



**Fiscal year ending December 2013**  
**Nine months** (January – September)  
**Business Results**

**October 30, 2013**

**OTSUKA CORPORATION**

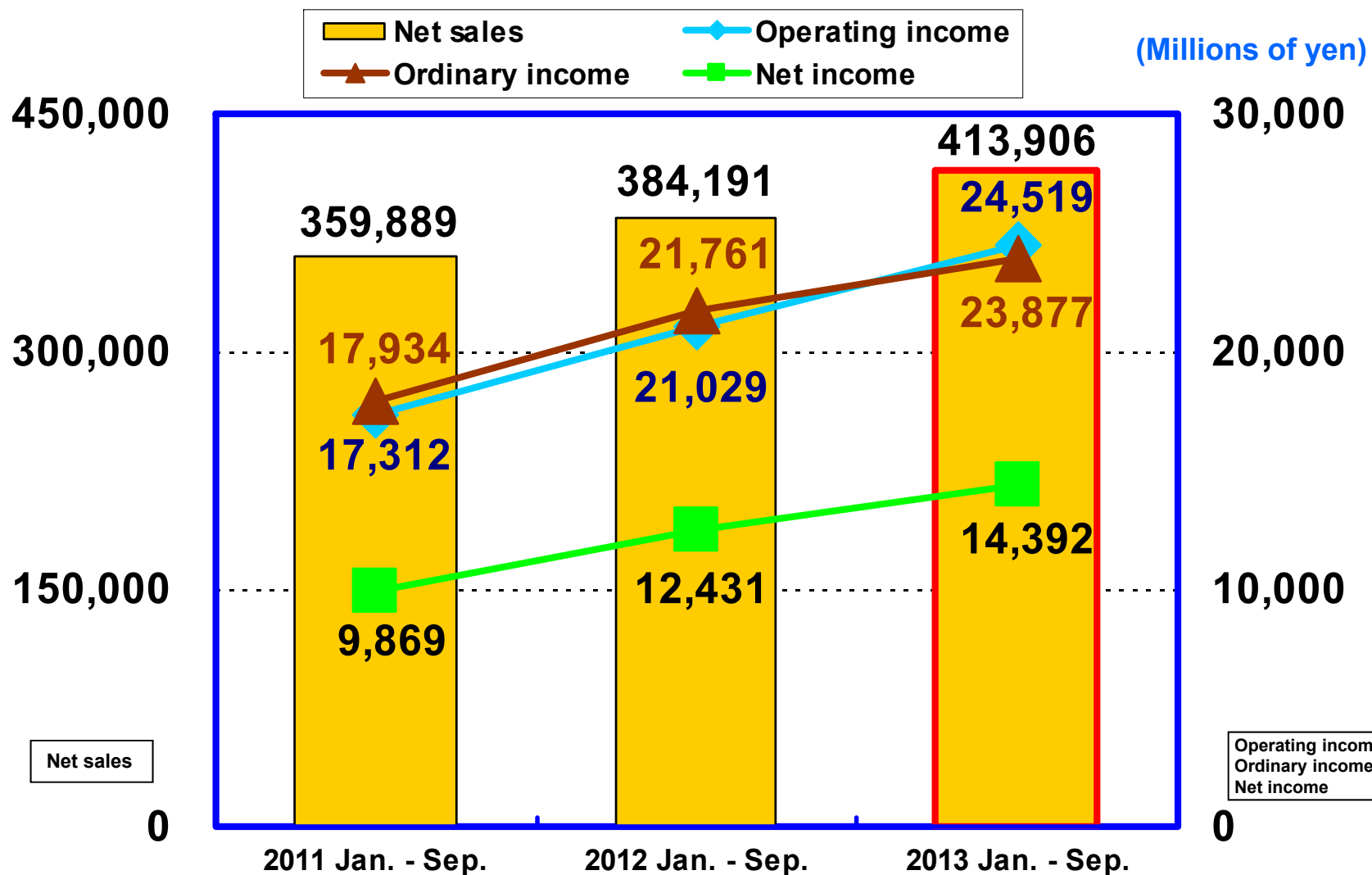
# Summary of Business Results, January – September, 2013

(Millions of yen)

	Consolidated		Non-Consolidated	
	Amount	Change to Last year	Amount	Change to Last year
Net sales	413,906	+7.7%	382,840	+8.2%
Operating income	24,519	+16.6%	22,108	+16.9%
Ordinary income	23,877	+9.7%	22,808	+16.8%
Net income	14,392	+15.8%	14,278	+29.3%

Consolidated

# Net sales and Profits



# External Environment

## Mild recovery in the domestic economy

Gradual pickup in the global economy and bottoming out in Europe. Sluggish growth of the economy in emerging countries and the U.S. economy remained on a gradual recovery path. Foreign exchange rates were stable, imported raw material prices rose, a trade deficit was successively recorded, electricity prices increased and production was up moderately. Investment in facilities and equipment picked up. Corporate earnings steadily improved.

**IT investments achieved steady growth.**

# OTSUKA Group's Activities

---

- **System update proposals directed toward the termination of support for Windows XP**
- **System proposals that lead to cost reductions, improvement of productivity and strengthening of competitiveness**
- **Strengthening of customer contact and frontline**
- **Strengthening of accumulated business: “tanomail” and “tayoreru”**
- **BCP measures and proposals for reducing power consumption**

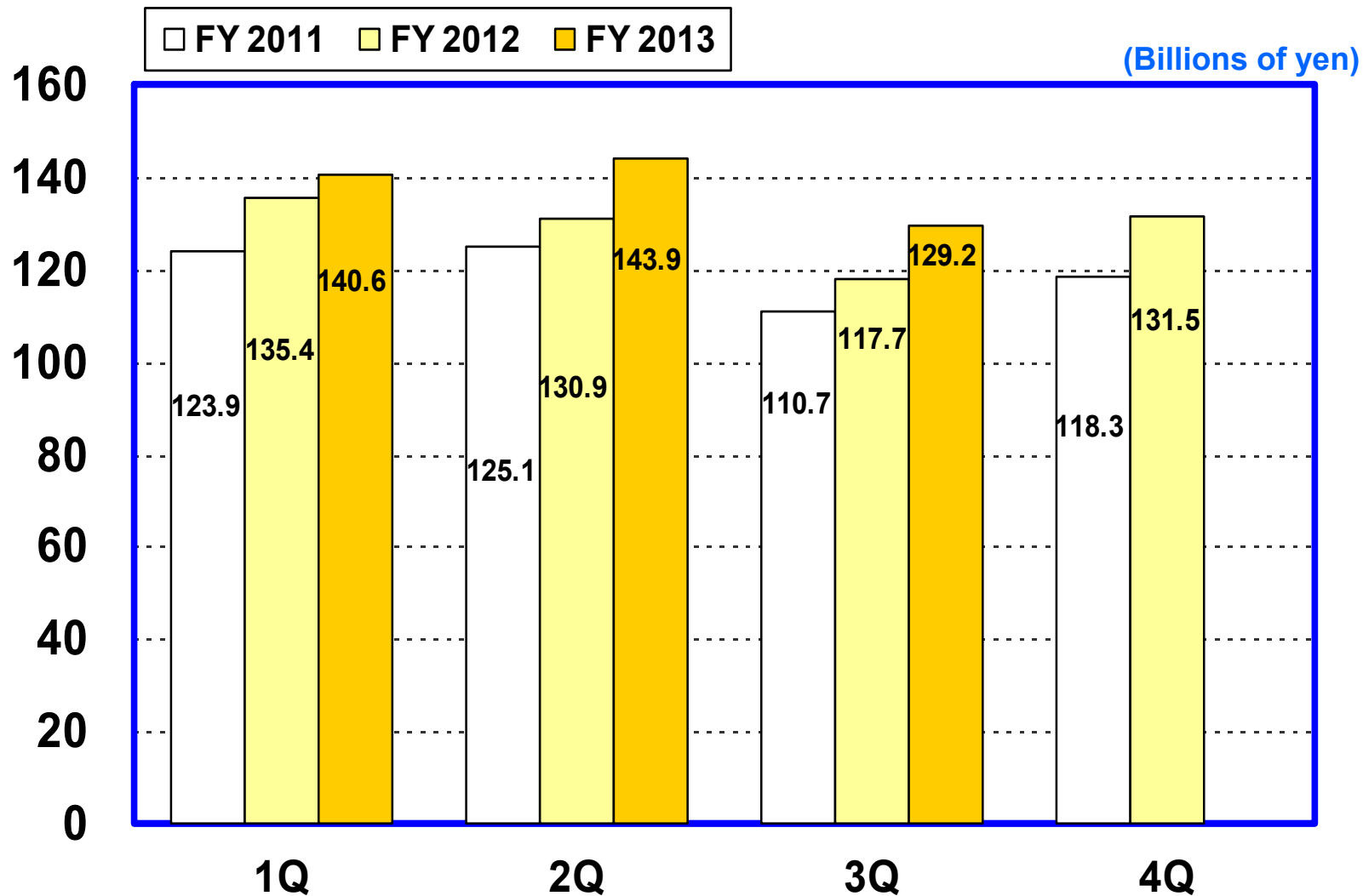
# Summary of Business Results, July – September, 2013

(Millions of yen)

	Consolidated		Non-Consolidated	
	Amount	Change to Last year	Amount	Change to Last year
Net sales	129,282	+9.7%	118,699	+9.8%
Operating income	5,033	+21.6%	4,318	+19.9%
Ordinary income	5,221	+19.5%	4,534	+18.7%
Net income	3,203	+28.1%	2,821	+29.5%

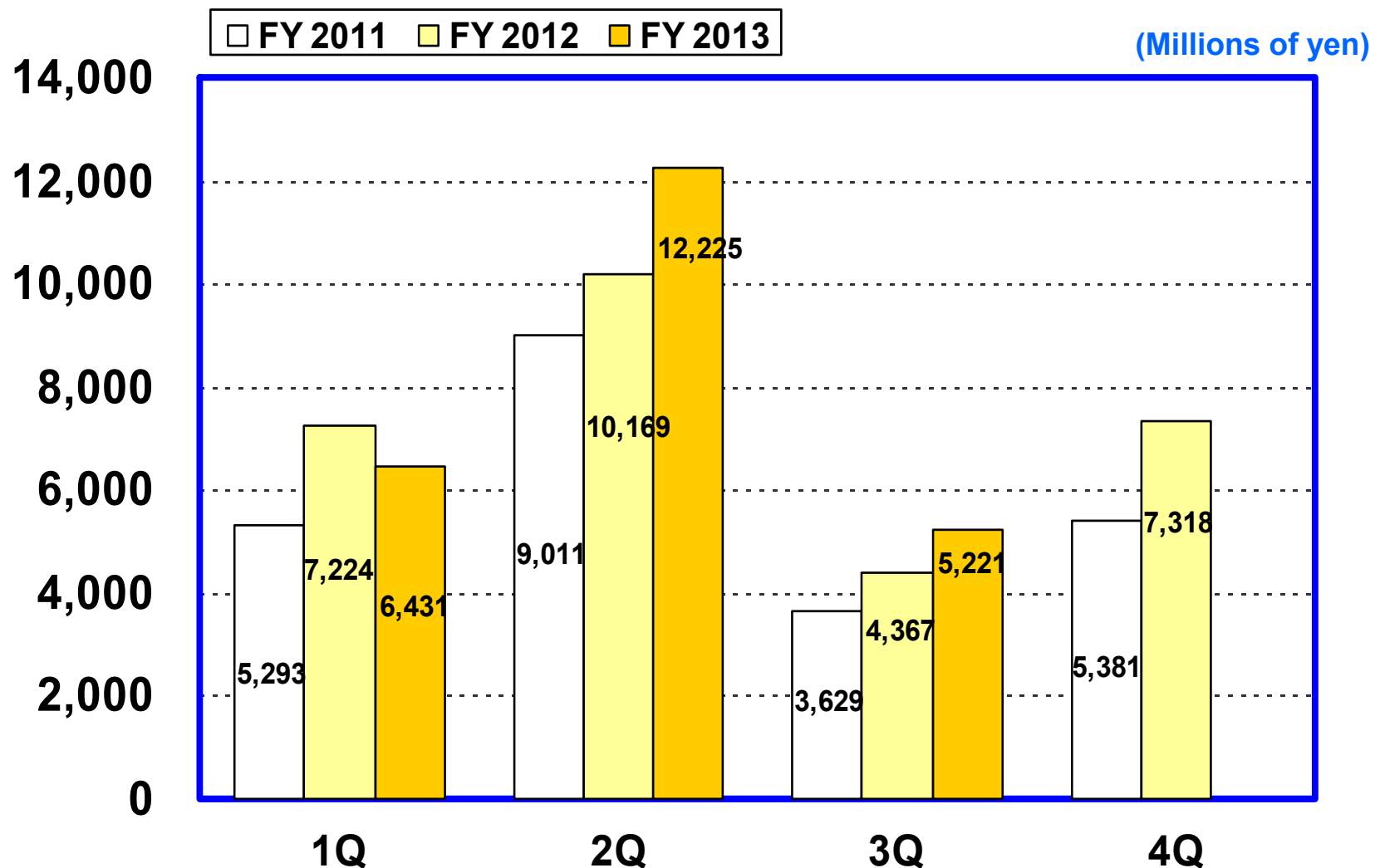
Consolidated

# Quarterly change of Net sales



Consolidated

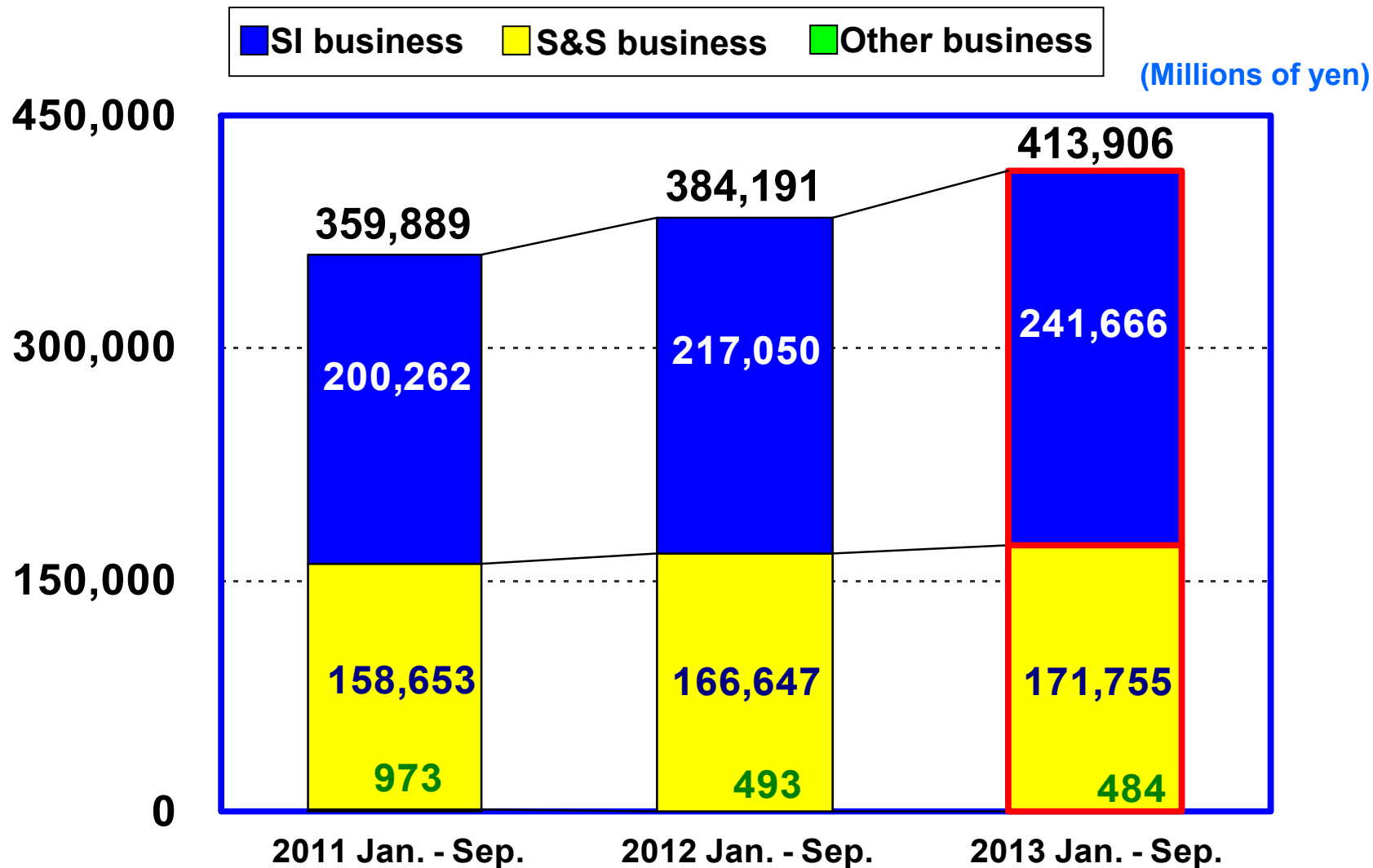
# Quarterly change of Ordinary income



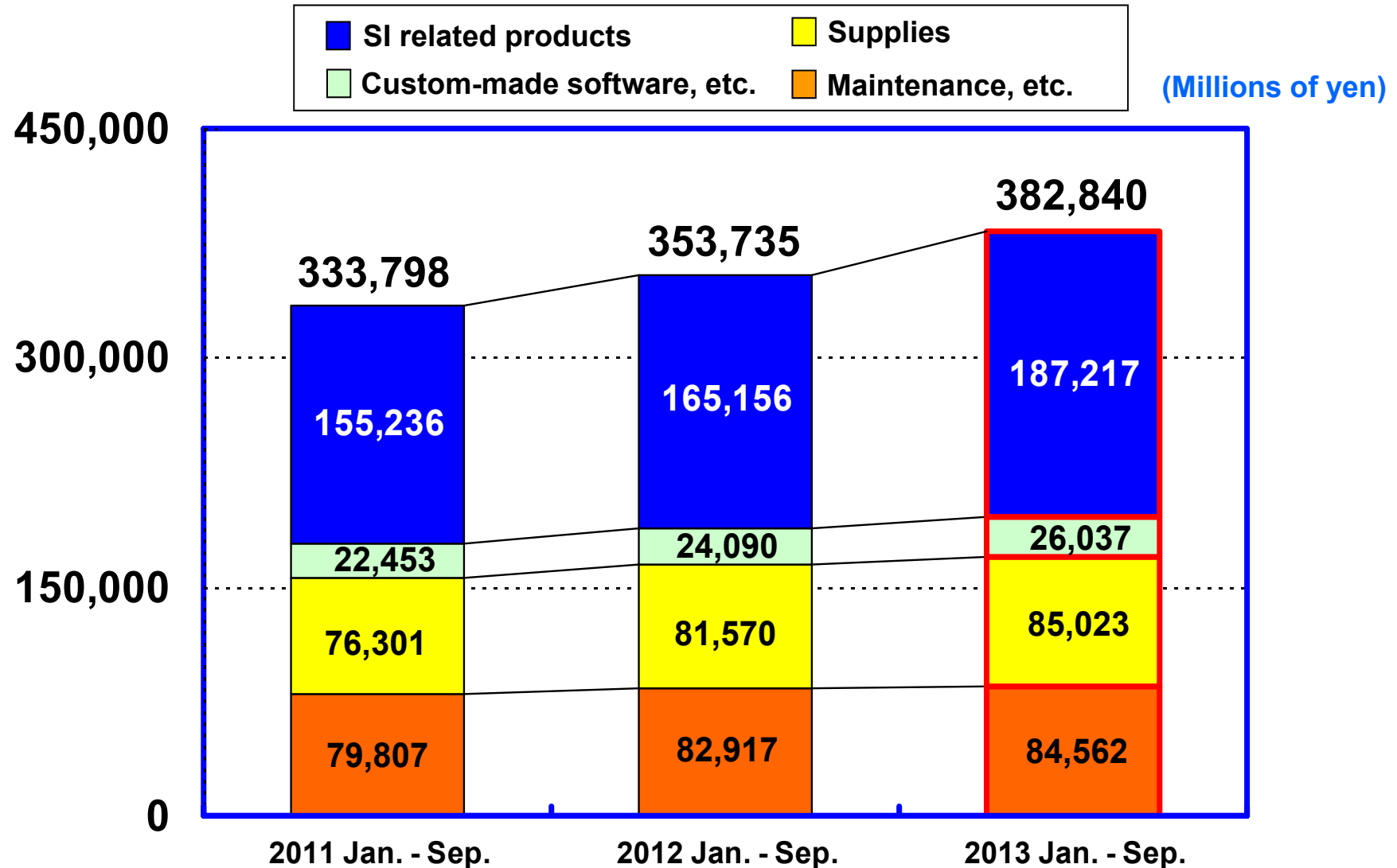


Consolidated

# Net sales by segments

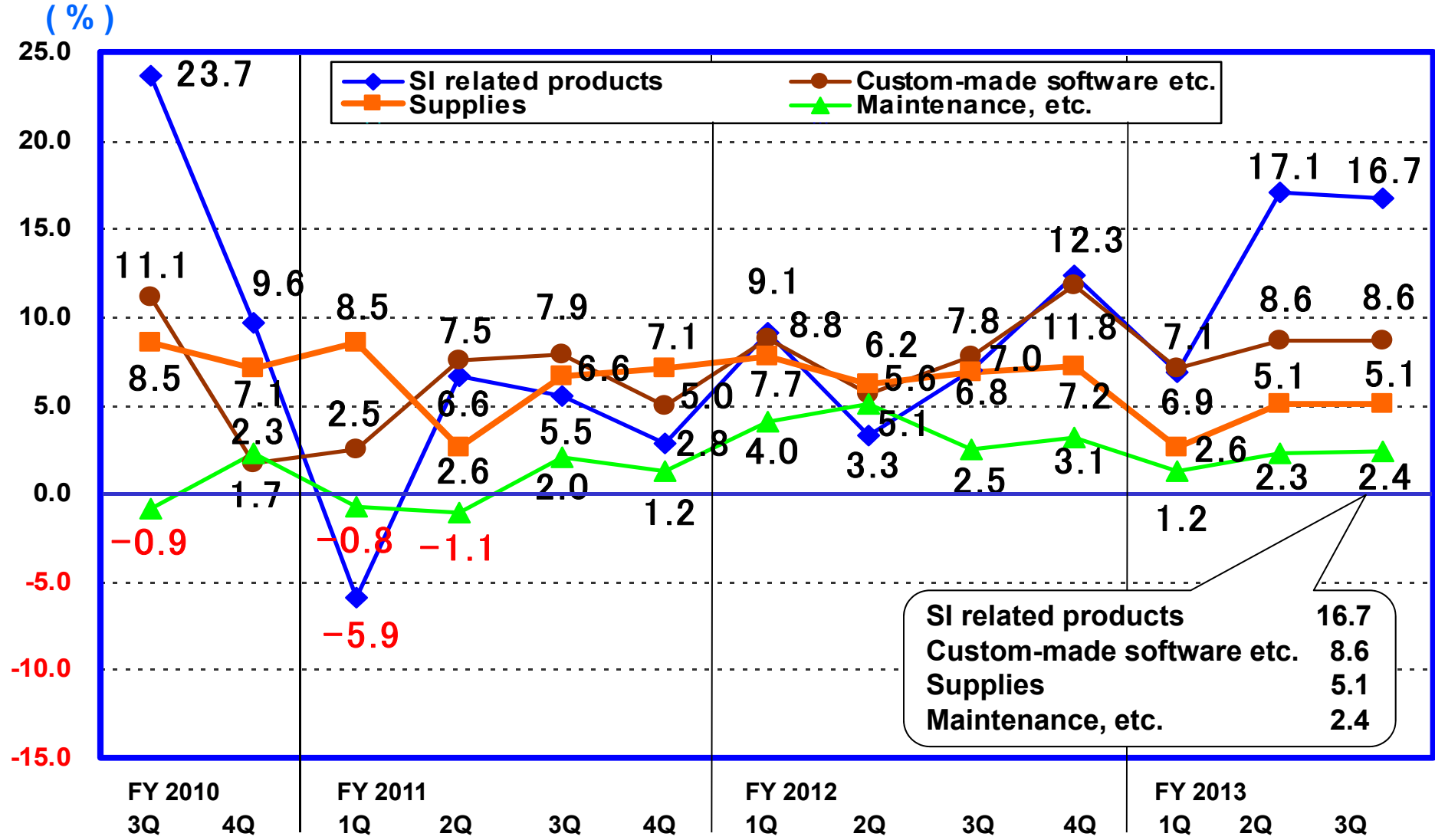


# Net sales by 4 segments



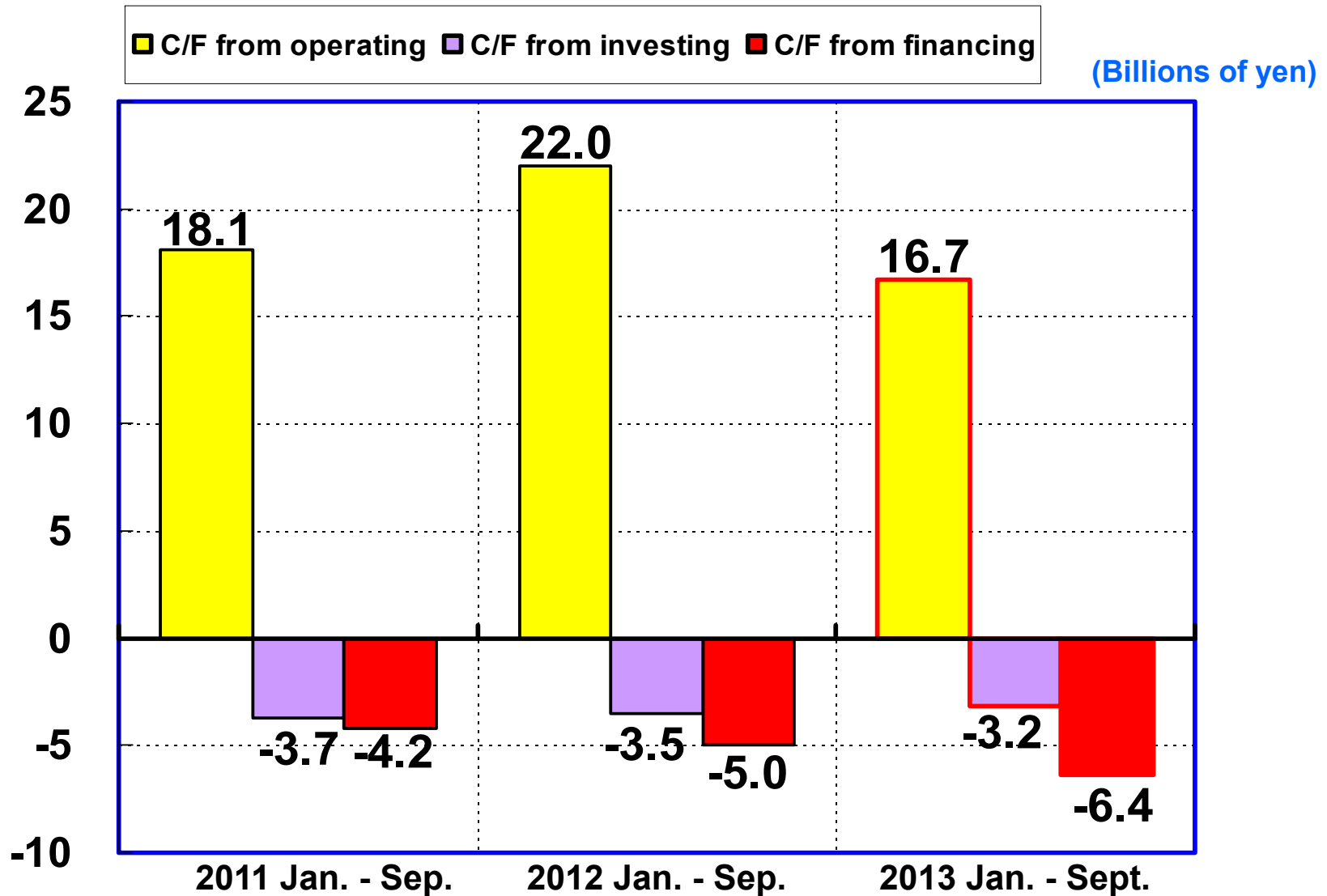
Non-Consolidated

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



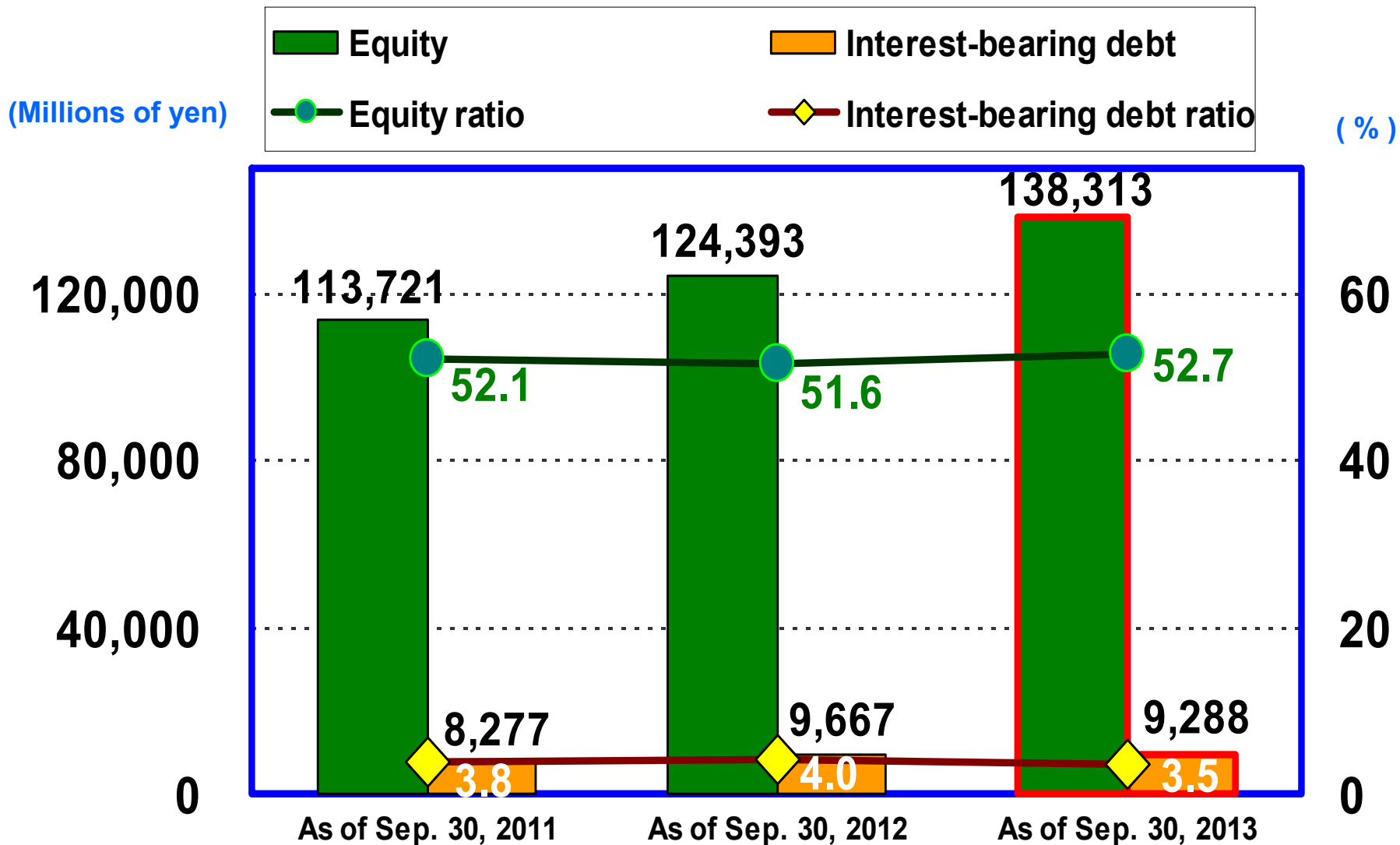
Consolidated

# Cash flows



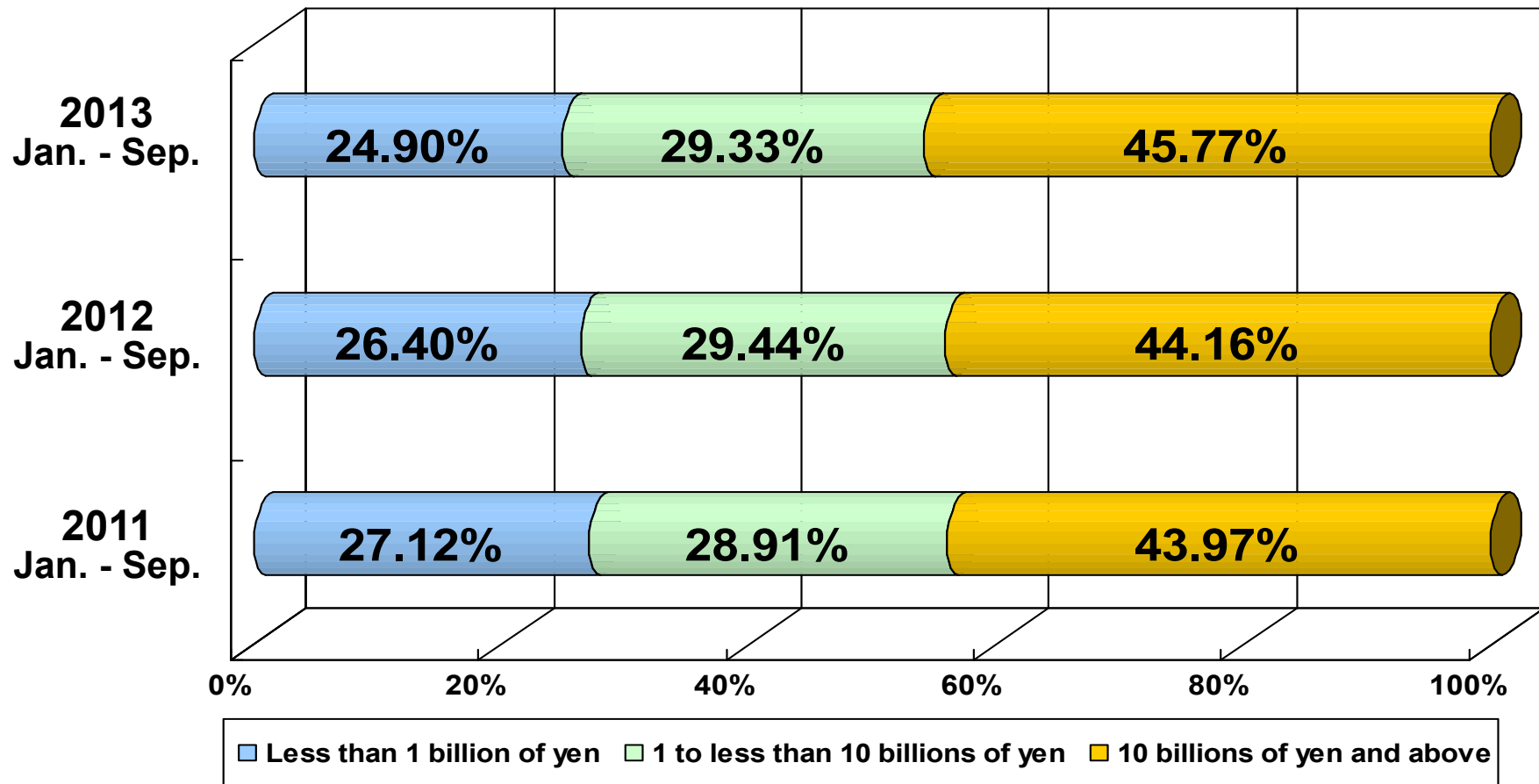
Consolidated

# Equity and Interest-bearing debt



Non-Consolidated

# Net sales structure on customers' total annual business scale

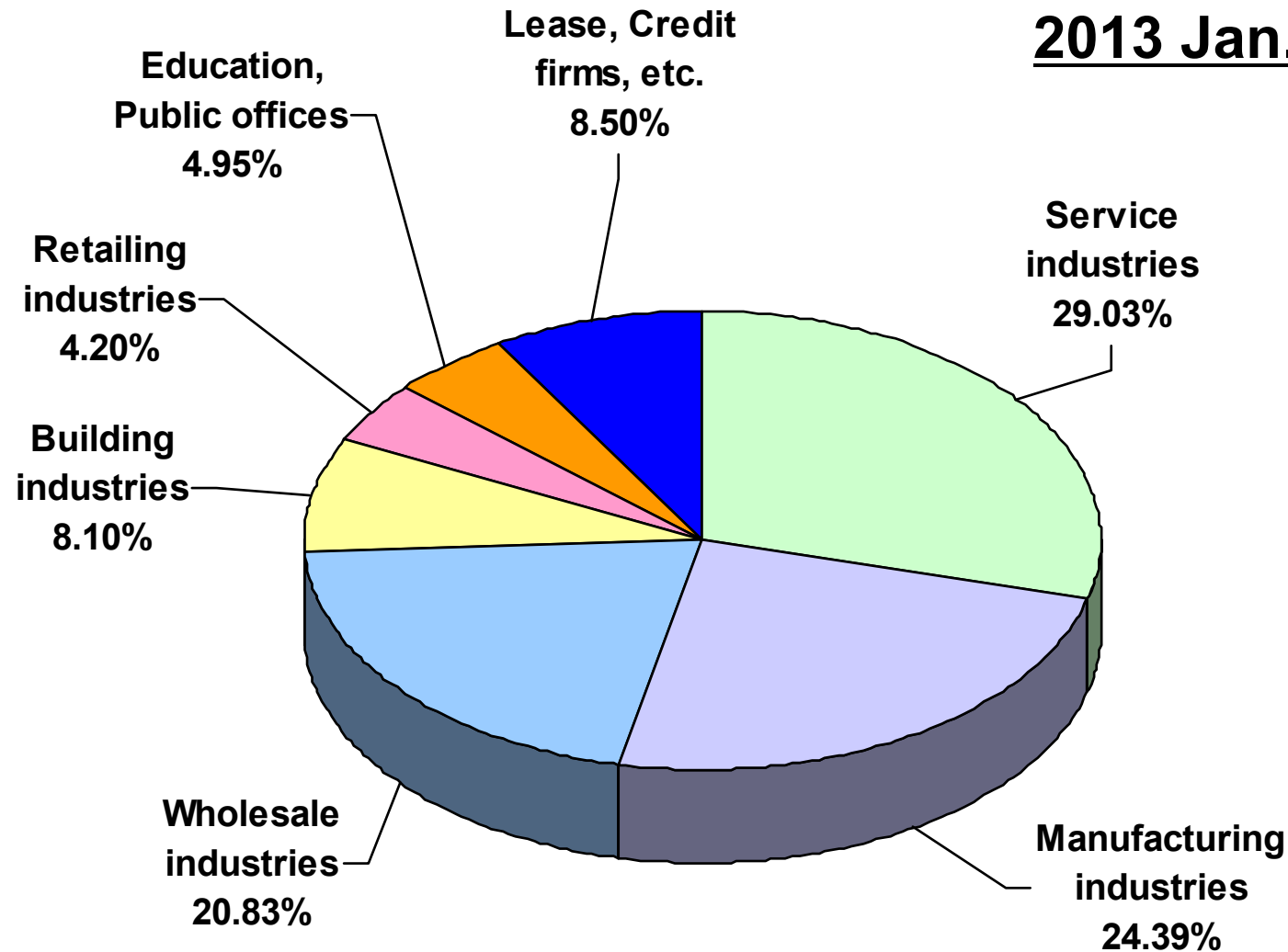


\* "Less than 1 billion yen" includes public offices.

Non-Consolidated

# Sales breakdown by customers' type of industry

2013 Jan. – Sep.





# Key strategic business

<Amount of Sales>

(Millions of yen)

	2011 Jan. - Sep.	2012 Jan. - Sep.		2013 Jan. - Sep.		
	Amount	Amount	Change to Last year	Amount	Difference to Last year	Change to Last year
<b>“tanomail”</b>	79,089	85,752	+8.4%	<b>89,731</b>	<b>+3,979</b>	<b>+4.6%</b>
<b>SMILE</b>	5,677	6,542	+15.2%	<b>7,973</b>	<b>+1,431</b>	<b>+21.9%</b>
<b>ODS21</b>	30,190	31,246	+3.5%	<b>32,441</b>	<b>+1,195</b>	<b>+3.8%</b>
<b>OSM</b>	35,227	36,357	+3.2%	<b>37,202</b>	<b>+845</b>	<b>+2.3%</b>

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

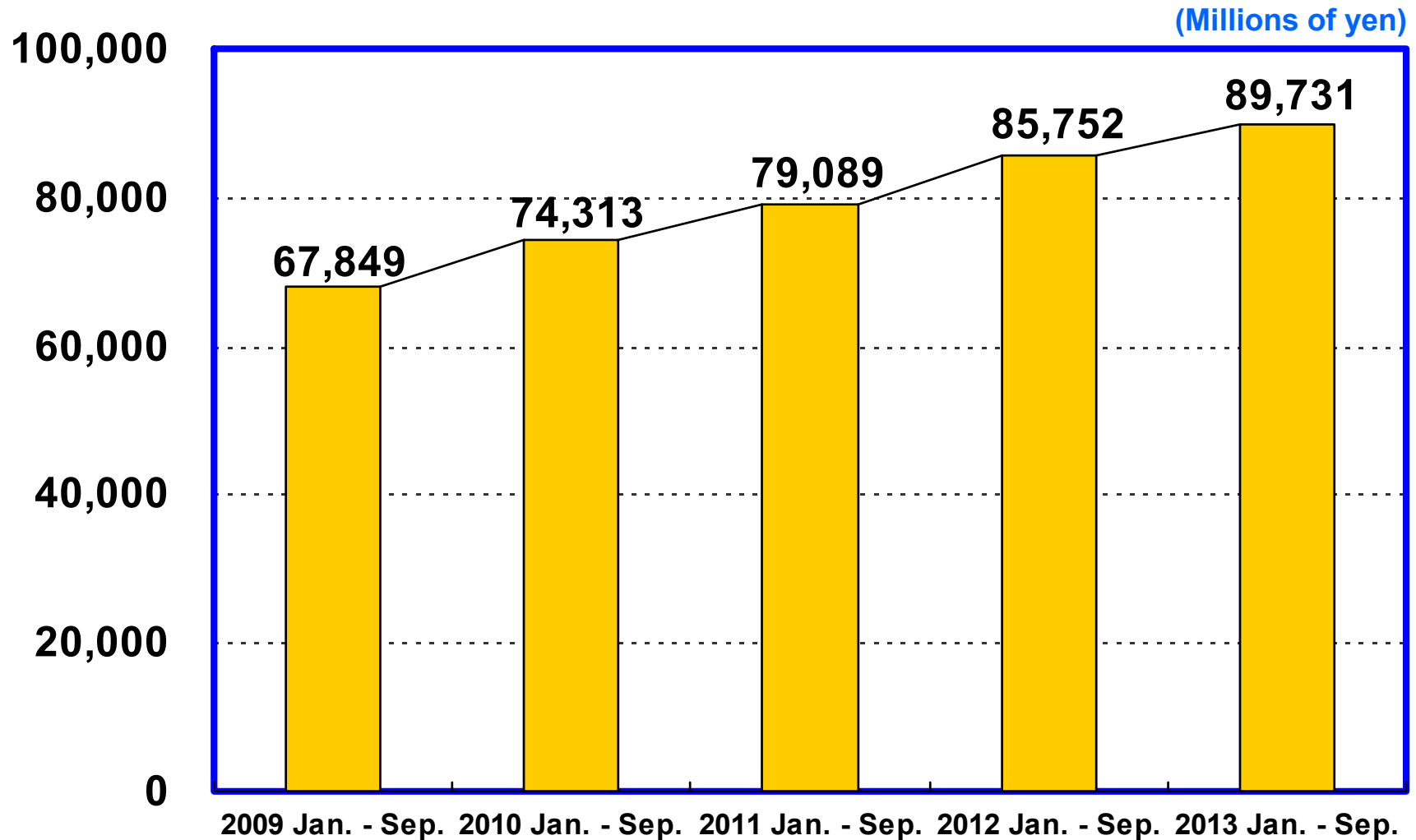
<As reference: Number of Sales>

(Units)

<b>Copier</b>	21,774	23,845	+9.5%	<b>25,723</b>	<b>+1,878</b>	<b>+7.9%</b>
(of which Color copier)	18,038	20,056	+11.2%	<b>22,579</b>	<b>+2,523</b>	<b>+12.6%</b>
<b>Server</b>	28,250	28,305	+0.2%	<b>27,804</b>	<b>-501</b>	<b>-1.8%</b>
<b>PC</b>	527,276	542,772	+2.9%	<b>643,903</b>	<b>+101,131</b>	<b>+18.6%</b>



# “tanomail” Sales



# “tanomail” Catalogue



## “tanomail” Vol. 30

- Quickly delivers essential items for office
- **Free shipping cost with a purchase of more than 300 yen**
- Discounts for more than 1,500 items
- Major discounts of up to 41.7%

**Contribute to office cost reductions**

# “Care tanomail” Catalogue



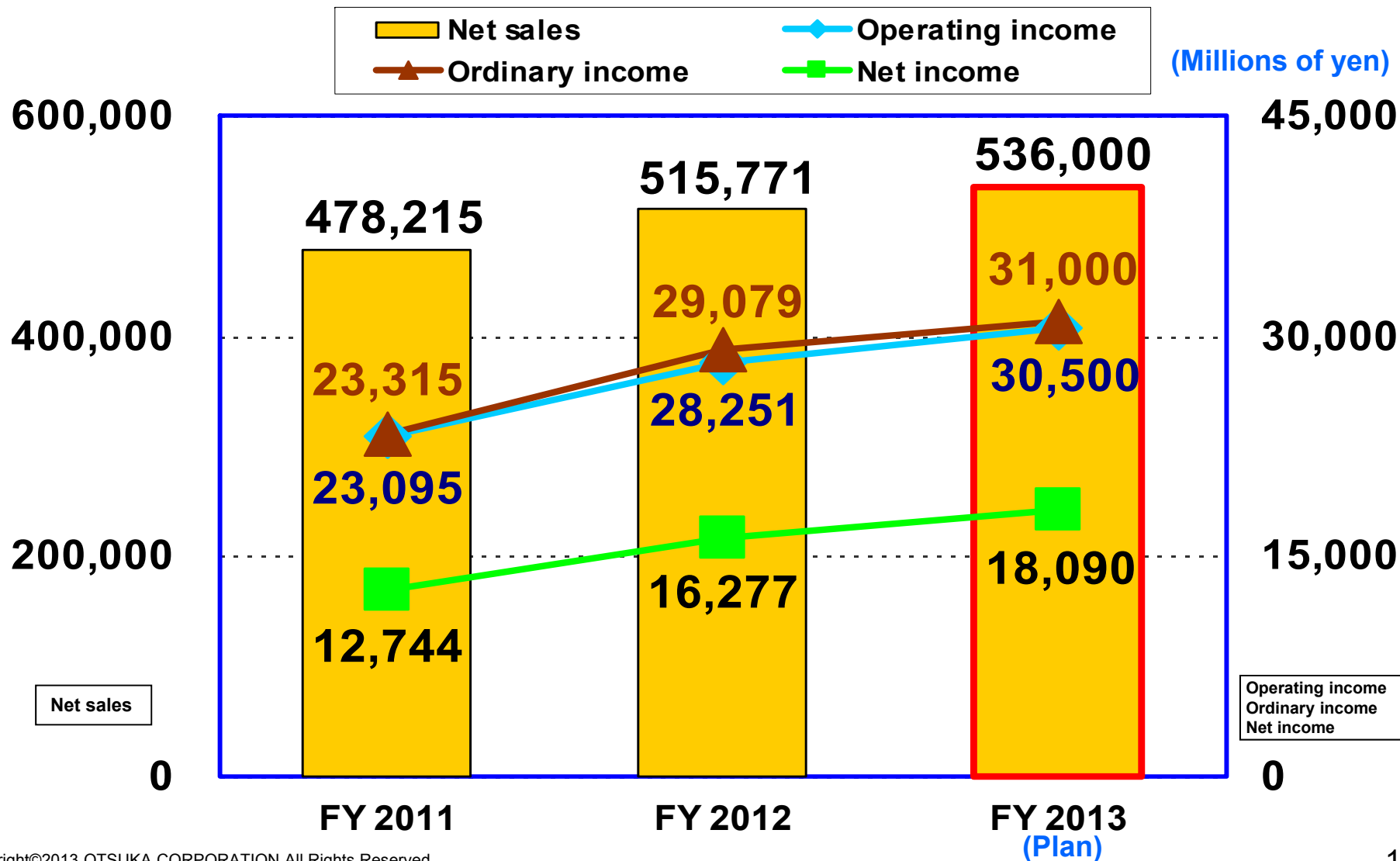
## “Care tanomail” Vol. 30

- Items for nursing care
- Organized for easy reading
- Listing more than 6,900 items
- Discounts for more than 970 items
- Major discounts of up to 37.5%

Supports all persons engaged in nursing care

Consolidated

# Plans of Net sales and profit





# Cautionary statement

---

1. This material is intended to provide information about the business performance of the 3rd 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.
2. Forward-looking statements in this material with respect to OTSUKA CORPORATION's strategies, plans, beliefs, and other statements related to future trends and performance are not historical facts, and as such involve risks and uncertainties. Such statements are not guarantees of future performance. Actual results may differ considerably from projections due to unpredictable changes to the economic situation, and a number of factors. Key factors that could affect actual results are general economic conditions, social trends, change of relative competitiveness in demand action for products and services provided by OTSUKA CORPORATION. Key factors that may affect business performance are not limited to these items described here.
3. Statements in this document are based on the current beliefs, estimates and expectations of management. OTSUKA CORPORATION undertakes no obligation to update any forward-looking statements.
4. OTSUKA CORPORATION shall in no event be liable for any damages arising out of the use or interpretation of this material.