



Fiscal year ending December 2013
First three months
(January – March)
Business Results

April 26, 2013

OTSUKA CORPORATION

Summary of Business Results, January - March, 2013

(Millions of yen)

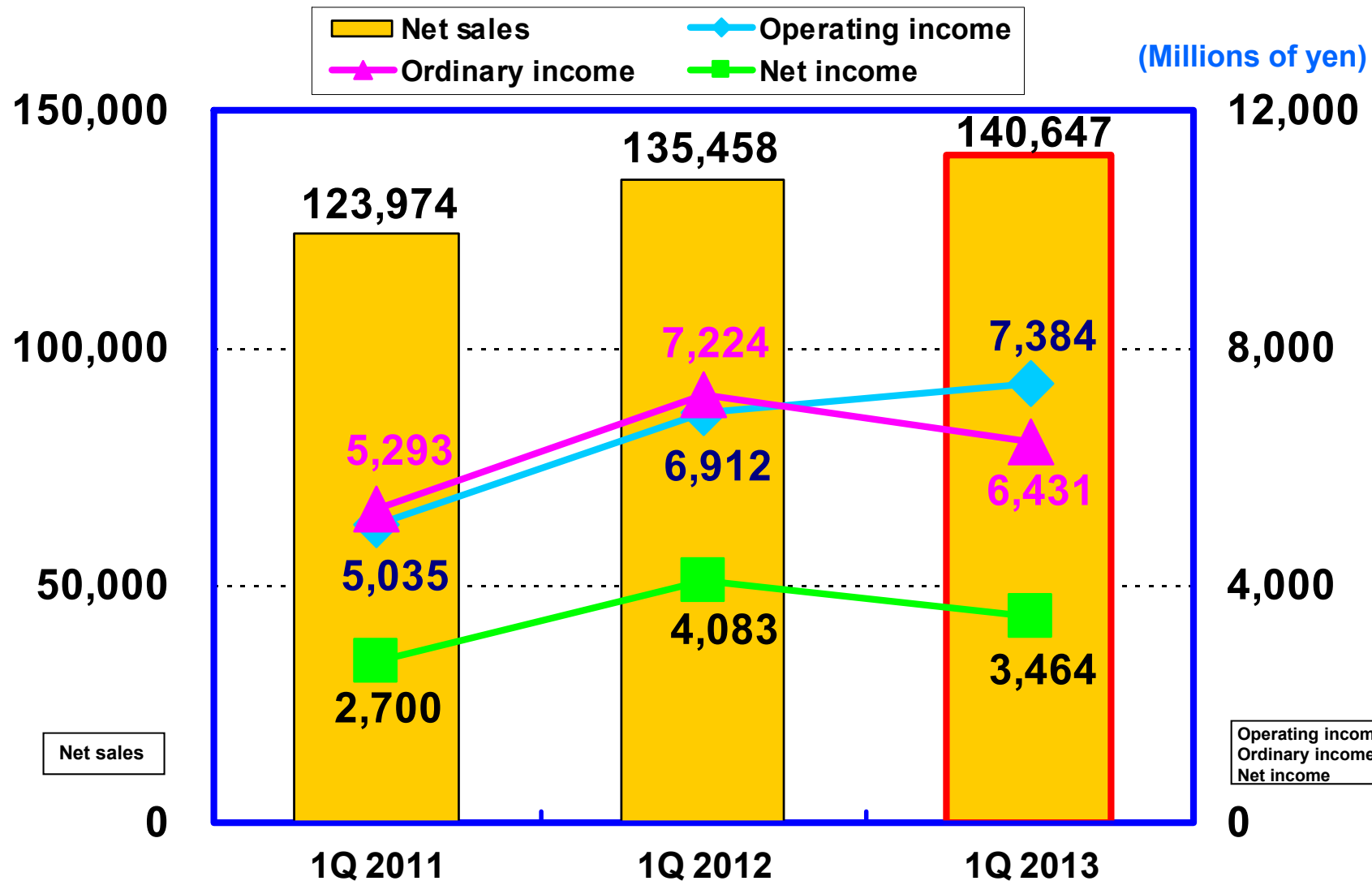
	Consolidated		Non-Consolidated	
	Amount	Change to Last year	Amount	Change to Last year
Net sales	140,647	+3.8%	129,509	+4.7%
Operating income	7,384	+6.8%	6,414	+6.0%
Ordinary income	6,431	-11.0%	6,720	+6.8%
Net income	3,464	-15.2%	4,186	+19.2%

Difference between Operating income, Ordinary income, and Net income

- **Netplan Co., Ltd., our consolidated subsidiary made additional provisions to the allowance for doubtful accounts of ¥1,066 million.**
- **First quarter ended March 31, those additional expenses included in non-operating expense. As a result, consolidated ordinary income decreased.**
- **First quarter ended March 31, those additional expenses were not deductible for tax purpose; therefore income tax expenses did not decrease. As a result, consolidated net income decreased.**

Consolidated

Net sales and Profits



External Environment

The domestic economy is showing signs of picking up.

Weak recovery in the global economy and weak movement in Europe.

The economy in emerging countries showed signs of picking up while the U.S. economy remained on a gradual recovery path.

Exports showed signs of bottoming out and production is picking up.

Strong yen is being corrected, stock prices rose and power supply constraints continued.

Steady movements in public investments and the number of corporate bankruptcies declined.

Investment in facilities and equipment has bottomed out.

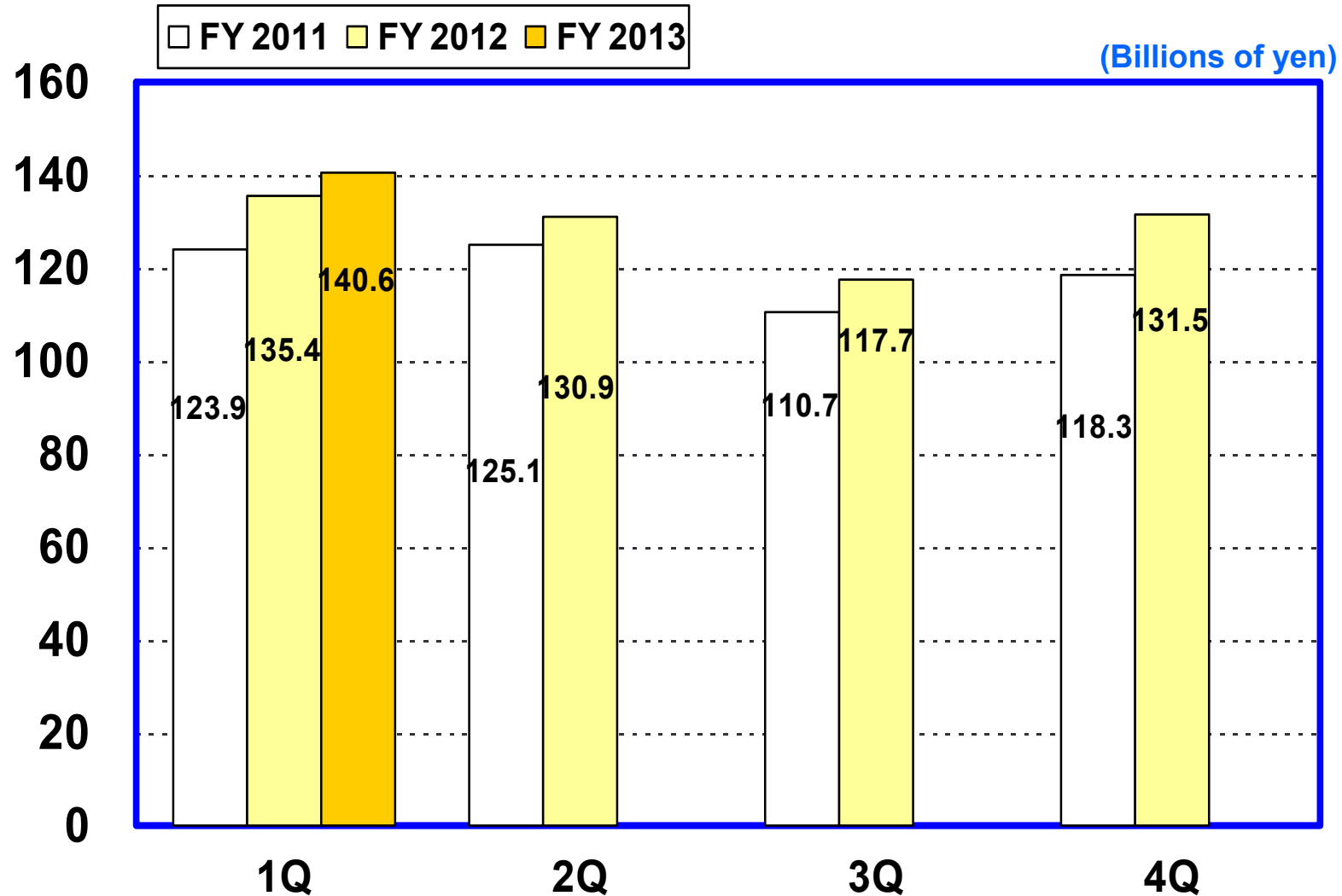
IT investments achieved steady growth.

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**

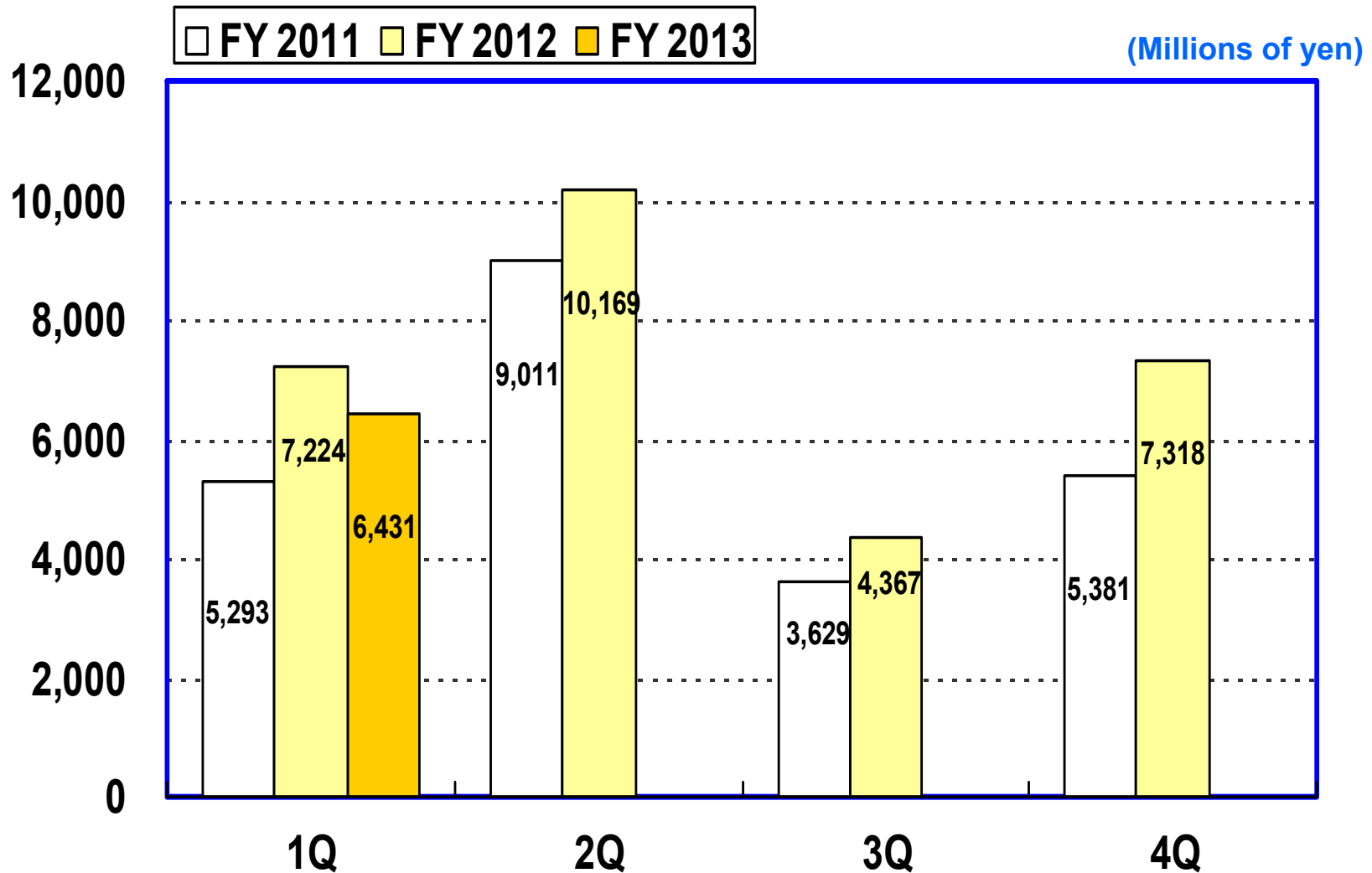
Consolidated

Quarterly change of Net sales



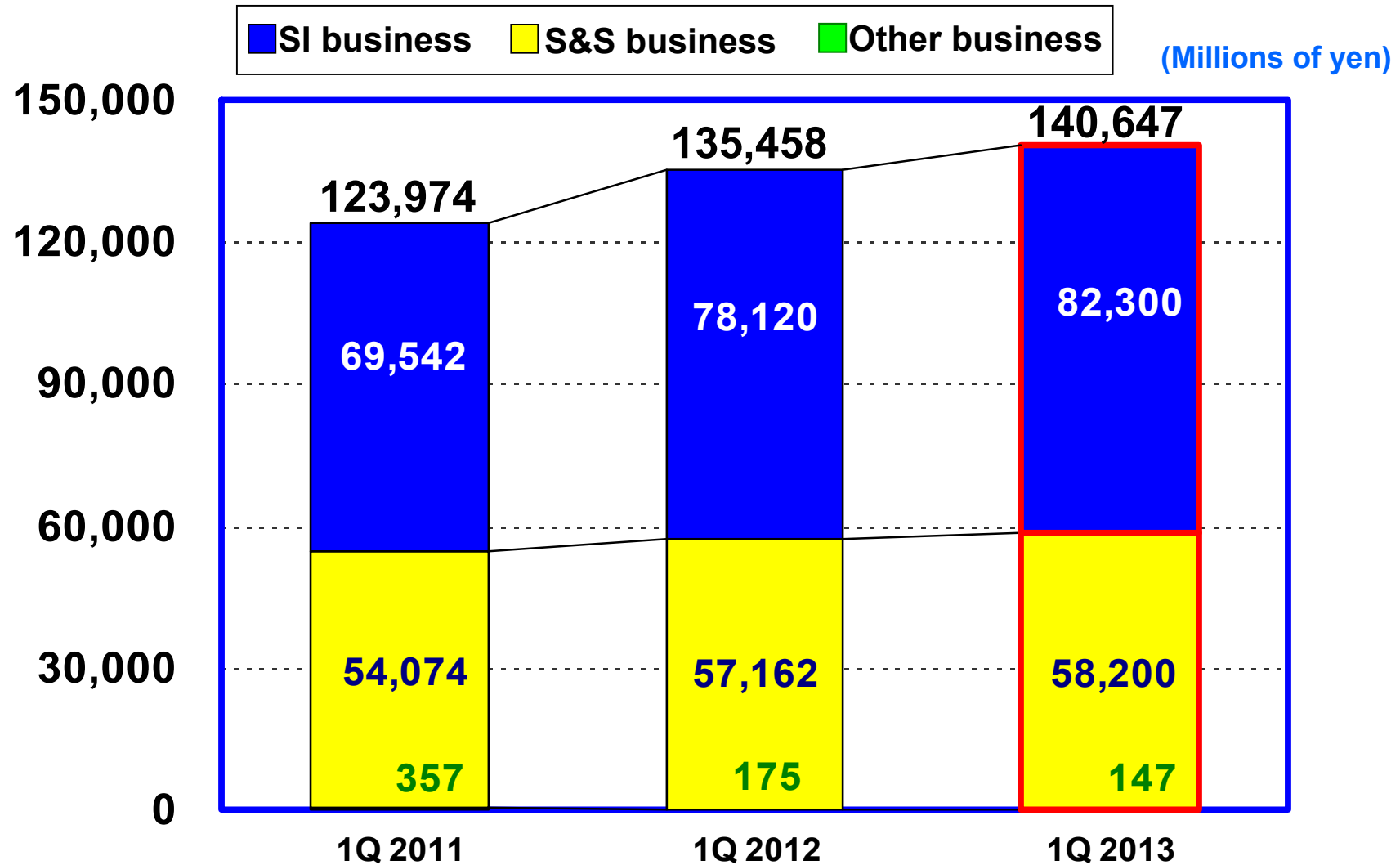
Consolidated

Quarterly change of Ordinary income

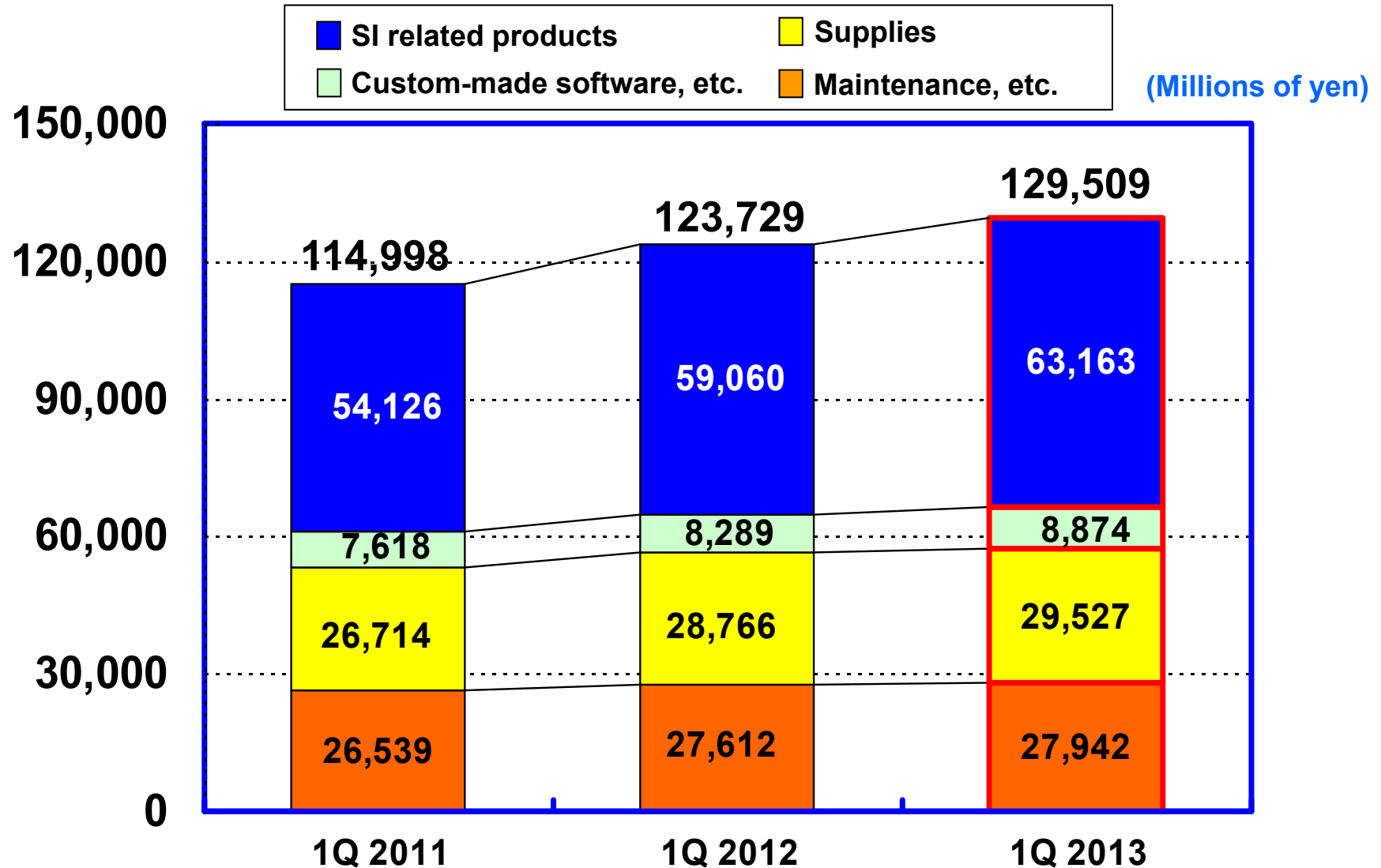


Consolidated

Net sales by segments

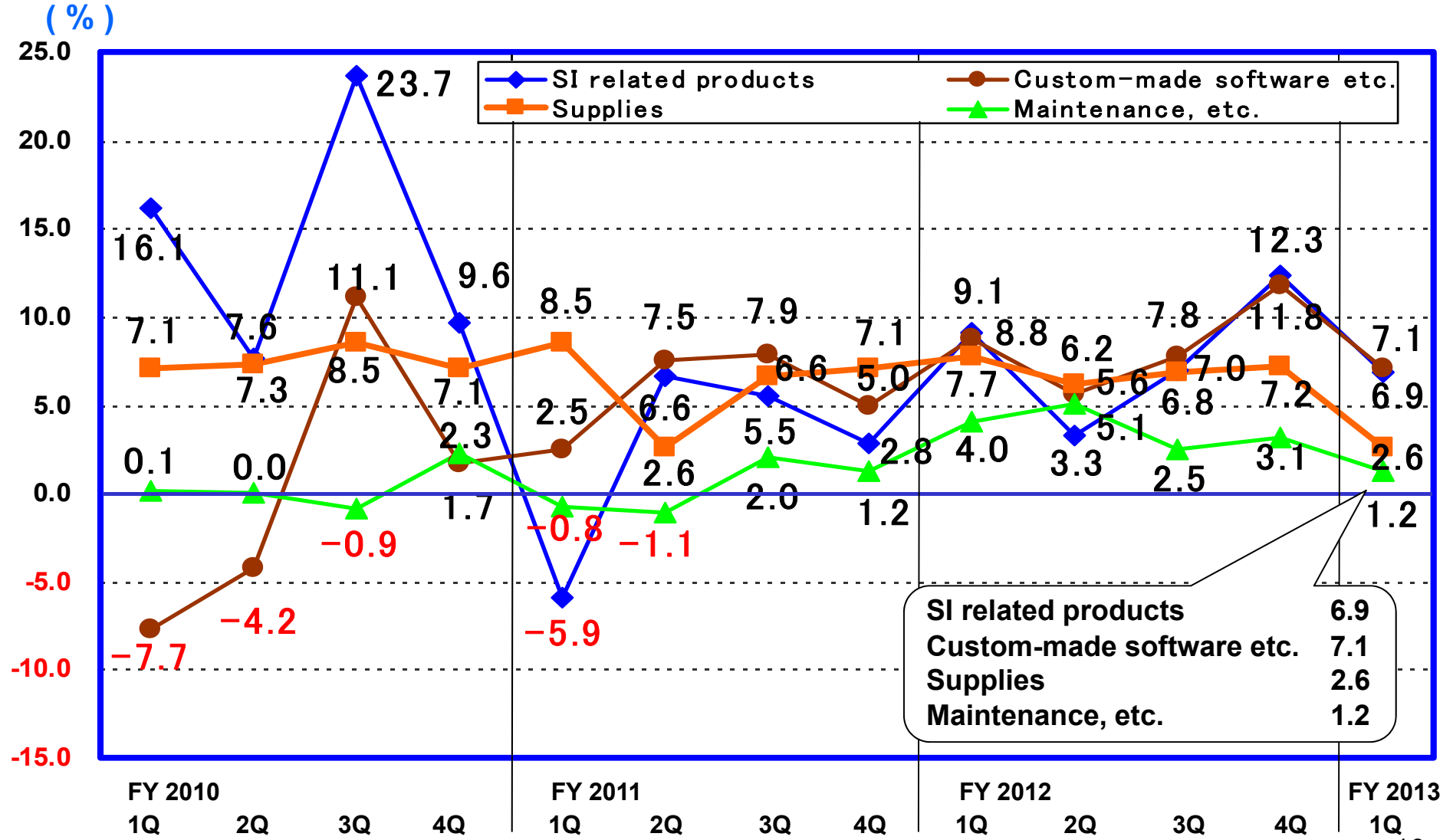


Net sales by 4 segments



Non-Consolidated

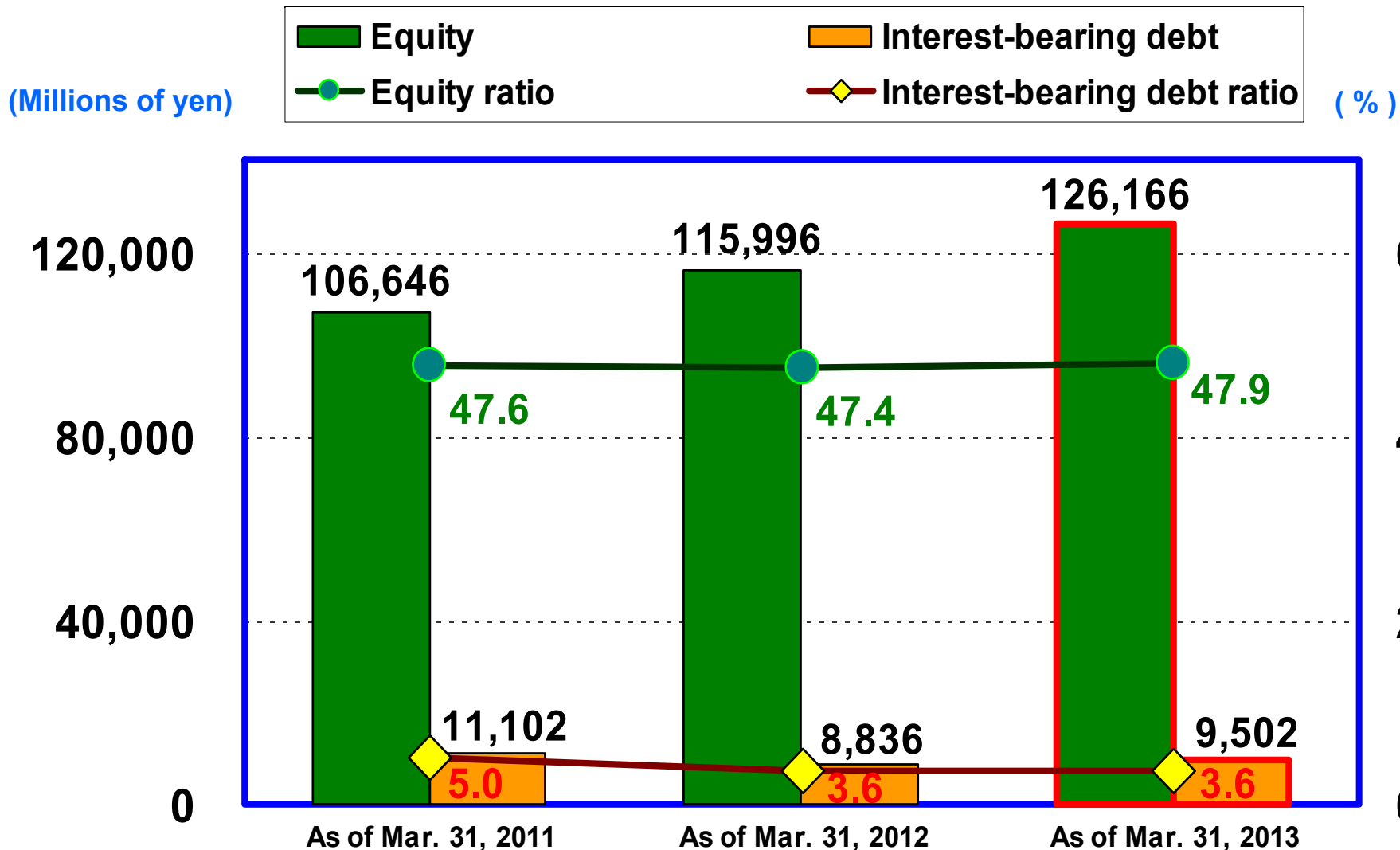
Quarterly Net Sales by 4 segments (% change year-on-year)



SI related products	6.9
Custom-made software etc.	7.1
Supplies	2.6
Maintenance, etc.	1.2

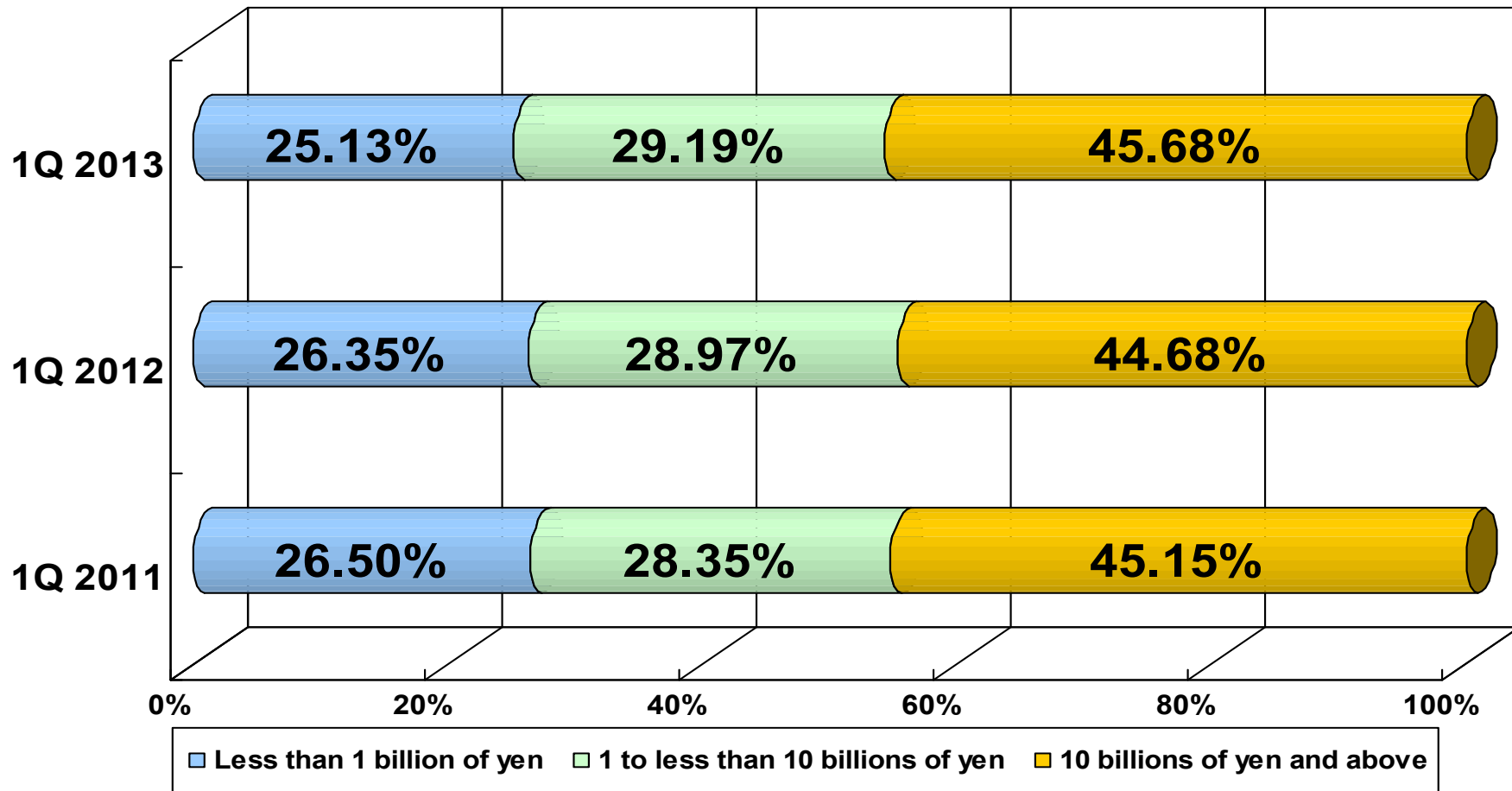
Consolidated

Equity and Interest-bearing debt



Non-Consolidated

Net sales structure on customers' total annual business scale

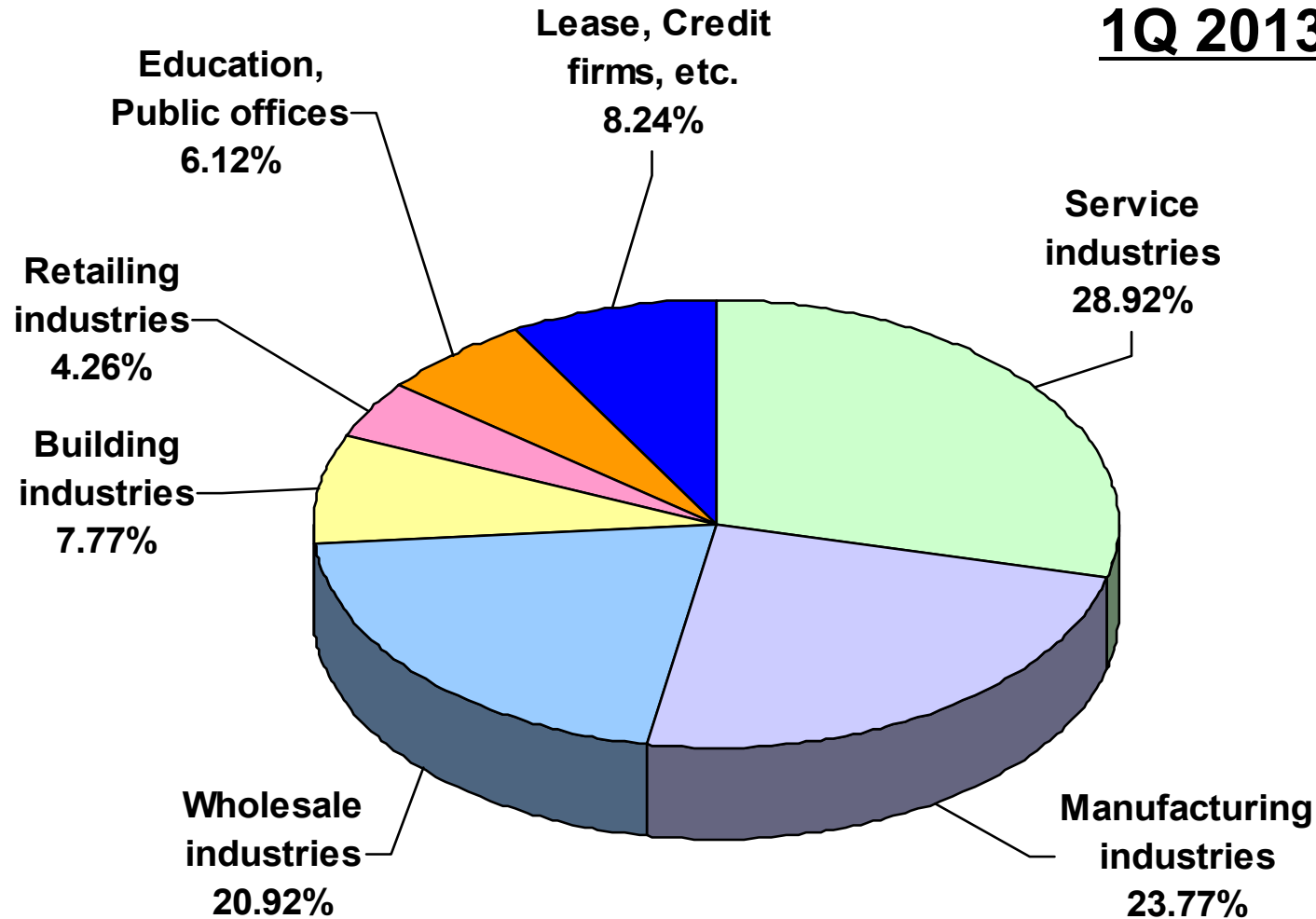


* "Less than 1 billion yen" includes public offices.

Non-Consolidated

Sales breakdown by customers' type of industry

1Q 2013





Key strategic business

<Amount of Sales>

(Millions of yen)

	1Q 2011	1Q 2012		1Q 2013		
	Amount	Amount	Change to Last year	Amount	Difference to Last year	Change to Last year
“tanomail”	27,414	30,151	+10.0%	31,055	+904	+3.0%
SMILE	1,776	2,001	+12.7%	2,250	+248	+12.4%
ODS21	9,651	10,350	+7.2%	11,150	+800	+7.7%
OSM	12,359	13,285	+7.5%	12,872	-412	-3.1%

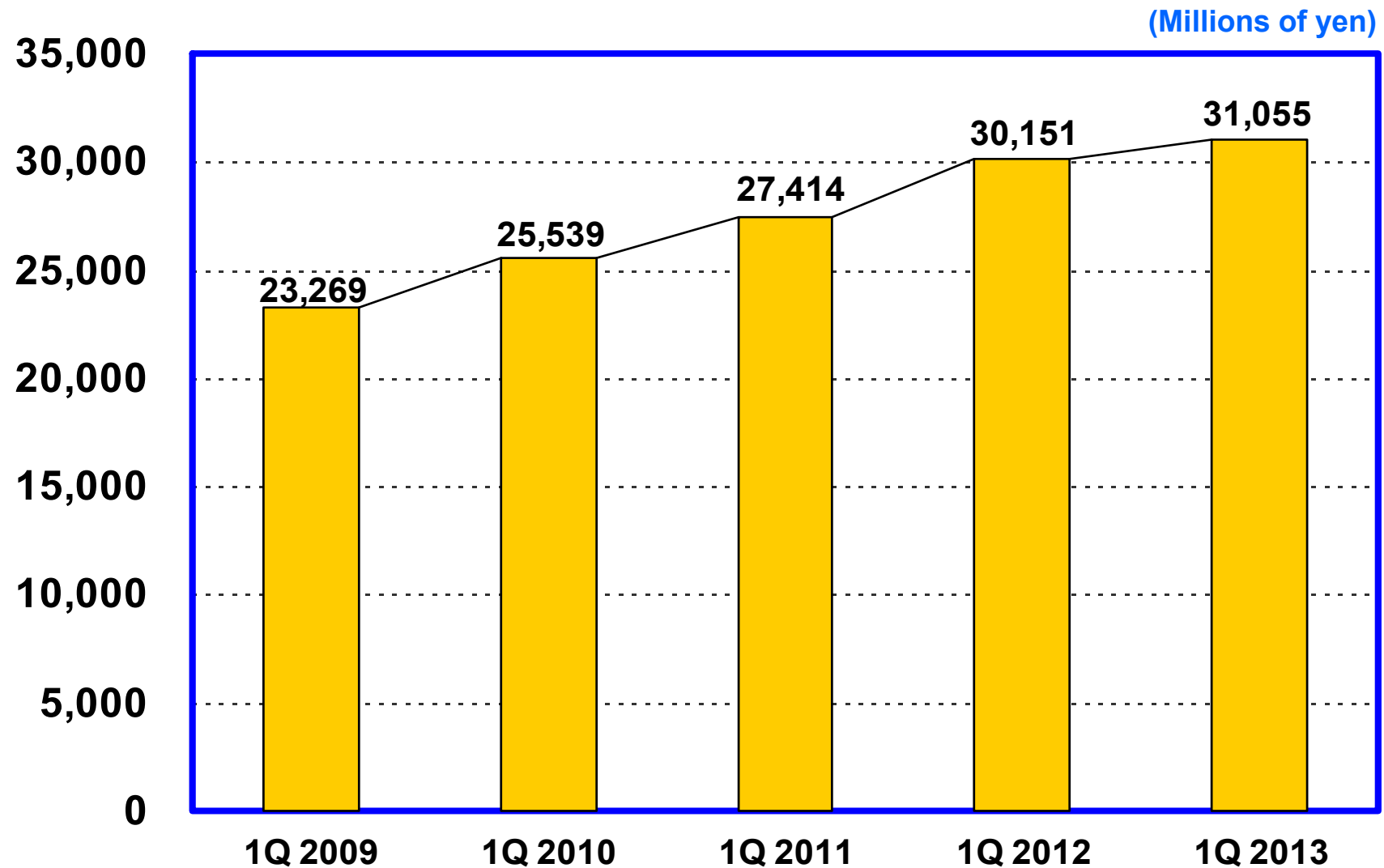
(ODS: Otsuka Document Solutions OSM: Otsuka Security Management)

<As reference: Number of Sales>

(Units)

Copier	6,841	7,894	+15.4%	8,555	+661	+8.4%
(of which Color copier)	5,551	6,641	+19.6%	7,379	+738	+11.1%
Server	9,025	10,992	+21.8%	9,211	-1,781	-16.2%
PC	185,635	205,242	+10.6%	248,030	+42,788	+20.8%

“tanomail” Sales



Plans for FY 2013

(Millions of yen)

	Consolidated		
	1Q 2013 (Result)	1H 2013 (Plan)	FY 2013 (Plan)
Net sales	140,647	276,800	536,000
Operating income	7,384	18,100	30,500
Ordinary income	6,431	18,370	31,000
Net income	3,464	10,760	18,090



Cautionary statement

1. This material is intended to provide information about the business performance of the 1st quarter of fiscal year 2013 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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