Improvement of Customer Satisfaction

Believing that quality entails "customer satisfaction," OKI's quality philosophy focuses on "providing products that always make customers happy." The "Quality Assurance Regulations" defines OKI's quality philosophy, responsibility and authority, and companywide product safety policy. In addition, there are administrative instructions for the entire company and each business division. These rules and regulations are incorporated into the quality management system of each business division. Furthermore, we have obtained ISO9001 certification at all our production sites, and have built the most appropriate quality control system for each production line or product.

OKI has also made various efforts to ensure product safety based on its Product Safety Policy which clearly states: "the corporate activities to ensure the safety of our customers using our products must be given the most priority."

Improvement of Quality Education

OKI has given education programs on quality for different types of employees at different levels such as new recruits, novice members of functional departments, and mid-level engineers. We have also offered various



Seminar on quality

elective education programs from among which each employee can choose the most appropriate program for his or her need.

Our recent education programs have put great importance on "usefulness on a practical level." In fiscal 2010, we started a new course on "design of experiments (orthogonal experiments)" as a program common to all mid-level engineers across the company. This uniquely practical course features lectures focusing on the past applications at OKI, and seminars using an original data analysis support tool that enables students to concentrate on the process of each experiment without being bothered with calculation. We will follow the practical effect of the course and continue to improve its quality. The course on statistics and reliability established last fiscal year is now available also to engineers of group companies.

Product Safety and Technology Compliance Initiatives

In order to improve the safety of its products, the OKI Group has been active in ensuring the full compliance with the "four safety technology laws*" under the leadership of the "Product Safety and Technology Committee." As part of such efforts, we have facilitated communication among corporate management divisions, business divisions and group companies so that each issue can be properly addressed in order to ensure compliance with laws, regulations and certification requirements at all areas of business operation including design, manufacturing, procurement, sales and maintenance services. In addition, problems and improvements at different business units are shared through the Product Safety and Technology Committee in order to equalize the level of product safety and technology compliance of these units.

In order to disseminate knowledge on the four safety technology laws and ensure full compliance with them, training sessions focusing thereon were given to Compliance Managers of the company's all business units and Japanese group companies in fiscal 2010.

*The four safety technology laws consist of major legal requirements and voluntary regulations pertaining to the safety of information technology equipment in Japan. More specifically, they are the Electrical Appliance and Material Safety Law, the Telecommunications Business Laws, the Radio Law, and the Regulations of the Voluntary Control Council for Interference by Information Technology Equipment (VCCI).

The Group's Cooperative Framework for Responding to Product Accidents

OKI has a set of rules for coping with accidents arising from product deficiency. These rules specify necessary procedures for actions to be taken in case of such accident, including the establishment of a task force, the adoption of a remedial measure, the notification of the accident to the market and society, the implementation of a recall, and the development of a preventive measure. Furthermore, OKI has rolled out these rules to major group companies in order to cope with any accident as a group in a coordinated way.

In fiscal 2010, we addressed the following issue under this system. We will further enhance our activities to ensure product safety based on lessons learned.

Replacement of AC Adapters on RT-200KI Router

Two burn accidents on RT-200KI, the rooter manufactured by OKI for the HIKARI DENWA (optical IP telephony service) of Nippon Telegraph & Telephone East Corp. and Nippon Telegraph & Telephone West Corp., were reported in 2010. Fortunately no one was injured by the accidents. There seemed to be abnormal current flow for some reasons that caused overheating and the burns. In order to deal with this problem, OKI has made an announcement of new adapters designed to prevent any abnormal current flow as a countermeasure, and started delivering them to customers. Please accept our sincere apologies for the inconvenience caused to our customers and partners.

Initiatives to Improve Customer Satisfaction (CS) in Production Activities

In order to ensure customer satisfaction and quality in its production activities, OKI has conducted a twice-a-year CS survey of customers of its EMS (Electronics Manufacturing Service) business since fiscal 2003. The results of such surveys are posted on the CS page of the intranet within the limits of confidentiality so that they can be used to further improve our products, services and systems. Believing that each employee's commitment to customer satisfaction is indispensable for reliable quality, we have established the CS Rules of Conduct, give education programs focusing on CS. Furthermore, all employees involved in production and the EMS business are asked to carry cards with "MY CS-oriented Behavior Checklist" and "My Goals" when they work.

Supporting the Improvement of the Direction Board System of a Special-Needs School Utilizing Universal Design

The OKI Group supported the renewal of the direction board system of Tokyo Metropolitan Hachioji Higashi Special-needs School. Since the school has committed to creating a learning environment that assists the visual function of challenged students, it has organized a special project team and addressed the improvement of the direction board system at the school since fiscal 2010. Universal Design Department of OKI and OKI WorkWell (See Page 24), a special purpose subsidiary of the OKI Group, have worked with the school for this project, conducted an on-site survey, analyzed the circulation in the school and students' viewing habit, and designed a direction board with pictograms. We also offered our advice on the appropriate installation position for the direction board in order to secure adequate visibility for both wheelchair users and walkers. We will continue to support the school's project to assist the visual function of its students.



Direction board with pictograms

Achievements in Fiscal 2010

OKI GROUP

Good Communication with Shareholders and Investors

The OKI Group appropriately discloses useful information to shareholders and investors in a timely manner, including corporate information, management strategies and operating results. The purposes of our IR activities are to improve management transparency, help build trust with our shareholders, and thus improve our corporate value. The department responsible for these activities is IR Unit. The group also makes every effort to prevent insider trading in order to protect shareholders and investors, and help ensure the integrity of securities markets.

Corporate Strategy Meeting Focusing on Midterm Business Plan

OKI recognizes that the appropriate utilization of the views of the market in management practices and business activities serves to further increase operating efficiency and raise corporate value. Based on this



Corporate Strategy Meeting (October 2010)

recognition, President and the other members of the management team conduct investor briefings, hold IR meetings and engage in various other communication activities. On October 8, 2010, we held a Corporate Strategy Meeting focusing on the company's mid-term business plan to fiscal 2013. President Kawasaki explained the company's business policy, the program for the enhancement of management bases, and the program for growth based on the brush-up version of the midterm business plan announced in February of the same year.

Communication via IR Website and e-mail Newsletters

OKI has an IR Website where a range of investor relations information, including financial data, is posted simultaneously in English and Japanese in order to maintain fairness in information disclosure. We also send e-mail newsletters to approximately 800 people, including our institutional investors and people who have signed up on our website. The e-mail newsletter includes the latest financial results, information on filings to securities exchanges, press releases on topics such as new products and services, and information on updates to our IR Website.



"Investor Relations" site on the web http://www.oki.com/en/ir/

We will further promote the disclosure of information in a responsive, and appropriate manner while complying with the revisions of the Companies Act, the Financial Instruments and Exchange Law and the timely disclosure rules of the Tokyo Stock Exchange.