

Financial Results for the 3rd Quarter of the FY ending March 31, 2015

February 3, 2015

Oki Electric Industry Co., Ltd.

- Indication method of amounts in hundred millions (yen) are as follow:
Amounts in each item are rounded to the nearest hundred million yen. Variances are calculated in the hundred millions.
- The projections and plans in this material are subject to change depending upon the changes of business environments and other conditions.

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Overall Condition of the Group

**Net sales and operating income increased year on year.
Each segment sustained its healthy performance.**

[Y o Y comparison]

- Net sales increased by 39.1 B yen.
- Operating income increased by 4.9 B yen.

(Billion yen)	FY end Mar. 2015		FY end Mar. 2014	
	Net sales	Operating income	Net sales	Operating income
Info-telecom	219.8	10.2	188.5	10.1
Printers	94.5	5.8	89.2	1.3
EMS	29.3	0.9	26.8	0.9
Others	13.4	2.5	13.3	2.1
Eliminates & Corp.	-	(4.1)	-	(4.1)
Total	356.9	15.3	317.8	10.4

Segment Information: Info-telecom Systems

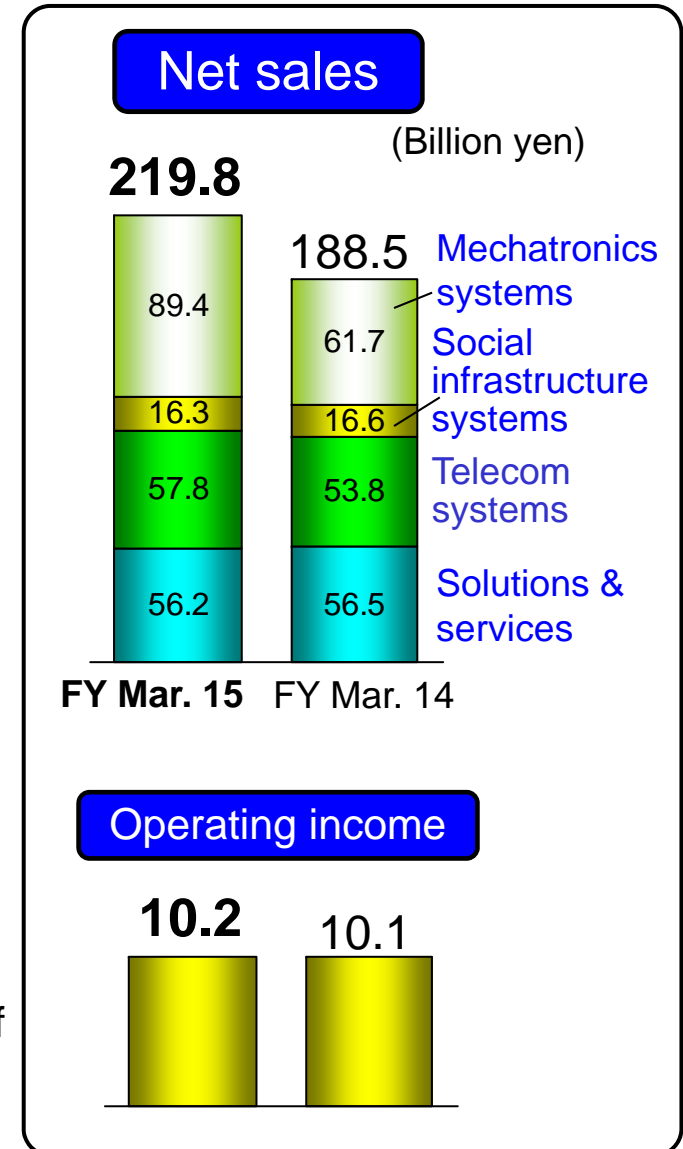
■ Net sales increased by 31.3 B yen year on year.

- Solutions & services:
 - Overall sales were steady, approximately the same as the previous year.
- Telecom systems:
 - Sales of GE-PON, maintenance and construction were healthy, in addition to home networks.
- Social infrastructure systems:
 - Sales of systems for disaster prevention and firefighting were steady.
- Mechatronics systems:
 - Overall sales increased drastically due to the strong sales of ATMs for overseas market principally in China, and the effect of Brazilian subsidiary consolidation.

■ Operating income increased by 0.1 B yen year on year.

Favorable performance of each business offset the impact of consolidation of the subsidiary in Brazil.

GE-PON : Gigabit Ethernet Passive Optical Network



Segment Information: Printers

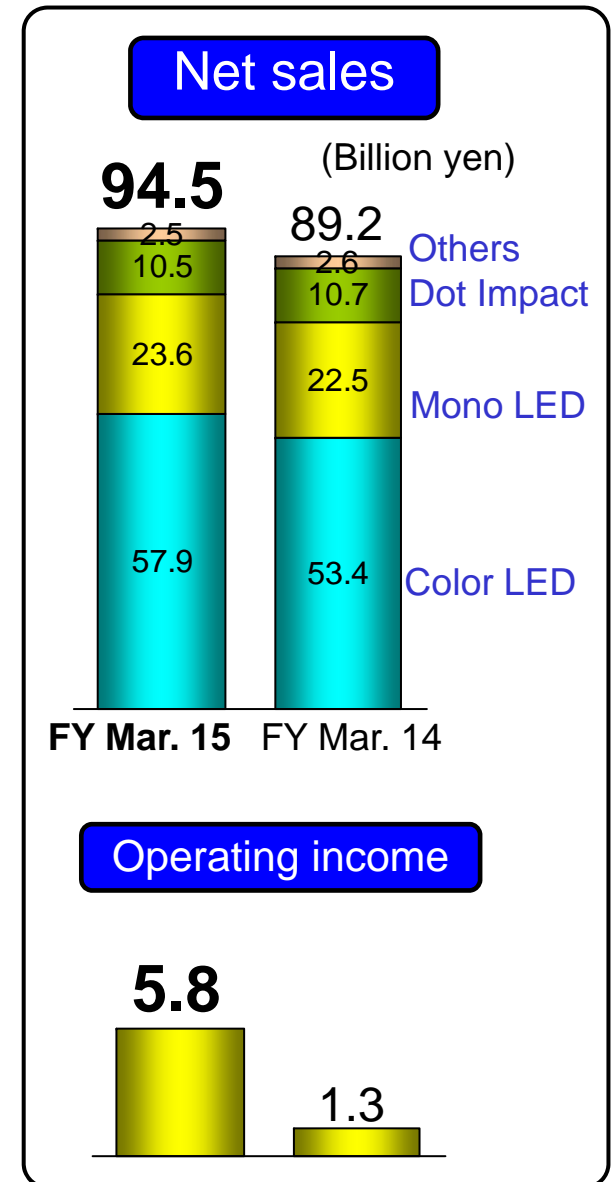
■ Net sales increased by 5.3 B yen year on year.

- Color and mono LED printers:
 - Color LED printers: Sales of strategic models were healthy.
 - Mono LED printers: Sales of high-end models were steady.

- Dot impact printers:
 - Sales were approximately the same as the previous fiscal year.

■ Operating income increased by 4.5 B yen year on year.

Operating income increased due to the impact of revamping business structure, in addition to product mix improvement.



Segment Information: EMS, Others

■ Net sales:

➤ EMS:

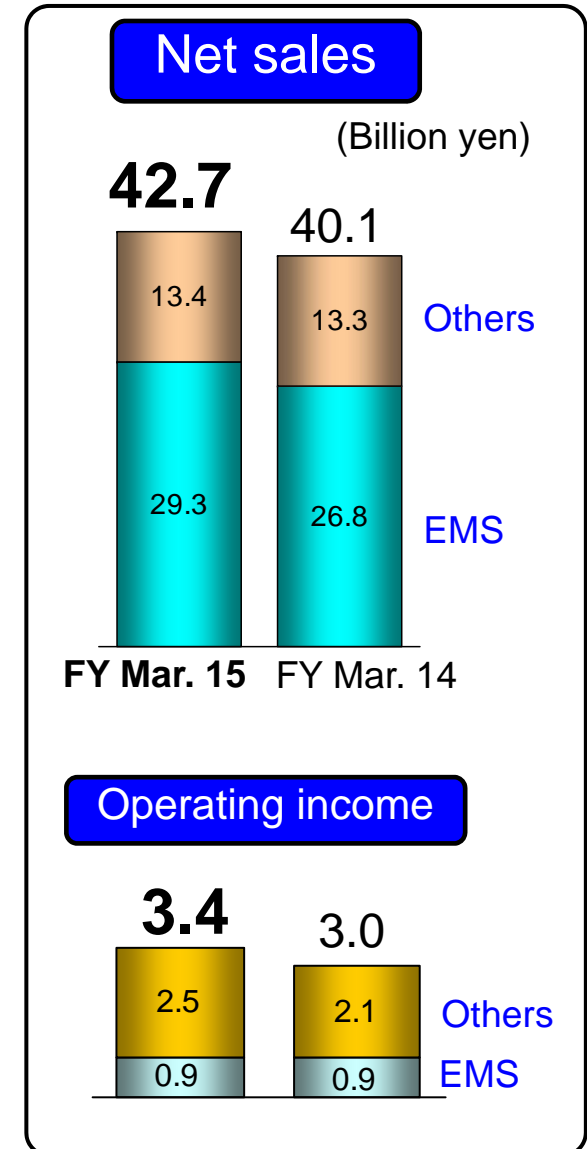
Sales increased as acquiring new customers was stable.

➤ Others:

Sales in components related business were continuously steady.

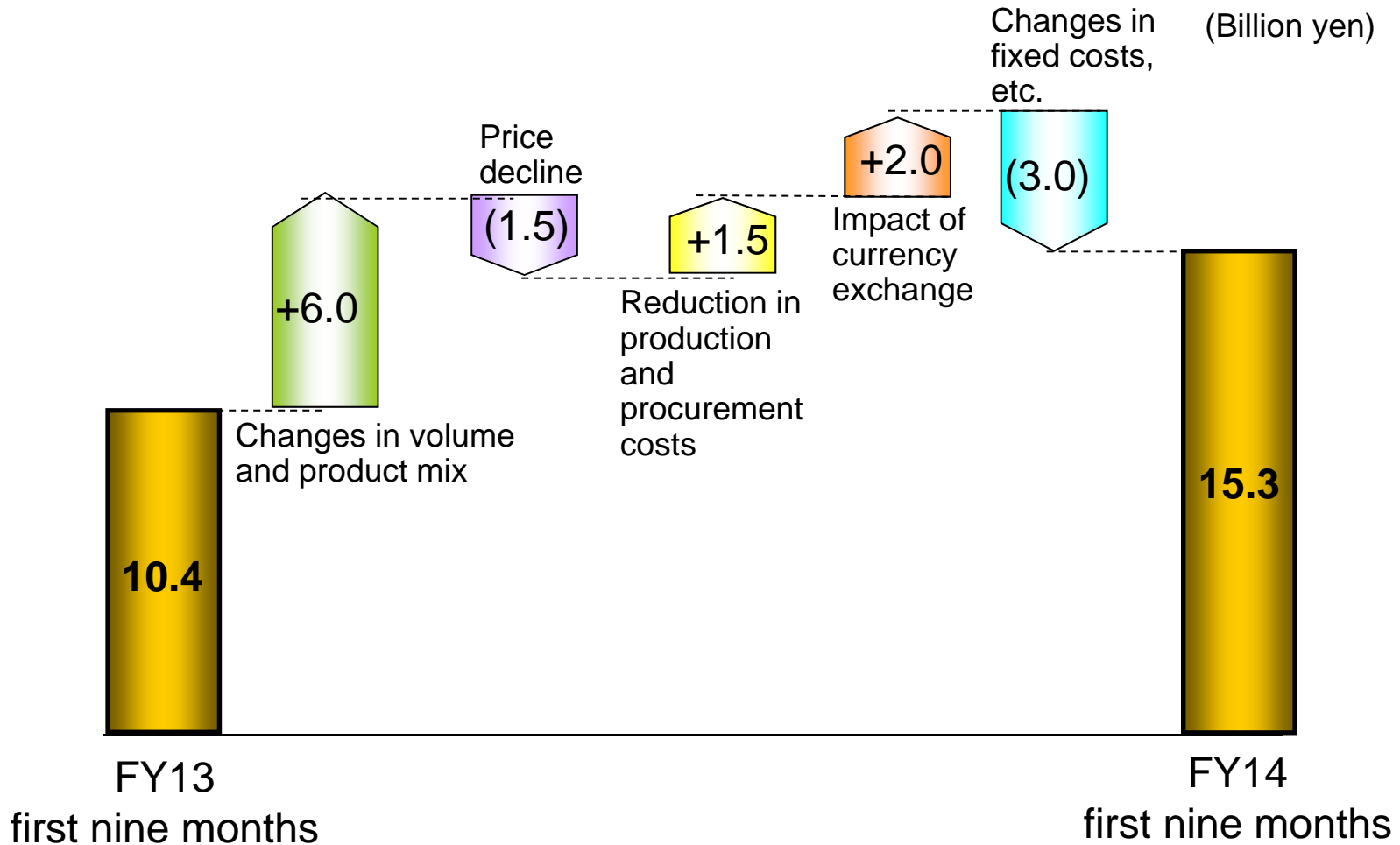
■ Operating income:

Operating income rose due to the increase in sales volume.



Changing Factors of Operating Income

Operating income increased due to rise in sales volume and product mix improvement.



Profit and Loss for the Nine Months

(Billion yen)	9 months FY Mar. 2015	9 months FY Mar. 2014
Net Sales	356.9	317.8
Cost of Sales	263.6	233.9
SG&A	78.0	73.4
Operating income	15.3	10.4
Other income & expenses	8.0	11.3
Ordinary income	23.3	21.7
Extraordinary income(loss)	0.1	(3.5)
Income before income taxes	23.4	18.2
Net income	18.5	14.5

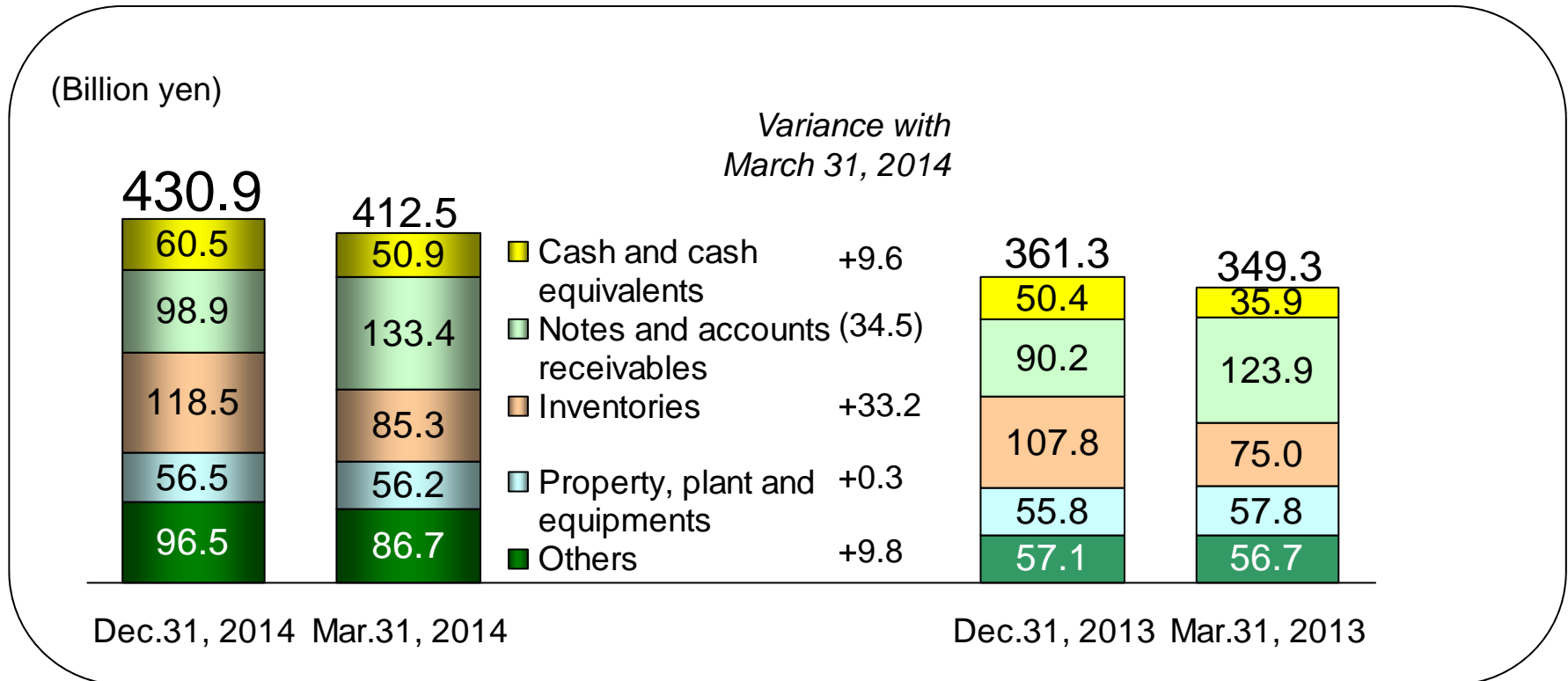
[Y on Y comparison]

- Other income and expenses:
Exchange gain decreased (from 12.8 B yen to 9.5 B yen).
- Extraordinary income/loss improved since revamping Printers business structure completed.
- Net income rose by 4.0 B yen.

[Ref.]	Closing exchange rate		Average exchange rate	
	End of Dec. 2014	End of Mar. 2014	9 months FY end. Mar. 2015	9 months FY end. Mar. 2014
USD	120.5	102.9	106.9	99.4
EUR	146.5	141.6	140.3	132.2

Balance Sheet [Assets]

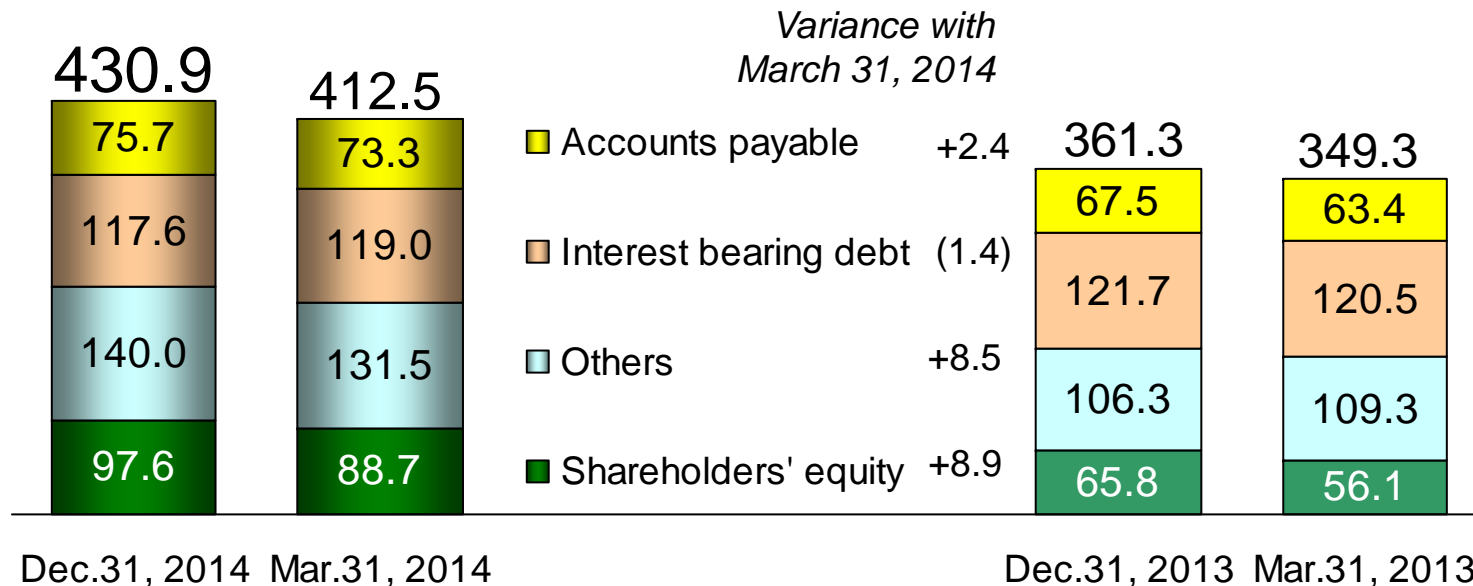
- Total assets increased by 18.4 B yen to 430.9 B yen.
- Cash and cash equivalents increased by 9.6 B yen to 60.5 B yen.
- Trend of change in each asset was the same as in the past.



Balance Sheet [Liabilities and shareholders' equity]

- Shareholders' equity increased by 8.9 B yen to 97.6 B yen.
Shareholders' equity ratio: 22.6%
- Interest bearing debt decreased by 1.4 B yen to 117.6 B yen.
D/E ratio: 1.2 times

(Billion yen)



Cash Flows

- Cash flows from operating activities rose by 11.5 B yen year on year due to increase in net income, etc.
- Free Cash flows saw a net inflow of 18.8 B yen due to the outflow increase in cash flows from investing activities.

(Billion yen)	FY March end. 2015	FY March end. 2014
I Cash flows from operating activities	33.0	21.5
Net income before income taxes	23.4	18.2
Depreciation & amortization	10.5	10.5
Change in working capital	6.9	7.3
Others	(7.8)	(14.5)
II Cash flows from investing activities	(14.2)	(7.2)
Purchase of property, plants & equipment	(8.3)	(6.2)
Others	(5.9)	(1.0)
Free Cash Flows(I + II)	18.8	14.3
III Cash flows from financing activities	(10.3)	(1.3)
Net cash flows (I + II + III)	8.5	13.0

Free cash flows and net cash flows are the total of each item which are rounded to the nearest hundred million yen.

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1. Full Year Projections and Dividend

Full Year Projections and Dividend

In light of first nine months performance and recent currency movement,

- Revise ordinary income and net income
- Increase year-end dividend from 2 yen to 3 yen (full-year dividend of 5 yen)

(Billion yen)	Full year projections for the FY end. Mar. 2015			FY end. Mar.2014
	Feb. 3, 2015	Previous projections	Variance	
Net sales	535.0	535.0	—	483.1
Operating income	30.0	30.0	—	27.2
Ordinary income	31.0	29.0	+2.0	36.7
Net income	24.0	21.0	+3.0	27.4

[Exchange rate assumption]

	4Q	Previous assumption
USD	115	105
EUR	135	135



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