

# Financial Results for FY2024

May 8, 2025

**Oki Electric Industry Co., Ltd.**

- FY2024 Results & FY2025 Forecasts
- Business Overview by Segment
- Progress of Medium-Term Business Plan 2025

## Overview

### [FY2024 Results]

Net sales increased for three consecutive fiscal years, recovering to 450 billion yen level for the first time in five fiscal years.

Operating income was 18.6 billion yen, profit attributable to owners of parent was 12.5 billion yen, and ROE was 8.7%.

Equity ratio reached 35% range, and Financial Foundation steadily recovered.

### [FY2025 Forecasts]

All management figures are expected to achieve the targets of Medium-Term Business Plan.

Equity ratio is projected to reach 37% range, with further improvement in Financial Foundation.

## Shareholders Return

### [Dividend payout ratio: over 30%]

FY2024 year-end dividend: 45 yen per share (an increase of 15 yen compared to the previous fiscal year/forecast)

FY2025 year-end dividend: 50 yen per share (three consecutive fiscal years of dividend increase)

# Summary of Financial Results

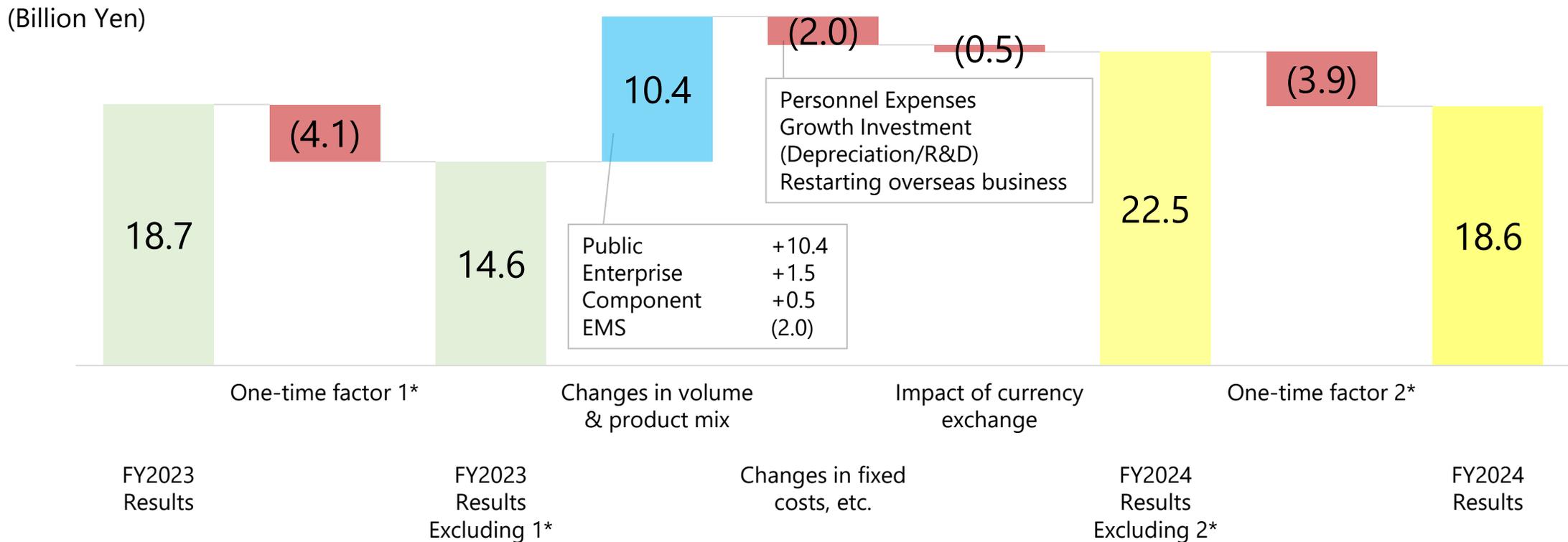
(Billion Yen)	FY2022 Results	FY2023 Results	FY2024 Results	YoY		Feb 6, 2025 Forecasts	Change to Forecasts	
				Variance	Ratio		Variance	Ratio
Net Sales	369.1	421.9	452.5	+30.6	+7%	453.0	(0.5)	(0%)
Operating Income	2.4	18.7	18.6	(0.1)	(1%)	16.0	+2.6	+16%
<i>Operating Income Ratio</i>	<i>0.7%</i>	<i>4.4%</i>	<i>4.1%</i>	<i>(0.3%)</i>		<i>3.5%</i>	<i>+0.6%</i>	
<i>Operating Income *</i>	<i>2.4</i>	<i>14.6</i>	<i>22.5</i>	<i>+7.9</i>	<i>+54%</i>	<i>19.2</i>	<i>+3.3</i>	<i>+17%</i>
<i>Operating Income Ratio *</i>	<i>0.7%</i>	<i>3.5%</i>	<i>5.0%</i>	<i>+1.5%</i>		<i>4.2%</i>	<i>+0.8%</i>	
Ordinary Profit	(0.3)	18.3	16.8	(1.5)	(8%)	14.5	+2.3	+16%
Profit attributable to owners of parent	(2.8)	25.6	12.5	(13.1)	(51%)	9.5	+3.0	+31%
ROE (%)	(2.7%)	21.4%	8.7%	(12.7%)				
Equity Ratio (%)	25.4%	33.3%	35.4%	+2.1%				
Dividend per share (yen)	20	30	45	+15	+50%			

Exchange Rate	FY2023	FY2024
USD/JPY	144.6	152.6
EUR/JPY	156.8	163.7

\* *Operating Income (ratio) excluding One-time factor mentioned in next slide for a reference*

# Reasons for Changes in Operating Income/Loss

- Excluding one-off factors, substantial business profit increased significantly (FY23: 14.6 billion yen → FY24: 22.5 billion yen) → On a substantial basis, operating income ratio around 5% was achieved even after increases in fixed costs such as personnel expenses.
- Public Solutions, Enterprise Solutions, and Component Products segments remained strong and offset negative impact of EMS.
- Receivable collectability reviewed of China ATM project, recording an allowance for doubtful accounts.



# Summary of Financial Forecasts

(Billion Yen)	FY2024 Results	FY2025 Forecasts	YoY	
			Variance	Ratio
Net Sales	452.5	450.0	(2.5)	(1%)
Operating Income	18.6	19.0	+0.4	+2%
<i>Operating Income Ratio</i>	<i>4.1%</i>	<i>4.2%</i>	<i>+0.1%</i>	
Ordinary Profit	16.8	17.0	+0.2	+1%
Profit attributable to owners of parent	12.5	14.0	+1.5	+12%
ROE (%)	8.7%	9.4%	+0.7%	
Equity Ratio (%)	35.4%	37.0%	+1.6%	
Dividend per share (yen)	45	50	+5	+11%

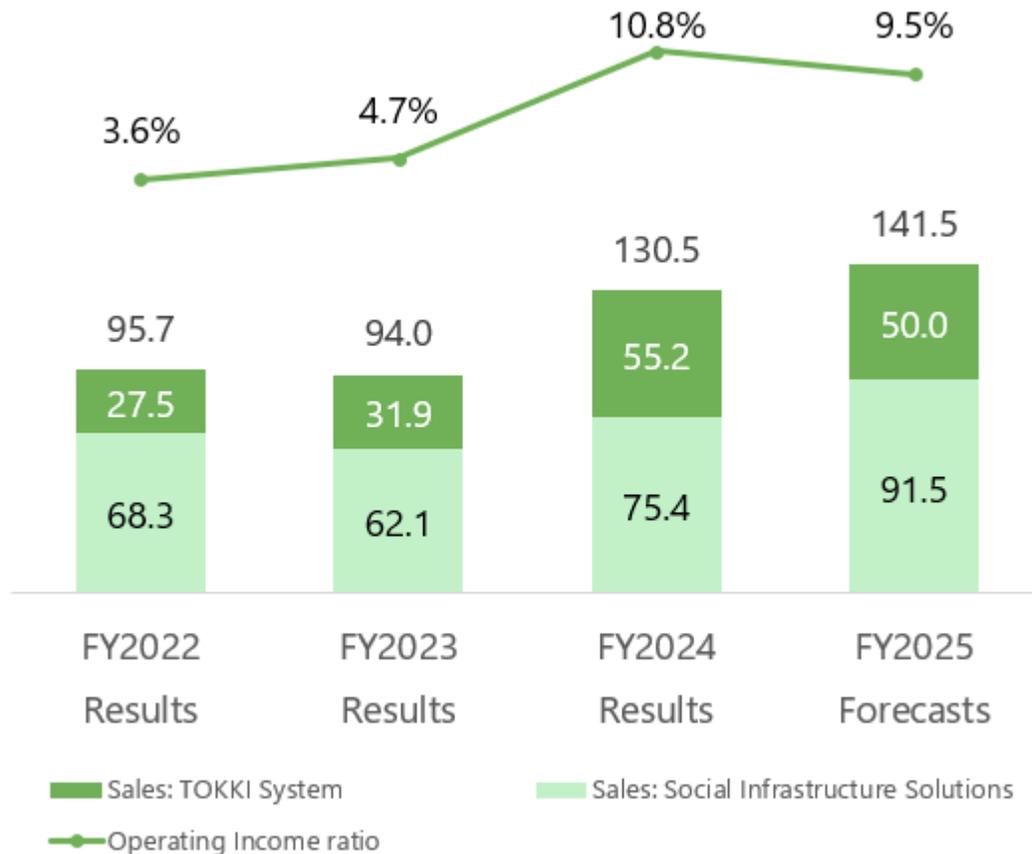
Exchange Rate	FY2024	FY2025
USD/JPY	152.6	150.0
EUR/JPY	163.7	155.0

- FY2024 Results & FY2025 Forecasts
- Business Overview by Segment
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# By Segment: Public Solutions

- FY2024: Both Social Infrastructure Solutions and TOKKI Systems saw growth (1.4x increase in sales, 2x operating income ratio)
- FY2025: The market environment remains robust. We aim for continued stable earnings and further expansion.

(Billion Yen)



## [Social Infrastructure Solutions]

- Continue to strengthen our response to firefighting, disaster preparedness, and roads markets
- Expand products for carriers into private network markets

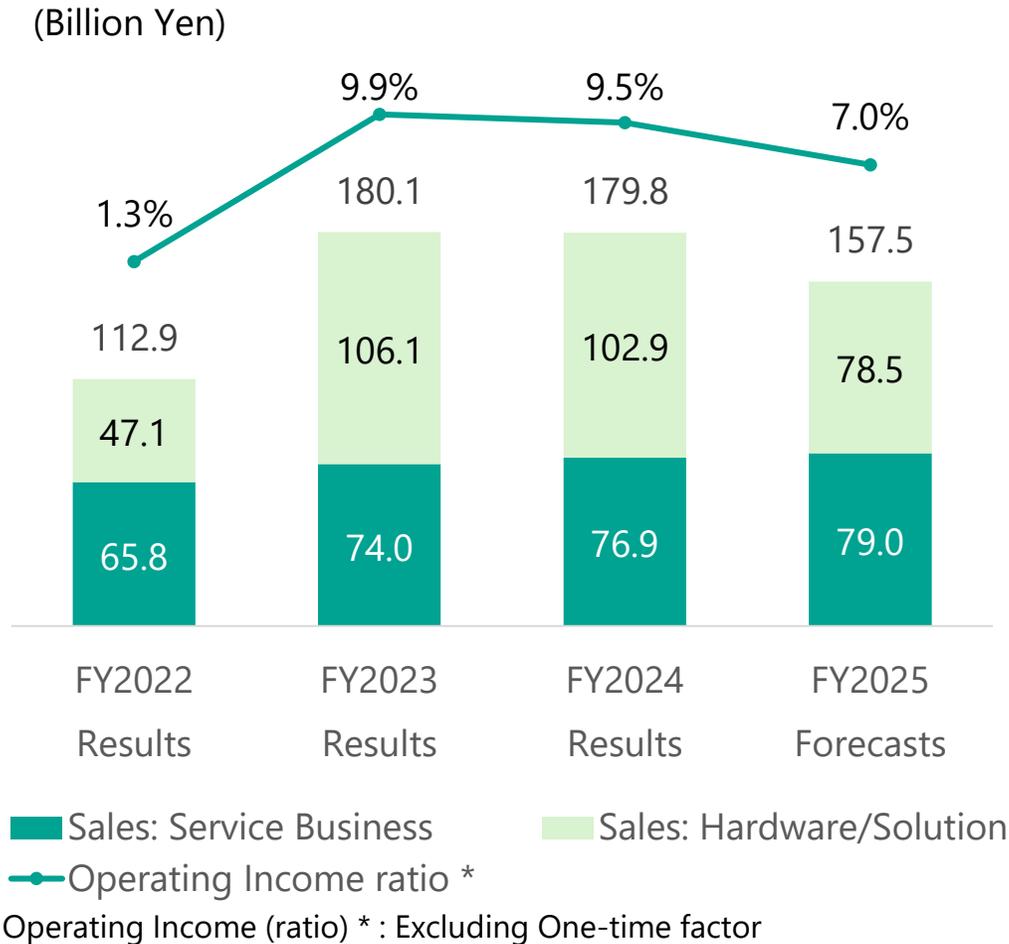
## [TOKKI System]

- Further efforts to meet increasing demand for national defense capability enhancement
- Strengthen technology development, production capacity, and overseas sales expansion

(Billion Yen)	FY2022 Results	FY2023 Results	FY2024 Results	FY2025 Forecasts
Sales: Total	95.7	94.0	130.5	141.5
Operating Income	3.4	4.4	14.1	13.5

# By Segment: Enterprise Solutions

- FY2024: Thanks to large-scale projects such as new JPY notes from the previous year, both sales and profits remained at high levels, and Services Business was also steady
- FY2025: Although the demands stated above will subside, we aim to stabilize both scale and profitability by capturing continued demands and market opportunities, as well as through cost reduction measures



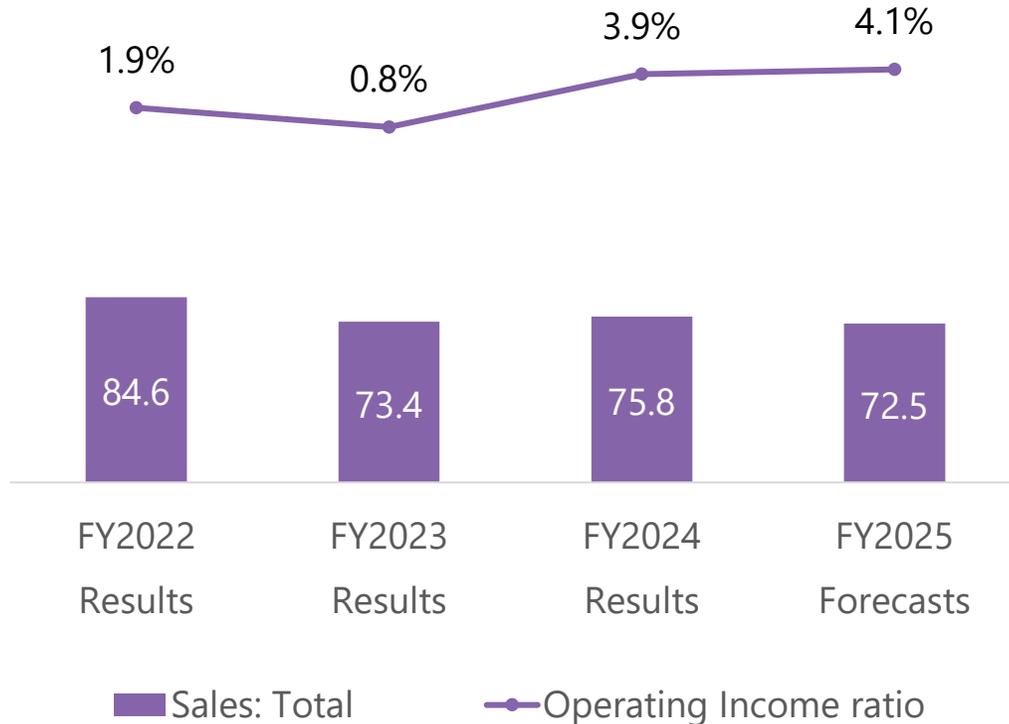
- System renewals and new demand in domestic financial institutions market
- Business expansion in Indian and Asian markets
- Cost reduction through launching a new factory in Vietnam and increased production

(Billion Yen)	FY2022 Results	FY2023 Results	FY2024 Results	FY2025 Forecasts
Sales: Total	112.9	180.1	179.8	157.5
Operating Income	1.5	22.0	13.1	11.0
Operating Income *	1.5	17.9	17.0	11.0
Service Business ratio	58.3%	41.1%	42.8%	50.2%

# By Segment: Component Products

- FY2024: Operating income improved YoY through profit-focused management
- FY2025: Aiming for stable medium- to long-term profitability by leveraging the participation of ETRIA Corporation in printer development and production functions

(Billion Yen)



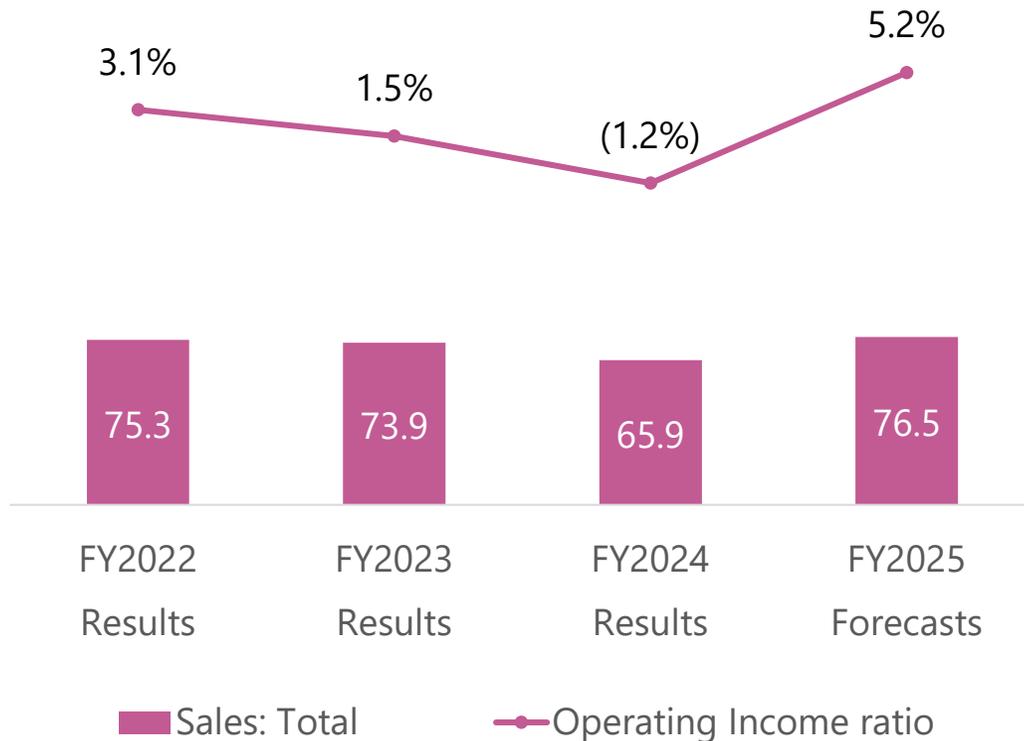
- Integration of printer development and production functions into ETRIA Corporation in October
  - Enhancing product competitiveness by utilizing LED print head technology at ETRIA Corporation
  - Expanding cost reduction capabilities through parts standardization and ETRIA Corporation's buying power
  - Efficiently strengthening the product lineup (re-launching MFP lineup)

(Billion Yen)	FY2022 Results	FY2023 Results	FY2024 Results	FY2025 Forecasts
Sales: Total	84.6	73.4	75.8	72.5
Operating Income	1.6	0.6	2.9	3.0

# By Segment: EMS

- FY2024: Due to the prolonged recession in Semiconductor and FA/Robotics market, sales and operating income both declined for the second consecutive year
- FY2025: Focused on restoring profitability and re-examining strategies for the next Medium-Term Business Plan

(Billion Yen)



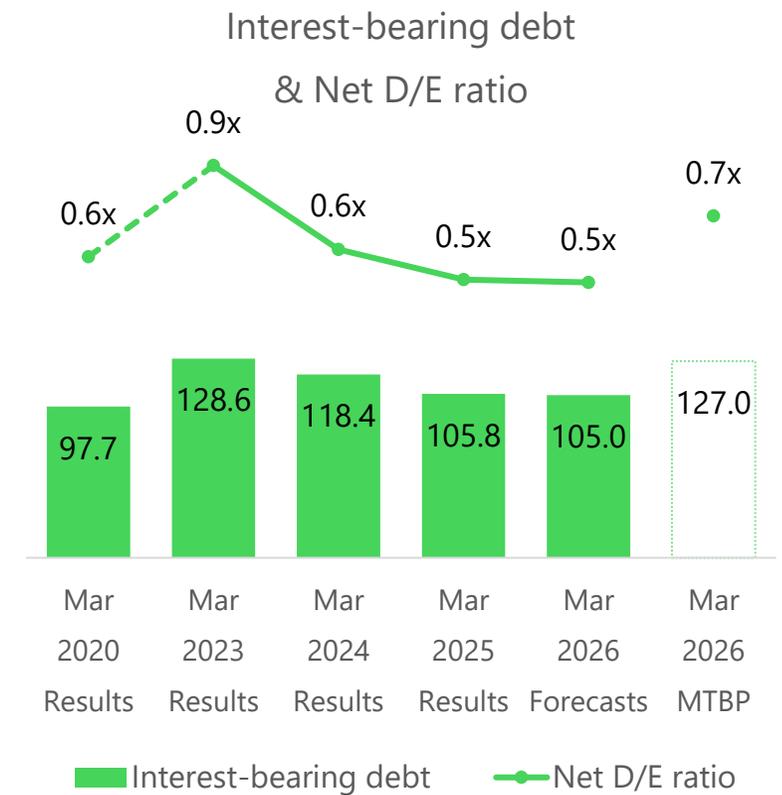
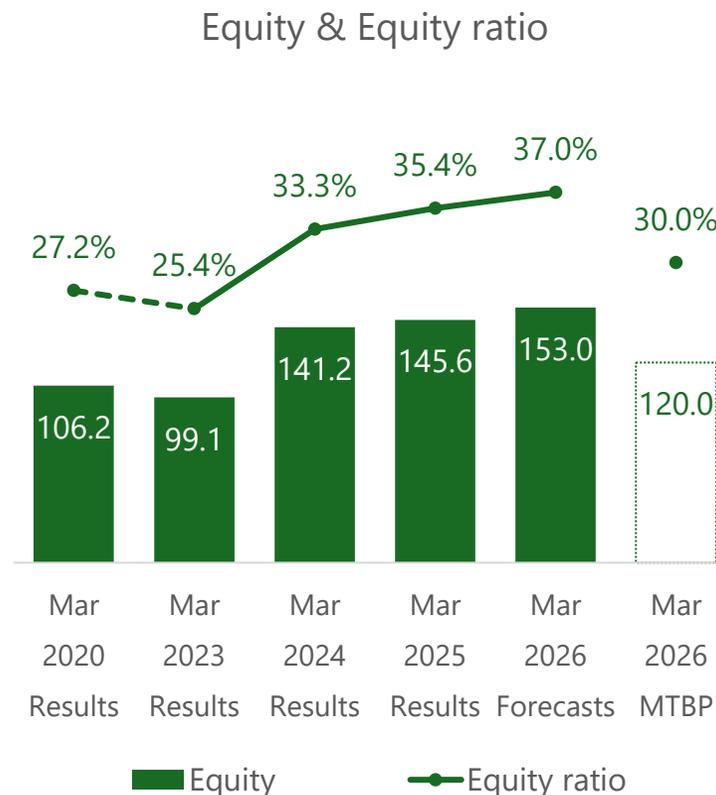
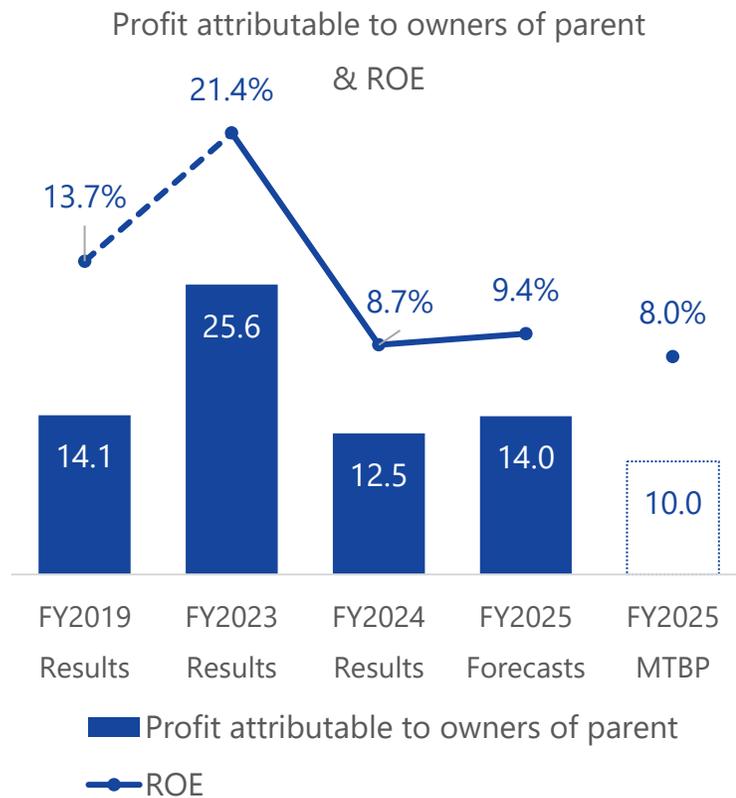
- Acquiring new demand of reshoring production arising from country risks and other factors
  - Expansion and enhancement of “Comprehensive Manufacturing Service” offerings
  - Capture demand for printed circuit boards for booming AI semiconductors and for space and defense applications
- Optimization of production locations and investments

(Billion Yen)	FY2022 Results	FY2023 Results	FY2024 Results	FY2025 Forecasts
Sales: Total	75.3	73.9	65.9	76.5
Operating Income	2.3	1.1	(0.8)	4.0

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# Management Targets of Medium-Term Business Plan

- Sales and Profit: Steadily recovering to FY2019 level, progressing toward the targets
- ROE: Exceeded the 8% target, progressing toward long-term target of 10%
- Interest-bearing debt & Equity: Achieved the target ahead of schedule, and Financial Foundation steadily recovered



MTBP: Medium-Term Business Plan

# Progress of Medium-Term Business Plan

Growth Businesses	Public Solutions	<ul style="list-style-type: none"><li>Steady progress as a Growth Business, supported by favorable conditions in defense sector on top</li></ul>
	EMS	<ul style="list-style-type: none"><li>Focus on restoring profitability in FY25, with a strategic review in the next Medium-Term Business Plan</li></ul>
Stabilizing Businesses	Enterprise Solutions	<ul style="list-style-type: none"><li>Complete stabilizing profits in FY25, then shift away from stabilizing stage in the next Medium-Term Business Plan</li></ul>
	Component Products	<ul style="list-style-type: none"><li>With participation in ETRIA, a clear path has been set for structural reforms.</li></ul>
Creating Future Businesses	<ul style="list-style-type: none"><li>Complete preparations in FY25 for CFB mass production of photonics and power semiconductors in FY26</li><li>Accelerate collaboration with startups to solve social issues in the Global South region.</li></ul>	

→ Specifying “Steering toward Growth 2<sup>nd</sup> Stage” in the next Medium-Term Business Plan

# (Reference) FY2024 Results by Segment

(Billion Yen)		FY2023 Results	FY2024 Results	YoY		Feb 6, 2025 Forecasts	Change to Forecasts	
				Variance	Ratio		Variance	Ratio
Public Solutions	Net Sales	94.0	<b>130.5</b>	+36.5	+39%	132.0	(1.5)	(1%)
	Operating Income	4.4	<b>14.1</b>	+9.7	+220%	11.0	+3.1	+28%
	Operating Income Ratio	4.7%	<b>10.8%</b>	+6.1%		8.3%	+2.5%	
Enterprise Solutions	Net Sales	180.1	<b>179.8</b>	(0.3)	(0%)	178.0	+1.8	+1%
	Operating Income	22.0	<b>13.1</b>	(8.9)	(40%)	15.0	(1.9)	(13%)
	Operating Income Ratio	12.2%	<b>7.3%</b>	(4.9%)		8.4%	(1.1%)	
Component Products	Net Sales	73.4	<b>75.8</b>	+2.4	+3%	76.0	(0.2)	(0%)
	Operating Income	0.6	<b>2.9</b>	+2.3	+383%	2.0	+0.9	+45%
	Operating Income Ratio	0.8%	<b>3.8%</b>	+3.0%		2.6%	+1.2%	
EMS	Net Sales	73.9	<b>65.9</b>	(8.0)	(11%)	67.0	(1.1)	(2%)
	Operating Income	1.1	<b>(0.8)</b>	(1.9)	(173%)	0.0	(0.8)	±0%
	Operating Income Ratio	1.5%	<b>(1.2%)</b>	(2.7%)		(0.0%)	(1.2%)	
Others	Net Sales	0.4	<b>0.4</b>	±0.0	±0%	0.0	+0.4	±0%
	Operating Income	(1.1)	<b>(1.5)</b>	(0.4)	+36%	(1.8)	+0.3	(17%)
Corporate/Eliminations	Operating Income	(8.3)	<b>(9.2)</b>	(0.9)	0	(10.2)	+1.0	(10%)
Total	Net Sales	421.9	<b>452.5</b>	+30.6	+7%	453.0	(0.5)	(0%)
	Operating Income	18.7	<b>18.6</b>	(0.1)	(1%)	16.0	+2.6	+16%
	Operating Income Ratio	4.4%	<b>4.1%</b>	(0.3%)		3.5%	+0.6%	

# (Reference) FY2025 Forecasts by Segment

(Billion Yen)		FY2024 Results	FY2025 Forecasts	YoY	
				Variance	Ratio
Public Solutions	Net Sales	130.5	<b>141.5</b>	+11.0	+8%
	Operating Income	14.1	<b>13.5</b>	(0.6)	(4%)
	Operating Income Ratio	10.8%	<b>9.5%</b>	(1.3%)	
Enterprise Solutions	Net Sales	179.8	<b>157.5</b>	(22.3)	(12%)
	Operating Income	13.1	<b>11.0</b>	(2.1)	(16%)
	Operating Income Ratio	7.3%	<b>7.0%</b>	(0.3%)	
Component Products	Net Sales	75.8	<b>72.5</b>	(3.3)	(4%)
	Operating Income	2.9	<b>3.0</b>	+0.1	+2%
	Operating Income Ratio	3.9%	<b>4.1%</b>	+0.2%	
EMS	Net Sales	65.9	<b>76.5</b>	+10.6	+16%
	Operating Income	(0.8)	<b>4.0</b>	+4.8	-
	Operating Income Ratio	(1.2%)	<b>5.2%</b>	+6.4%	
Others	Net Sales	0.4	<b>2.0</b>	+1.6	+345%
	Operating Income	(1.5)	<b>(1.5)</b>	(0.0)	-
Corporate/Eliminations	Operating Income	(9.2)	<b>(11.0)</b>	(1.8)	-
Total	Net Sales	452.5	<b>450.0</b>	(2.5)	(1%)
	Operating Income	18.6	<b>19.0</b>	+0.4	+2%
	Operating Income Ratio	4.1%	<b>4.2%</b>	+0.1%	
	Ordinary Income	16.8	<b>17.0</b>	+0.2	+1%
	Profit attributable to owners of parent	12.5	<b>14.0</b>	+1.5	+12%

Exchange Rate	FY2024	FY2025
USD/JPY	152.6	150.0
EUR/JPY	163.7	155.0

# (Reference) Enterprise Solutions Sub-Segment in Old Format

(Billion Yen)

## A) Old Format

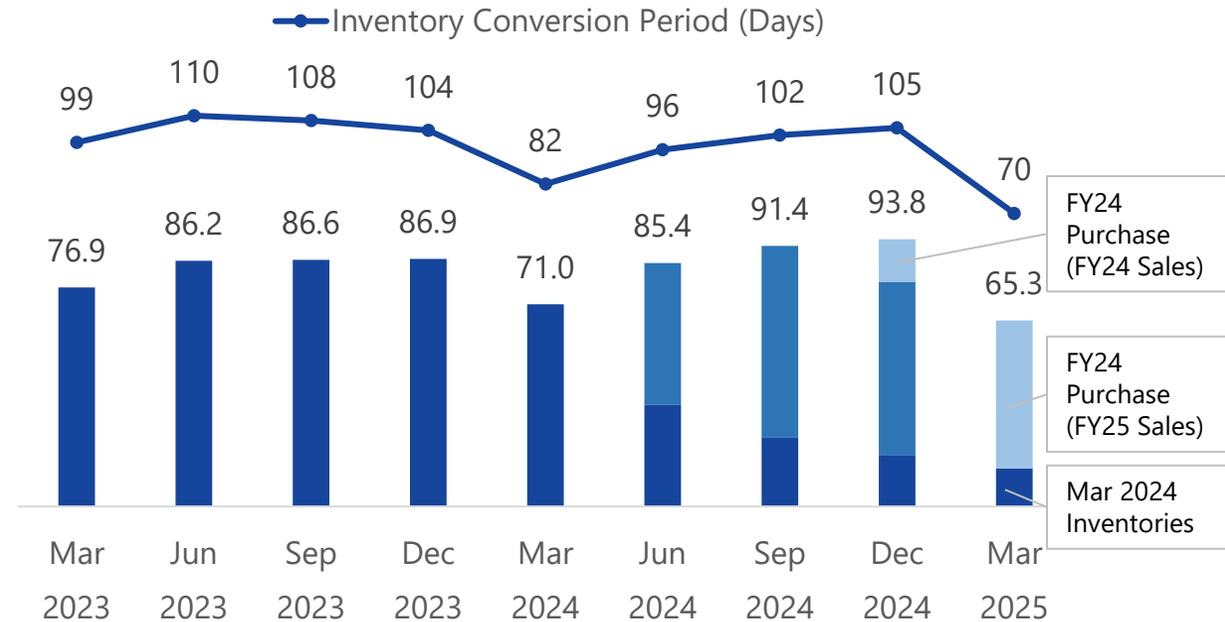
(Billion Yen)	FY2022 Results	FY2023 Results	FY2024 Results
Sales: Hardware/Solution	63.7	125.8	124.3
Sales: Service Business	49.2	54.4	55.5
Sales: Total	112.9	180.2	179.8
Operating Income: Hardware/Solution	(4.9)	7.1	7.9
Operating Income: Service Business	6.4	10.8	9.1
Operating Income: One-time factor	-	4.1	(3.9)
Operating Income: Total	1.5	22.0	13.1

## B) New Format

(Billion Yen)	FY2022 Results	FY2023 Results	FY2024 Results
Sales: Hardware/Solution	47.1	106.1	102.9
Sales: Service Business	65.8	74.0	76.9
Sales: Total	112.9	180.1	179.8

# (Reference) FY2024 Balance Sheet

(Billion Yen)	End of Mar 2024	End of Mar 2025	Variance
Current Assets	239.7	231.9	(7.8)
Fixed Assets	183.7	179.1	(4.6)
Assets	423.4	411.0	(12.4)
Current Liabilities	188.4	167.0	(21.4)
Fixed Liabilities	93.7	98.2	+4.5
Liabilities	282.1	265.2	(16.9)
Equity	141.2	145.6	+4.4
Others	0.1	0.1	+0.0
Net Assets	141.3	145.7	+4.4
Total liabilities & net assets	423.4	411.0	(12.4)
Equity ratio (%)	33.3	35.4	+2.1
D/E ratio (Times)	0.8	0.7	(0.1)



# (Reference) FY2024 Cash Flow

(Billion Yen)	FY2023 Results	<b>FY2024 Results</b>	YoY Variance
I Cash flows from operating activities	24.7	<b>39.3</b>	+14.6
II Cash flows from investing activities	(14.3)	<b>(19.6)</b>	(5.3)
Free cash flows ( I + II )	10.4	<b>19.7</b>	+9.3
III Cash flows from financing activities	(15.7)	<b>(17.9)</b>	(2.2)

Purchase of PP&E and intangible assets	17.0	<b>16.8</b>	(0.2)
Depreciation	14.2	<b>15.0</b>	+0.8

(Billion Yen)	End of Mar 2024	<b>End of Mar 2025</b>	Variance
Cash and cash equivalents	34.4	<b>36.2</b>	+1.8

# (Reference) FY2025 Investments & FCF

Investments (Billion Yen)	FY2024 Results	FY2025 Forecasts	YoY Variance
Capital Expenditure	18.5	22.0	+3.5
Depreciation	13.2	16.0	+2.8
R&D	11.0	10.0	(1.0)

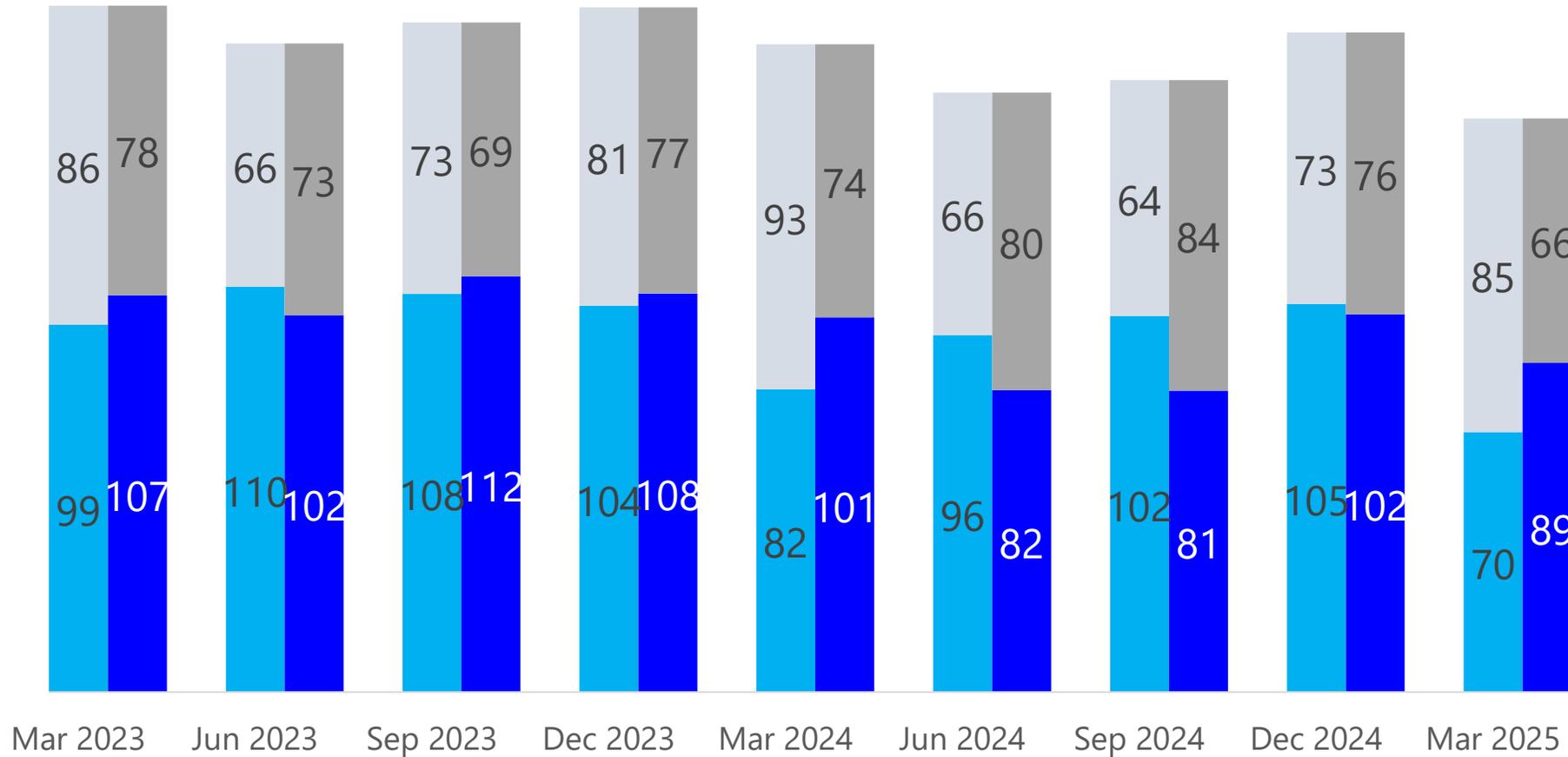
Cash Flows (Billion Yen)	FY2024 Results	FY2025 Forecasts	YoY Variance
I Cash flows from operating activities	39.3	28.0	(11.3)
II Cash flows from investing activities	(19.6)	(21.0)	(1.4)
Free cash flows ( I + II )	19.7	7.0	(12.7)

# (Reference) Quarterly Results by Segment

(Billion Yen)		FY2023					FY2024				
		Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Public Solutions	Net Sales	19.3	20.0	24.5	30.1	94.0	19.1	22.2	29.0	60.2	130.5
	Operating Income	(0.1)	(0.7)	1.4	3.9	4.4	(1.3)	0.7	3.2	11.4	14.1
Enterprise Solutions	Net Sales	27.4	36.5	51.5	64.7	180.1	45.2	41.9	45.4	47.4	179.8
	Operating Income	1.9	2.0	6.6	11.4	22.0	7.8	3.5	0.5	1.4	13.1
Component Products	Net Sales	17.0	17.9	18.5	20.0	73.4	17.9	18.7	19.2	19.9	75.8
	Operating Income	(0.8)	1.3	(0.8)	0.9	0.6	(0.1)	1.1	1.2	0.8	2.9
EMS	Net Sales	17.7	18.8	17.1	20.3	73.9	15.6	16.8	15.7	17.8	65.9
	Operating Income	0.6	0.3	(0.1)	0.3	1.1	(0.6)	(0.4)	(0.6)	0.8	(0.8)
Others	Net Sales	0.1	0.1	0.1	0.1	0.4	0.1	0.1	0.1	0.2	0.4
	Operating Income	(0.1)	(0.3)	(0.3)	(0.4)	(1.1)	(0.4)	(0.3)	(0.2)	(0.4)	(1.5)
Corporate/Eliminations	Operating Income	(1.4)	(1.5)	(2.2)	(3.2)	(8.3)	(1.6)	(2.2)	(2.6)	(2.9)	(9.2)
<b>Total</b>	<b>Net Sales</b>	<b>81.5</b>	<b>93.3</b>	<b>111.8</b>	<b>135.3</b>	<b>421.9</b>	<b>97.9</b>	<b>99.7</b>	<b>109.3</b>	<b>145.5</b>	<b>452.5</b>
	<b>Operating Income</b>	<b>0.0</b>	<b>1.0</b>	<b>4.8</b>	<b>12.9</b>	<b>18.7</b>	<b>3.9</b>	<b>2.3</b>	<b>1.5</b>	<b>11.0</b>	<b>18.6</b>

# (Reference) Cash Conversion Cycle History

(Days)



■ Inventory Conversion Period 
 ■ CCC: Cash Conversion Cycle 
 ■ Receivable Collection Period 
 ■ Payable Deferral Period

# (Reference) Major Products and Services

<b>Public Solutions</b>	<ul style="list-style-type: none"><li>• Roads (ETC, VICS), air traffic control, disaster prevention, firefighting</li><li>• Business systems for central government offices, government statistics systems</li><li>• Defense systems (underwater acoustics, information)</li><li>• Aviation equipment</li><li>• Infrastructure monitoring</li><li>• Carrier networks, video distribution, 5G/local 5G</li></ul>
<b>Enterprise Solutions</b>	<ul style="list-style-type: none"><li>• ATMs, cash handling equipment</li><li>• Bank branch terminals, ticket reservations issuing terminals, check-in terminals</li><li>• ATM monitoring/operation services</li><li>• Bank branch systems, system to centralized back-office operations</li><li>• Railway ticket issuance systems, airport check-in systems</li><li>• Manufacturing systems (ERP, IoT)</li><li>• Construction and Maintenance Services</li></ul>
<b>Component Products</b>	<ul style="list-style-type: none"><li>• AI edge computers, sensors, IoT networks</li><li>• PBXs, business phones, contact centers</li><li>• Cloud services</li><li>• LED printers</li></ul>
<b>EMS</b>	<ul style="list-style-type: none"><li>• Consigned designing and manufacturing services</li><li>• Printed circuit boards</li><li>•</li></ul>

- ✓ The projections and plans in this material are based on information currently available to OKI as of the date of publication and certain assumptions judged as rational, therefore actual results are subject to change depending upon the changes of business environments and other conditions.
- ✓ Indication method of amounts in hundred millions (yen) are as follow:  
Amounts in each item are rounded to the nearest hundred million yen. Variances are calculated in the hundred millions.