

OVERVIEW OF OPERATIONS

SOLUTIONS & SERVICES

We deliver solutions and services addressing various issues of our customers by leveraging amassed know-how in business systems.

The solutions & services business provides solutions and services leveraging know-how and technologies amassed through our work in offering business systems to customers in such industries as finance, government agencies, transportation, retail, and manufacturing.

In the solutions business, we provide products that address the various issues and requests of our customers. We contribute to increased efficiency of the branch operations of financial institutions in such areas as bank branch systems and centered-administration systems for financial institutions in Japan. In addition, we are working to achieve further development in sales of financial systems in the Chinese market. We also excel in salary payment systems for government agencies, ticket reservation and issuing systems for the travel and transportation industries, and business systems for the manufacturing sector.

In the services business, we offer services that support customers with “asset-free” business models. We are developing services provided by “EXaaS”, such as

cloud computing services that enable shared use of business systems, Life Cycle Management (LCM) services that help manage business terminals such as ATMs, PCs, printers, and smartphones from introduction planning to asset management to operational support, Business Process Outsourcing (BPO) services where some operations are conducted on behalf of our customers, and other services. In March 2014, we established the ATM-LCM Operation Center, the industry-first shared ATM operation center for multiple financial institutions, to reinforce the structure for the ATM-LCM service. Adopting a new work flow system, the center contributes to improving the operation quality of financial institutions and customer satisfaction.

In the maintenance business, we fully use one of the industry’s broadest service networks across the country in providing high- and uniform-quality maintenance services to all customers around Japan. Furthermore, we are expanding multi-vendor maintenance in new fields, such as medical and energy, among others.

Cloud Computing Service “EXaaS”



“EXaaS” provides cloud computing services alongside BPO services and LCM services, realizing optimization of total life cycle costs.

EXaaS Foreign Exchange OCR Service is used at Tokyo Tomin Bank



The Tokyo Tomin Bank, Limited has adopted the EXaaS foreign exchange OCR service. Without need of its own equipment, introduction of the cloud-computing service enables the bank to realize more efficient task-processing and operations in bank transfers.

TELECOM SYSTEMS

We provide network infrastructures, which form the backbone of society, as well as communication systems that enhance corporate competitiveness.

The telecom systems business provides communication systems and services leveraging our technology and know-how to link people and goods to telecom carriers, service providers, companies, and other customers.

The business provides large-scale network infrastructures, such as IP multimedia systems, and GE-PONs*¹ supporting increasingly sophisticated access networks to telecom carriers and service providers. The business also provides home ICT solutions, such as next-generation home gateway products, servers that efficiently deliver 4K/8K video, and VoIP applications for smartphones that enable high-quality voice transmission. The telecom business is seeking to broaden its business domain by providing infrastructure to telecom carriers geared to the changing market environment and by developing and offering products enabling a greater range of services over the infrastructure.

For enterprises, we offer competitive products and services in the IP networks field. We are working to expand sales with new products for our call center systems, where we are the domestic market share leader, and for IP-PBXs we developed with our alliance partners. We are also focusing on videoconferencing systems, which have gained attention as a BCP*² measure.

The telecom systems business provides smart network solutions matched to customer needs, including new products utilizing wireless multi-hop network technologies for the 920 MHz frequency band, with the aim of realizing a low-carbon society and building disaster-resilient communities through the use of telecommunications technologies.

*1 GE-PON: Gigabit Ethernet-Passive Optical Network

*2 BCP: Business Continuity Plan

Wireless 920MHz Telecommunication Module



This telecommunication module adds a wireless function to sensors and measurement hardware, using our wireless 920MHz band multi-hop network technologies. This high-reliability module can easily be embedded into devices.

CrosCore® Series Office Communication System



The CrosCore system becomes a core for communication in small and medium-sized offices. It equips many business phone functions and various communication terminals to connect to the internet and LAN systems. Furthermore, it also provides intruder detection sensors and can respond to Earthquake Early Warnings.

SOCIAL INFRASTRUCTURE SYSTEMS

We offer social infrastructure systems that contribute to public safety and security by meeting the needs of government agencies and local governments.

The social infrastructure systems business provides customized social infrastructure systems for government agencies, local governments, and other entities. We build social infrastructures that offer safety, security, comfort, and convenience by delivering products and services that make use of our advanced and unique technologies in telecom networks, mechatronics, and acoustics.

In the transportation infrastructure field, we provide flight control systems, ETC, VICS^{*1}, and other ITS^{*2}-related systems with the aim of enhancing convenience and ensuring user safety, security, and comfort. We also developed and is offering new services including the Customer-welcoming System incorporated DSRC^{*3} as well as safety and information support services employing vehicle to vehicle communication.

For local governments, we provide firefighting navigation systems, digital wireless communication systems for firefighting and emergency use, disaster prevention administrative

radio systems for municipalities, and VoIP community bulletin systems. Demand for digitalization of devices for the firefighting and emergency radio system is growing before the planned shift to digital transmission in 2016. We supply systems with a level of operability and durability to local governments.

In April 2014 OKI established a call center for social infrastructure systems to reinforce our maintenance support services for these infrastructure systems.

In addition, we provide self-defense equipment based on our core expertise in acoustic and info-telecom technologies.

We will continue to provide social infrastructure systems that contribute to the safety, security, and comfort of communities harnessing our strengths.

*1 VICS: Vehicle Information and Communication System

*2 ITS: Intelligent Transport Systems

*3 DSRC: Dedicated Short Range Communication

OKI's River Monitoring System is Used for Field-test at NICT Test Bed, the Sawayama Basin in Chikuma-city,



For one test bed site prepared by the National Institute of Information and Communication Technology (NICT), we developed and delivered a river monitoring system that enables remote monitoring of river water levels using a wireless 920 MHz band multi-hop network to collect data via sensors for tracking water levels and rainfall amounts.

Digital Wireless Communication Systems for Firefighting and Emergency Use



Towards the digitalization of the system in 2016, we will deploy car wireless systems and portable wireless devices at fire department headquarters nationwide and supply total support service from operations to maintenance.

MECHATRONICS SYSTEMS

Capitalizing on its core strength in mechatronics technologies, OKI offers ATMs and cash handling equipment, as well as ticket reservations and issuing terminals, check-in terminals, and other equipment for financial institutions and the travel and transportation industry.

The mechatronics systems business provides products built around OKI's core mechatronics technologies. The business supplies ATMs, other cash handling equipment, and bank branch terminals for the financial industry and for the travel and transportation industries ticket reservations and issuing terminals and automated check-in machines.

OKI is a leader in ATMs, with a leading share in the domestic market. In China, as well, we are solidifying our position as a top vendor of cash recycling ATMs. In Japan, our strategy for the future is to capture ATM replacement demand from financial institutions and retail stores, as well as to actively continue selling of the "ATM-Recycler G7", a cash recycling ATM that can handle banknotes in multiple currencies in overseas markets. In addition to the China market, which we expect to continue steadily growing, we have made fully-fledged entry into Brazil, where we established OKI Brasil in January 2014. We will also accelerate business development of new markets with growth potential such as Russia, Indonesia, and India, and strive to expand our market shares in each of these regions.

The "RG7 Currency Exchanger", a currency exchange machine capable of recycling deposits and withdrawals in multiple currencies from a single unit, helps enhance efficiency in foreign currency exchange operations for customers such as foreign exchange firms and travel agencies, and improve customer convenience. The "RG7 Currency Exchanger" is in use at Japan's Narita International Airport and Tokyo International Airport, Haneda, and we are working to extend adoption further both at home and overseas.

In cash handling equipment, we have a wide lineup of products that includes integrated cash management systems, recycling withdrawal/deposit machines, and coin and banknote change machines. We are deploying these products tailored to the requirements of our customers in the financial, retail, and other sectors. We have also developed new products for the Chinese market with the aim of expanding sales in this market, which we have developed with our ATM business.

We will strive to become a top global mechatronics manufacturer by offering products that match the needs of customers in Japan and overseas.

ATM Business Company, OKI Brasil, Starts Operations



OKI Brasil commenced operations in January 2014, established through a business acquisition from Brazil's second-largest ATM and cash dispensers (CD) vendor. We are expanding our ATM business from our foothold in Brazil across Central and South America.

Entry into Indian ATM market



We delivered our cash-recycling ATMs, "ATM-Recycler G7," to State Bank of India, the largest bank in India. Home to Asia's third-largest base of ATMs and CDs in operation, India is a promising market with prospects for rapid growth.

PRINTERS

We provide printers and multifunction printers based on the superiority of LED technologies to customers worldwide, contributing to the enhancement of business efficiency.

In the printers business, OKI specializes in business-use machines, deploying its renowned expertise in LED technologies to make color and monochrome LED printers, multifunction printers, and dot-impact printers to customers in 100 countries around the world. In 1981, we developed the world's first printer using LEDs as the light source. Compared with the laser method used by our competitors, these products have advantages in terms of compact design, high speed, and high resolution. They are also capable of printing on long sheets of paper and can handle a diversity of media. Drawing on the high reliability of LED printers, OKI created the COREFIDO Series for the Japanese market—the first in the industry with a free five-year warranty. Further, we have also been able to offer maintenance products free of charge under the COREFIDO2 Series.

Introducing high-value-added products into growing sectors based on the printer business strategy launched in

March 2013, OKI has focused on reorganizing the printers business structure to secure profits. In the office solutions market, we develop solution proposals featuring the combination of standard application and multifunction printers equipped with Open Platform technology. In the professional printing market, we are introducing compact, high-value-added printers with printing capabilities including white and clear toners with the aim of replacing the high-priced single-purpose equipment that has dominated the market. We are also continuously focusing on Managed Print Services (MPS) that respond to the shift of customer needs: removal the burden of ownership.

OKI is committed to providing highly reliable LED printers to customers around the world in its quest to enhance business efficiency and create comfortable office environments.

A4 Color LED Multifunction Printer "MC780"



"MC780" A4 color LED multifunction printer for offices is our first to feature built-in Open Platform technology and enhances our ability to offer optimal solutions.

Five-Color Toner LED Printer "C941dn"



"C941dn" is OKI Data's first five-color toner LED printer supporting paper sizes up to A3+ for the professional market. With white and clear toner options, it can print on a range of media such as cardboard and transparent film.

EMS

Leveraging the exceptional design and manufacturing technologies of the OKI Group, we develop high-end electronic manufacturing services as the virtual factory of our customers.

The EMS business provides consigned design and manufacturing services covering mechatronics and electronics components underpinned by design and manufacturing technologies and a proven track record amassed over more than 100 years in the info-telecom field. In this business, we offer one-stop EMS solutions, from development to mass production, according to the conceptual and requirement specifications of our customers.

Our EMS business enables us to address diversified requirements for high-end products in every field, characterized by high quality, high reliability, and a wide variety of products in small quantities. OKI is particularly strong in two areas: mechatronics products that require high-precision mechanisms, and products that require large-scale and multiple-layer substrates technology and high-speed signal processing.

Currently, OKI is providing services in the markets for communications equipment, measuring instruments, industrial instruments, and medical equipment. Going forward, we will expand the scope of our businesses by entering into new

fields, such as energy, and by undertaking not only consigned design and manufacturing but also consigned reliability assessments, with the aim of acquiring new customers.

To further strengthen our printed circuit board business for high-end products, we completed the transfer of the printed circuit board business from TANAKA KIKINZOKU KOGYO K.K. and established OKI Circuit Technology Co., Ltd.* and we established OKI IDS, which consigns design and development, in March 2014. Through these moves, OKI seeks to expand its integrated consigned production business, which extends from the design and production of printed circuit boards through the assembly of final products.

OKI aims to provide total monozukuri (manufacturing) solutions and to continue being entrusted with consignment production of highly reliable devices for our customers as their own "virtual factory".

* OKI Circuit Technology Co., Ltd. changed its corporate name on April 1, 2014 from its former name of OKI TANAKA Circuits Co., Ltd.

Established Design and Development Service Provider OKI IDS



OKI IDS was established in March 2014 to further expand the EMS business by bolstering the Group's capabilities in design and development.

Production Lines achieving High Quality and Reliability with OKI-developed Technologies



Based on the advanced design and manufacturing technologies cultivated in the info-telecom business, we are focusing on in-house development of leading-edge technologies to offer one-stop EMS solutions for high-quality and high-reliability products.