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To Whom It May Concern

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With Regard to the Midterm Management Plan

The Okamura Group engages in business activities grounded in a basic policy of building and strengthening a relationship of trust with society as a whole by constructing a stable management base with the aim of achieving medium- and long-term growth, engaging in efficient and profit-oriented management, and demonstrating concern for the natural environment.

In consideration of the business results for the previous year and the current business environment, we hereby announce that we have formulated the Midterm Management Plan ending March 31, 2016.

1. Targets of the Midterm Management Plan

This year, uncertainty over the prospects for the Japanese economy still remains, owing to a reaction from the front-loaded demand before the increase in the consumption-tax rate and the effects on emerging countries of observations suggesting reduction in monetary easing in the U.S. However, the economy showed promising signs, such as an upswing in corporate performance as a result of the government economic policies including monetary easing and increased public spending and expectations for an early end of the reaction from the last-minute demand. We expect that the Japanese economy will grow steadily, though slowly, over this year.

Under these circumstances, in order to achieve the management targets given blow, we will strive to improve our business performance by implementing the prioritized plans included in the basic strategy.

Management Targets (Consolidated)

| | FY March 2015 | FY March 2016 |
|-------------------------|----------------|----------------|
| Net sales | ¥220.0 billion | ¥230.0 billion |
| Operating income | ¥11.0 billion | ¥12.5 billion |
| Ordinary income | ¥11.5 billion | ¥13.0 billion |
| Net income | ¥7.3 billion | ¥8.2 billion |
| Operating income margin | 5.0% | 5.4% |

2. Basic Strategy for Achieving the Targets of the Midterm Management Plan

(1) Improvements in competitiveness

We will strive to differentiate the Company from our competitors by making proposals based on excellent research results in segments including Office Furniture and Store Displays and by developing products with concepts and designs that realize such proposals. We also aim to improve productivity and market competitiveness by building an advanced production system in response to small-lot production. We intend to enhance competitiveness by expanding and strengthening each business segment through M&A promotion and by strengthening human-resource development through improved staff education and implementation of staff rotation.

(2) Strengthening of the domestic business base

We will promote the strengthening of our sales capabilities by reinforcing inter-segment cooperation and proposing solutions based on our corporate collective strength. In the Office Furniture segment, we will focus on seeking out demand not only in the private office furniture market as a core market but also in the office-related furniture market, such as the furniture market for healthcare facilities, educational facilities, public offices and municipal facilities. In the Store Displays segment, we will work aggressively to increase sales by making total solutions to meet the needs of customers and to continue to increase profits.

(3) Global market expansion

For the purpose of establishing an overseas business base, we will expand our sales networks by acquiring overseas distributors, developing global human resources, and spreading awareness of the Okamura brand by actively participating in all kinds of overseas trade shows. We will also strive to be a global company by improving and expanding our target products for each market and by promoting the development of our production and supply system.

(Reference)

Net Sales by Business Segment (Consolidated)

| | FY March 2015 | FY March 2016 |
|---|----------------|----------------|
| Office furniture | ¥119.0 billion | ¥125.0 billion |
| Store displays | ¥87.0 billion | ¥90.5 billion |
| Material handling systems and others | ¥14.0 billion | ¥14.5 billion |
| Total | ¥220.0 billion | ¥230.0 billion |