

EMS



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Senior Executive Officer
Head of EMS Division

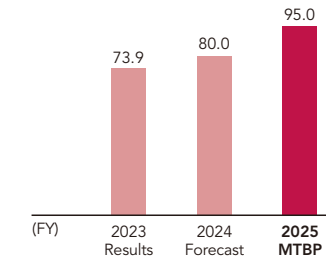
Message from Head of the Division

We will contribute to the realization of a safe and secure society through our “comprehensive Mono-zukuri (manufacturing) service,” which provides one-stop solutions from design to production and engineering.

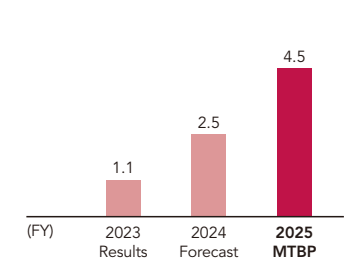
OKI has expanded its business by focusing on such areas as industrial infrastructure, telecommunications, healthcare, and aerospace, with its expertise in “variable-mix variable-volume” production* and manufacturing that requires “fault-free quality.” Moving forward, we aim to further strengthen our business foundation through diversification of our business portfolio and active investment in growth areas, particularly in the components business. By offering coordinated products and services within the EMS Group, we will work toward further business expansion.

* “Variable-mix variable-volume” production refers to a flexible manufacturing system that can adapt to diverse product types and production volumes based on market demand.

Net Sales
(Billions of yen)

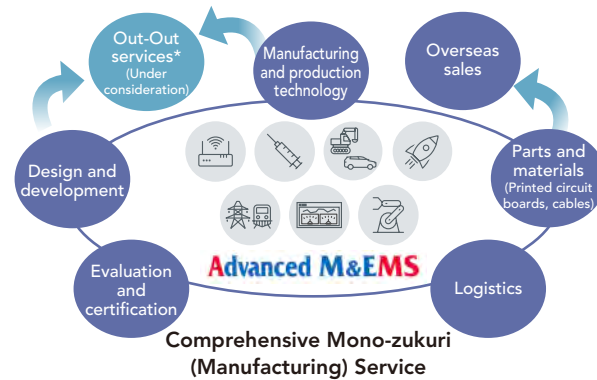


Operating Income
(Billions of yen)



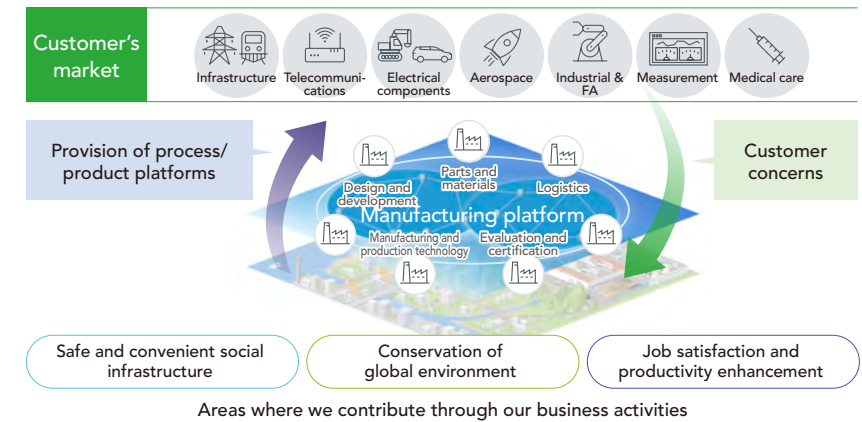
Business Overview

We provide one-stop solutions for Mono-zukuri (manufacturing) that accommodate variable-mix variable-volume, high quality, and high added value. Our business is primarily composed of “EMS/DMS business,” “components business,” and “engineering business.” Through collaboration within the EMS Group, we provide a wide range of services covering every process from upstream to downstream manufacturing, leveraging the technology and expertise OKI has developed over many years of production.



Business Policy

We aim to become a manufacturing platform provider that supports customers in addressing their challenges from a production perspective. By offering design and manufacturing processes filled with accumulated know-how and standardized products as components or modules as platform-based products and services, we will contribute to solving our customers’ social challenges through OKI’s manufacturing expertise.



Understanding the Business Environment	
Opportunities	<ul style="list-style-type: none"> Return to domestic production due to increasing country risk Expansion of domestic EMS utilization due to labor shortages Increased customer demand driven by market trends, such as the recovery of the semiconductor market
Threats	<ul style="list-style-type: none"> Stagnant customer demand related to the uncertainty of the Chinese market Rising material costs due to currency fluctuations and increased labor costs

Business Strengths and Possible Issues/Challenges	
Strengths	<ul style="list-style-type: none"> Provision of high-quality products and services in fields requiring high reliability, such as medical devices, aerospace, and industrial infrastructure Provision of a wide range of one-stop solutions by combining advanced technologies within the EMS Group
How to address possible issues/challenges	<ul style="list-style-type: none"> Mitigating production capacity shortages due to labor shortages Enhancing cost competitiveness

EMS

The EMS business is working on initiatives such as shifting its business model from EMS to DMS, which is a key strategy in the Medium-Term Business Plan 2025, and investing in growth for core businesses with high profitability. These efforts aim to achieve a business scale of 100 billion yen in net sales by fiscal year 2026. Additionally, by leveraging the EMS Group's strength in "advanced Mono-zukuri capabilities," we will accelerate the acquisition of new projects and customers through the provision of new products and services, with the goal of driving further business growth through fiscal year 2031.

Medium-Term Business Plan 2025 (First Stage of Steering toward Growth)

Three Key Initiatives and Progress

1. Business Model Shift from EMS to DMS

Initiative: Expand the DMS sales ratio and aim to acquire new large-scale, high-value-added projects

Progress: The DMS sales ratio increased by 5% year on year, but many projects remain small in scale, highlighting the need for efficiency improvements.

2. Expansion of Core Businesses (Components and Engineering Business)

Initiative: Actively invest in expanding production capacity to keep pace with the growth of the semiconductor, machine tool, and FA robotics markets.

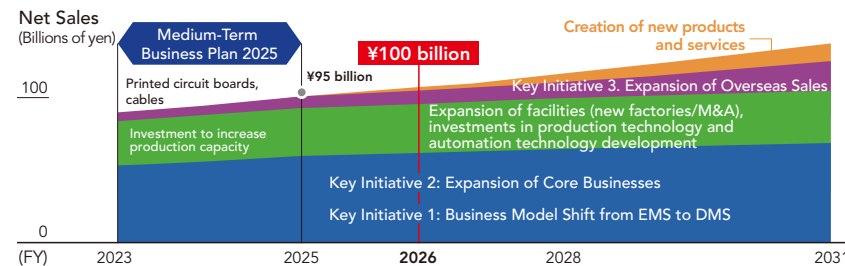
Progress: Growth investments are progressing as planned, but the components business has experienced a decline in sales due to market conditions. The aim is to diversify the business portfolio.

3. Expansion of Overseas Sales

Initiative: Strengthen co-creation relationships with key customers in the components business. In the EMS/DMS business, pursue Out-Out business* opportunities.

Progress: Sales in the components business have stagnated, but inquiries for new projects have increased. Efforts are underway to expand sales by leveraging the OKI Group's sales channels.

* Out-Out business: Service in which customers' products for overseas markets are manufactured on contract at OKI's overseas sites.



Vision for 2031 (Beyond the Second Stage of Steering toward Growth)

Expanding the "Comprehensive Mono-zukuri (Manufacturing) Service" Business

- Continued growth investments in core businesses
- Creation and expansion of new products and services through collaboration within the EMS Group (including overseas sales expansion)

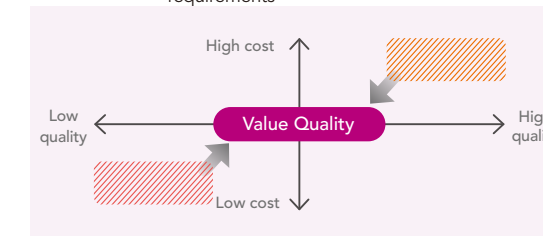
Expanding the Platform Business through Co-Creation with Customers

- Process Platform

Combining Mono-zukuri expertise into a **cohesive process and offering it to customers**



Example For new space industry customers struggling with balancing quality and cost, we provide value-driven quality that meets both requirements

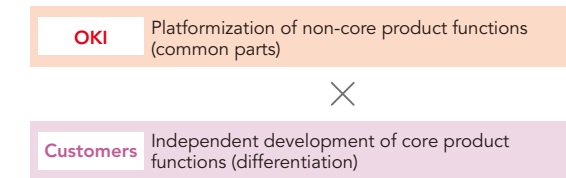


- Product Platform

Streamlining customers' Mono-zukuri through the **provision of standardized products**



Example Provision of OKI's original high-efficiency inverter units in the decarbonization market



TOPICS Value Creation Material Issue | Safe and Convenient Social Infrastructure / Job Satisfaction and Productivity Improvement

As the aging of the population accelerates, the shortage of labor in the medical industry is becoming increasingly severe. In response to this societal challenge, the EMS business aims to contribute to solving customer issues by implementing automation in mechatronic medical devices, commissioned as DMS projects, with the goal of reducing labor needs.

Specifically, OKI will develop a platform based on its long-standing in-device transport technology, image recognition technology, and label printing technology, cultivated over many years through ATM development, enabling advanced sorting methods not achievable with conventional equipment. By automating tasks such as the preparation

of medical instruments, the identification and assessment of tools, and the transportation of instrument media, we aim to improve efficiency while also addressing the issue of human error in the medical field.

Additionally, for the next-generation devices currently under development, mass production is scheduled to begin in fiscal year 2026.

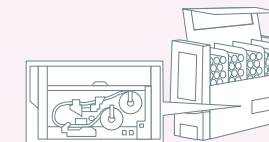
Co-creation of high-value-added products with customers (mechatronic medical devices)

OKI's expertise (sensing, conveyance)



Customer's core technologies (unique functions)

Proposing new value creation



Sensing, conveyance



Aerospace (control) equipment

Semiconductor inspection equipment



Autonomous mobile robot (AMR)