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## Message from the CEO

The Midterm Management Plan 2025, which is currently underway at the Okamura Group, has reached the end of its second year.

We ended FY2024 with a strong performance, allowing us to revise our targets for the final fiscal year upward and make further progress on our transformation into a demand creating company.

On the milestone of our 80th anniversary, Representative Director Masayuki Nakamura talks about the underlying principles of management that extend beyond the era and environment, the status of business expansion, and our future outlook.

## Message from the CEO

**Paving the way for the next era  
as a demand creating company,  
with 80 years of challenges  
in our hearts**

Representative Director,  
President and Chief Executive Officer

**Masayuki Nakamura**



## Message from the CEO

### The Okamura Group's History and the Origin of its Power to Create Markets

## The challenge and philosophy of anticipating change and shaping undiscovered value

Okamura Corporation celebrated its 80th anniversary in October 2025. In our FY2024 financial results, we surpassed 300 billion yen in consolidated net sales and achieved steady growth as a Group. I would like to begin by expressing my sincere gratitude to all stakeholders who have supported the Okamura Group thus far.

The Okamura Group, with its Purpose of “Realizing a society where people can thrive,” provides high-quality products and services for offices, commercial and logistics facilities, factories, and various other spaces where people are active. In the Okamura Way, which is a systematic compilation of our management philosophy, we have expressed that it is our Mission to “Contribute to society by creating environments where people can thrive with rich ideas and reliable quality.”

Looking back on our history, our founder Kenjiro Yoshiwara initially worked at a wartime factory belonging to Japan Aircraft Manufacturing Co., Ltd. In 1945, immediately after the war, the factory stopped operating and Yoshiwara lost his job. In the same year, Yoshiwara and some of his fellow aircraft engineers pooled their funds, skills, and manpower to establish the Okamura Manufacturing Facility, a cooperative industry. Since our founding, those that came before us have passed down an unchanging attitude of anticipating changes in the times and conceptualizing and shaping yet nonexistent value.

Initially, the Company made goods used in everyday life. When we decided that steel furniture would be our next core product, we were regarded as an anomaly in the industry, since most furniture in Japan immediately after the war was made of wood. However, when Yoshiwara led a management team on an observation tour to the United States in 1959, they witnessed that every office they visited used steel furniture, and this affirmed the product's high quality and growth potential. Furthermore, given that supermarkets also used system fixtures made of high-quality steel, the Company formed technology partnerships with overseas manufacturers of store fixtures. Steel furniture subsequently became mainstream in the market, leading to our business expansion and a commitment to quality under

the motto “Quality pays for itself.” Our attitude of never giving up in the face of difficulties, being committed to reliable manufacturing, and working to create markets has been passed down continuously to this day.

The environment surrounding the Okamura Group is currently in the midst of a major upheaval with the declining population, digitalization, and globalization. While the declining population has brought about issues such as a shrinking domestic market, digitalization is an opportunity to change work styles and spaces, and globalization is an opportunity to expand new markets and partnerships.

Until now, we have grown by anticipating changes in the times and creating markets. Driven by this power to create, we will accelerate our transformation into a demand creating company in FY2025, the final year of the Midterm Management Plan 2025. Starting with the social issues of labor shortages and environmental impact, we will take on the challenges of developing labor-saving fixtures and energy-saving products and creating new spaces that blend digital and physical spaces, to evolve the value we provide in a changing our society and the market.

### Okamura's Business Approach

## The power to turn environmental changes into future markets

Creating a market is like planting a seed. We plant a seed of future potential in a patch of soil that no one else has discovered yet. Until it sprouts, it may look from the outside as if nothing has changed. However, Okamura's business approach is to believe in the seed, look for signs of change, and patiently nurture it until it takes shape.

In the case of the Office Furniture Business, this is exemplified in our use of telework, which spread rapidly during the COVID-19 pandemic. TELECUBE by OKAMURA, private work booths for online meetings and concentrated work, quickly spread to offices, train stations, and public facilities. This was a seed that sprouted in the blink of an eye in response to changes in the social environment. Although society has finally begun shifting back to working from the office, the mainstream work style has become activity-based working (ABW), in which people



Management  
Philosophy:  
Okamura Way

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The Okamura  
Group's History

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choose when and where to work based on the content of their job. This has given rise to a new need to secure power sources compatible with hot-desking. In response to this, we developed the “OC,” a portable battery that can power computers and other devices. Some questioned the necessity of this product when it was first developed, but we commercialized it with the belief that it was sure to be required for future work styles. Indeed, it has been used in a variety of spaces and sales have increased significantly.

On the other hand, some seeds take longer to sprout. In the Store Displays Business, display shelf with slide function was launched in 1993 as a product that could reduce the time it took employees to restock by 82% (based on Okamura’s study), but its use was initially limited. However, with the severe labor shortage in recent years, its effectiveness at labor saving has been reevaluated, and its use is now commonplace at a large number of stores. Furthermore, the product has begun to sprout new buds that blend fixtures with digital technology. Anticipating the spread of self-checkouts in stores, we teamed up with an electrical equipment manufacturer to introduce shopping carts equipped with weight sensors that allow customers to handle payment by themselves in their carts. In addition, we are also working on efforts to encourage purchases through optimal information dissemination at the point of sale using digital signage. These will significantly change the way that stores are operated in the era of labor shortages and create new demand.

In the Material Handling Systems Business, we pioneered AutoStore, an automated robot storage system, in Japan. The system was first used in large corporations and has since expanded to various industries and business types. It has now grown to become the pillar of the business.

The three core strengths of the Okamura Group are our ability to solve customers’ issues that allow us to tackle the problems they cannot solve alone, reliable manufacturing to support these solutions, and the ensuing relationships of trust with our customers. Detecting signs of change, giving shape to value, and using the above three strengths to make it take root in society—this is precisely the new value that we provide. New value sprouts slowly and quietly that no movement can be seen from the outside.

As social structures, work styles, and consumer behaviors undergo significant changes, we will further refine our three strengths that we have cultivated thus far:

our ability to solve customers’ issues, reliable manufacturing, and relationships of trust with customers. New business opportunities are steadily taking shape in the Office Furniture, Store Displays, Material Handling Systems, and Overseas businesses. Going forward, we will expand efforts to combine the digital and physical, and to evolve our business model while accelerating value creation.



The Okamura Group’s Strengths

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### Progress of the Midterm Management Plan 2025

## Sustainable growth brings cross-sectoral capabilities and frontline challenges

As the first year of the Midterm Management Plan 2025, FY2023 was a year of further progress in our transformation to a demand creating company. We quickly detected signs of change, gave them shape, and demonstrated the ability to deliver to customers in every aspect of business, ensuring that it led to growth.

### Aims of the Midterm Management Plan 2025





## Message from the CEO

Reflecting on the external environment, the flow of people and economic activities had recovered both domestically and overseas since the COVID-19 pandemic, and there was an increase in inbound demand. On the other hand, the business environment continues to grow more severe due to the rising cost of raw materials and energy stemming from the continuing depreciation of the yen, persistently high logistics costs, and labor shortages due to the declining working population. Under these circumstances, many companies are accelerating investments in labor-saving measures and productivity improvement, which has given us more opportunities to create new demand.

In FY2024, the second year of the Midterm Management Plan, the Office Furniture Business, Store Displays Business, and Material Handling Systems Business all achieved record-high sales. The Office Furniture Business responded rapidly to changes in work styles such as the spread of hybrid work and the intensification of competition in acquiring talent. By accurately capturing demand for office renovation, the business increased its opportunities to propose new value and achieved a record-high segment operating profit, excluding the impact of amortization of goodwill. The Store Displays Business saw a decrease in profit due to increased labor costs associated with strengthening systems for responding to

future demand. The Material Handling Systems Business, on the other hand, achieved a significant increase in profits due to demand for automated operation and labor-saving solutions, which strongly underpinned the Company's overall profits. As a result, excluding the impact of amortization of goodwill, we effectively achieved a record-high operating profit on a company-wide basis.

These results were underpinned by the passing of increased costs onto selling prices over several years and the supply chain reforms that are currently being implemented. Our peak season, including for office renewals, is February and March, when many companies close their fiscal year and make personnel changes. Since orders are concentrated during this period, there is an industry-wide problem with the difficulty in providing a continuous supply through March without running out of stock. To resolve this issue, we implemented a project in which standing inventory items were narrowed down to best-selling products across departments such as sales and production. Using various processes to narrow down potential standing inventory items to best-selling products allowed us to optimize inventory management and production planning and deliver what customers want when they want it. As a result, sales of standing inventory items increased by 1.3 times compared to the previous year. Furthermore, the optimization of inventory management increased the manufacturing capacity availability for made-to-order items, increasing sales of made-to-order items by 1.2 times. We were able to continue to respond thoroughly to customer demand and maintain stable sales until the peak season ended at the end of March. As a result, in Q4, the Office Furniture Business recorded significant year-on-year increases of 111% in net sales and 131% in operating profit. This serves as numerical evidence that supply chain reforms are properly functioning as a mechanism to maximize sales opportunities during peak season and increase profitability.

Behind these results are efforts to transform our business structure by having frontline employees and management work together to detect and respond to signs of change. The supply chain reforms have advanced the sharing of knowledge and collaboration between businesses, significantly improving the quality of our ability to make proposals and the speed of response to market changes. Such reforms and company-wide collaboration created synergies and further strengthened the foundation for growth in the final year. With this foundation, we will further accelerate our efforts to turn changes into opportunities and continue to create new value that society needs.



Overview of  
the Midterm  
Management  
Plan 2025

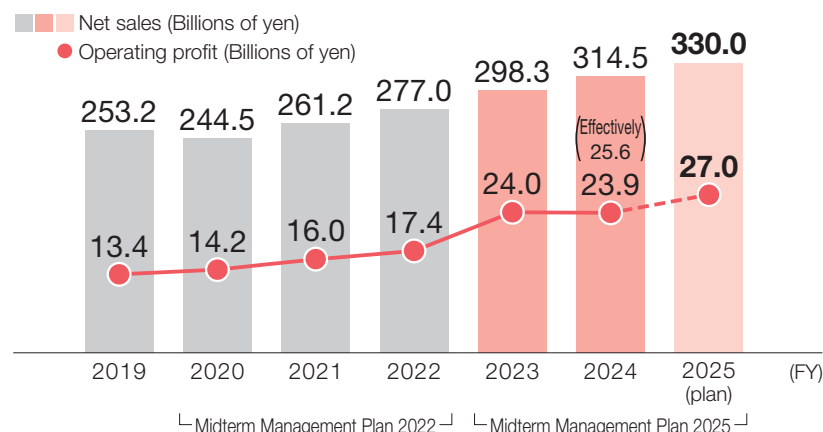
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Strategies for  
Each Business

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### Net sales and operating profit



Note: Stated rounded off to the nearest unit

## Message from the CEO

### Strengthening the Management Foundation

## Becoming a company that turns environmental changes into growth opportunities through investment and reform

In an era of rapid change and uncertainty, we are working to achieve medium- and long-term growth by creating new demand and a stronger management foundation that can respond to changes. We will also make sure that the foundation for growth in the final year of the Midterm Management Plan 2025 will lead to further growth.

Under the theme of human resource development and improving employee engagement, we are promoting Okamura Career Journey, an initiative that provides a space for each employee across the entire Group to challenge themselves through gaining diverse experiences. This will help them realize the careers that they desire, and lead to growth of our business. In April 2025, we opened CROSSGATE, a space for promoting human resource development initiatives. These initiatives and systems is essential for human resource development. At the same time, it is also important for all employees to have a sense of autonomy that allows them to envision their ideal selves, acquire the knowledge and skills that they need, and grow as individuals while feeling fulfilled. We will achieve sustainable growth as a company while enabling both forces. In addition, as a strategic investment in human capital with an eye toward future growth, we implemented a high-level wage increase for the second consecutive year (7.3% in FY2024, 5.48% in FY2025). We are promoting the acquisition and retention of human resources along with improvements in employee engagement in order to create an environment in which all employees can perform to the best of their abilities.

Regarding the use of digital technology, we launched the DX Learning Platform (DXLP) as a space where employees who have identified issues that they wish to resolve can give shape to their ideas through learning and practice. We have begun generating results in various fields by realizing ideas from the frontlines through digital technology, such as the improvement of operations using AI and the sale of data through the metaverse.

With regard to strategic investment in growth areas, in the Store Displays Business, the demand for freezing and refrigerating showcases remains strong due to the

expansion of the frozen food market. In order to respond to this demand, we made a large-scale investment in the establishment of the Suzaka Plant in Nagano Prefecture, which strengthened our development of energy-saving products and production capacity. Through this, we have established a foundation for supply that can stably respond to future increases in demand. In the Material Handling Systems Business, we promoted the expansion of automated warehouse and robot solutions, and our efforts to shape the future logistics infrastructure are steadily progressing. This includes our efforts to commercialize PROGESS ONE, an automated logistics solution using hybrid robotics that are partly autonomous and partly remote-controlled.

We are also accelerating overseas expansion. In Southeast Asia, DB&B Holdings Pte.Ltd, which offers office design, planning, and installation as an integrated service, is steadily scaling up its business by accepting large-scale orders in major cities such as Singapore and increasing business with multinational corporations. We also acquired Boss Design Limited, a high-end furniture brand in the UK, as a foothold to enter the North American and European markets. This acquisition will allow us to expand the sales region of the Group as a whole by combining Okamura's long-cultivated presence in Japan with Boss Design's complementary strength in the UK, Europe, and the Middle East. Furthermore, we will use the dealership networks of both companies to accelerate our entry into the North American market, and utilize production locations in the UK and U.S. and the production systems in Japan to enhance supply flexibility and cost competitiveness. Expansion of the product lineup will also lead to enhancing our overall ability to make proposals both in Japan and overseas. Office spaces in Japan are also changing into diverse environments that incorporate built-in furniture and loose furniture, and Boss Design's furniture has the strategic strength to respond to these needs. Through these efforts, we aim to formally enter the global high-value-added office furniture market and achieve sustainable growth.

From the perspective of broadly strengthening our management foundation for the purpose of future growth, implementing global environmental initiatives and strengthening governance are also important themes. In terms of global environmental initiatives, we will move forward with efforts in response to complexly interrelated environmental crises, by addressing the realization of carbon neutrality, nature positivity, and a circular economy in connection to each other. In terms of strengthening governance, in FY2024, we implemented efforts such as visits to company sites by Outside Officers and information exchange meetings, to increase



#### Production and Supply System

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#### Personnel and Human Resource Development, DX Strategy, and Global Environmental Initiatives

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opportunities for exchange and ensure that Outside Officers understand our businesses. In order to ensure highly transparent management that is consistently trusted by all stakeholders, we will work to strengthen our governance by positioning it as one of our most important management issues.

Thanks to these efforts to strengthen our management foundation, the final-year targets for the Midterm Management Plan 2025 were upwardly revised to 330 billion yen in net sales and 27 billion yen in operating profit. Through the strengthened management foundation, our corporate structure has evolved into one that allows stable and sustainable growth even in a rapidly changing market environment. Starting with this foundation, we will continue to take on the challenge of creating value that will be needed in the next era.

### FY2025 Financial Targets

	FY2022	FY2025 Goal (At time of announcement)	FY2025 Revised Targets (Revised May 9, 2025)	FY2022 to FY2025
Net sales (Billions of yen)	277.0	300.0 or more	330.0	+53.0
Operating profit ratio	6.3%	8.0%	8.2%	+1.9 pts
Operating profit (Billions of yen)	17.4	24.0	27.0	+9.6
ROE	8.8%*	10.0%	10.0%	+1.2 pts

\*Excluding gain on sales of securities (Before exclusion: 10.8%)

### Okamura's Role

## Creating value needed in the next era

Although we have strengthened our management foundation, the business environment is currently changing at an unprecedented speed. With the declining working population, the worsening labor shortage, the rapid evolution of digital technology, and the intensification of competition in the global market, the prerequisite for business activities is changing on a fundamental level.

The use of digital technology in particular is expected to expand significantly over the next 10 years. The World Economic Forum estimates that at least 70% of new value created over the next decade will come from digital technology. Given these circumstances, it can be said that using digital technology is no longer a choice, but a requirement for companies to survive.

In such an era, we cannot expect to achieve sustainable growth and improve corporate value through conventional efforts and fragmented improvements along the existing trajectory. What is required is the ability to redesign business mechanisms themselves while reviewing the efforts made in the past and strategically utilizing digital technology and new knowledge. Whether we can truly demonstrate that capability ultimately depends on the workers. It is for this reason that we have established “human resource development and improving employee engagement” as the first and foremost theme in strengthening our management foundation.

I have personally come to realize the importance of this through experiences on-site. I joined Okamura Corporation (then the Okamura Manufacturing Facility)



Overview of  
the Midterm  
Management  
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Message from  
the Chief  
Financial Officer

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Overseas  
Business

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Personnel and  
Human Resource  
Development,  
DX Strategy,  
and Global  
Environmental  
Initiatives

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about 50 years ago, attracted to the idea of “logistics reform.” I was initially assigned to the delivery center, after which I experienced the frontlines as an auditor in the delivery department, a member of the installation department, and other roles. At first, I did not even understand the mechanisms of the company and was not entrusted with reforms. However, looking back now, I realize that it was those struggles and experiences on the frontlines that were the source of my growth. I believe that experiencing and learning from the frontlines is precisely what helped me understand the company and gain the impetus for improvement and reform. As I accumulated these experiences, I realized time and again that the common sense and conventions right before our eyes are not always the optimal solution. By meticulously gathering facts and evidence and identifying the core of the issue, we can discover new ideas that transcend existing frameworks. As a result, I believe that answers derived beyond conventional thinking based on facts and evidence can sometimes become interesting answers that defy common sense, and can create value that exceeds the expectations of society and customers.

Based on such thoughts, the Okamura Group has proactively developed practical programs to develop future leaders and frontline reformers, such as training for next-generation leaders, design thinking, and Okamura Business School. I have personally taken the podium to share the thoughts, know-how, insight, techniques, skills, and culture passed down from my superiors to the next generation. I strive to teach them proper logical structures and fundamental principles, and to cultivate sound analytical thinking skills through case studies.

Now that our net sales have exceeded 300 billion yen, I believe that we must flexibly and boldly expand our business area beyond the bounds of existing frameworks in order to be of further use to customers and society. I would like to expand the bounds within which we resolve customer issues beyond simply creating working and living spaces to include work styles, such as ways of working and living, and store operation methods. In addition, we will take on further challenges in overseas markets. Going forward, Okamura will continue to evolve as our personnel with experience on the frontlines take it upon themselves to uncover issues, come up with solutions, and deliver them to society as new value.

### The Okamura Group's Future Outlook

## Continuing to challenge ourselves in pursuit of the world's most comfortable chair and interesting solutions

At Okamura, we have cultivated reliable manufacturing capabilities and a commitment to embracing change. While it is important to pass down what our predecessors have built, we cannot anticipate changes in the times and create new value in the future by simply following the past. The ability to forge the future arises when all of us strive to improve and continue to challenge ourselves without fearing change. What changes a company is not the company itself, but the thoughts and actions of each employee. I believe that it is precisely the accumulation of these thoughts and actions that will be the driving force for forging the future ahead.

One of our product manufacturing goals is to create the world's most comfortable chair. Manufacturing products requires the incorporation of features that cannot possibly be replicated by competitors. Furthermore, establishing global recognition for the Okamura brand (products) requires an absolute feature. In the case of a chair, this feature is comfort. Since comfort varies for each individual, creating a chair that everyone will consider the most comfortable in the world may require considerable effort and skill. However, what is important is the attitude of pursuing the best in the world. Going forward, we will aim to create products that make people want to keep choosing the Okamura brand. At the same time, I want Okamura to be a company that provides interesting solutions as well as a company that resolves problems, amidst the changes in this new era.

Going forward, the Okamura Group will value insights and inventiveness from the frontline while reading the tide of the times, anticipating change, and continuing to uphold our commitment to taking the resolution of society's and customers' issues seriously. We will continue challenging ourselves to be a chosen brand, hoping to be a company that can provide interesting solutions for customers and society. At the same time, we will continue to evolve and move forward, aiming to be a company that is trusted and loved by all stakeholders.



Value Creation  
Story Overview

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