

May 15, 2007



To Whom It May Concern

**Okamura Corporation**

Representative: Kazuyoshi Hisamatsu

President and Representative Director

(Code Number: 7994, Listing: First Sections of Tokyo Stock Exchange and Osaka Securities Exchange)

Contact: Kiyoshi Sato, Director and General Manager of Accounting Div.  
(TEL: 045-319-3445)

Midterm Management Plan

Guided by its watchwords for corporate management – information technology, globalization, and specialization – our group engages in business activities grounded in a basic policy of building and strengthening a relationship of trust with society by constructing a stable management base, engaging in efficient, profit-oriented management, and demonstrating concern for the natural environment.

The Company will continue to strive at all times to create and open up new markets and to develop and grow as a “Solutions Company that Create Comfortable Spaces”, we hereby announce that we have set up the financial targets ending March 2009 of the captioned plan.

1. Targets of the Midterm Management Plan

On the basis of its mainstay office furniture business, the Company aims to achieve stable growth, while making company-wide efforts to establish a more secure earnings base by targeting operating income 14.8billion(1.35times in 2years).

At the ending of this captioned plan, the Company is targeting 6.4%, ratio of operating income to net sales.

Expectation of capital investment of this 2years is 11.5billion, though will be covered by equity.

	FY March 2008	FY March 2009
	Consolidated	Consolidated
Net sales	¥223billion	¥233billion
Operating income	¥13.0billion	¥14.8billion
Ordinary income	¥13.6billion	¥15.5billion
Net income	¥7.4billion	¥8.5billion
Return on equity(ROE)	8.8%	9.5%
Return on assets(ROA)	7.0%	7.5%

## 2. Midterm Management Business Strategy

### (1) Office Furniture

Vacancy ratio at record low levels in the Tokyo area, firm demand for accelerating new construction and redevelopment, as well as increasing building sizes are expected. Though the construction of new buildings has passed the peak, still keeping the active demand, progressive demand expected in secondary tertiary relocation in few years. Also, offices as “Intellectually Creative Work Space” are growing trend in executives.

In these circumstances, the Company seek to develop new product lines suited to the diverse work styles of the IT era, proposal-based sales, and attract orders for total solutions in order to create and develop new markets.

On the other hand, market in the regional area, demand in relocation is accelerating mainly in regional hub cities such as Oosaka and Nagoya, the Company will leverage the total solutions sales developed in the urban area to fortify approaching such demand.

Sales of ergonomic mesh chairs, including *Contessa* and *Baron*, continue to expand in overseas. Moreover, the Company will bolster marketing activities on a global scale by creating marketing strategies.

In the security sector, response to the intensifying competition, reorganization of financial institutions, not only major banks, are the target which will seek active investment such as biometric recognition automated safes . Buoyed by this increased awareness, the Company will fortify development and sales structure as well as total proposals for branches.

### (2) Store Displays

Business environment within the retail industry shows signs of amid rapid changes, such as the “3 Rules of Community Renovation”. In this circumstance, the Company will seek to increase its sales and profits by accommodating customers needs.

In the supermarket business, the Company leverages its competitive advantage of offering store display fixtures and freezer & refrigerator showcases, stepping up the development of periphery products promoting total solutions of stores, in order to reinvigorate earnings.

In addition, targeting growing market for high-grade specialty stores, the Company aim to broad its customer base by developing original fixtures to store characteristics and store decors, engaging aggressively proposal-based selling .

### (3) Material Handling Systems and Others

Condition in the material handling systems business are expected to benefit from investment in production facilities and distribution centers. In this circumstance, the Company is making active efforts to expand sales by firming total proposal mainly storages for boxes, assortment line and delivery equipment business accommodating distribution centers. The Company will correspond for internal and external demand in capital expenditure by Seeder Co.,Ltd., the manufacture of clean room conveyor systems acquired as a subsidiary, exploring new business opportunity other than FPD(Flat Panel Displays).

#### (4) Promotion of Management Efficiency and Internal Control

The Company will further advance the development of the Okamura Production System (OPS), a new method of production aimed at reducing manufacturing costs, though favorable efficient has already shown, the Company will continuously improve the method to its Group companies.

In addition, expansion of oversea procurements of resources, select and concentrate the resource suppliers, re-integration of logistics facilities, the Company will target the reduction of cost cutting as 4.7billion in two years.

In order to maximize the corporate social value, the Company ensure implementation of systems for internal control, which is starting on April 2008, to realize more transparent management.

(Reference)

#### Net sales by Business Segments

	FY March 2008	FY March 2009
	Consolidated	Consolidated
Office furniture	¥138.8billion	¥146.0billion
Store displays	¥67.0billion	¥68.5billion
Material handling systems and others	¥17.2billion	¥18.5billion
Total	¥223.0billion	¥233.0billion

#### Targets of the Midterm Management Plan(Non-consolidated)

	FY March 2008	FY March 2009
	Non-consolidated	Non-consolidated
Net sales	¥220.0billion	¥229.5billion
Operating income	¥10.8billion	¥12.5billion
Ordinary income	¥11.4billion	¥13.2billion
Net income	¥6.3billion	¥7.3billion
Return on equity(ROE)	8.5%	9.2%
Return on assets(ROA)	6.4%	7.1%