

(Translation)

## Summary of Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2025 (J-GAAP)

August 8, 2024

Listed Company Name: Oki Electric Industry Co., Ltd.

Securities Code: 6703

Stock Exchange Listing: Tokyo Stock Exchange

URL: <https://www.oki.com/>

Representative: Takahiro Mori, Representative Director, Chief Executive Officer

Contact: Youji Takahashi, General Manager, Investor Relations

TEL: +81-3-5635-8212

Commencement of Dividend Payment (Scheduled): –

Supplementary Document on Quarterly Financial Results: Yes

Quarterly Financial Results Briefing: Yes (for institutional investors)

(Amounts less than one million yen have been truncated)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

#### (1) Consolidated operating results (cumulative)

(Percentage figures indicate year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
June 30, 2024	97,939	20.1	3,860	–	3,919	–	1,805	–
June 30, 2023	81,525	4.3	(10)	–	(293)	–	(156)	–

(Note) Comprehensive income Three months ended June 30, 2024: ¥1,227 million ((58.7)%)  
Three months ended June 30, 2023: ¥2,972 million (–%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
June 30, 2024	20.82	20.80
June 30, 2023	(1.81)	–

#### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	418,994	139,941	33.4
As of March 31, 2024	423,399	141,314	33.3

(Reference) Shareholders' equity As of June 30, 2024: ¥139,822 million  
As of March 31, 2024: ¥141,174 million

### 2. Dividends

	Dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	–	0.00	–	30.00	30.00
Fiscal year ending March 31, 2025	–				
Fiscal year ending March 31, 2025 (Projection)		0.00	–	30.00	30.00

(Note) Revisions to dividend projection most recently announced: None

3. Consolidated Results Projection for the Fiscal Year Ending March 31, 2025  
(from April 1, 2024 to March 31, 2025)

(Percentage figures indicate year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	460,000	9.0	16,000	(14.4)	14,500	(20.7)	9,500	(63.0)	109.61

(Note) Revisions to operating results projection most recently announced: None

Notes:

- (1) Significant changes in the scope of consolidation during the period: None  
Newly included: - companies (Company name)  
Excluded: - companies (Company name)
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and restatements
  - 1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
  - 2) Changes in accounting policies due to other reasons: None
  - 3) Changes in accounting estimates: None
  - 4) Restatements: None

(Note) For details, please refer to “(4)Notes to Consolidated Financial Statements (Notes on Changes in Accounting Policies)” of “2. Consolidated Financial Statements and Significant Notes Thereto” on page 10 of the Attachment.

(4) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury shares)

As of June 30, 2024	87,217,602 shares
As of March 31, 2024	87,217,602 shares

2) Number of treasury shares at the end of the period

As of June 30, 2024	506,358 shares
As of March 31, 2024	542,144 shares

3) Average number of shares during the period

Three months ended June 30, 2024	86,696,254 shares
Three months ended June 30, 2023	86,662,187 shares

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Proper use of earnings forecasts, and other special matters  
(Warning on forward-looking statements)

The forward-looking statements including the projection for the financial results contained in this document are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable, and actual results may differ from such statements due to a variety of factors. For the conditions assumed for the results projection and notes on the use of such projections, please refer to “(3) Forward-Looking Statements Including Projection for Consolidated Operating Results and Other” of “1. Operating Results” on page 4 of the Attachment.

(How to obtain supplementary document on financial results)

The Company is scheduled to hold a financial results briefing for institutional investors on August 8, 2024 (Thursday). The document on financial results is disclosed on TDNet at the same time as this Summary of Consolidated Financial Results and is also made available on the Company’s website on the same day.

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## 1. Operating Results

### (1) Overview of Operating Results for the Period

#### 1) Overview of the first quarter of the fiscal year ending March 31, 2025 (April 1, 2024 to June 30, 2024)

The Japanese economy has been on a moderate recovery trend due to the effects of various government policies, with improvements in employment and the income situation. On the other hand, the outlook remains uncertain due to factors such as rising prices resulting from soaring resource prices, the prolonged depreciation of the yen, and the stagnation of the Chinese economy.

In this environment, OKI's vision for 2031, the 150th anniversary of the company's founding, is to provide value that leads to the resolution of social issues as a company that does not stop and contribution to the maintenance of social infrastructure in the three fields of contribution: safe and convenient social infrastructure, job satisfaction and productivity enhancement, and conservation of the global environment. In order to realize OKI's vision, we have started the Medium-Term Business Plan 2025, covering the period from FY2023 through FY2025. In the current fiscal year, the second year of Medium-Term Business Plan 2025, we are accelerating cultural transformation and style change to further steer the Company toward growth.

Net sales for the first quarter of the fiscal year ending March 31, 2025 reached ¥97.9 billion (a year-on-year increase of ¥16.4 billion, or 20.1%), mainly due to the steady reaping of large projects that have continued since the second half of the previous fiscal year.

Operating income was ¥3.9 billion (a year-on-year improvement of ¥3.9 billion), mainly due to the positive impact of increased sales and the elimination of the impact of increased parts and materials costs in the same period of the previous fiscal year.

Ordinary income was ¥3.9 billion (a year-on-year improvement of ¥4.2 billion) due to an improvement in foreign exchange gains and other factors, while profit attributable to owners of parent was ¥1.8 billion (a year-on-year improvement of ¥2.0 billion).

(Billions of yen)	Three months ended June 30, 2024	Three months ended June 30, 2023	Year-on-year change rate
Net sales	97.9	81.5	20.1 %
Operating income (loss)	3.9	(0.0)	—
Ordinary income (loss)	3.9	(0.3)	—
Profit (loss) attributable to owners of parent	1.8	(0.2)	—

Net sales to external customers and operating income by business segment were as follows.

#### 2) Results by business segment

##### <Public Solutions>

Net sales were almost on par with the previous year at ¥19.1 billion (a year-on-year decrease of ¥200 million, or 1.0%). There was an operating loss of ¥1.3 billion (a year-on-year deterioration of ¥1.2 billion) due to differences in product mix and other factors, but orders received during the year remained robust, starting the year roughly as planned.

(Billions of yen)	Three months ended June 30, 2024	Three months ended June 30, 2023	Year-on-year change rate
Net sales	19.1	19.3	(1.0) %
Operating income(loss)	(1.3)	(0.1)	—

<Enterprise Solutions>

Net sales were ¥45.2 billion (a year-on-year increase of ¥17.8 billion, or 65.2%) and operating income was ¥7.8 billion (a year-on-year increase of ¥5.9 billion, or 313.8%). Both net sales and operating income increased significantly due to the continuation of large-scale projects from the second half of the previous fiscal year and the elimination of the impact of increased parts and materials costs in the same period of the previous fiscal year, among other factors.

(Billions of yen)	Three months ended June 30, 2024	Three months ended June 30, 2023	Year-on-year change rate
Net sales	45.2	27.4	65.2 %
Operating income(loss)	7.8	1.9	313.8 %

<Component Products>

Although overseas printer demand continued to be severe, net sales reached ¥17.9 billion (a year-on-year increase of ¥900 million, or 5.2%), partly due to foreign exchange effects. Operating loss improved to ¥100 million (a year-on-year improvement of ¥700 million) due to cost reductions and other factors.

(Billions of yen)	Three months ended June 30, 2024	Three months ended June 30, 2023	Year-on-year change rate
Net sales	17.9	17.0	5.2 %
Operating income(loss)	(0.1)	(0.8)	–

<EMS>

Due to the ongoing decline in demand in the semiconductor market and the FA and robot markets since the second half of the previous year, net sales were ¥15.6 billion (a year-on-year decrease of ¥2.1 billion, or 11.8%) and operating loss increased to ¥600 million (a year-on-year deterioration of ¥1.2 billion).

(Billions of yen)	Three months ended June 30, 2024	Three months ended June 30, 2023	Year-on-year change rate
Net sales	15.6	17.7	(11.8) %
Operating income(loss)	(0.6)	0.6	–

<Others>

Net sales were ¥100 million (comparable to the previous year, with a decrease of 29.8%), and operating loss increased to ¥400 million (a year-on-year deterioration of ¥300 million), due to investments essential for growth, including research and development aimed at creating future businesses.

(Billions of yen)	Three months ended June 30, 2024	Three months ended June 30, 2023	Year-on-year change rate
Net sales	0.1	0.1	(29.8) %
Operating income(loss)	(0.4)	(0.1)	–

(2) Overview of Financial Position for the Period

1) Assets, liabilities, net assets, etc., at the end of the first quarter of the fiscal year ending March 31, 2025

Total assets as of June 30, 2024 decreased by ¥4.4 billion from the end of the previous fiscal year to ¥419.0 billion. Shareholders' equity decreased by ¥1.4 billion from the end of the previous fiscal year to ¥139.8 billion, mainly due to the payment of ¥2.6 billion in ordinary dividends, while profit attributable to owners of parent of ¥1.8 billion was recorded. As a result, the shareholders' equity ratio was 33.4%.

Major shifts in assets primarily included a decrease of ¥22.3 billion in notes and accounts receivable - trade, and contract assets, while inventories increased by ¥14.3 billion.

In terms of liabilities, borrowings primarily fell ¥6.0 billion from ¥110.0 billion as of March 31, 2024 to ¥104.0 billion.

2) Cash flow for the first quarter of the fiscal year ending March 31, 2025

For the period under review, net cash provided by operating activities amounted to ¥14.3 billion (¥2.2 billion in the same period of the previous fiscal year), primarily due to a decrease in working capital.

Net cash used in investing activities came to ¥4.4 billion (¥5.9 billion used in the same period of the previous year), mainly because of purchases of property, plant, and equipment.

As a result, free cash flow (operating cash flow plus investing cash flow) amounted to an inflow of ¥9.9 billion (compared with an outflow of ¥3.7 billion in the same period of the previous year).

Net cash used in financing activities amounted to an outflow of ¥10.4 billion (an outflow of ¥3.8 billion in the same period of the previous year), mainly due to repayment of loans payable.

Owing to these factors, and a ¥1.0 billion positive impact of exchange rate changes on cash and cash equivalents, the balance of cash and cash equivalents at the end of the first quarter of the fiscal year ending March 31, 2025 was ¥34.8 billion, up from ¥34.4 billion at the end of the previous fiscal year.

(3) Forward-Looking Statements Including Projection for Consolidated Operating Results and Other

As the performance for the three months ended June 30, 2024 progressed largely as planned, the full-year forecast remains unchanged from that announced on May 9, 2024. In the event that a significant deviation from the figures in the initial plan is observed, the Company will promptly disclose this, taking into account factors such as exchange rate fluctuations and market trends.

(Warning on forward-looking statements)

The forward-looking statements including the projection for the financial results contained in this document are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable, and actual results may differ from such statements due to a variety of factors. Major factors that may affect actual results include market trends, a sharp rise in raw material prices, abrupt currency fluctuations and disasters. It should be noted, however, that factors that may affect actual results are not limited to these items.

## 2. Consolidated Financial Statements and Significant Notes Thereto

### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	35,044	35,483
Notes and accounts receivable - trade, and contract assets	114,115	91,830
Finished goods	17,981	25,357
Work in process	17,380	22,421
Raw materials and supplies	35,409	37,275
Other	19,776	21,323
Allowance for doubtful accounts	(19)	(16)
Total current assets	239,687	233,675
Non-current assets		
Property, plant and equipment	60,569	59,994
Intangible assets	15,924	15,953
Investments and other assets	107,218	109,370
Total non-current assets	183,711	185,318
Total assets	423,399	418,994
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	64,030	71,246
Short-term borrowings	60,012	53,937
Provisions	6,346	6,668
Other	57,980	53,278
Total current liabilities	188,369	185,132
Non-current liabilities		
Long-term borrowings	50,017	50,017
Provisions	1,339	1,172
Retirement benefit liability	27,887	27,535
Other	14,471	15,196
Total non-current liabilities	93,715	93,921
Total liabilities	282,084	279,053
<b>Net assets</b>		
Shareholders' equity		
Share capital	44,000	44,000
Capital surplus	18,960	18,940
Retained earnings	73,622	72,826
Treasury shares	(761)	(712)
Total shareholders' equity	135,820	135,054
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,069	7,868
Deferred gains or losses on hedges	(10)	8
Foreign currency translation adjustment	(7,020)	(6,169)
Remeasurements of defined benefit plans	3,315	3,060
Total accumulated other comprehensive income	5,353	4,767
Share acquisition rights	73	44
Non-controlling interests	65	73
Total net assets	141,314	139,941
Total liabilities and net assets	423,399	418,994



(2) Consolidated Statements of Income and Comprehensive Income  
(Consolidated Statements of Income)  
(For the Three Months Ended June 30, 2023 and 2024)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	81,525	97,939
Cost of sales	64,684	71,614
Gross profit	16,841	26,325
Selling, general and administrative expenses	16,852	22,465
Operating profit (loss)	(10)	3,860
Non-operating income		
Interest income	30	210
Dividend income	383	420
Foreign exchange gains	71	794
Miscellaneous income	110	135
Total non-operating income	596	1,561
Non-operating expenses		
Interest expenses	506	568
Extra retirement payments	20	466
Miscellaneous expenses	351	467
Total non-operating expenses	878	1,502
Ordinary profit (loss)	(293)	3,919
Extraordinary losses		
Loss on disposal of non-current assets	985	—
Total extraordinary losses	985	—
Profit (loss) before income taxes	(1,278)	3,919
Income taxes - current	245	291
Income taxes - deferred	(1,371)	1,817
Total income taxes	(1,125)	2,109
Profit (loss)	(153)	1,810
Profit attributable to non-controlling interests	3	4
Profit (loss) attributable to owners of parent	(156)	1,805

(Consolidated Statements of Comprehensive Income)  
(For the Three Months Ended June 30, 2023 and 2024)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit (loss)	(153)	1,810
Other comprehensive income		
Valuation difference on available-for-sale securities	2,282	(1,200)
Deferred gains or losses on hedges	(33)	19
Foreign currency translation adjustment	998	853
Remeasurements of defined benefit plans, net of tax	(121)	(255)
Total other comprehensive income	3,125	(582)
Comprehensive income	2,972	1,227
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,965	1,218
Comprehensive income attributable to non-controlling interests	6	8

## (3) Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	(1,278)	3,919
Depreciation	3,210	3,340
Increase (decrease) in provisions	(8,866)	10
Interest and dividend income	(414)	(630)
Interest expenses	506	568
Decrease (increase) in trade receivables	20,443	25,778
Decrease (increase) in inventories	(7,015)	(13,596)
Increase (decrease) in trade payables	(6,100)	85
Other, net	2,427	(2,495)
Subtotal	2,913	16,979
Interest and dividends received	414	462
Interest paid	(390)	(313)
Income taxes paid	(699)	(2,835)
Net cash provided by (used in) operating activities	2,237	14,293
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(4,566)	(2,944)
Purchase of intangible assets	(1,129)	(1,343)
Proceeds from sale of investment securities	—	503
Purchase of long-term prepaid expenses	(237)	(564)
Other payments	(20)	(104)
Other proceeds	34	56
Net cash provided by (used in) investing activities	(5,919)	(4,397)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	1,433	(7,086)
Repayments of long-term borrowings	(2,497)	—
Dividends paid	(1,549)	(2,365)
Repayments of lease liabilities	(1,256)	(1,047)
Other, net	60	49
Net cash provided by (used in) financing activities	(3,808)	(10,448)
Effect of exchange rate change on cash and cash equivalents	796	960
Net increase (decrease) in cash and cash equivalents	(6,694)	408
Cash and cash equivalents at beginning of period	37,498	34,422
Cash and cash equivalents at end of period	30,804	34,830

#### (4) Notes to Consolidated Financial Statements

##### (Notes on Changes in Accounting Policies)

(Application of "Accounting Standard for Current Income Taxes," etc.)

The Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter, "2022 Revised Accounting Standard") has been applied from the beginning of the first quarter of the current fiscal year.

With regard to the revision of the classification of corporate income taxes (taxation on other comprehensive income), the Company adheres to the transitional treatment stipulated in the provisory clause of Paragraph 20-3 of the 2022 Revised Accounting Standard, as well as that in the provisory clause of Paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "2022 Revised Guidance"). This change in accounting policy has no impact on the quarterly consolidated financial statements.

Additionally, with regard to the revision related to the treatment in consolidated financial statements of gains or losses arising from the sale of subsidiary shares between consolidated companies, which may be deferred for tax purposes, the Company has applied the 2022 Revised Guidance from the beginning of the first quarter of the fiscal year ending March 31, 2025. This change in accounting policy has been applied retrospectively. As a result, the quarterly consolidated financial statements and consolidated financial statements for the prior quarter and the previous fiscal year have been restated to reflect this change. This change in accounting policy has no effect on the quarterly consolidated financial statements for the previous quarter or the consolidated financial statements for the previous fiscal year.

## (Notes on Segment Information)

## I First quarter of the fiscal year ended March 31, 2024 (From April 1, 2023 to June 30, 2023)

## Information about amounts of net sales, profit and loss by reportable segment

(Millions of yen)

	Reportable segments					Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded on consolidated statements of income (Note 3)
	Public Solutions	Enterprise Solutions	Component Products	EMS	Total				
Net sales									
Net sales to external Customers	19,310	27,363	17,047	17,703	81,424	100	81,525	—	81,525
Intersegment net sales or transfers	248	805	1,337	154	2,546	2,218	4,765	(4,765)	—
Total	19,558	28,169	18,384	17,858	83,970	2,319	86,290	(4,765)	81,525
Segment income (loss)	(148)	1,893	(756)	564	1,553	(140)	1,413	(1,424)	(10)

Notes: 1. "Others" consists of businesses not included in the reportable segments, such as provision of services, etc.

2. The ¥(1,424) million adjustment to segment income or loss includes the elimination of intersegment transactions of ¥121 million, corporate expenses not allocated to each reportable segment of ¥(1,562) million, and an adjustment to fixed assets of ¥16 million. Corporate expenses consist mainly of general and administrative expenses and R&D expenses that are not attributable to the reportable segments.

3. Segment income or loss is adjusted with operating loss recorded on the consolidated statements of income.

## II First quarter of the fiscal year ending March 31, 2025 (From April 1, 2024 to June 30, 2024)

## 1. Information about amounts of net sales, profit and loss by reportable segment

(Millions of yen)

	Reportable segments					Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded on consolidated statements of income (Note 3)
	Public Solutions	Enterprise Solutions	Component Products	EMS	Total				
Net sales									
Net sales to external Customers	19,108	45,200	17,941	15,619	97,869	70	97,939	—	97,939
Intersegment net sales or transfers	192	58	1,289	180	1,720	2,518	4,239	(4,239)	—
Total	19,300	45,259	19,230	15,799	99,589	2,589	102,179	(4,239)	97,939
Segment income (loss)	(1,258)	7,836	(149)	(557)	5,871	(433)	5,437	(1,577)	3,860

Notes: 1. "Others" consists of businesses not included in the reportable segments, such as provision of services, etc.

2. The ¥(1,577) million adjustment to segment income or loss includes the elimination of intersegment transactions of ¥202 million, corporate expenses not allocated to each reportable segment of ¥(1,793) million, and an adjustment to fixed assets of ¥13 million. Corporate expenses consist mainly of general and administrative expenses and R&D expenses that are not attributable to the reportable segments.

3. Segment income or loss is adjusted with operating loss recorded on the consolidated statements of income.

## (Notes on Significant Changes in Shareholders' Equity)

Not applicable

## (Notes on Going Concern Assumption)

Not applicable