

Message from the CEO

**With an “enterprising spirit,”
we will continue to evolve and
grow as a company supporting
social infrastructure on a
global scale.**



Takahiro Mori

Representative Director
and CEO



As a Company “Delivering OK! to your life.”

OKI traces its origins back to Meikosha, Ltd., Japan’s first telecommunications equipment manufacturer, founded by Kibataro Oki in 1881. Just five years after Alexander Graham Bell invented the telephone in the United States, OKI, with an “enterprising spirit,” successfully developed the first telephone in Japan.

Since its founding, OKI has inherited this “enterprising spirit” and, throughout its 140-year history, has always stayed close to the challenges faced by its customers on the ground, having provided products and services that support mission-critical social infrastructure, which is not allowed to stop. As a Company committed to “Delivering OK! to your life,” OKI’s mission is to improve the foundations of life for all people across the globe. We will continue to evolve into a Company whose presence is indispensable, not only in Japan but in many regions around the world.

The First-Year Targets of the Medium-Term Business Plan 2025 Achieved

The Medium-Term Business Plan 2025, which started in fiscal year 2023, focuses on three fields of contribution: “safe and convenient social infrastructure,” “job satisfaction and productivity enhancement,” and “conservation of global environment.” We are working to realize the social value that we provide in each field of contribution. In the first year, fiscal year 2023, we recorded net sales of 421.9 billion yen and operating income of 18.7 billion yen, achieving significant year-on-year increases in both sales and profit. This marks the first step toward achieving the targets of the Medium-Term Business Plan 2025. This success is largely the result of fulfilling our responsibilities in our existing businesses, and it also indicates improved internal collaboration and a steady increase in business performance over the past fiscal year. By enhancing Company-wide functions that were previously divided by business units from fiscal year 2023, hidden challenges were brought to light, leading to more active discussions across departments. As a result, decision-making from a Company-wide perspective and improvement on business operations are progressing.

Outlook for the Medium-Term Business Plan 2025

Under the Medium-Term Business Plan 2025, we classify our existing businesses into two categories: growth businesses and stabilization businesses.

In our growth business, Public Solutions, we have strengthened our social infrastructure operations in such areas as firefighting, disaster preparedness, and roads since fiscal year 2023. As a result, we are now positioned to anticipate medium-term growth from fiscal year 2024 onward. Additionally, we are accelerating the expansion of our TOKKI Systems, which is the specialized equipment

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business in defense & ocean, and commercial aviation. In the EMS business, although demands in the semiconductor and factory automation (FA) & robotics markets remain stagnant, we are working to strengthen our production capacity in anticipation of a market recovery. This will serve as a lever to return to a growth trajectory.

In our stabilization businesses, Enterprise Solutions and Component Products, we are focusing on improving operational efficiency by standardizing and creating platforms of product development, as well as promoting collaborations with other companies to stabilize profits. Enterprise Solutions continues to operate its production facilities at full capacity, meeting the needs of large-scale projects. At the same time, we are advancing structural reforms for the future, transitioning to a leaner business structure. In Component Products, we are streamlining our development and production systems in response to market contraction, while also accelerating OEM expansion.

Growth Drivers for the Future

Along with these efforts in our existing businesses, we are accelerating our steering toward growth. As we look ahead to the Company's vision for its 150th anniversary in 2031, we consider the following as our key growth drivers: (1) Global x Innovation, (2) Transformation of Business Portfolio, and (3) Human Capital Investment to support these drivers.

(1) Global x Innovation

OKI has long developed by centering its business model on responding to the demands of its valued customers through technological expertise. However, with the rapid social changes of recent years, the traditional business model is no longer sufficient on its own. At OKI, we have adopted the concept of "full participation innovation," strengthening efforts to generate seeds of innovation that transcend business boundaries.

One example of this is our enhanced focus on the commercialization of crystal film bonding (CFB), a semiconductor bonding technology developed through our LED printer business. This CFB technology is highly unique and has broad applications in the rapidly growing semiconductor field. It has been well received by our co-creation partners, and we are actively investing in this area.

Since fiscal year 2023, we have expanded our "full participation innovation" activities, previously conducted in Japan, to a global scale. Additionally, in April 2024, we established the Global Marketing Center, and in May 2024, opened an R&D base in Silicon Valley. These moves will strengthen the integration of our technological and business activities. Moving forward, we plan to further expand our overseas activity bases, energizing our global open innovation initiatives and progressing to the "Second Stage of Steering toward Growth."

(2) Transformation of Business Portfolio

In the past, our management approach was focused on building up each business individually. In fiscal year 2023, we reassessed our business segments, clarified the positioning of each business, and improved our value chain. Moving forward, we will further shift resources toward business areas with high growth potential across the entire Group. Currently, we manage our businesses by

classifying them into growth businesses and stabilization businesses, but going forward, we will evolve our management by incorporating measures such as return on invested capital (ROIC). This will allow us to implement management that is conscious of cost of capital and stock price.

(3) Human Capital Investment

To support Global x Innovation and Transformation of Business Portfolio, we are committed to recruiting and developing talent, as well as creating an optimal working environment. Our goal is to transform the Company into a "learning organization." In particular, we will provide more opportunities for training and practical experience to our younger and mid-level employees, creating a synergy where both employee growth and Company growth progress in tandem.

We will especially focus on empowering employees who interact with customers on a daily basis, helping them awaken to their mission, unlock their latent potential, and expand their networks both internally and externally. As a result, we aim to foster a culture where proactive, organic dialogue occurs throughout the Company, leading to the creation of new innovations.

Dare to Fail—Transforming into a Corporate Culture that Continuously Creates Value

Since becoming CEO, I have actively continued to visit various workplaces and talk with many employees. I have made an effort to communicate carefully with each individual with my goal to dispel the conservative mindset toward work and encourage each employee to trust in their abilities and approach their work more energetically. While it will take some time to fully embed this mindset across the Company, we are beginning to see signs of change. Moving forward, we will not only continue these conversations but also enhance institutional support to create an environment where more employees feel encouraged to step up, fostering a corporate culture of "dare to fail."

In Conclusion

Over the past two years, OKI has undoubtedly made progress in the right direction. However, this is merely the first step toward our vision. We will continue to push forward with reforms without letting up. I would like to express my sincere gratitude to all our stakeholders for their continued support and ask for your ongoing trust and confidence in the future growth of the OKI Group.