



Fiscal year ending December 2012
First three months
(January – March)
Business Results

April 27, 2012

OTSUKA CORPORATION

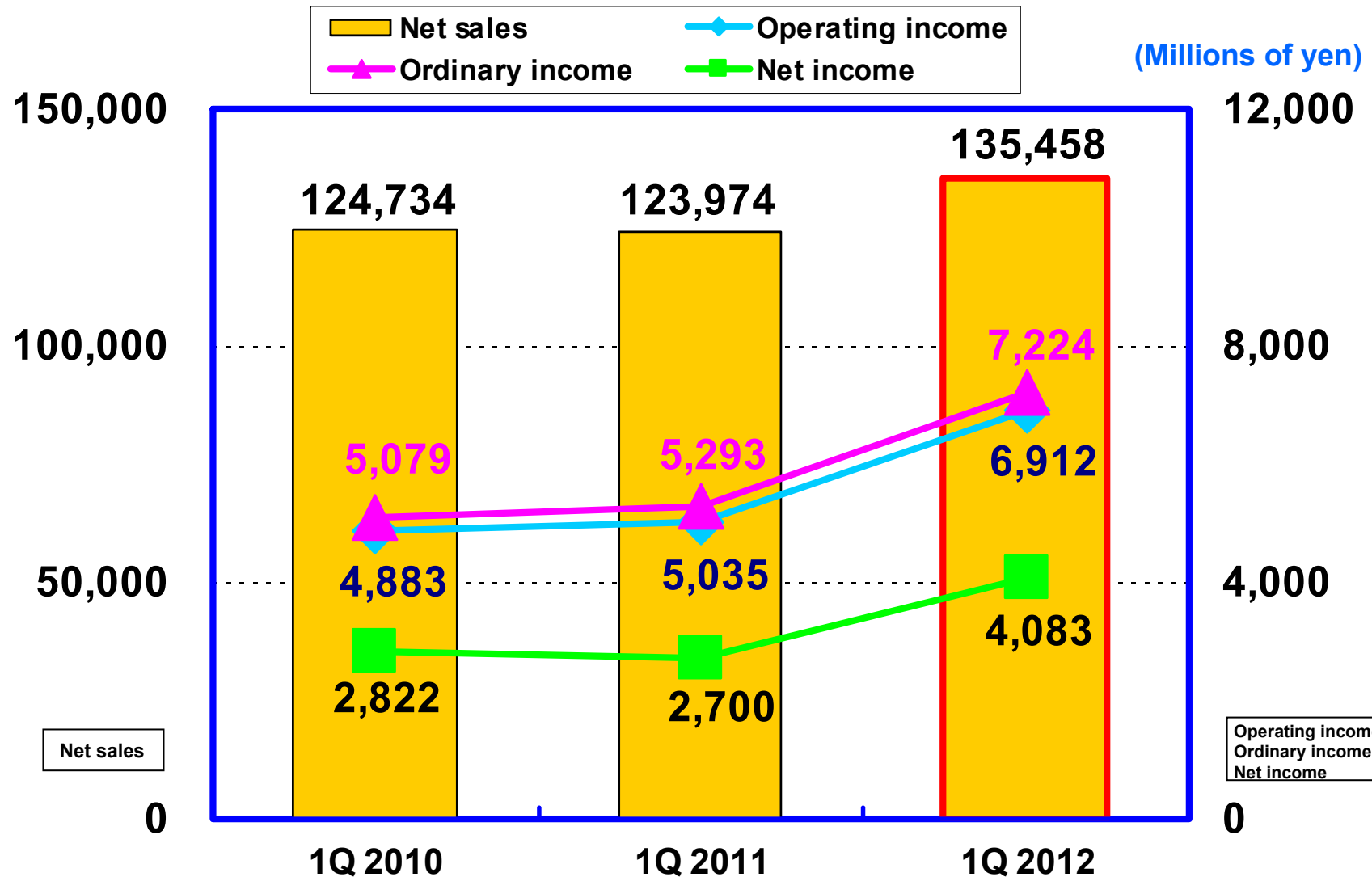
Summary of Business Results, January - March, 2012

(Millions of yen)

| | Consolidated | | Non-Consolidated | |
|------------------|--------------|---------------------|------------------|---------------------|
| | Amount | Change to Last year | Amount | Change to Last year |
| Net sales | 135,458 | +9.3% | 123,729 | +7.6% |
| Operating income | 6,912 | +37.3% | 6,050 | +37.7% |
| Ordinary income | 7,224 | +36.5% | 6,290 | +36.3% |
| Net income | 4,083 | +51.2% | 3,512 | +49.6% |

Consolidated

Net sales and Profits



External Environment

The domestic economy is slowly beginning to pick up.

The environment was characterized by a mild recovery in the global economy, and the European debt crisis.

Exports remained unchanged, there was an abatement of the strong yen and improvement in stock prices, and crude oil prices were high.

Production showed signs of a slow recovery and there were concerns over power supply.

There was a shortage in certain products due to the impact of the flood disaster in Thailand.

The number of corporate bankruptcies remained at the same level, and investment in facilities and equipment showed signs of recovery.

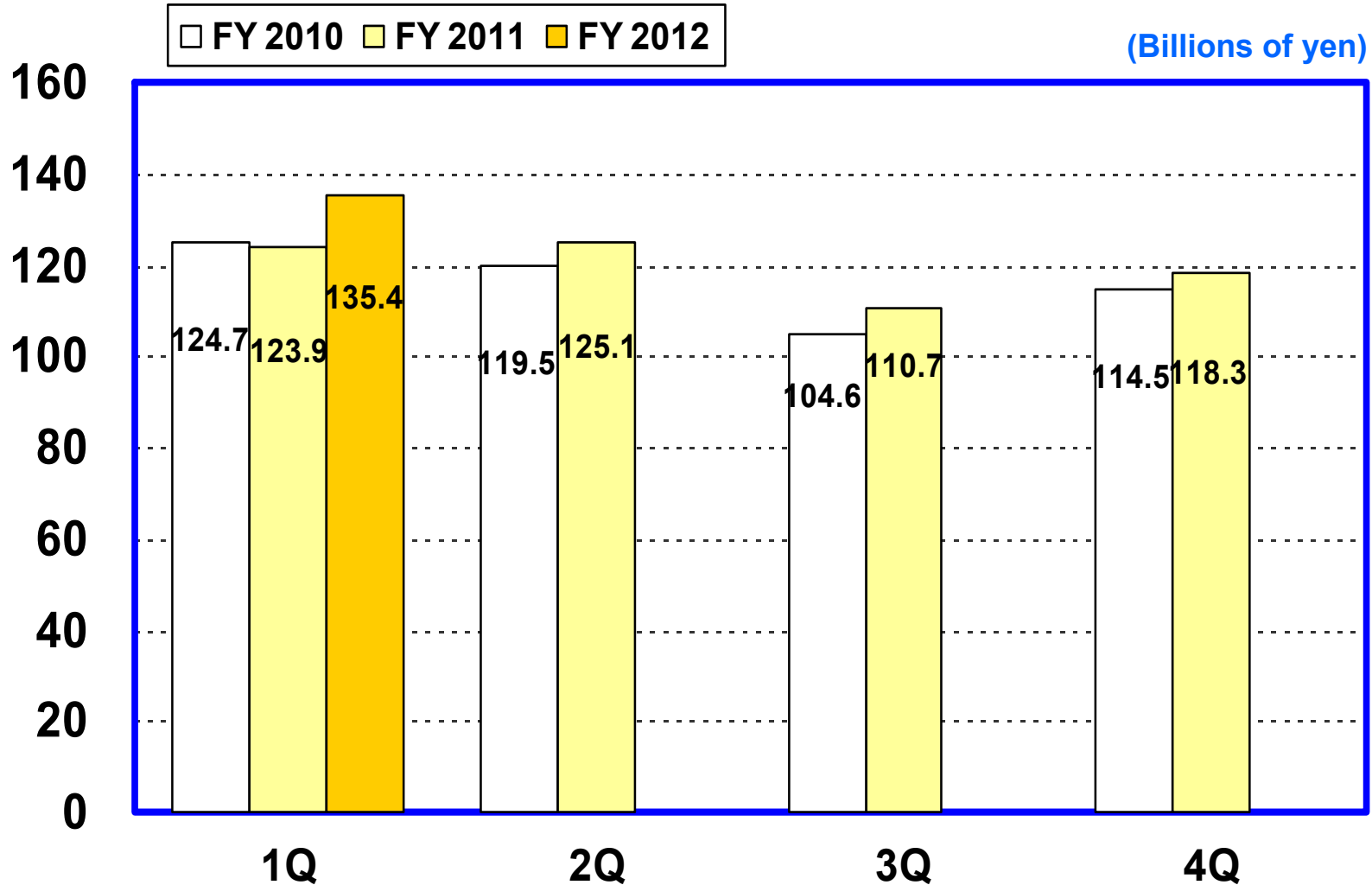
IT investments achieved steady growth.

OTSUKA Group's Activities

- **System proposals that lead to cost reductions, improvement of productivity and strengthening of competitiveness**
- **Strengthening of customer contact and frontline**
- **Activities “participated in by all employees”**
- **Strengthening of accumulated business: “tanomail” and “tayoreru”**
- **BCP measures and proposals for reducing power consumption**
- **Minimizing the impact of Thailand floods through alternative proposals**

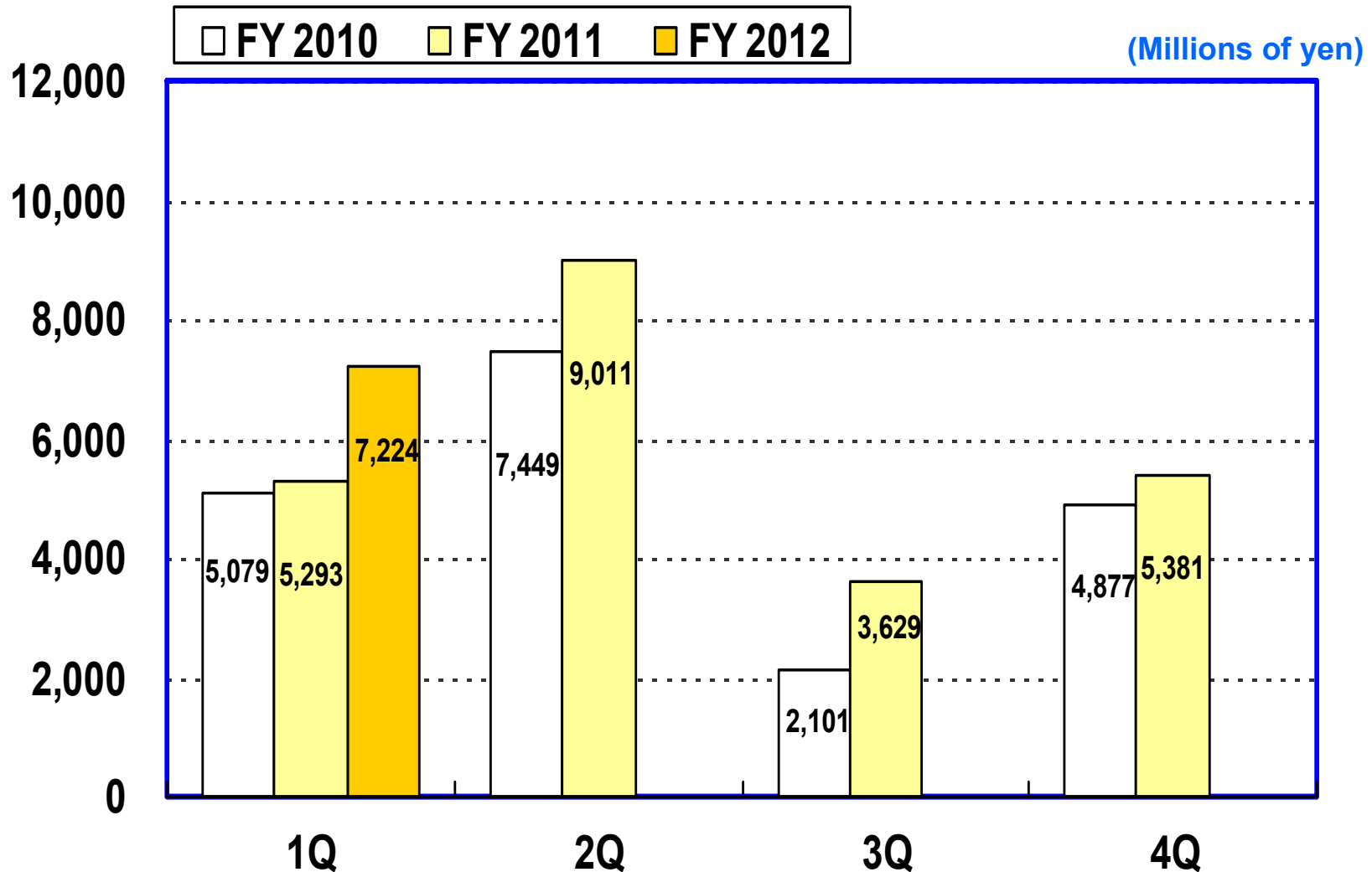
Consolidated

Quarterly change of Net sales



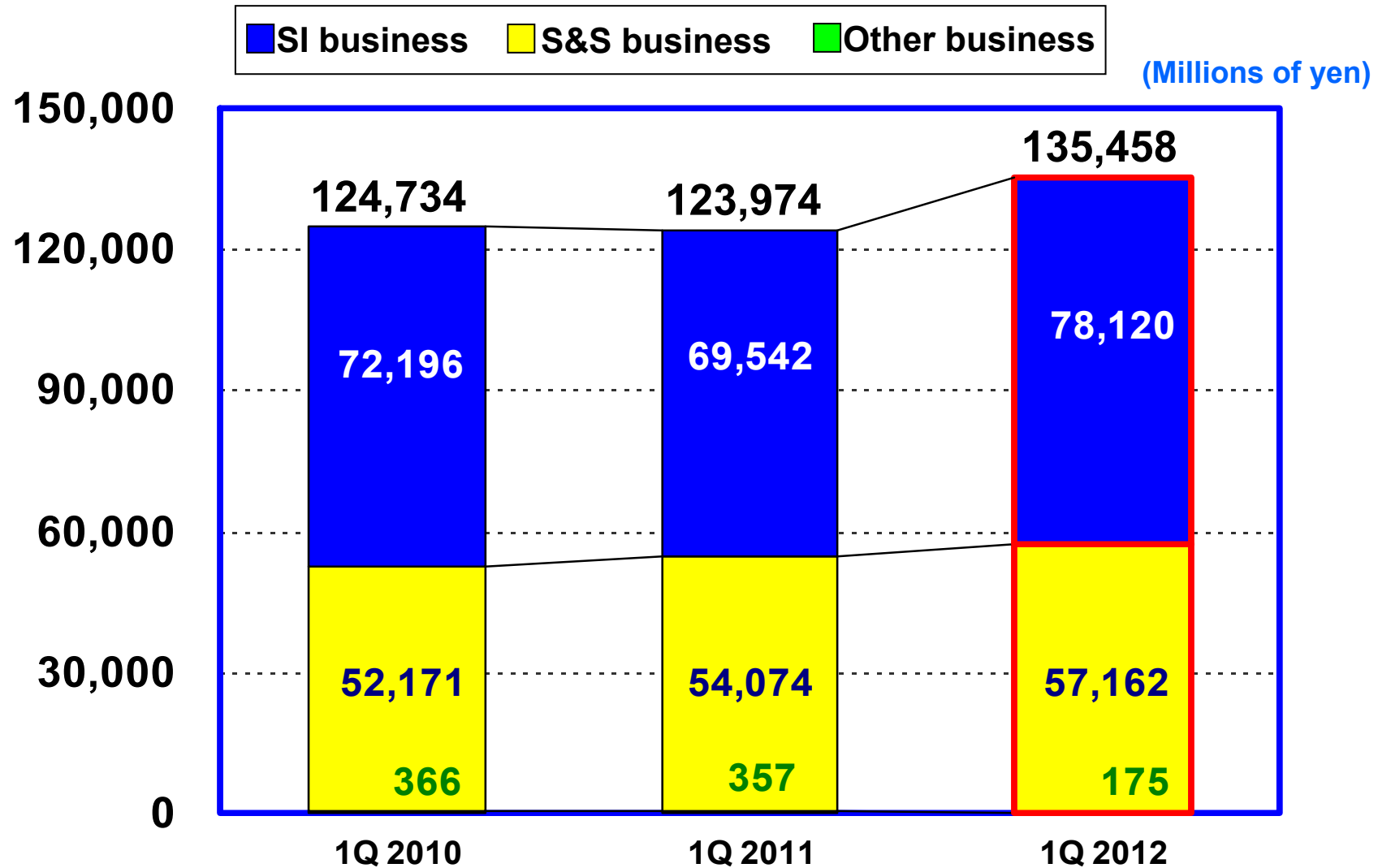
Consolidated

Quarterly change of Ordinary income

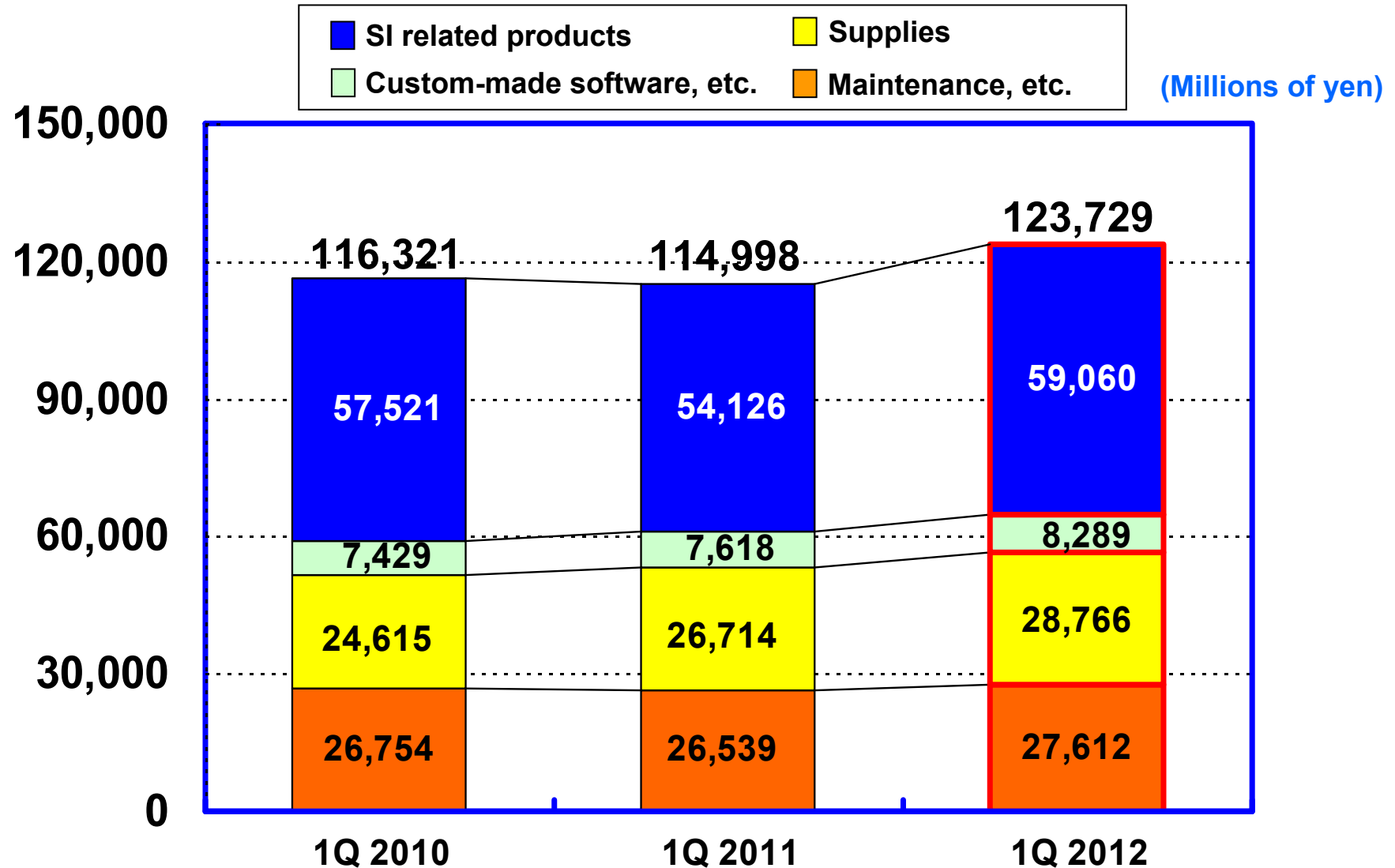


Consolidated

Net sales by segments

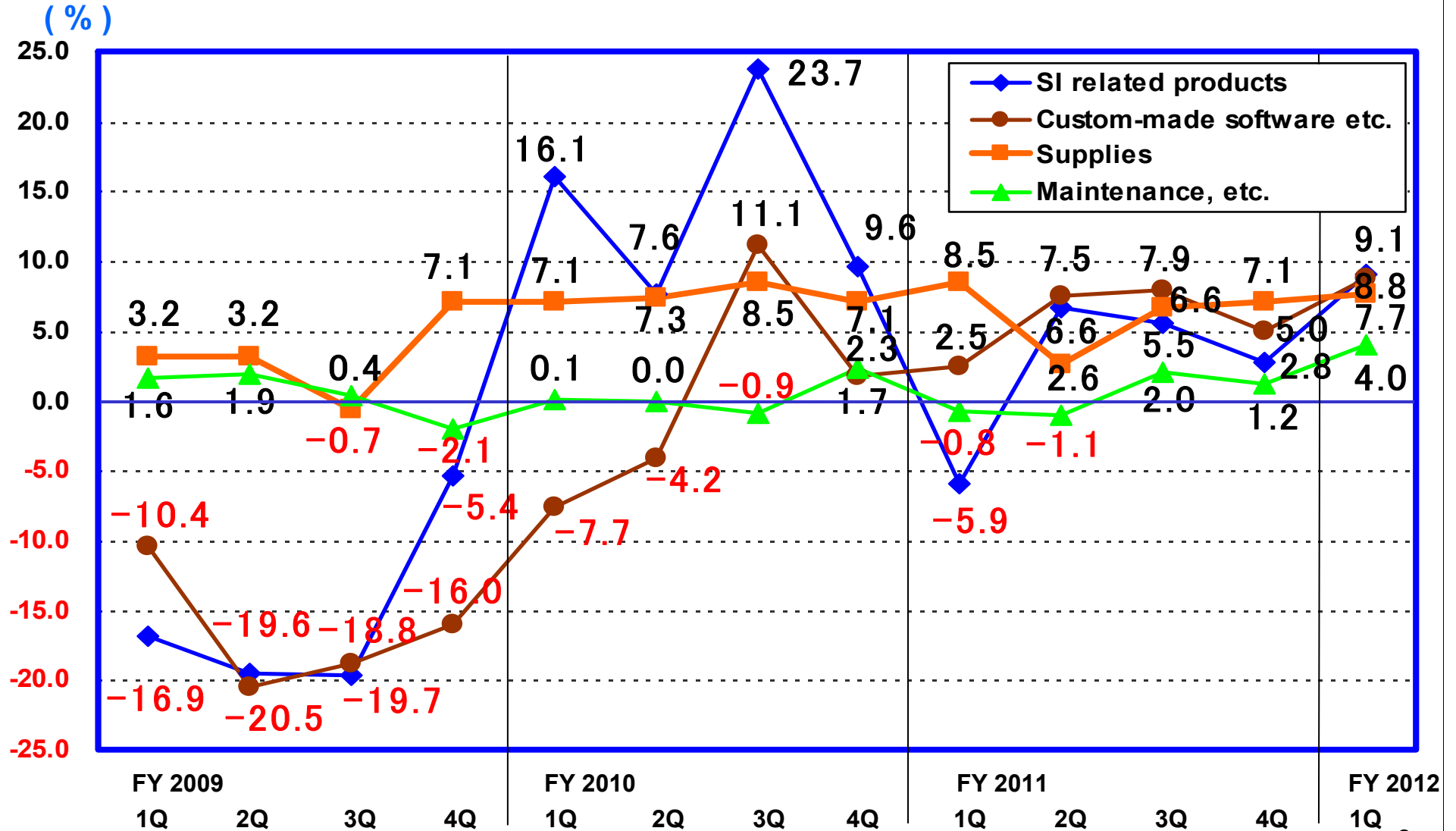


Net sales by 4 segments



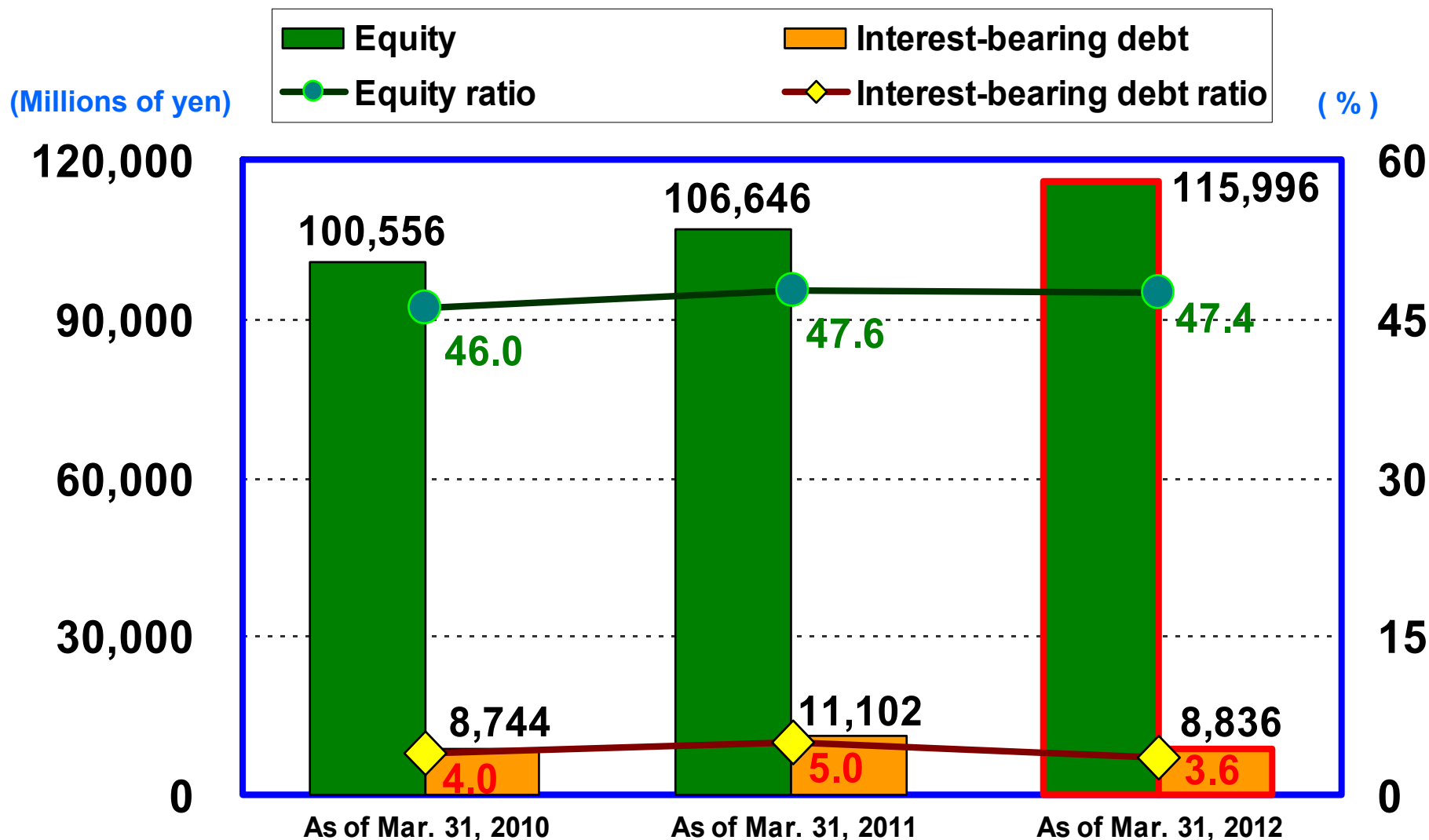
Non-Consolidated

Quarterly Net Sales by 4 segments (% change year-on-year)



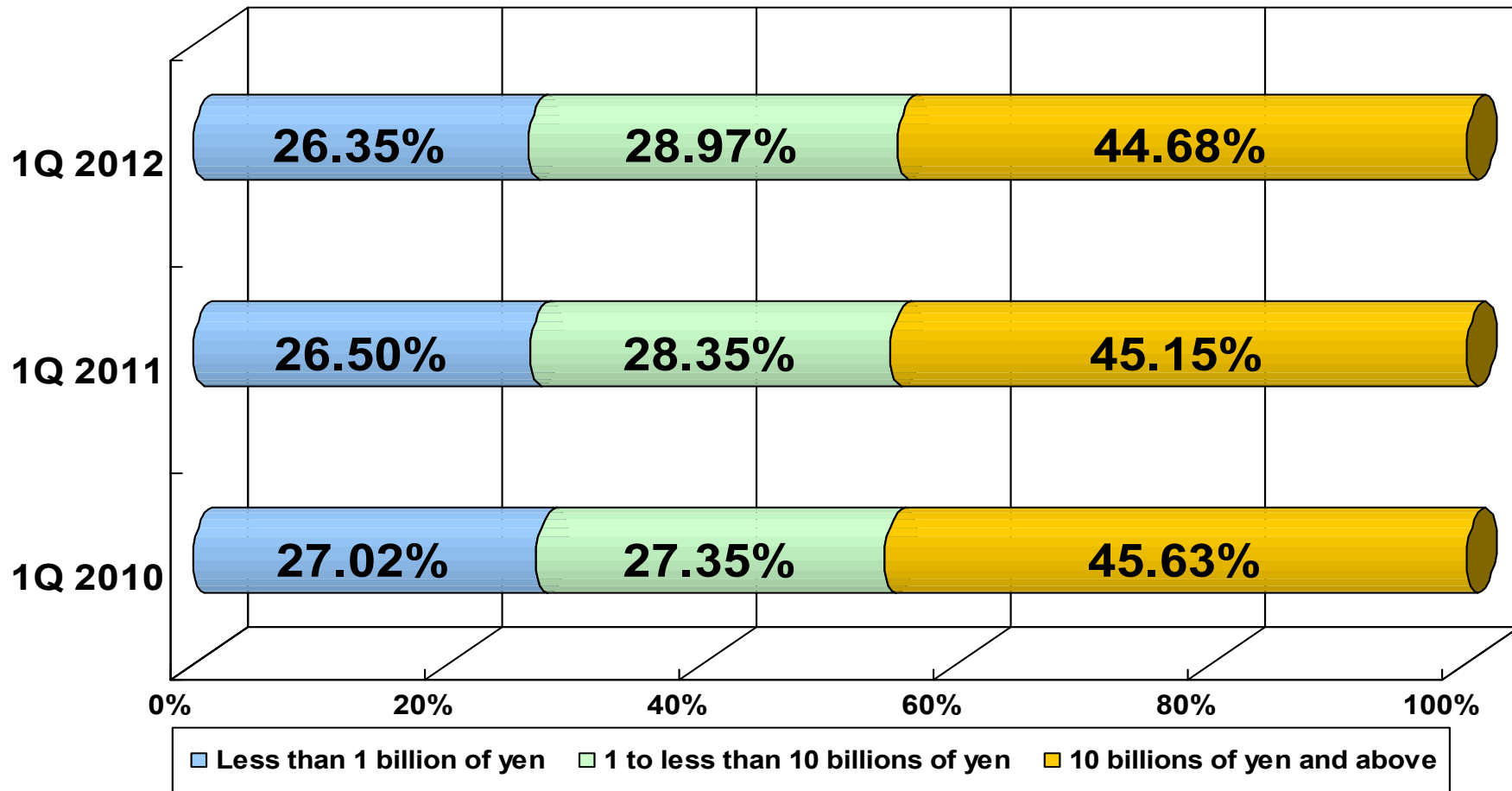
Consolidated

Equity and Interest-bearing debt



Non-Consolidated

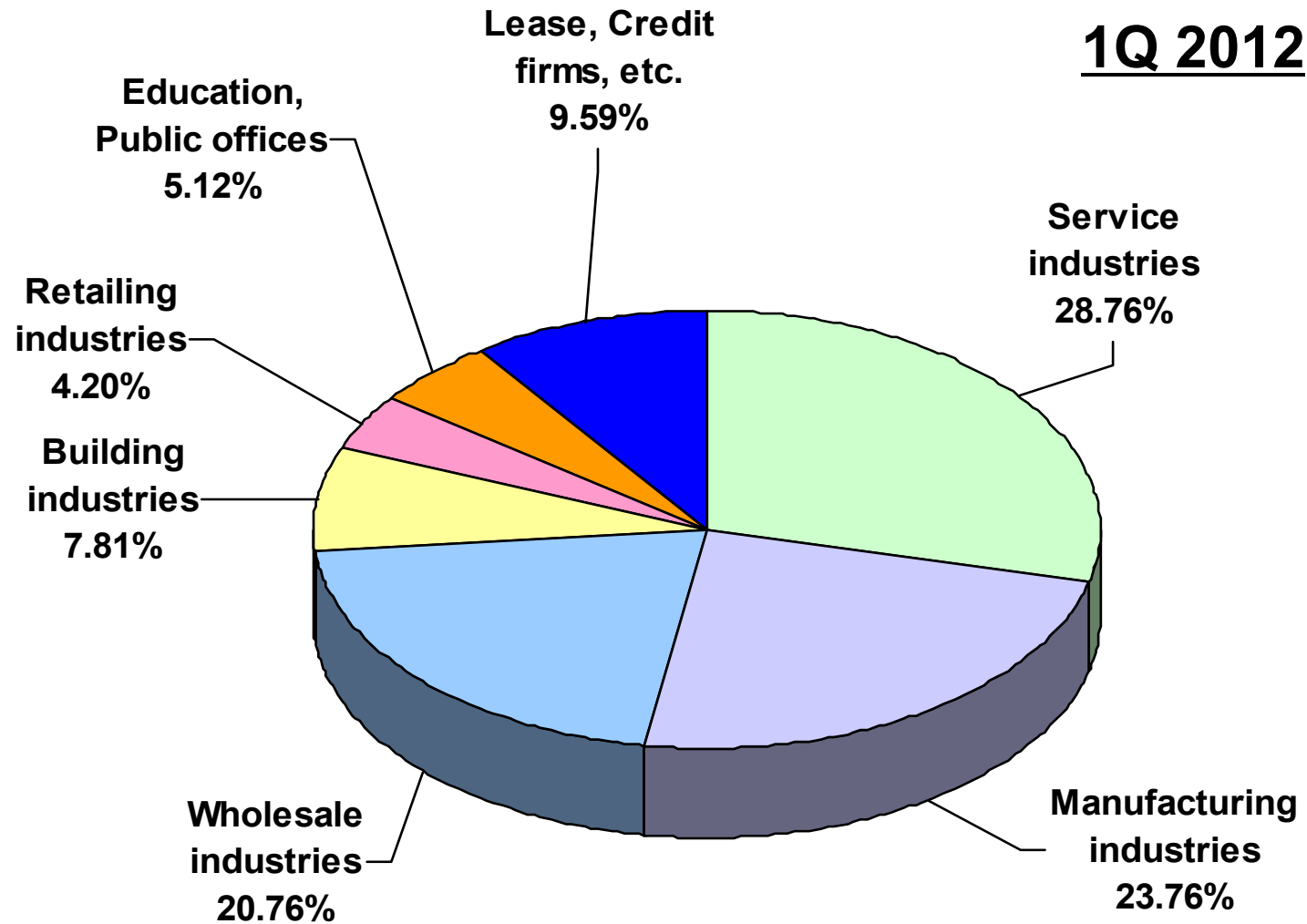
Net sales structure on customers' total annual business scale



* "Less than 1 billion yen" includes public offices.

Non-Consolidated

Sales breakdown by customers' type of industry





Key strategic business

<Amount of Sales>

(Millions of yen)

| | 1Q 2010 | 1Q 2011 | | 1Q 2012 | | |
|------------|---------|---------|---------------------|---------------|-------------------------|---------------------|
| | Amount | Amount | Change to Last year | Amount | Difference to Last year | Change to Last year |
| “tanomail” | 25,539 | 27,414 | +7.3% | 30,151 | +2,737 | +10.0% |
| SMILE | 1,443 | 1,776 | +23.1% | 2,001 | +224 | +12.7% |
| ODS21 | 9,562 | 9,651 | +0.9% | 10,350 | +698 | +7.2% |
| OSM | 12,163 | 12,359 | +1.6% | 13,285 | +925 | +7.5% |

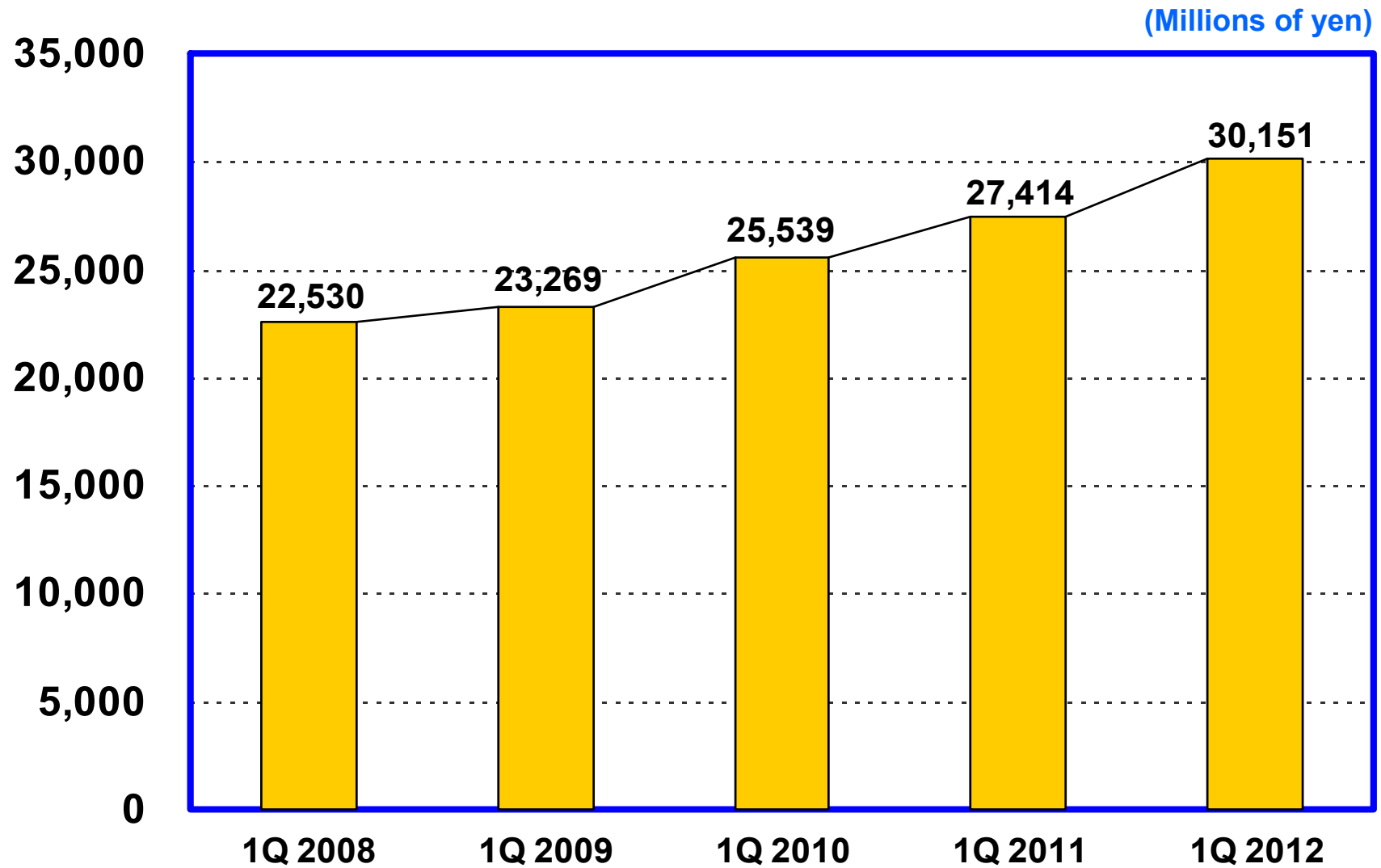
<As reference: Number of Sales>

(Units)

| | | | | | | |
|----------------------------|---------|---------|--------|----------------|----------------|---------------|
| Copier | 6,646 | 6,841 | +2.9% | 7,894 | +1,053 | +15.4% |
| (of which Color copier) | 5,071 | 5,551 | +9.5% | 6,641 | +1,090 | +19.6% |
| Server | 9,500 | 9,025 | -5.0% | 10,992 | +1,967 | +21.8% |
| PC | 214,538 | 185,635 | -13.5% | 205,242 | +19,607 | +10.6% |

Non-Consolidated

“tanomail” Sales



Plans for FY 2012

(Millions of yen)

| | Consolidated | | |
|-------------------------|---------------------|-------------------|-------------------|
| | 1Q 2012 (Result) | 1H 2012 (Plan) | FY 2012 (Plan) |
| Net sales | 135,458 | 256,500 | 493,000 |
| Operating income | 6,912 | 14,300 | 24,000 |
| Ordinary income | 7,224 | 14,600 | 24,500 |
| Net income | 4,083 | 8,210 | 13,550 |



Cautionary statement

1. This material is intended to provide information about the business performance of the 1st quarter of fiscal year 2012 and strategy of the OTSUKA CORPORATION and Group companies. It is not intended and should not be construed as an inducement to purchase or sell stocks of OTSUKA CORPORATION.
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