

Q&A of the Innovation & Technology Strategy Meeting

Q : Are collaborations with partners actively pursued in focus domains other than CFB (Advanced Remote Operations, Logistics, Healthcare)?

A : It is implemented as an essential initiative. In order to create new things, three conditions are necessary: first, it is a growth market, second, it is a unique technology, and third, it is a strong partner. In order to create a new business, we need to prepare and apply these three factors in advance. Our approach to partners is still weak, so we will strengthen it.

Q : There was not much mention of lightening the AI model in the description of the technology strategy, but I think it is a differentiating OKI technology.

A : The weight reduction of the AI model is regarded as a very important technology. We have a track record of being accepted for publishing papers at top conferences globally. Today's explanation focused a little on analog technology in "Analog x AI", but weight reduction is very important for AI, and weight reduction technology is one of OKI's strengths.

Q : Regarding the edge platform, as we accelerate the combination of components and data across segments, what will be the actual collaboration of people at the field level, given the variety of components and data?

A : I think the edge platform will play an important role in the whole process of gathering all kinds of information to the people who work in the field, or gathering the situation of the field and social infrastructure in a place like a central center, and then AI will move firmly to make good decisions and escalate the information to the people who are responsible. This will be carried out firmly in the fields of advanced remote operations, logistics, healthcare and medical care.

Q : I understood the efforts to create new businesses. On the other hand, I think it is necessary to assume the withdrawal of businesses to some extent. What do you think about the withdrawal?

A : We believe that discussions on withdrawal should be fundamental to management, but at present, we have not left any businesses that no longer generate any value, and we believe that we can do something about it in a certain way. The printer business, for example, has cut off some of the parts that need to be cut, leaving only the parts that are showing solid results. Where to cut and where to invest resources needs to be managed in a good balance based on OKI's business environment and the world situation.

Q : You are aiming for ¥50 billion in new business by 2031. Do you have a breakdown of the 4 focus domains?

A : We are aiming for double-digit billion yen by 2025 and triple-digit billion yen by 2028, and we believe that the device application area of CFB has the potential to grow in the latter half of that period. However, ¥50 billion is not wishful thinking, and we believe that we are handling a potential of over ¥100 billion.

Q : As for global expansion, I would like you to tell me about the technologies, industries, and places of business that you are aiming for when conducting joint research with startups.

A : Although the details are still under consideration, the company will work on open innovation on a global basis, dividing the issues to be solved by technology into those to be solved by in-house production and those to be solved by open innovation. The technological areas that are being targeted are OKI's businesses, four domains, and new areas in which OKI is involved.

Q : I would like to know about the region and size of the overseas office to be established.

A : We are considering one location for next year on a trial basis. We are considering one location in Silicon Valley, where two people will be stationed. However, in order to supplement the areas where OKI has not been able to do so while looking at various technology clusters globally, we will proceed while comprehensively considering locations where we can efficiently search for technologies. We will first try in Silicon Valley in the next fiscal year, and after that, we will consider our expansion policy.

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.