

Enterprise Solutions



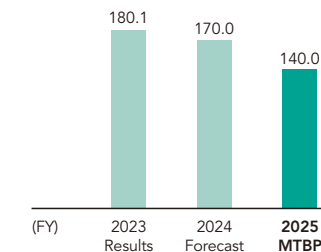
Shotaro Nakatsu
Executive Officer
Head of Enterprise Solutions Division

Message from Head of the Division

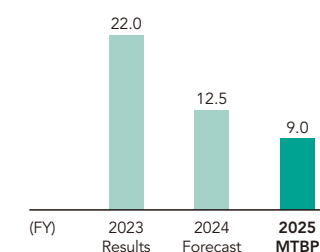
By uniting mechatronics technology, solutions, networks, maintenance, and services, we will provide safe and convenient solutions and services that contribute to resolving labor shortages and improving business efficiency.

Since fiscal year 2023, we have merged the Automation Systems business, solutions business for financial institutions, and network SI business to form the Enterprise Solutions Division. Additionally, we integrated OKI Crosstech, which manages maintenance, operations, and construction for OKI products, into the same segment, establishing a structure that provides a seamless offering from products to services. With this new framework, OKI can offer more comprehensive and efficient solutions to its customers, aiming for both business growth and enhanced customer satisfaction. Furthermore, by strengthening interdepartmental collaboration, we have achieved faster response times and the delivery of high-quality services. Through these efforts, OKI aims to further strengthen its competitiveness in the market and achieve sustainable growth.

Net Sales
(Billions of yen)



Operating Income
(Billions of yen)



Business Overview

In addition to the design, development, and manufacturing of mechatronic products, we offer advanced solutions that include network integration. Furthermore, we have established a comprehensive value chain, from installation, construction, and maintenance to full outsourcing services for ATM operation and monitoring. This allows us to provide solutions that enhance the value of mechatronic products and offer more efficient, reliable monitoring, operation, and maintenance, delivering safe and convenient services to our customers.

Following the strong performance in fiscal year 2023, we also expect to see steady sales and operating income due to large, one-off projects in fiscal year 2024. Although it is anticipated to benefit from already secured projects and the rollout of new products in fiscal year 2025 too, we will transform our business structure in light of future shifts toward cashless and paperless environments.

Business Policy

Taking advantage of large projects, we aim to transition to a leaner, more resilient management structure for future growth and transform our business model from product-focused to service-centered, ensuring business stability. To achieve this transformation, we are advancing three key initiatives in tandem: “shift to recurring business,” “shift to front-office processing,” and “strengthen product competitiveness.” These efforts aim to transition the business into a stable operation beyond fiscal year 2025. Based on OKI’s strong product foundation, we will continue to develop and provide solutions and services that solve social issues.

Strategic Direction

Conservation of global environment



- Reuse of recycled components and environmentally conscious manufacturing
- Reduction of factory CO₂ emissions and paperless solutions

Safe and convenient social infrastructure



- Visualization of field operations and operational monitoring
- Network security and stricter management

Job satisfaction and productivity enhancement



- Address labor shortages through self-service automation and labor-saving solutions
- Business process outsourcing (BPO) for common customer operations

Understanding the Business Environment

Opportunities

- Advancement in automation trends, such as self-checkout systems, driven by the labor shortage resulting from declining birthrates and an aging population
- Increased outsourcing opportunities due to labor shortages and the shift of resources toward core business activities

Threats

- Decreased handling of cash, bankbooks, cash cards, slips, and other paper documents
- Reduction in physical handling tasks in the back offices of stores

Business Strengths and Possible Issues/Challenges

Strengths

- Provision of one-stop solutions for ATM deployment, from planning and support to installation, monitoring, operation, maintenance, and services
- A nationwide service network with service centers covering all of Japan
- Provision of solutions that add value to mechatronic products

How to address possible issues/challenges

- Provide BPO services for customer operations
- Leverage the nationwide service centers and maintenance network to enter the maintenance service sector for new social infrastructure

Enterprise Solutions

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

Key Initiatives	Progress
<ol style="list-style-type: none"> Shift to recurring*1 business <ul style="list-style-type: none"> Expand ATM maintenance, operation, monitoring, and network services Leverage the maintenance network developed through ATM maintenance Shift to front-office processing <ul style="list-style-type: none"> Launch products focused on automation and labor-saving (self-service solutions) Strengthen product competitiveness <ul style="list-style-type: none"> Combine technology and AI to achieve automation and advanced capabilities 	<ol style="list-style-type: none"> We are working to expand the range of services through demand analysis in ATM-related areas and are leveraging operational assets to expand service businesses in non-financial markets. We are introducing eight new models domestically and internationally, promoting the realization of automation and labor-saving (self-service solutions). By utilizing generative AI and RPA*2, we are improving operational efficiency and productivity while advancing automation in areas such as monitoring and advanced maintenance support, thereby strengthening the competitiveness of our service business. <p>*1 "Recurring" here refers to a business model that combines equipment provision with BPO to offer integrated services. *2 Robotic process automation (RPA) refers to software robots that automate repetitive tasks.</p>

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

	Steering toward stability and growth 1st Stage	Steering toward stability and growth 2nd Stage	
Initiatives	FY2023–2025	FY2026–2028	FY2029–2031
	<ul style="list-style-type: none"> Expansion of recurring business Launch of products focused on front-office processing Ongoing investment to strengthen product competitiveness 	<ul style="list-style-type: none"> Apply base modules and service platforms to products and expand business operations 	<ul style="list-style-type: none"> Expand and deploy services utilizing base modules and service platforms into new markets

To transform the business structure, we are advancing three key initiatives—Shift to recurring business, Shift to front-office processing, and Strengthen product competitiveness—in an integrated manner, aiming to transition into a stable business model beyond fiscal year 2025.

In shifting to recurring business, we are offering solutions for labor shortages by expanding services for financial institutions and store operations. We will also leverage assets to expand into non-financial markets.

For the shift to front-office processing, we will introduce products that promote automation and labor-saving (self-service solutions) in the retail, manufacturing, aviation, and railway markets. In fiscal year 2024, we plan to launch eight new models domestically and internationally: two domestic ATM models, two coin dispensers, two cash handling machines, one ticketing terminal, and one international ATM model. We will also expand the recurring business by combining products and services.

In terms of strengthening product competitiveness, we will utilize AI technology in ATM services to enhance operations and improve productivity. We will drive efficiency in monitoring and maintenance, promoting the automation of advanced support to boost competitiveness. By standardizing product modules and restructuring the overseas production system, we will work to shorten development cycles, release products quickly, reduce production costs, strengthen price competitiveness, and lower maintenance costs.



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

A self-service deposit and withdrawal machine for financial institutions has been introduced to regional banks and is now fully operational. This product integrates with the bank's core system, allowing for easy deposits and withdrawals using a QR code® generated by a tablet where transaction information is pre-entered. By enabling customers to handle their own cash transactions, the machine reduces the workload

at bank counters, minimizes errors, and facilitates quicker transactions. Beyond handling cash transactions, this solution improves customer satisfaction and enhances the efficiency of bank operations. The labor hours saved as a result can be redirected toward more customer-focused tasks, thereby contributing to improved job satisfaction.



Self-service deposit/withdrawal machine for financial institutions