustainability management based on our updated material issues alongside the formulation of the Medium-Term Business Plan 2025.

In fiscal year 2024, we promoted the initiatives outlined in the material issues progress table ▶ P. 30. In particular, under “strengthening management foundation to support sustainable growth,” we identified “respect for human rights within our own operations” and “management of human rights, the environment, and ethical issues among our suppliers” as key challenges and took steps to address them. With a focus on human rights, especially the risks faced by workers engaged in manufacturing at our own factories and within the supply chain, we promoted alignment among relevant divisions under the CEO’s leadership, while also incorporating input from external experts. Based on this, we have begun planning responses for fiscal year 2025 onward and initiated discussions on specific measures.

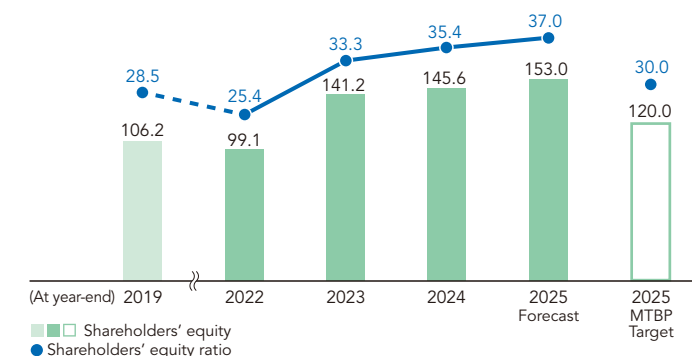
Net Sales (Billions of yen) / Operating Income (Billions of yen) / Operating Income Margin (%)



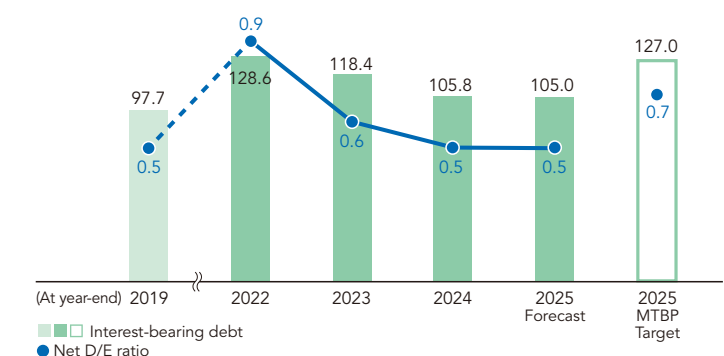
Profit (Loss) Attributable to Owners of Parent (Billions of yen) / ROE (%)



Shareholders’ Equity (Billions of yen) / Shareholders’ Equity Ratio (%)



Interest-Bearing Debt (Billions of yen) / Net D/E Ratio (Times)



* The Medium-Term Business Plan is referred to as “MTBP” in the graphs hereinafter.