

# Long-term Vision and Mid-term Management Plan 2028

May 29, 2026

OKAMURA CORPORATION

**Loving people, creating places**

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# Message from the CEO

# Message from the CEO

The post-COVID world has seen a tremendous shift in people’s values and a shrinking of the labor force, making transformation an urgent task in many different corners of society and the economy. To adapt to those changes and create new demand, the Okamura Group has worked to strengthen its management foundation under the core theme of Mid-term Management Plan 2025 (FY2023–2025): “Catching the bandwagon, accelerate our transformation to a demand-creating company by refining our proposals and products.”

As a result, we achieved faster-than-expected growth in net sales. However, operating income leveled off over the past three years due to unsteady earnings in certain businesses and a sustained increase in operating costs that exceeded our initial forecast and was driven by the rising price of key materials such as steel and by higher labor costs stemming from entrenched inflation.

Dramatic changes are sweeping across the business environment. Notably, AI is being rapidly adopted in all sorts of processes around the world, and this is causing various operations to lose their value, including not only basic tasks, but also operations such as information gathering and analysis. Going forward, businesses will not be able to achieve sustainable growth unless they pursue growth driven by discontinuous changes.

Mid-term Management Plan 2028 retains our core theme of becoming a demand-creating company, and calls on us to boldly reform our business structure and improve productivity with a focus on management efficiency.

At the same time, we will carry out a new corporate branding initiative as part of our medium- to long-term strategies, with the aim of becoming the most trusted brand as a one-of-a-kind company that creates diverse social infrastructure environments.

Taking a global perspective, we will strive toward long-range growth under our long-term vision of “Beyond Breakthrough 2035–Transform the Now and Boldly Create the New.”

Masayuki Nakamura
Representative Director,
President and Chief Executive Officer

# Our Long-term Vision

## Transform the Now and Boldly Create the New

**In light of the tremendous changes in society and markets, we will transform our business model and management systems to align them with the new era.**

**We will create new value with an approach that anticipates changes in society and markets, and provide that value to society and customers.**

Beyond Breakthrough 2035

# 2

# Review of the Mid-term Management Plan 2025

# Review of the Mid-term Management Plan 2025

## Achievement of financial targets

- **Profits leveled off due to widening revenue growth gaps between segments**
- **Office Furniture Business outperformed its revenue growth target**
- **Store Displays Business saw a large decline in profits due to rising costs**
- **Material Handling Systems Business profits were inconsistent**

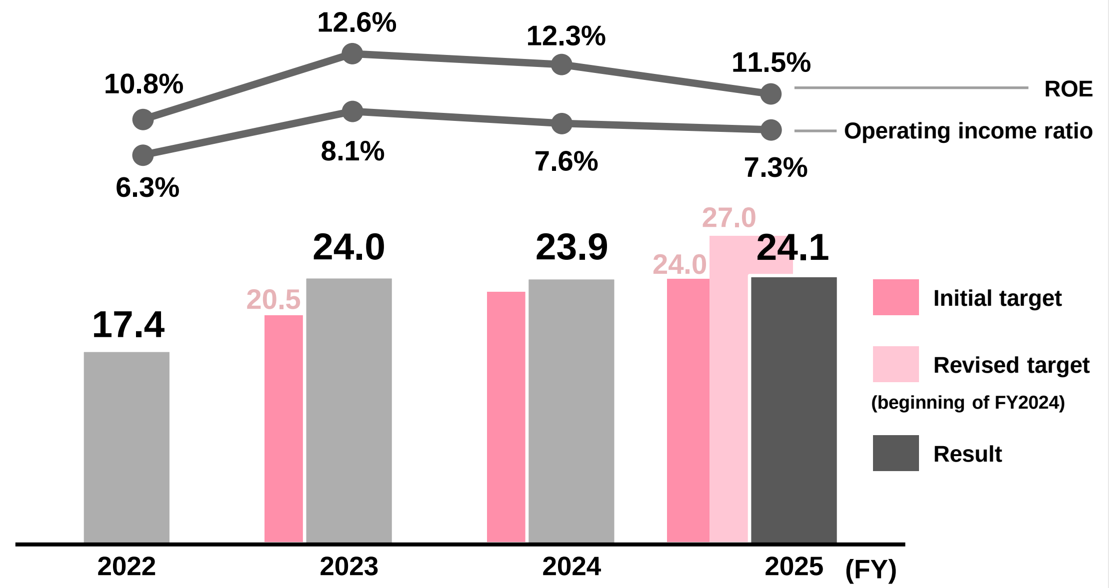
## Changes in segment operating income

(Billions of yen)

| | FY2022 | FY2025 | | Compared to targets |
|---|---|---|---|---|
| | Results | Revised targets (beginning of FY2024) | Results | Versus revised target |
| Office Furniture Business | 15.9 | 19.0 | 22.6 | +3.6 |
| Store Displays Business | 2.7 | 6.0 | 2.8 | -3.2 |
| Material Handling Systems Business | -1.2 | 1.3 | -1.5 | -2.8 |

## Net sales / operating income / ROE

| | FY2022 | FY2025 | | |
|---|---|---|---|---|
| | Results | Initial targets | Revised targets (beginning of FY2024) | Results |
| Net sales (bn yen) | 277.0 | 300.0 | 330.0 | 329.0 |
| Operating income ratio | 6.3% | 8.0% | 8.2% | 7.3% |
| Operating income (bn yen) | 17.4 | 24.0 | 27.0 | 24.1 |
| ROE | 10.8% | 10.0% | 10.0% | 11.5% |



# Review of the Mid-term Management Plan 2025: Ongoing Challenges

| | Human Resource Development and Improving Employee Engagement | Accelerating the Digital Transformation | Enhancement of High-mix, Variable-volume Production System | Development of Overseas Business Rooted in the Local Market |
|---|---|---|---|---|
| Qualitative challenges | Support career development, promote human resource development and employee engagement improvement | Accelerate the Digital Transformation in management, business, and work and promote DX human resources development | Maintain and strengthen competitive advantage by utilizing a transformative production system that responds to environmental changes | Development of local production for local consumption business through M&A and partnerships and joint ventures with leading local partners |
| Progress & achievements | ● Improved engagement score (+2.3 pts)<br>● Launched design thinking training program<br>● Launched management talent development program (Okamura Business School) | ● Proposed new business/work process improvements through DX human resources development program<br>● Began pursuing product development that leverages digital technologies | ● Reduced product inventory by 15% (average annual inventory)<br>● Lowered product warehouse costs by 400 million yen/year (warehouse rent + owned warehouse depreciation expenses)<br>● Improved on-time delivery rate (95% ⇒ 99%) | ● Acquired Boss Design, UK-based loose furniture company<br>● Made DB&B, ASEAN-based design and interior company, a wholly owned subsidiary |
| Ongoing challenges | ● Further enhance management talent development program<br>● Enhance reskilling program to reflect the AI era | ● Implement company-wide work process improvements | ● Optimize production systems<br>● Improve the supply chain efficiency | ● Promote the growth of the two acquired companies<br>● Strengthen overseas supply chain networks |

# 3

# Long-term Vision – Beyond Breakthrough 2035 –

## AMBITION2035 (Our vision for 2035)

### ー Loving people, creating places ー

# HUMAN-ORIENTED COMPANY

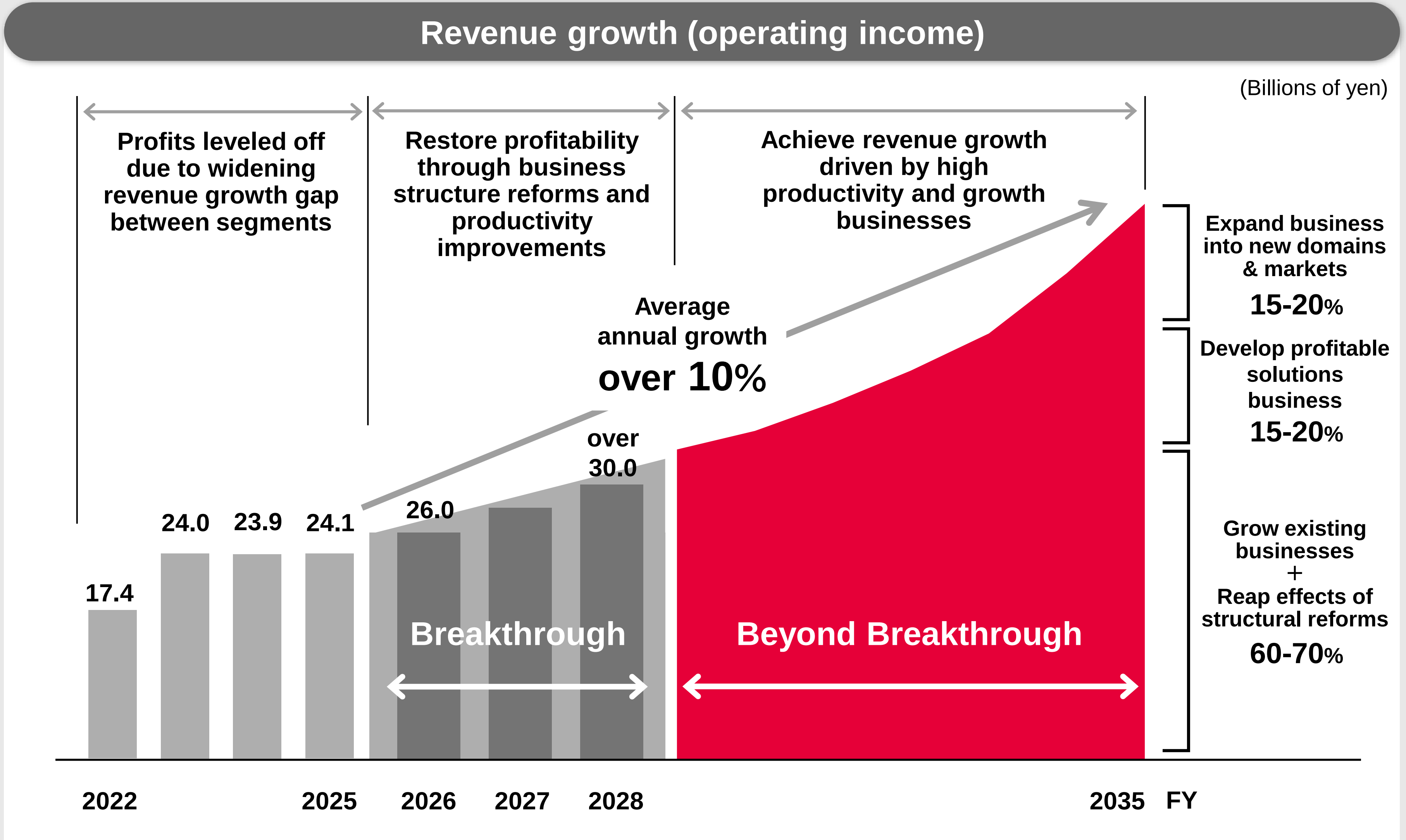
**Basing our activities on the overarching principle of constantly loving people, we will strive to realize a society where all people can work and live with vitality**

## Financial targets

**Long-term revenue growth driven by growth strategy, business structure reforms, and productivity improvements**

| Growth Potential | Profitability | Efficiency |
| --- | --- | --- |
| Operating income: average annual growth rate of 10% or more | Operating income ratio: 10% or more | ROE: 12% or more |

# Long-term Revenue Growth Targets




| | FY2025 results | FY2035 targets |
|---|---|---|
| Operating income ratio | 7.3% | 10% or more |
| ROE | 9.6%* | 12% or more |

* Based on actual income, excluding extraordinary profit/loss

# Shareholder Return/Financial Policies

## ❶ Shareholder return policy

- Maintain progressive dividends and a dividend payout ratio of at least 40% during the period of Mid-term Management Plan 2028
- Improve overall shareholder returns by flexibly purchasing treasury shares based on progress of growth investments and optimization of financial leverage

## ❷ Financial policy

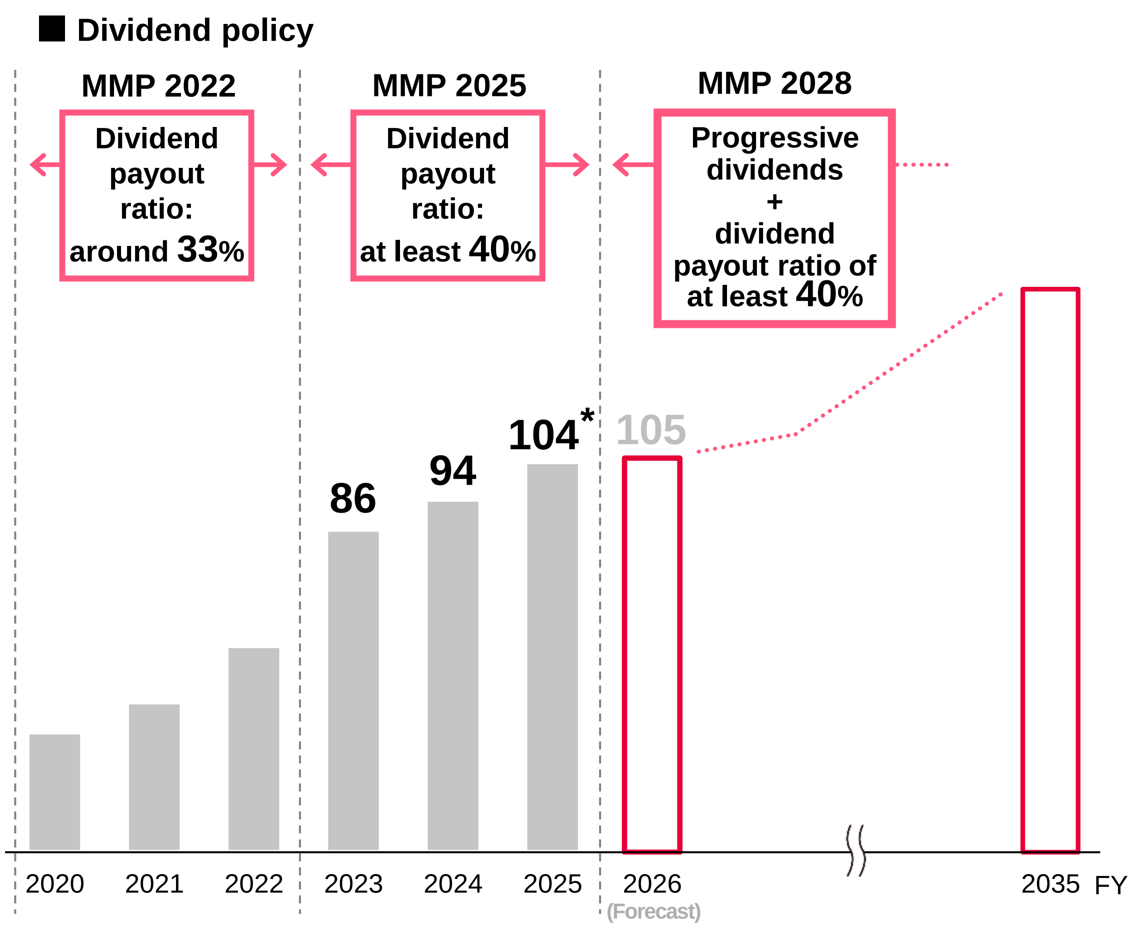
<u>Optimization of financial leverage</u>

- Reduce cost of capital
- Generate funds for growth investments and shareholder returns

<u>Financial discipline</u>

- Maintain JCR investment-grade rating (at least A-)
- Net D/E ratio: 0.2-0.4
- Target fixed asset-to-equity ratio: 100%

## Dividend policy & dividend per share (yen)




*Includes commemorative dividend of 7 yen in addition to FY2025 annual dividends

# Realignment of Business Segments for Achieving Long-term Vision

Change of names to reflect policy for transforming business model and expanding business domains

| Former segment names | New segment names | Strategic business units | |
|---|---|---|---|
| Office Furniture Business Segment | **Work & Life Creation Business Segment** | Workplace Business | Domestic market |
| | | Life Place Business | Domestic public facilities / BtoC |
| | | International Workplace Business | Overseas market |
| Store Displays Business Segment | **Commerce Solutions Business Segment** | Store Solutions Business | Store design, interior work, store display fixture sales |
| | | Retail Solutions Business | Store management support services |
| | | Cold Chain Business | Refrigeration equipment and facilities sales and maintenance |
| Material Handling Systems Business Segment | **Smart Logistics Technology Business Segment** | Smart Logistics Technology Business | Logistics system integrator business |

Note: The Powertrain Business is included in the Other Businesses Segment.

# Roadmap for Achieving Management Targets

| | | | |
|---|---|---|---|
| **Management targets** | Operating income average annual growth: **10%** | Operating income ratio: **10%+** | ROE: **12%+** |

**Financial strategy**

- Maintain investment-grade rating and reduce cost of capital using appropriate leverage

**Growth strategy**

- **Continuous improvement & deepening of value provided**
  - Workplace Business
- **Development of profitable solutions business**
  - Retail Solutions Business
  - Smart Logistics Technology Business
- **Expansion of business domains & scale**
  - Life Place Business
  - Overseas Life Place Business

**Business structure reforms**

- **Commerce Solutions Business**
  - Shift to solutions business model
  - Improvement of Cold Chain Business profitability
- **Smart Logistics Technology Business**
  - Selective targeting of markets & customers and shift to integrator business model

**Productivity improvements**

- Transformation of work processes through AI & digital technologies
- Use of digital and robotic technologies to reduce labor needs and optimize production systems

**Strengthening management foundation**

- Talent development & organizational restructuring
- Business portfolio management
- Strengthening of technical expertise
- Promotion of data-driven management

# Long-term Business Policy – Work & Life Creation Business

**Vision**

- **A leading company in the creation of spaces where people can thrive, from workplaces to living environments**
- **The world's No. 1 task chair manufacturer**

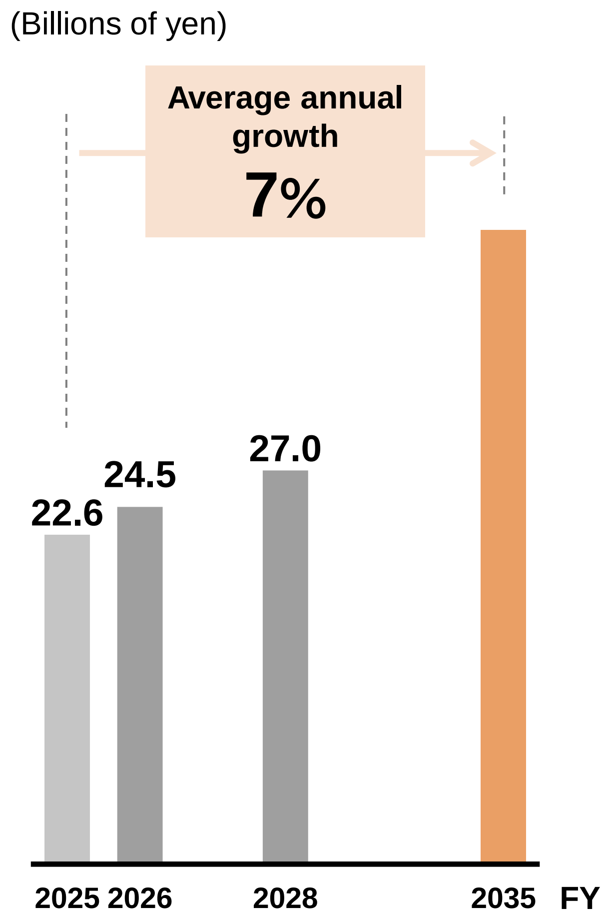
**Business environment & opportunities**

- Increased importance of and investment in office environment development
- Diversification of workplaces and work styles
- Changes in work styles accompanying the evolution of technologies

**Business foundation, strengths & expertise**

- Power to propose new work styles backed by research outcomes and demonstration testing
- Ability to design cutting-edge products and spaces, and to develop new products
- Broad expertise built up through an extensive track record in delivering solutions, and a solid customer base

**Segment operating income target**



# Long-term Business Policy – Commerce Solutions Business

**Vision**

- **Total solutions provider, from store design to digital technology-enhanced operational support**
- **Producer of commercial facility spaces that provide customer experiences**

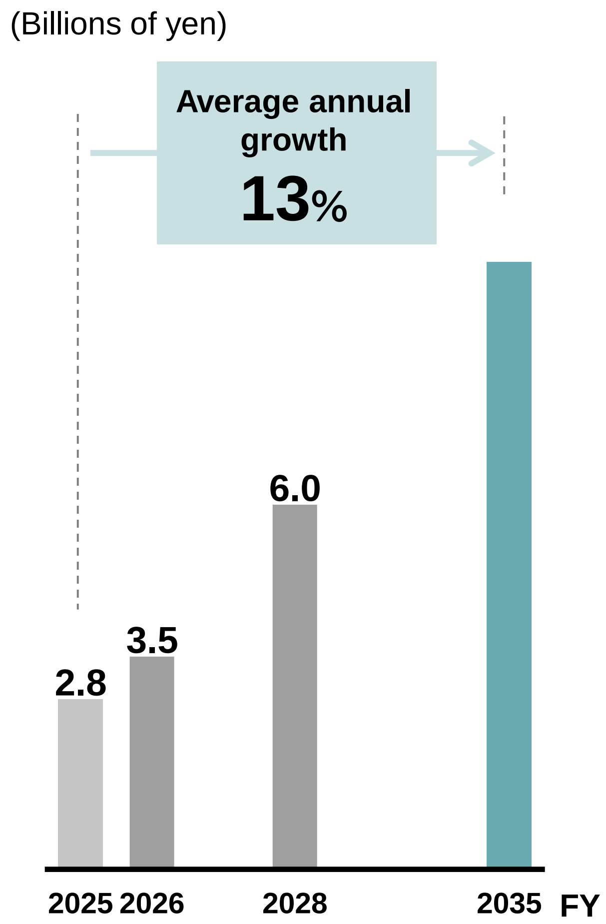
**Business environment & opportunities**

- Increased investment in digital solutions that support labor savings, greater efficiency, energy conservation, and revenue growth
- Spread of stores focused on providing customer experiences, driven by shift in values regarding affluence

**Business foundation, strengths & expertise**

- One-stop service provider for store development, from planning and design to interior work, display fixtures, and refrigerated showcases
- Solid customer base spanning 75% of Japan's top 100 retailers
- Highly experienced store designer with extensive track record in store design and interior work, supported by a 100-strong team

**Segment operating income target**



# Long-term Business Policy – Smart Logistics Technology Business

**Vision**

- **Logistics system integrator that goes beyond just "selling things" to handle logistics center design, procurement, installation, and operational support**
- **Logistics system provider that supports stable operations in growing EC and medical equipment domains**

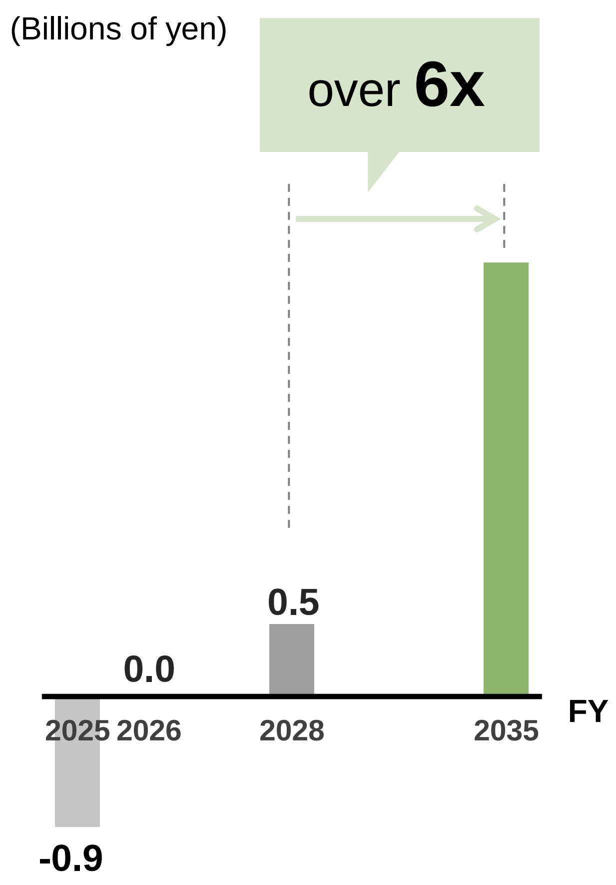
**Business environment & opportunities**

- Realizing sustainable supply chains, a key management challenge
- Addressing labor shortages through labor-saving and automation solutions
- Structural reform of logistics industry through logistics DX

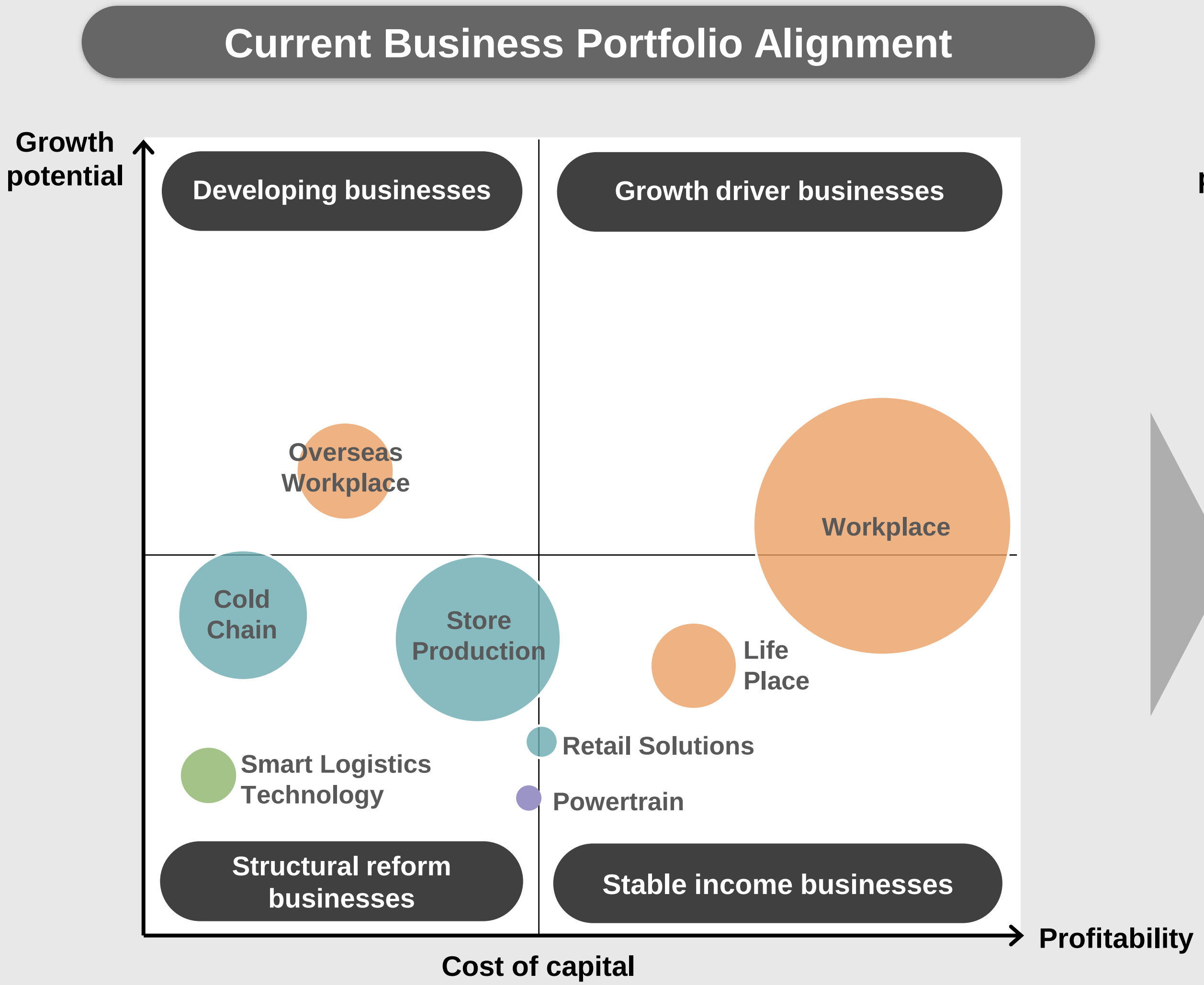
**Business foundation, strengths & expertise**

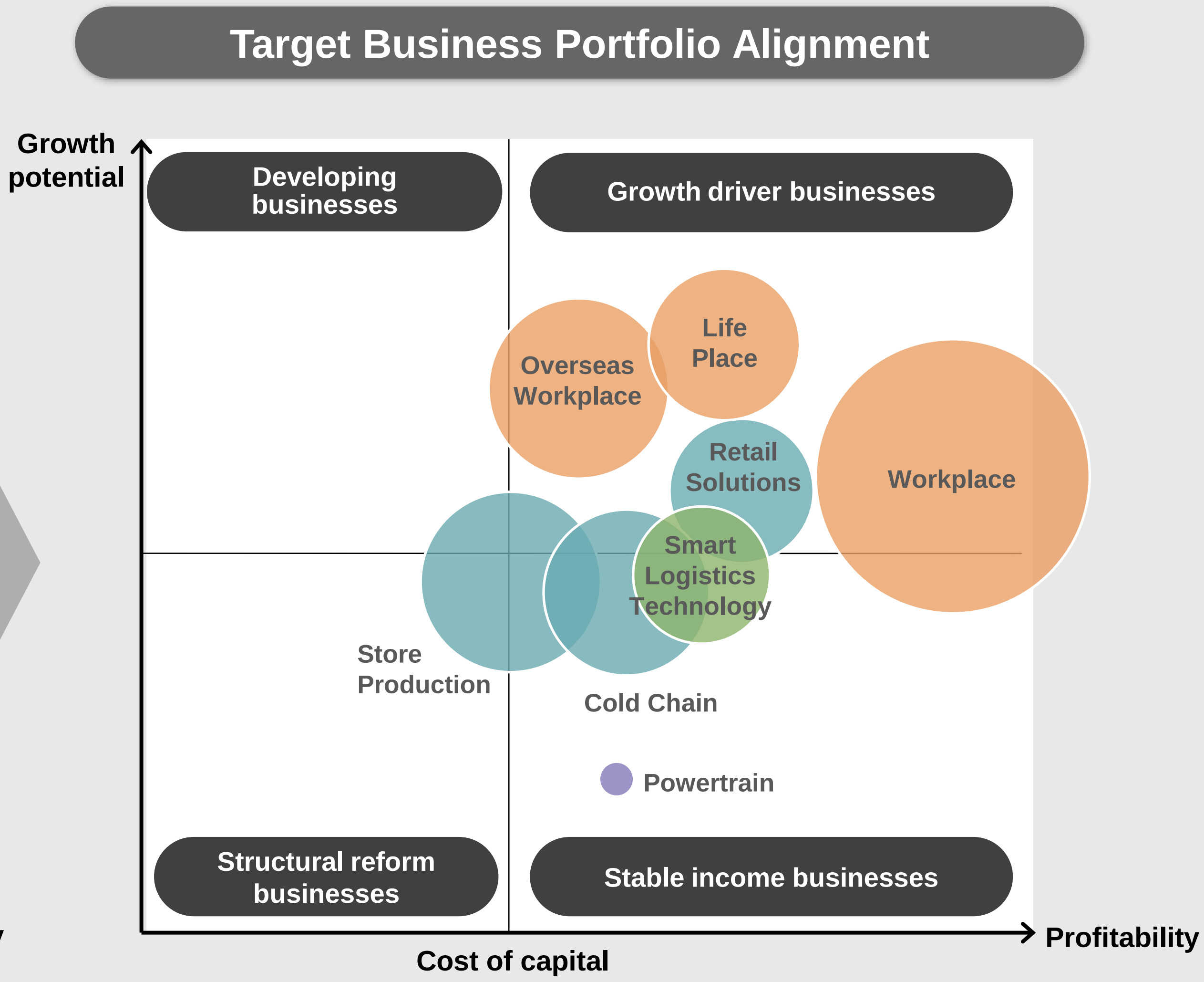
- Material handling equipment provider with strengths in small article handling
- In-depth system design capabilities that answer customer needs
- Experience in supplying Japanese customers with overseas robot solutions such as AutoStore
- Capital and business alliance with GROUND, provider of software for AI-driven optimization of logistics operations

**Segment operating income target**



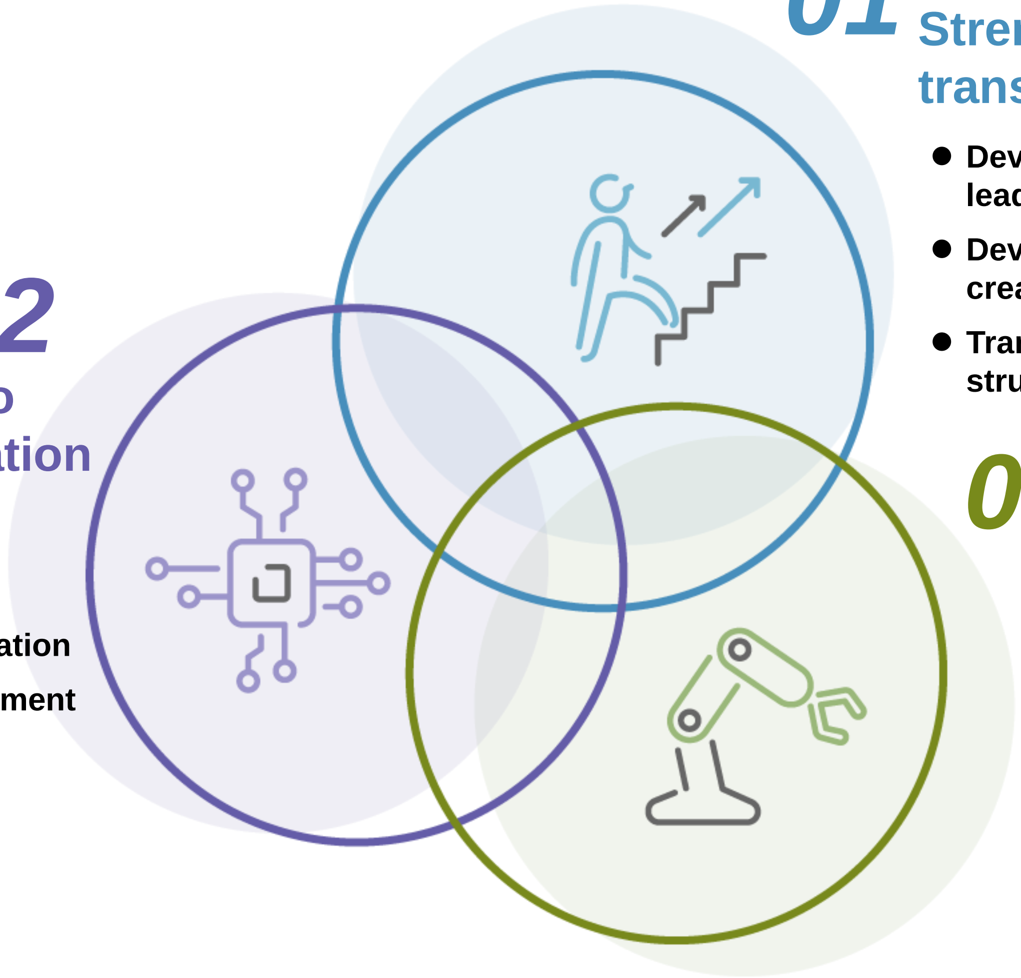
# Implementation of Business Portfolio Management




Notes:
1. Segment ROE was calculated based on shareholders' equity allocated to each segment. Cost of equity (7%) is as of March 31, 2026.
2. Circle size represents sales volume indexed to Workplace Business sales.

# Strengthening Management Foundation to Support Revenue Growth



## 01 Strengthen HR development and transform organizational structure

- Develop next-generation management talent who will lead transformation
- Develop/acquire professionals who advance the creation of new value
- Transform into a flexible and agile organizational structure

## 02 Promote DX that leads to management transformation (CX)

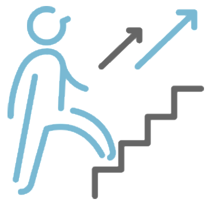
- Promote DX that shifts human resources from operation to innovation
- Increase sophistication of management and accelerate decision-making through data-driven management
- Leverage digital technologies to develop solutions services and products

## 03 Optimize production functions and strengthen technical expertise

- Build a production systems that support growth and optimize supply chains
- Optimize productions systems
- Invest in digital technology-driven labor savings and efficiency improvements
- Enhance technical capabilities that strengthen competitiveness

# Strengthen HR Development and Transform Organizational Structure

## Vision



- Develop next-generation management talent who will lead transformation
- Develop/acquire professionals who advance the creation of new value
- Transform into a flexible and agile organizational structure

## Concrete actions

### Management talent development

- Early selection and development of management talent
- Cross-functional rotations and stretch assignments
- Proactive use of external business schools

### Professional development & acquisition

- Development and acquisition based on talent portfolio strategy
  - ✓ Digital talent
  - ✓ Global talent
  - ✓ Business development talent

### Organizational structure reforms

- Flattening of organizational hierarchy and consolidation of organizational units
- Integrate production division into business divisions
  - ✓ Optimization of production systems
  - ✓ Acceleration of product development
  - ✓ Strengthening of coordination between sales planning and production planning

# Promote DX that leads to management transformation (CX)



## Vision

- Promote DX that shifts human resources from operation to innovation
- Increase sophistication of management and accelerate decision-making through data-driven management
- Leverage digital technologies to develop solutions services and products

## Concrete actions

### Business process transformation

- AI-enhanced digitalization of processes
- Reskilling to shift human resources to innovation areas

### Data-driven management

- Rebuilding of the company-wide information system that forms a foundation for data-driven management

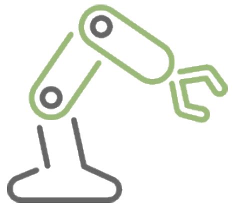
### Development of new services & products

- Leveraging of digital technologies and robotics to develop services and products
  - ✓ Office environment solutions that boost productivity
  - ✓ Support services for front-line retail operations
  - ✓ Service for optimizing logistic site operations

# Optimize Production Functions

03

## Vision



- Build a production systems that support growth and optimize supply chains
- Optimize productions systems
- Invest in digital technology-driven labor savings and efficiency improvements

## Quantitative targets

| | FY2025 results | FY2035 targets |
|---|---|---|
| Ratio of logistics costs to sales* | 13% | 8% |
| Months of inventory | 1.2 | 0.6 |

* Logistics costs / logistics-related sales (sales in which logistics costs were incurred)

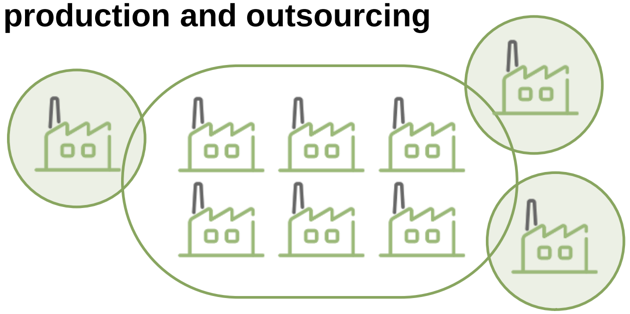
## Concrete actions

### Supply chain efficiency improvements

- DX across all logistics operations and reduction of logistics costs
- Integration of production and sales organizations; improvement of demand forecast accuracy through AI

### Optimization of production systems

- Optimization of balance between in-house production and outsourcing



### Investment in labor-saving digital technologies

- Fully automated sheet metal processing line for storage furniture

# Strengthen Technical Expertise



## ● Enhance technical capabilities that strengthen competitiveness

### Sources of competitiveness

**Recognizing change**

**Research**

- Work Design Institute
- LABO Office
- Miseiku Lab

**Giving shape**

**Design capabilities**

- Product design technologies
- Space design technologies

### Strengthening of technical expertise

**Bringing it to life**

**Product & manufacturing technologies**

- Identifying technologies needed for growth
- Adopting cutting-edge technologies

| Technology | Examples |
|---|---|
| Production process technologies | Material forming<br>Assistive robots |
| Material technologies | Comfort materials<br>Eco-friendly materials |
| Mechanical technologies | Seating systems |
| Space design & implementation technologies | Digital twin |
| Refrigeration technologies | Next-gen refrigerant cooling systems |
| IoT & digital technologies | Remote operation optimization algorithms |
| Control technologies | System development<br>Robot control |

Strengthening our **power to create new demand** by anticipating change

# Addressing Social Challenges

**A society where people can thrive is born from a healthy planet and smiles of the people who inhabit it. Through our creation of places, we will build a culture of sustainability and a future that we can be proud to pass on to the next generation.**

## A future that we can be proud to pass on to the next generation

### Materiality
**(Material management issues)**

- Creating environments where people can thrive
- Global environmental initiatives
- Pursuing employee engagement
- Responsible corporate behavior

**Places where people and work styles are in harmony with nature**

Spreading nature positive across society

**Places where resources and value are recycled**

Promoting production that contributes to a circular economy

**Places where life is enjoyed to the fullest**

Practicing and sharing work styles that promote wellbeing and put smiles on people's faces

### Addressing social challenges through our businesses

**Work & Life Creation Business**

Contributing to physical and mental health by optimizing clients' workplaces and boosting employee engagement and productivity

**Commerce Solutions Business**

Reducing environmental impact through labor-saving, efficient fixtures that ease labor shortages and through energy-saving refrigerated showcases

**Smart Logistics Technology Business**

Improving labor shortages and work environments through labor-saving/automation using automated warehouses and robots

# Environmental Initiatives

## We pursue our commitment to the environment through a comprehensive approach aimed at achieving carbon neutrality, a circular economy, and nature positivity

### Carbon neutrality

We are working to reduce our GHG emissions, including across our supply chains, with the aim of reaching net-zero emissions by FY2050.

We are using renewable energy and promoting energy creation

We are producing and selling office products that use GX steel

### Circular economy

Seeking to extend the effective life of our limited resources, we pursue waste-minimizing production approaches across the product life cycle from planning and design to reuse/recycling and processing.

Our “Re:birth Project” seeks to achieve circular product development in which used products are collected and used to make new products

### Nature positivity

We carry out initiatives based on the action policy of the ACORN biodiversity preservation program and the Wood Utilization Policy to help develop a society in which people coexist with nature and can sustainably enjoy the ecosystem services* provided by nature.

Our Biotope Fuji is certified by the Ministry of the Environment as a Sustainably Managed Natural Site

### External initiatives & rating organizations

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TNFD Taskforce on Nature-related Financial Disclosures

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Climate CDP A List 2025

Climate change survey

GOLD | Top 5% ecovadis Sustainability Rating NOV 2025

Ecovadis Gold Medal OKAMURA CORP

ESG performance assessment & rating

自然共生サイト認定 30by30

Certification as Sustainably Managed Natural Site under the Regional Biodiversity Promotion Act

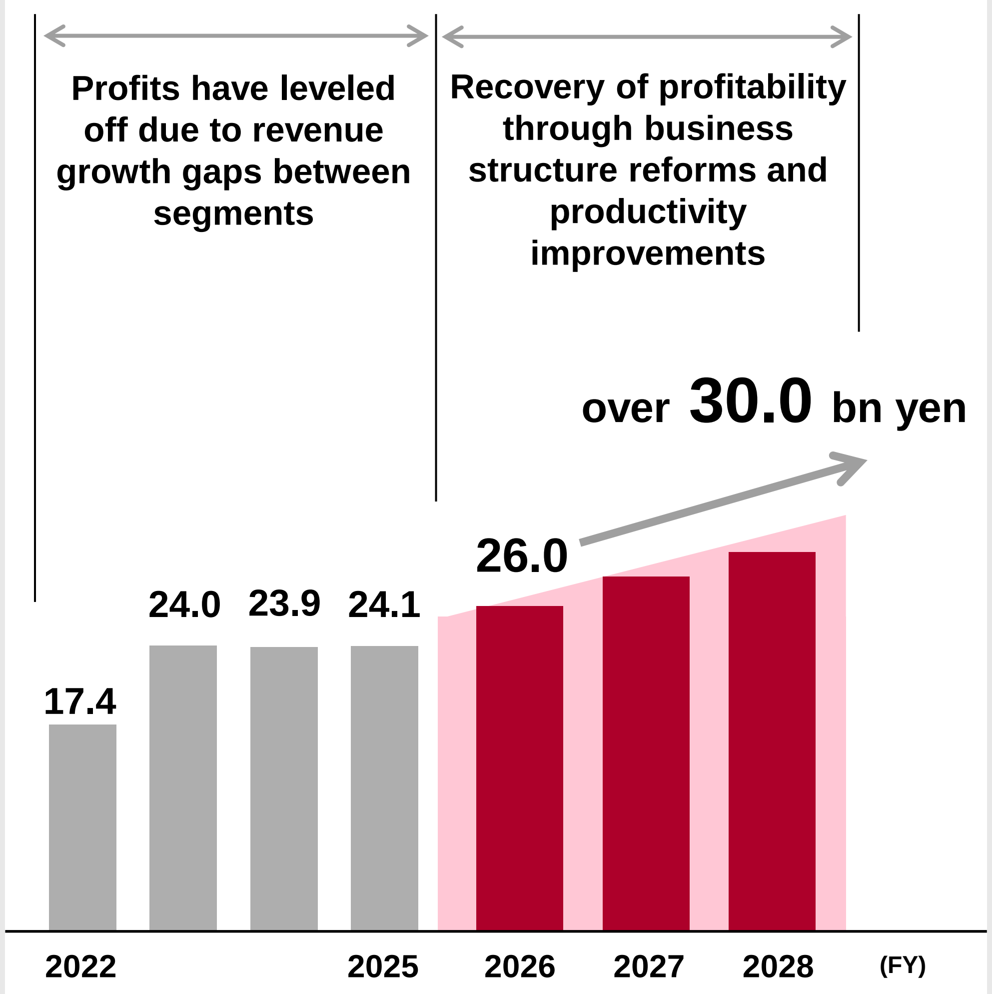
*The benefits of nature that humans can receive and are made possible by biodiversity. They are classified into four types: provisioning, regulating, cultural, and supporting.

# 4

# Mid-term Management Plan 2028

# Mid-term Management Plan 2028 Financial Targets

## Revenue growth (operating income)

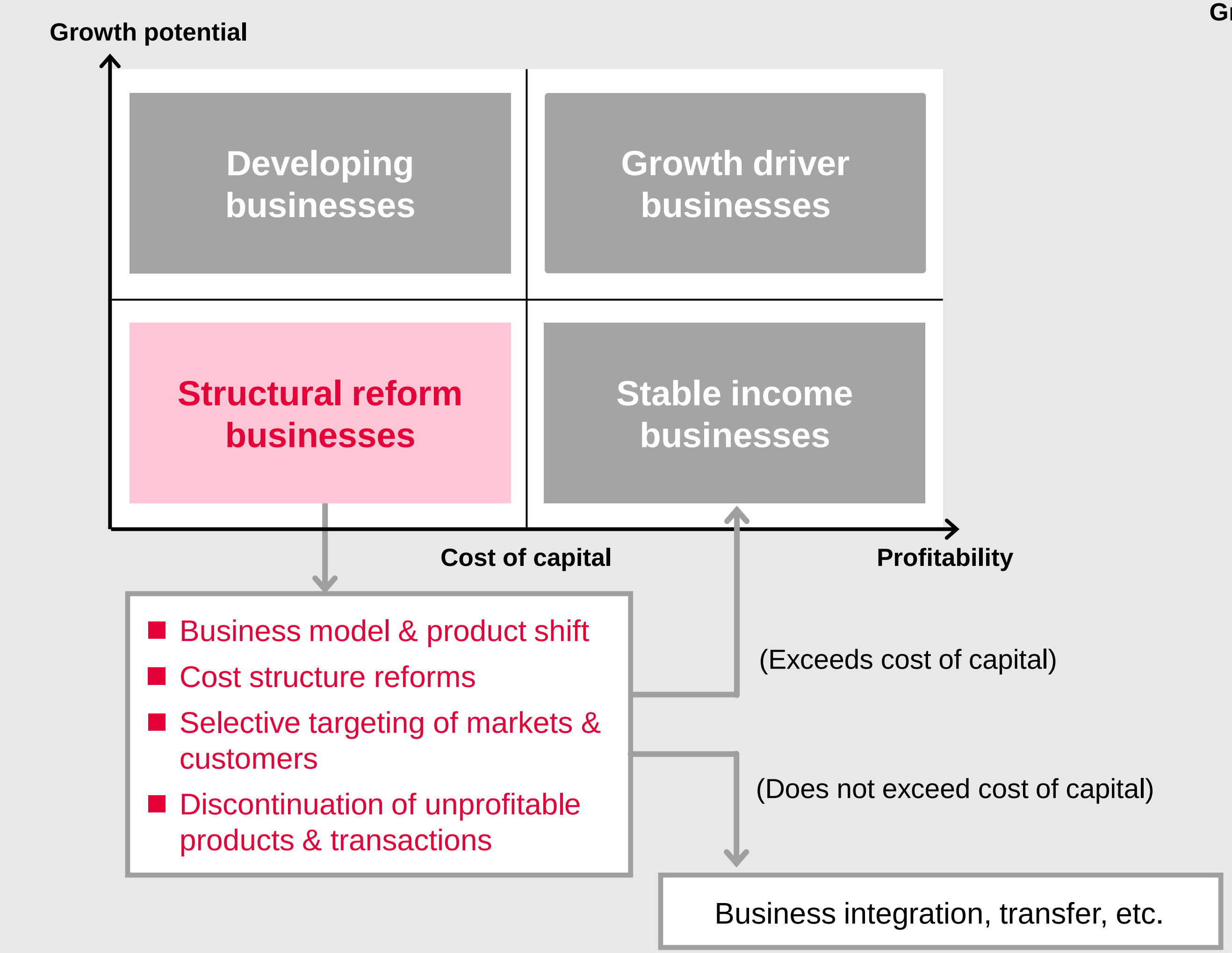



(Operating income: billions of yen)

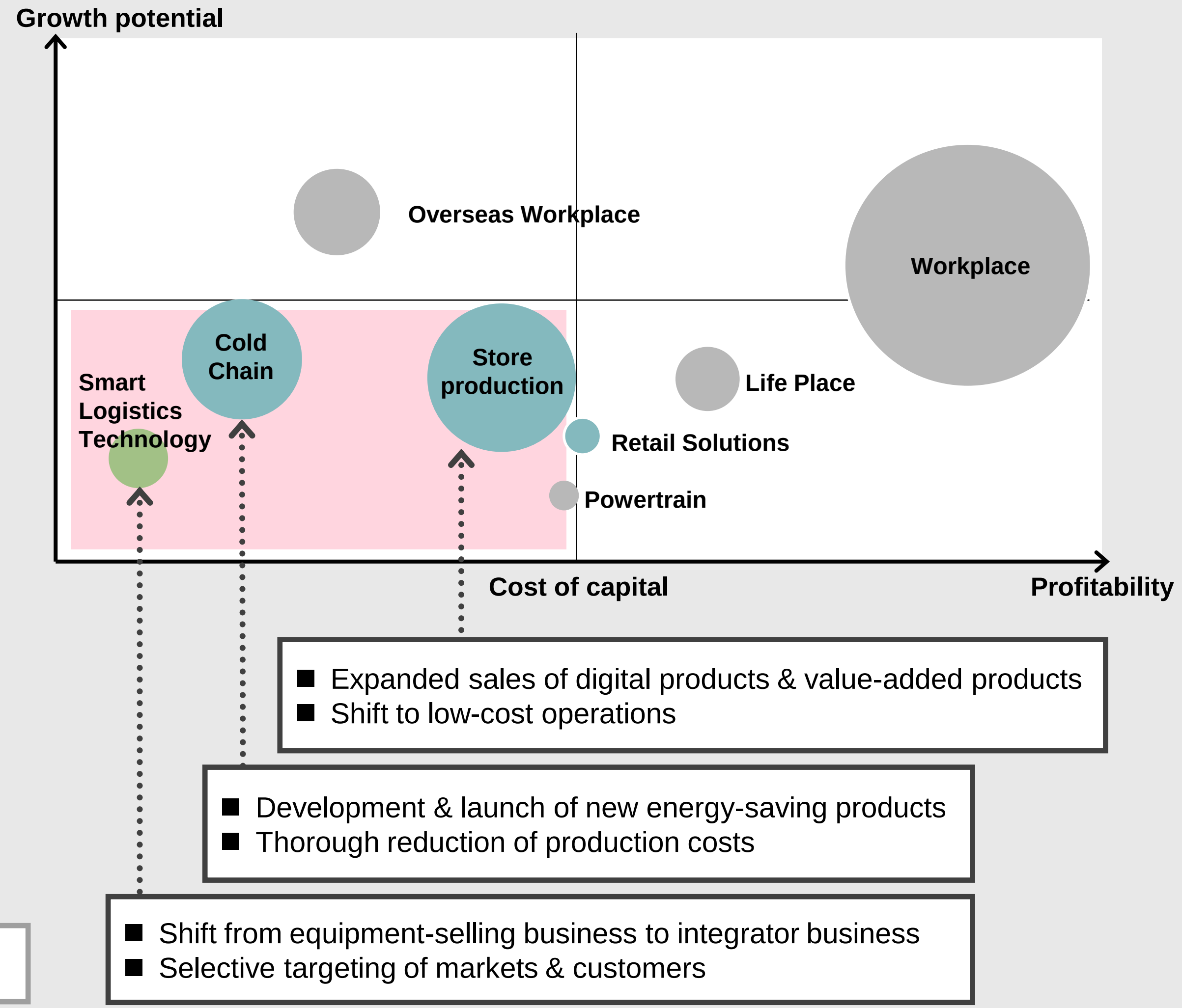
| Business segment | FY2025 result | FY2026 plan | FY2028 target | Key factors affecting growth |
|---|---|---|---|---|
| Work & Life Creation | 22.6 | 24.5 | 27.0 | Sustainable growth driven by increased value added |
| Commerce Solutions | 2.8 | 3.5 | 6.0 | Stronger profitability of Cold Chain business and Store Production business |
| Smart Logistics Technology | −0.9 | 0.0 | 0.5 | Improved closing rate due to specialization in focus areas; increased revenue from after-sales service |
| Others (Powertrain, Real Estate) | 0.2 | 0.2 | 0.5 | |
| Expenses for taking company-wide measures (Strengthening management foundation) | −0.6 | −2.2 | −4.0 | Technological development, business process reforms, corporate branding, human resource development, etc. |
| **Total** | 24.1 | 26.0 | over 30.0 | |

# Business Structure Reform Policy

## Framework for business structure reforms

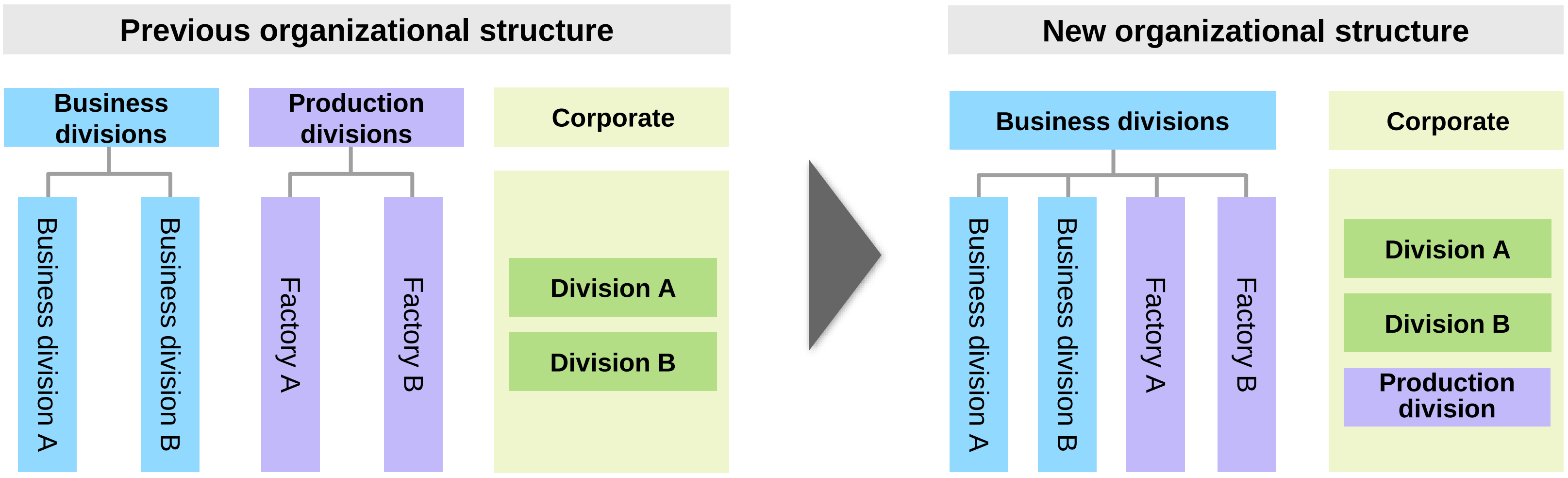



## Current business portfolio & business structure reforms



# Organizational Structure & Business Process Reforms

## Organizational structure reforms




### Aims of organizational structure reforms

- Optimized balance between business strategies and productions systems
- Acceleration of product development
- Strengthening of coordination between sales planning and production planning

## Business process reforms

Organization integration | Process standardi-zation | AI utilization | Personnel reskilling → Shift of human resources to innovation areas

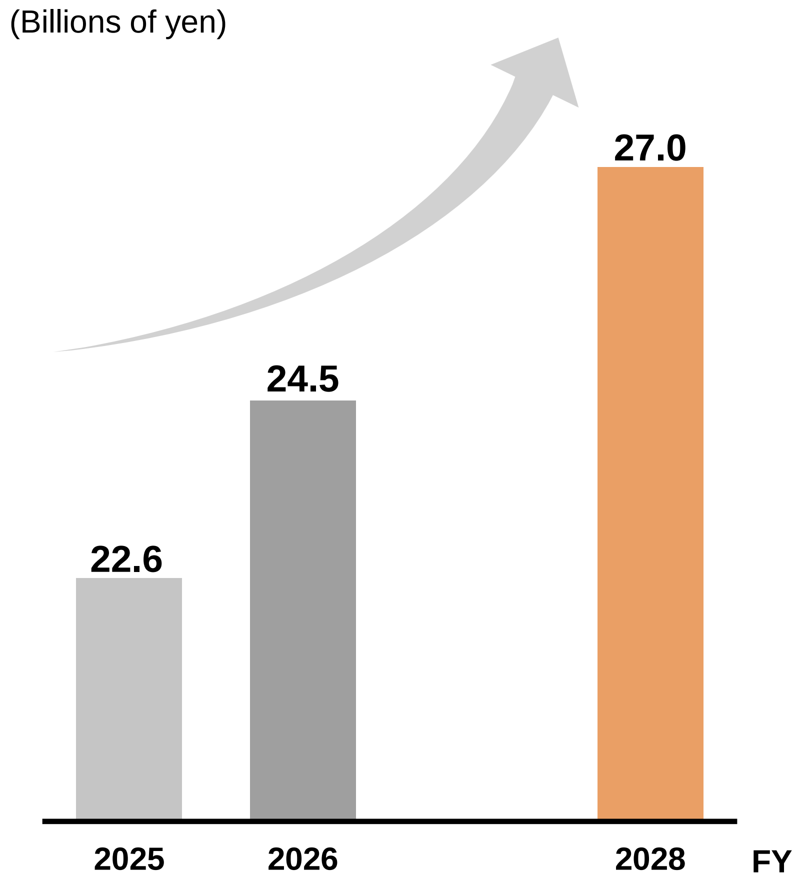
### Target

Operating income per person

**+25%** (vs. FY2025)

# Work & Life Creation Business: Financial Target & Key initiatives

## Segment target (operating income)




## Key initiatives

| | |
|---|---|
| Deepen Workplace Business | ● Develop products and services that reflect changing work styles<br>● Increase sophistication of ability to propose diverse combinations of solutions<br>● Create categories of markets that produce new demand |
| Strengthen & expand Life Place Business | ● Expand business into new domains at public facilities<br>● Implement brand strategy linking BtoC and BtoB with sitting at the core |
| Strengthen & expand overseas business | ● Grow the businesses of Boss Design and DB&B<br>● Expand product lineup with an approach tailored to each market and region |

# Deepen Workplace Business

## Okamura's power to create places

### Development of offices that support next-generation work styles

**Development of next-gen products**

In-house development & collaboration with external partners (leading companies & designers)

▼ "Buddy Furniture"
(under development)

**Office design**

Leveraging our wealth of insights, we will create places with approaches that integrate work styles, space design, furniture, ICT, and operation

## Improve productivity & wellbeing of workers

**Collection & AI-based analysis of office environment data**

## Okamura's power to create work styles

### Work style research & testing

**Work Design Institute**

Professionals who study environments that enable people to thrive

**LABO Office**

Nine sites nationwide where employees personally test new work styles

## Okamura's power to maximize personal potential

### Maximizing worker productivity & creativity

**Co-creation consulting**

Consulting services that bring together diverse talent across organizations to promote value creation

▲ 1,370 session have been held with over 48,000 participants (As of March 31, 2026)

**Partner companies that promote human-AI collaboration**

Pixie Dust Technologies, Inc. cinnamon AI

and others

# Strengthen & Expand Life Place Business

## Expand business into new domains at public facilities

**Leveraging our total engineering capabilities in the creation of spaces where people can thrive**

**Special room at Centennial Park Kyoto Racecourse**

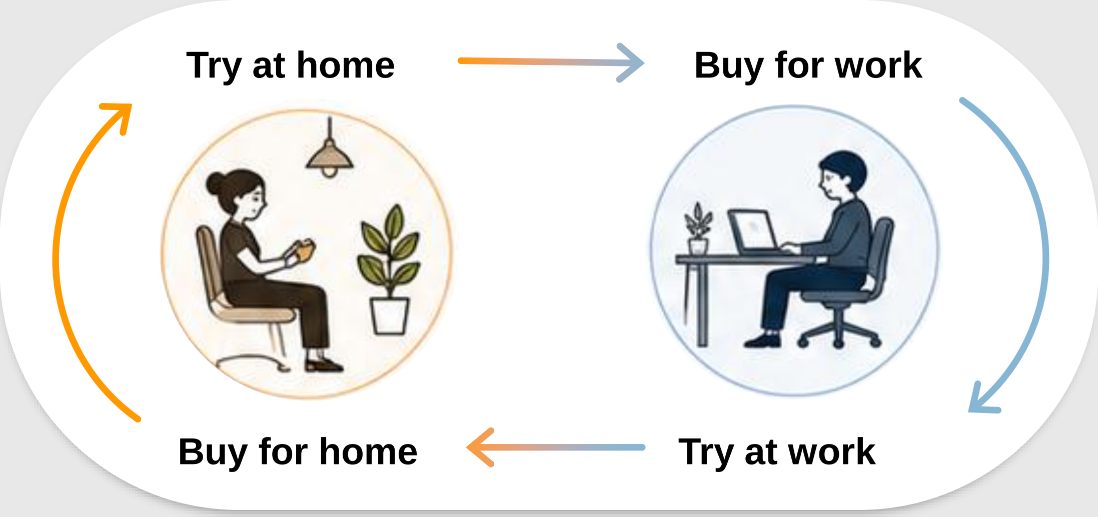
**Edo-Tokyo Museum**

**Morrison's Stacks at Toyo Bunko**

**Lounge space at Narita International Airport Terminal 2**

## Implement brand strategy linking BtoC and BtoB with sitting at the core

**Try-and-buy scheme for individual and corporate customers that links sitting experience to product purchases**




**Flagship salon for individual customers**

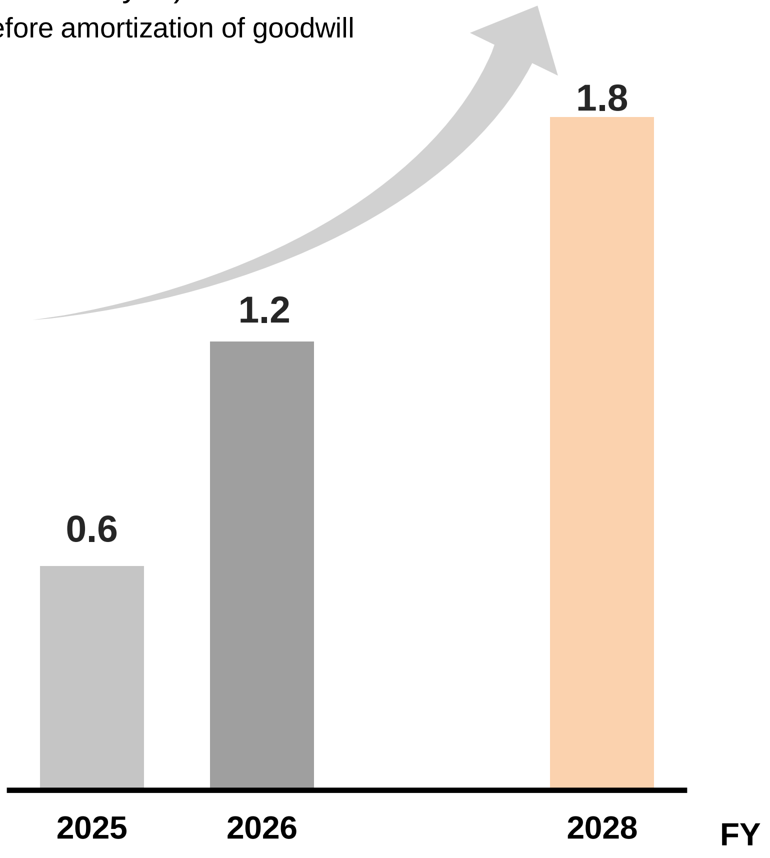
### Chair isn't

Opened in November 2025 as space for face-to-face interactions with individual customers. Okamura's "Chair Masters" offer optimal chair choices personalized to each customer's sitting preferences.

# Overseas Workplace Business: Financial Target & Key initiatives

## Segment operating income target

(Billions of yen)
Before amortization of goodwill




Note: Figures included in the segment targets for Work & Life Creation Business

## Business strategy

### 1 Product strategies tailored to the market

| | |
|---|---|
| **Western developed countries** | High- and mid-range chairs + loose furniture |
| **ASEAN developed countries** | High- and mid-range chairs + loose furniture + high-end office spaces |
| **Emerging countries** | Mid-range chairs ⇒ Launch high-performance chairs depending on each market's growth stage |

### 2 Expand & leverage overseas business networks

- Leverage customer base and production sites of Boss Design and DB&B
- Expand network of OEM and technology partners
- Strengthen and expand distributor networks

## Key initiatives

| | |
|---|---|
| **Promote growth of Boss Design and DB&B** | • Promote growth of Boss Design's North American business and expand product sales in ASEAN and Japan<br>• Expand DB&B's range into growing ASEAN markets |
| **Expand product lineup with market-tailored approach** | • Develop and launch new high-performance chairs under a global strategy<br>• Strengthen global supply chains through OEM and technology partnerships, etc. |

# Grow the Businesses of Boss Design and DB&B

## Boss Design

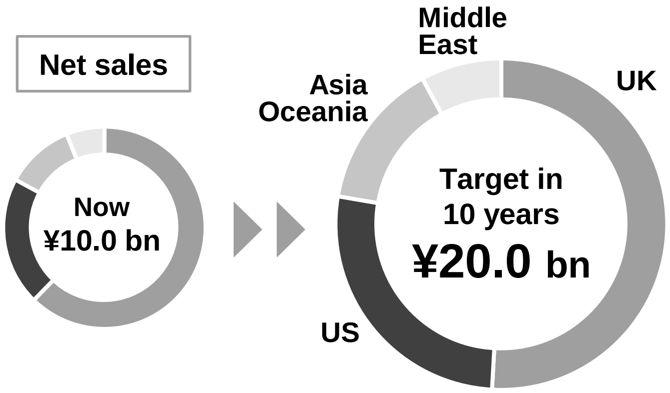
- UK-based high-end office furniture manufacturer founded in 1983
- Acquired in April 2025

- Promote growth of US business
- Expand sales in Japan & ASEAN

**Major customers**

British Airways, BT Group, PwC, Microsoft, Google, Hilton, etc.

Net sales




**We will work to expand Boss Design's business in North America by leveraging its advantage of "British Design, Made in USA," supported by its US factory**

## DB&B

- Singapore-based interior design firm founded in 2003
- Became wholly owned in July 2024

- Expand business in growing ASEAN markets
- Further enhance brand power

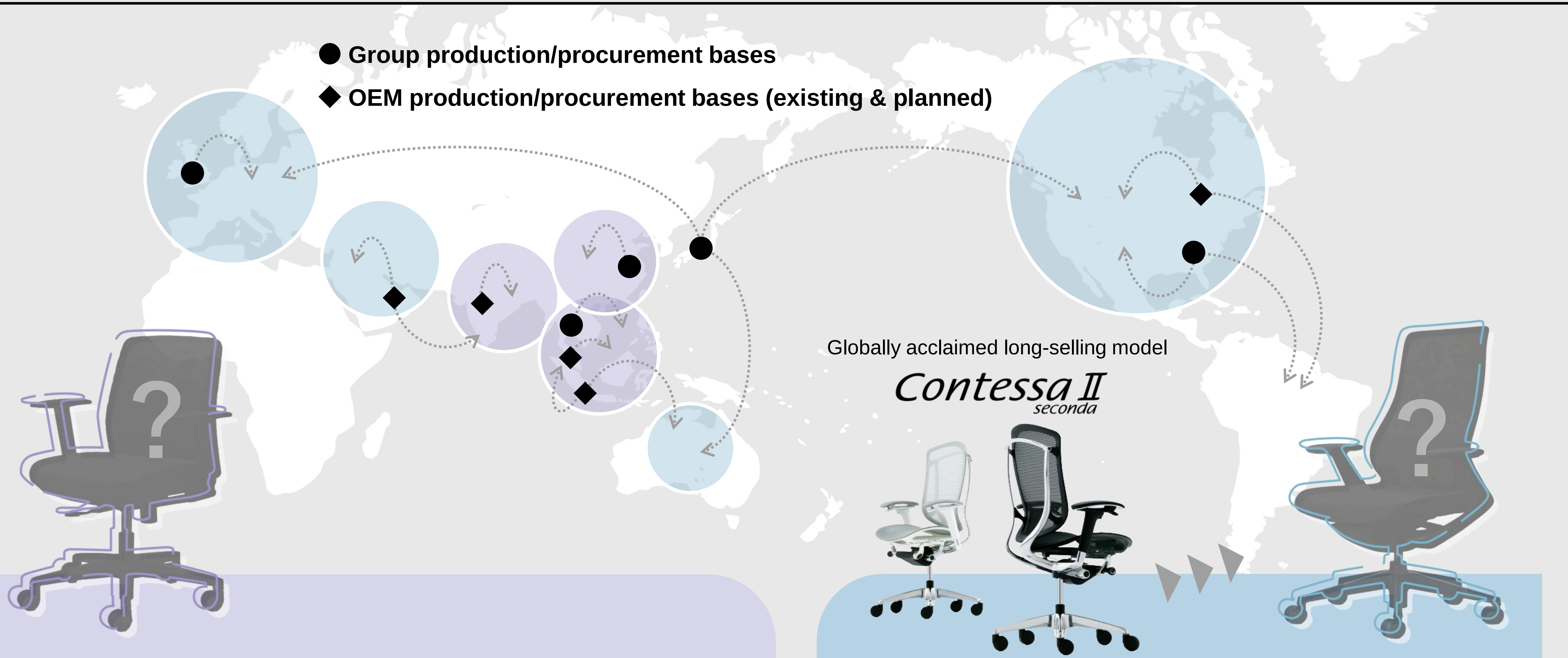
**Major customers**

Suntory Beverage & Food Asia, Amazon, Oracle, BASF, Dow Chemical, etc.

Net sales

Now ¥9.0 bn ▸ Target in 10 years ¥15.0 bn

# Expand Product Lineup with an Approach Tailored to Each Market & Region

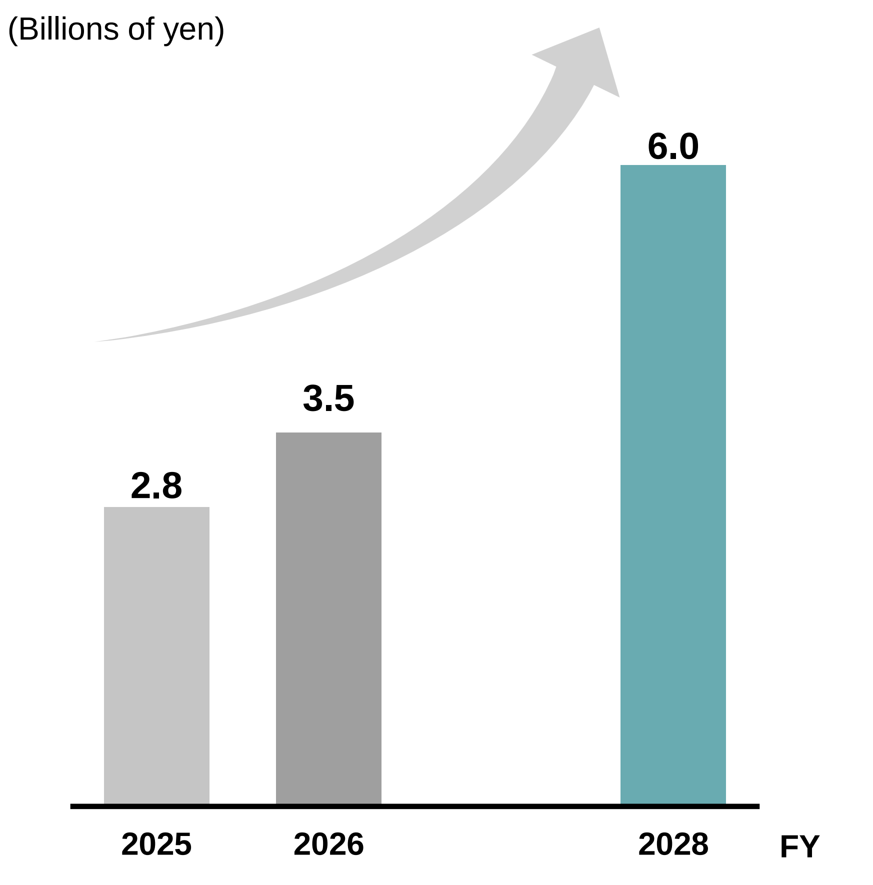



**Develop chairs based on regional strategies**
**Establish systems for local sourcing and production**

**Launch global strategy-based chair in Japan and overseas to follow Contessa**

# Commerce Solutions Business Strategy

## Segment operating income target




## Key initiatives

| | |
|---|---|
| **Expand solutions business** | ● **Monetize store management support services that use digital technologies to reduce staffing needs and boost customer pull** |
| **Expand customer target** | ● **Expand customer target to include stores that provide customer experiences**<br>▸▸ **Broaden scope to include in-store leisure facilities, food courts, etc.** |
| **Business structure reforms** | ● **Develop and launch new energy-saving refrigerated showcase products**<br>● **Develop and launch store fixtures that use digital technologies to reduce staffing needs** |

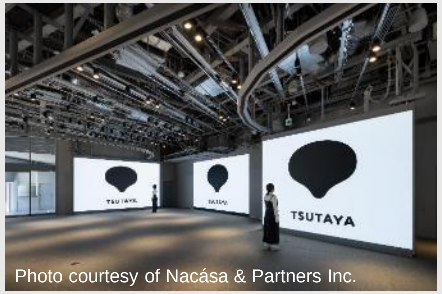
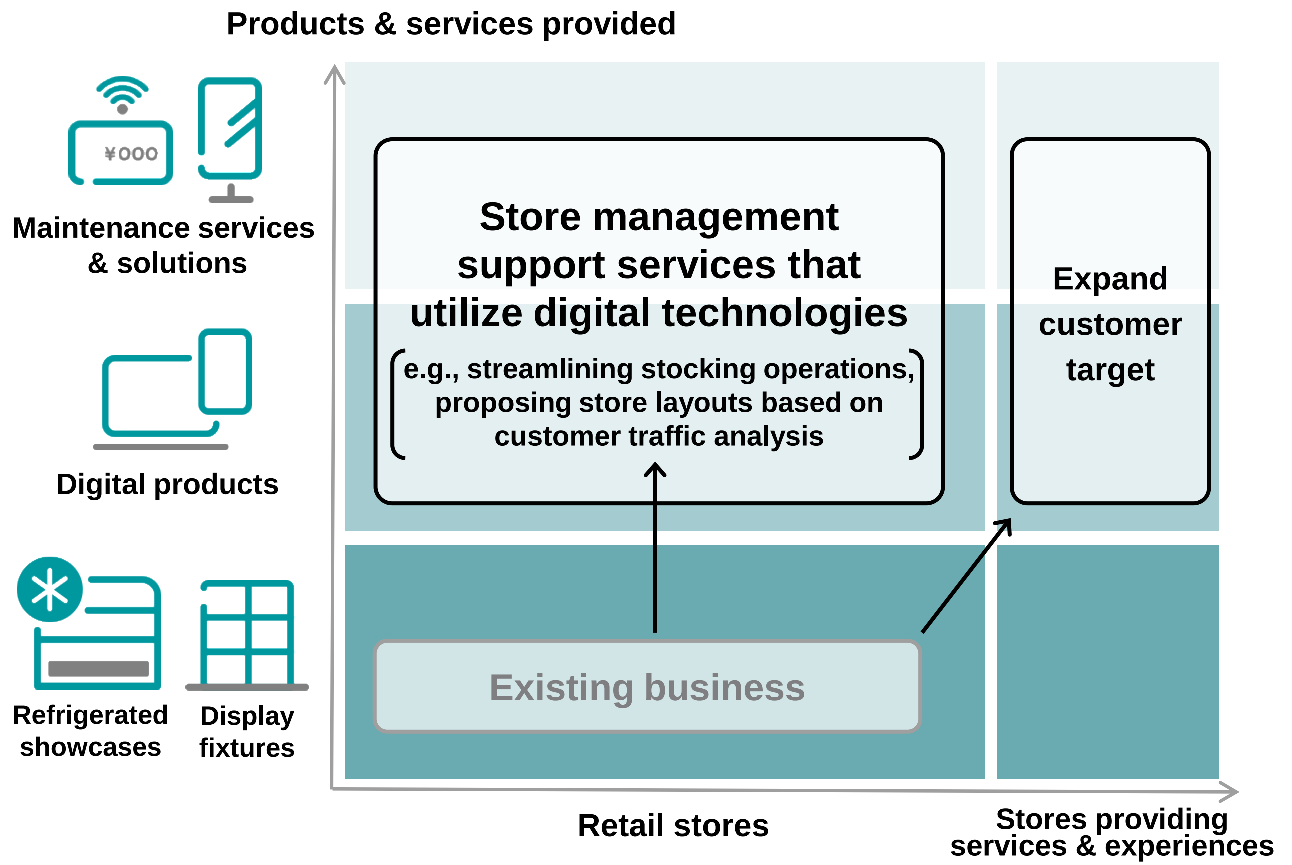


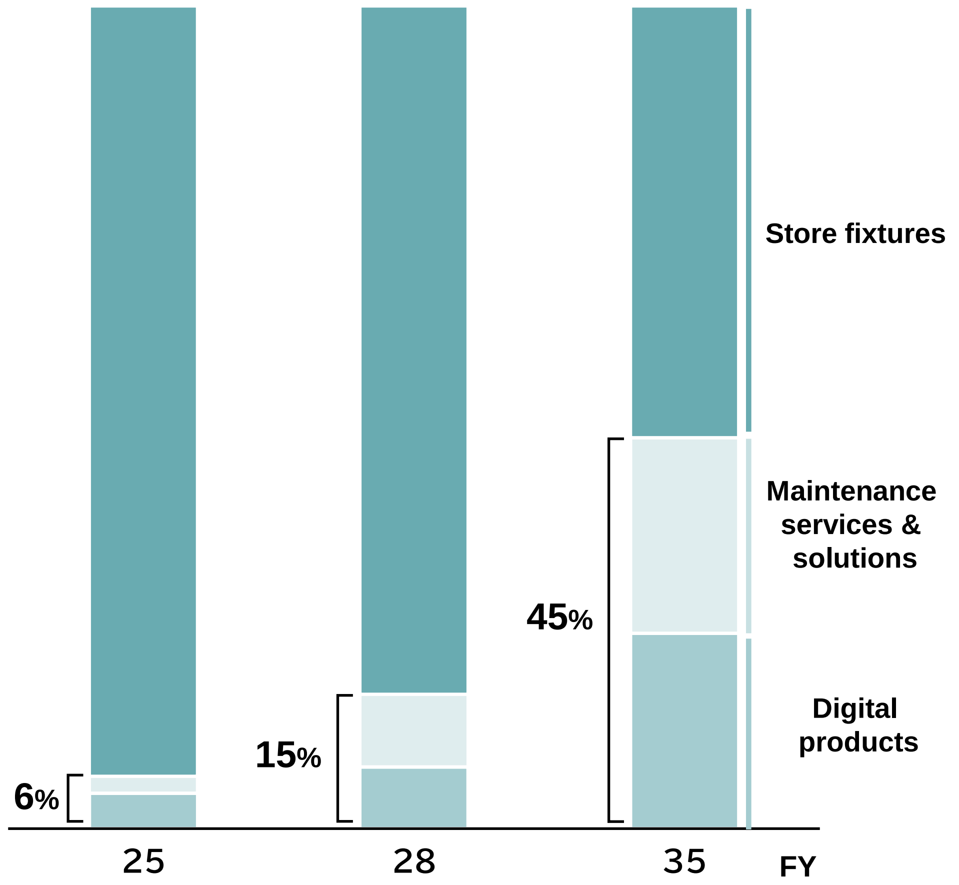
Photo courtesy of Nacása & Partners Inc.


# Transform Revenue Structure by Expanding Solutions Business and Customer Target

## Deepening/expanding existing business




## Share of gross profit



# Expand Solutions Business

## Value provided

| Value provided | |
|---|---|
| Store solutions | Optimization of store management |
| Store management | Provision of digital products/services that reduce labor & energy needs |
| Store development | Provision of optimal store fixtures and speedy store setup |

## Products & services provided

Information services including collection/analysis and optimization of store data

Layout data

Equipment management (equip. data)

- Equipment data
- Customer traffic data
- Product data
- Logistics data
- Layout data

Implementation capabilities driven by ample front-line insights; networking with digital technology companies

Expansion into digital products

¥000

Electronic shelf labels (labor-saving product)

Signage (hardware)

- Remote monitoring service for cooling/ heating systems
- Electronic shelf labels
- Digital signage systems

Market forecast

Retail store digital investment 13.6%/year (2022 - 2030)

Digital product development and procurement capabilities

Refrigerated showcases

Display fixtures

- Store planning and proposal
- Store design, interior work
- Display fixtures, refrigerated showcases

Market forecast

Supermarket trends

| New openings | Renovations |
|---|---|
| -2.5%/year | 0.8%/year |

(2026 - 2030)

*Calculated based on multiple market trends reports

One-stop services for store development

# Expand Target to Stores Providing Experiences

- **Expand store development target beyond places that sell things to also include those designed for enjoying experiences**

**In-store spaces for enjoying experiences**

**Food courts**

**Amusement spaces**

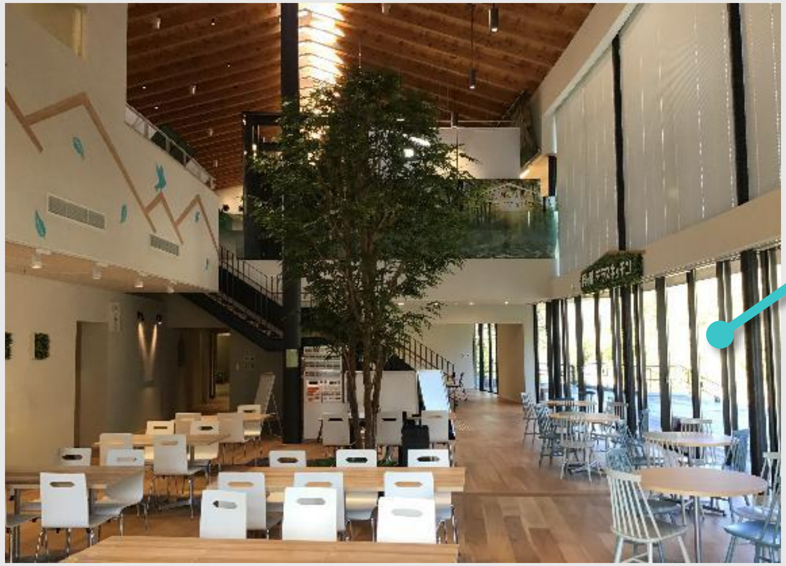


Photo courtesy of Nacása & Partners Inc.


Existing businesses

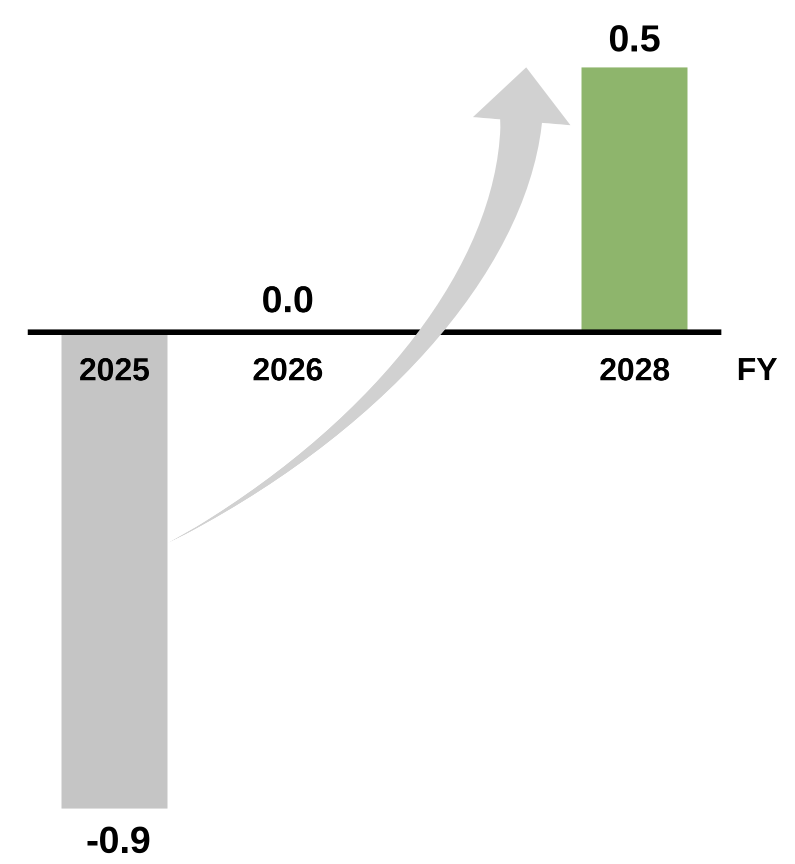
Display fixtures

Refrigerated showcases

Store design & construction

# Smart Logistics Technology Business: Financial Target & Key initiatives

## Segment operating income target




## Key initiatives

| | |
|---|---|
| Shift to logistics system integrator | ● Shift to logistics system integrator providing services that range from overall operational design of logistics centers to post launch support<br>Logistics system integrator:<br>A logistics service provider that offers comprehensive services, including operational design, equipment procurement, installation, maintenance, and operational support |
| Selection & specialization of market/customer focus areas | ● Provide logistics solution services specializing in growing EC and medical equipment domains |

# Shift from Logistics Equipment Seller to Logistics System Integrator

**Business model**

Equipment sales business (now)

**Logistics system integrator**

### Hardware

Ability to develop logistics robot solutions

- Material handling equipment
- Control systems
- Equipment sourcing ability
- Maintenance service platform

**AutoStore**

**Rotary Rack**

**AMR**

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### Software

Optify
倉庫管理、そして最適化へ

Warehouse optimization system

- Autonomization
- Optimization
- Automation
- Visualization
- Systematization

Software that leads to the evolution of logistics operations

×

### Services

- Operational support
- Replacement
- Expansion & upselling
- Contract operation

Support services

**Value provided**

| Hardware | Software | Services |
|---|---|---|
| **Labor-saving / Automation** | **Visualization / Optimization** | **Management support / Sustainable growth (LTV)** |

# Improvement of Earning Power through Shift to Logistics System Integrator

**Expansion & upselling**

Robot modules that can be optimally scaled to the customer's business growth based on operational data

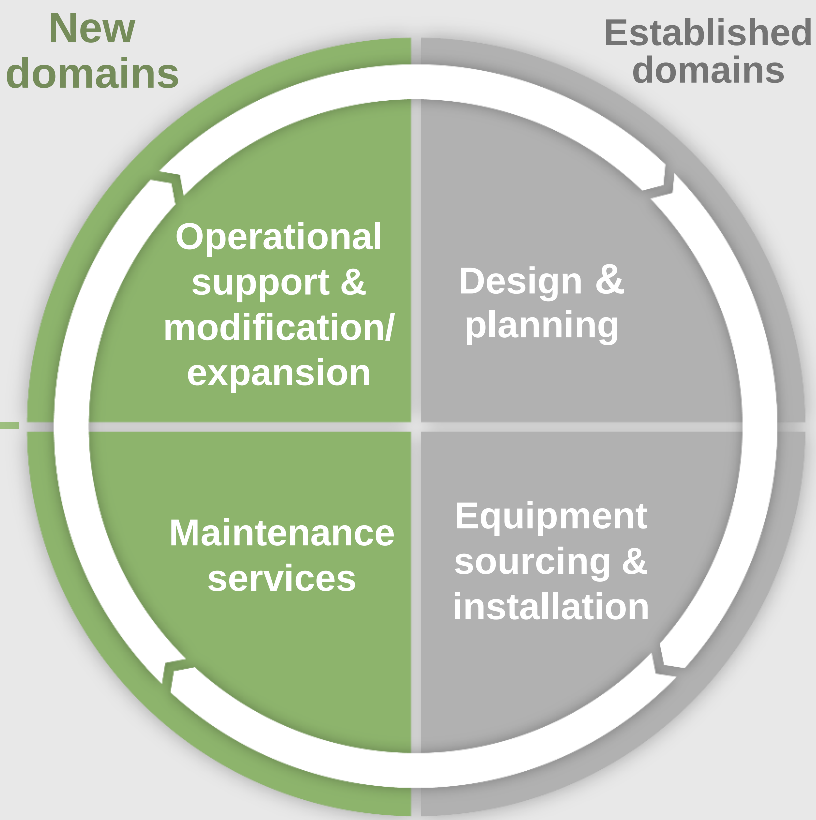
**Preventive maintenance services**

Support that enables stabler operations through services such as operational data-based part deterioration prediction and remote recovery

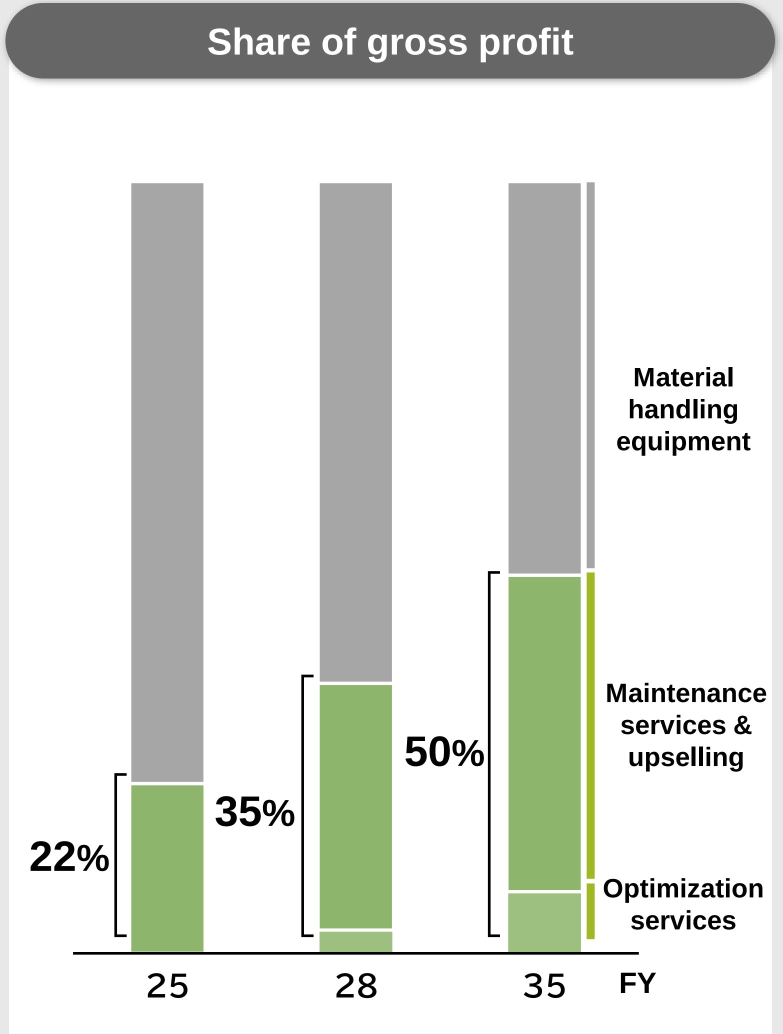
Optify
倉庫管理、そして最適化へ

**Optimization services**

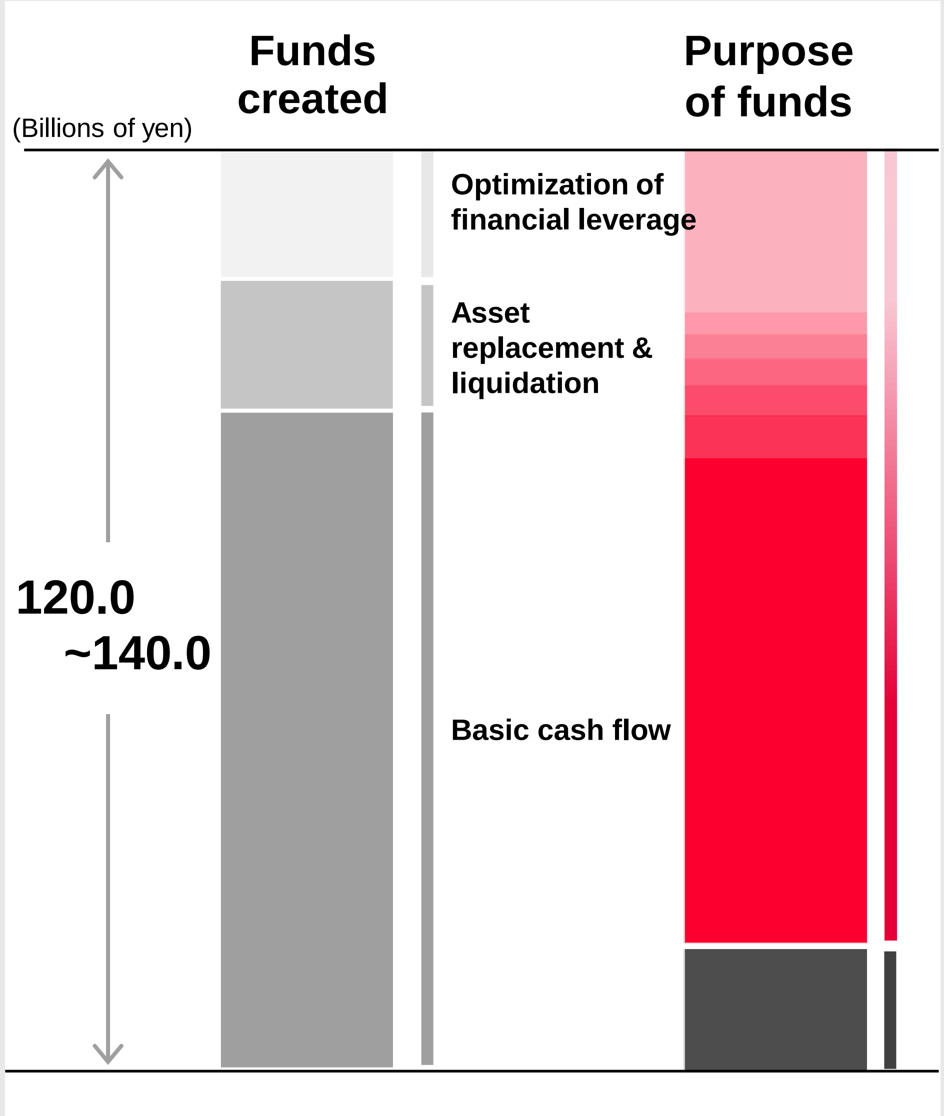
Optimization system that supports warehouse management decision-making based on operational data (Optify)




**Maximizing customer LTV through recurring revenue**



# Policy for Allocation of Funds Created




## Purpose of funds

### Shareholder returns

Allocation

**30.0 – 60.0** bn yen

- Maintain progressive dividends and a dividend payout ratio of at least 40%
- Agile share repurchases based on progress of growth investments

### Growth investments

Allocation

**60.0 – 80.0** bn yen

- Capital participation, new joint ventures, M&A
- AI and other digital technologies
- Labor-saving investments, production system realignment
- Technological development

### Maintenance & renewal

Allocation

**20.0 – 30.0** bn yen

- Maintenance and renewal, addressing system aging
- Operating environment improvements, safety measures

# Appendix

# Our Strengths

## Market share

**Net sales**
(Work & Creation Business)
**4** th worldwide
(No. 1 in Japan)
* Based on our own research

**Store display fixture share**
**37** %
(No. 1 in Japan)

**Share of robotic automated warehouse system deliveries in Japan**
**86** %
* Share of AutoStore deliveries

## Customer base

**Office design projects**
Over **30K** annually

**Overseas presence**
**134** distributors in **11** countries

**Customer coverage**
(Commerce Solutions Business)
**75** %
* Based on our own research on 100 highest-selling retailers in Japan

## Products & brands

**Product awards received**
**787** to date

**Global sales of best-selling chair Sylphy**
**1.63M** units to date

**Global sales of flagship chair Contessa**
**800K** units to date
* Contessa and Contessa II

## R&D, co-creation

**Conference presentations by Work Design Institute**
**239**
(Industry's highest)

**Patents acquired**
**1,363**

**Co-creation event participants**
**48K** to date

## Financials & shareholder returns

**Revenue growth**
(10-year CAGR)
**6.4** %

**ROE**
(Past 5 fiscal years)
over **10** % annually

**Dividend yield**
(FY2025)
**4.2** %
* TSE Prime average in 2025: 2.02%

Figures are as of March 31, 2026 unless stated otherwise.

## Work & Life Creation Business


### TOPICS

**Release of “Work Style Trends”**

Our Work Design Institute releases a report at the end of each year that highlights work style trends in the coming year.

### TOPICS

**Launch of YAA, new concept in furniture**

We launched the YAA series of “blending furniture,” a new category of furniture conceived to blend and connect people.

### TOPICS

**“Okamura Chair Masters” internal certification program**

We launched a program for training specialists with expert knowledge of ergonomics and deep insights and experience regarding our chair products.

### TOPICS

**Acquisition of UK loose furniture manufacturer Boss Design**

We acquired Boss Design, a UK-based manufacturer of high-end loose furniture*, in April 2025.

* Chairs, tables, and other furniture that can be freely rearranged since they are not fixed to floors or walls.

# Examples of Mid-term Management Plan 2025's Achievements

## Commerce Solutions Business

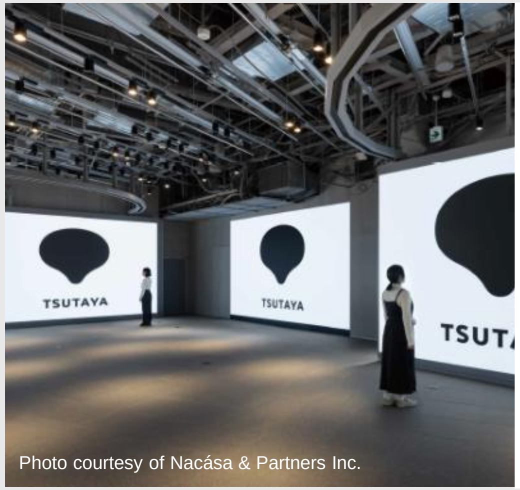


Photo courtesy of Nacása & Partners Inc.

### TOPICS

**Digital products as new tools for store development**

The SHIBUYA TSUTAYA store serves as one example of the use of digital signage, AI cameras, and other digital tools.


### TOPICS

**Digital technology-driven solutions R&D**

We developed and launched a remote monitoring system for refrigerated showcases that help reduce their power consumption. We also carried out a proof-of-concept project for data collection and analysis using sensing and image recognition.

## Smart Logistics Technology Business

okamura × GROUND

### TOPICS

**Strengthening our business & capital alliance with GROUND**

We strengthened our capabilities for offering AI technology-driven solutions and developing software, building the business foundation for transitioning to a logistics system integrator.

### TOPICS

**Establishment of joint venture with a major Chinese forklift manufacturer**

We strengthened our business foundation in China by combining our technical expertise with the sales network of a major Chinese forklift manufacturer Hangcha Group.

# Forward-looking Statements

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.
The performance forecasts and other forward-looking statements contained herein are the Company’s judgments based on information currently available and involve a significant degree of uncertainty. Accordingly, actual results of operations and other items may differ significantly from the forecasts and statements contained herein due to various changes in circumstances and factors in the future. Please be aware of this.