



**Fiscal year ending December 2024**  
**Six months** (January – June)  
**Business Results**

**August 1, 2024**

**OTSUKA CORPORATION**  
**Yuji Otsuka, President**

# Summary of Business Results, January - June, 2024

(Millions of yen)

	Consolidated			Non-Consolidated		
	Amount	Ratio to Plan	Change to Last Year	Amount	Ratio to Plan	Change to Last Year
Net sales	569,722	105.5%	+9.3%	515,947	106.1%	+9.9%
Operating profit	38,843	103.9%	+5.8%	35,200	104.8%	+7.5%
Ordinary profit	39,852	105.3%	+5.9%	37,085	104.8%	+7.6%
Profit*	26,930	105.2%	+6.0%	25,749	104.1%	+7.8%

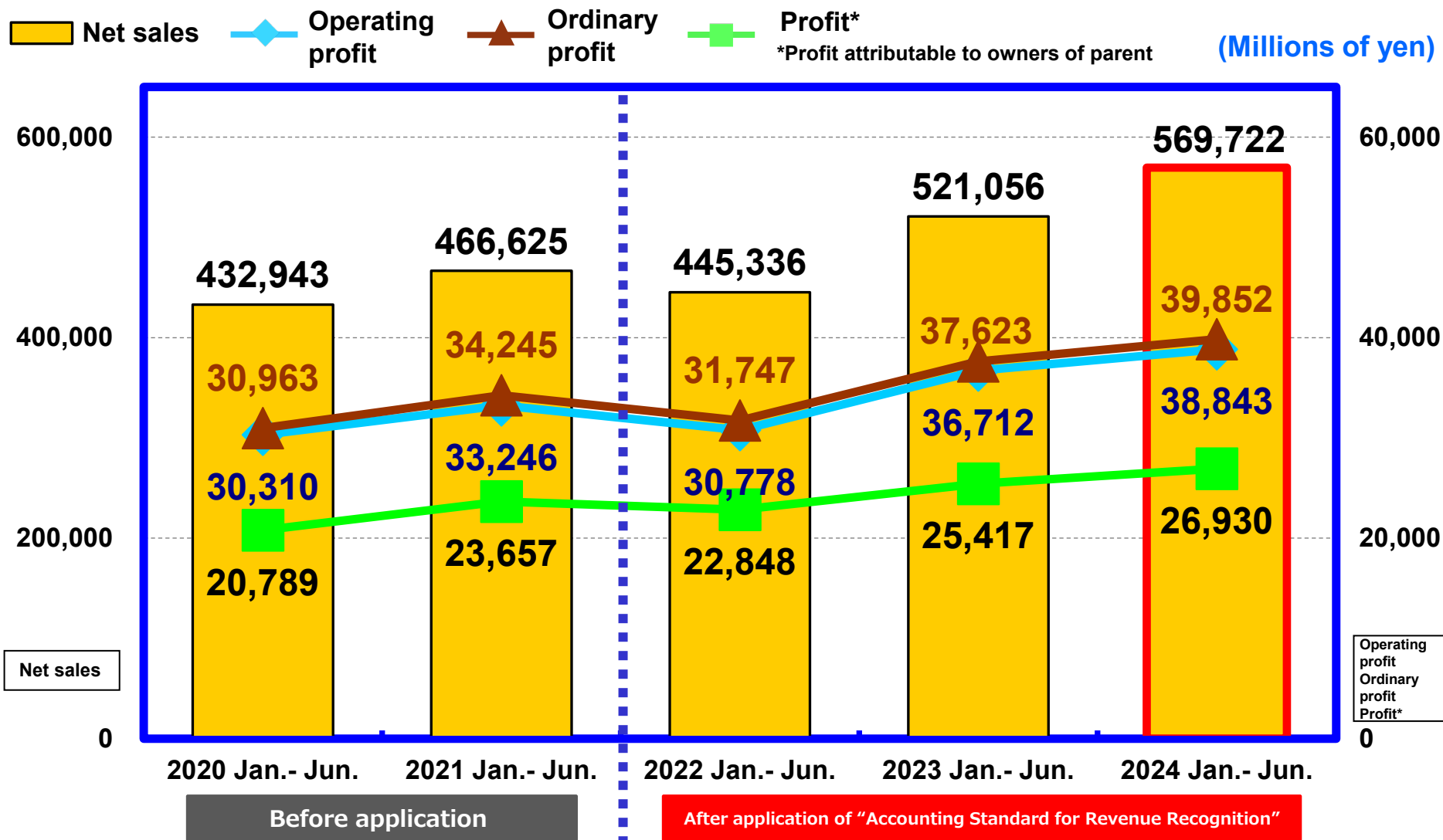
\*Profit attributable to owners of parent

# Consolidated subsidiaries

Seg ment	Company name	Business domain	Number of employees	2024 Jan.- Jun. Net sales (Millions of yen)
S I	OSK Co., LTD.	Development and sale of packaged software, IT consulting, and Consigned software development	435	5,359
	Net World Corporation	Sales and technology support for network-related equipment	503	65,535
S & S	Alpha Techno Co., Ltd	Emergency repair of PC and peripheral equipment and data recovery service	312	2,861
	Alpha Net Co., Ltd	Comprehensive service and support for network systems	483	4,614

Consolidated

# Net sales and Profits

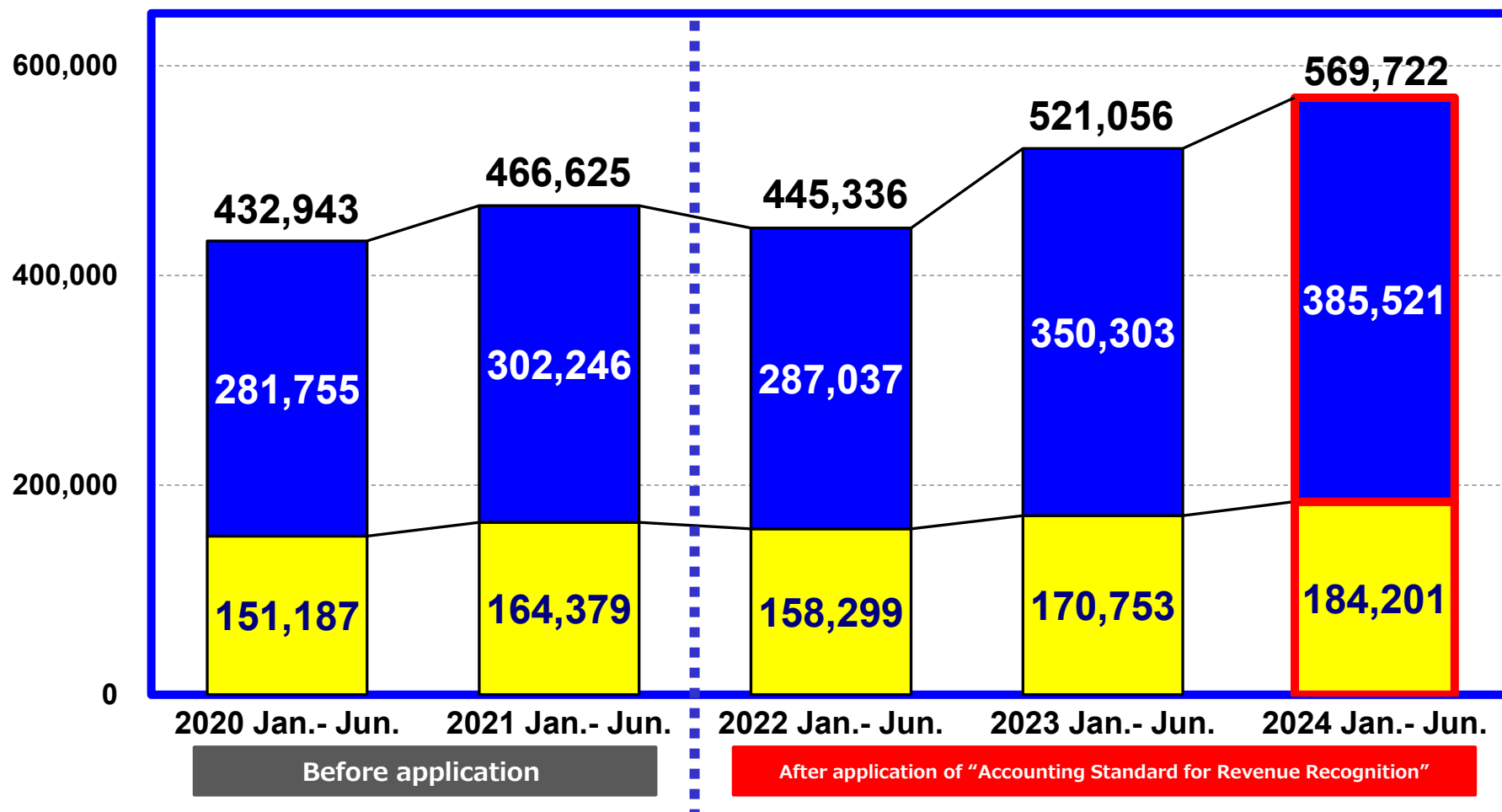


Consolidated

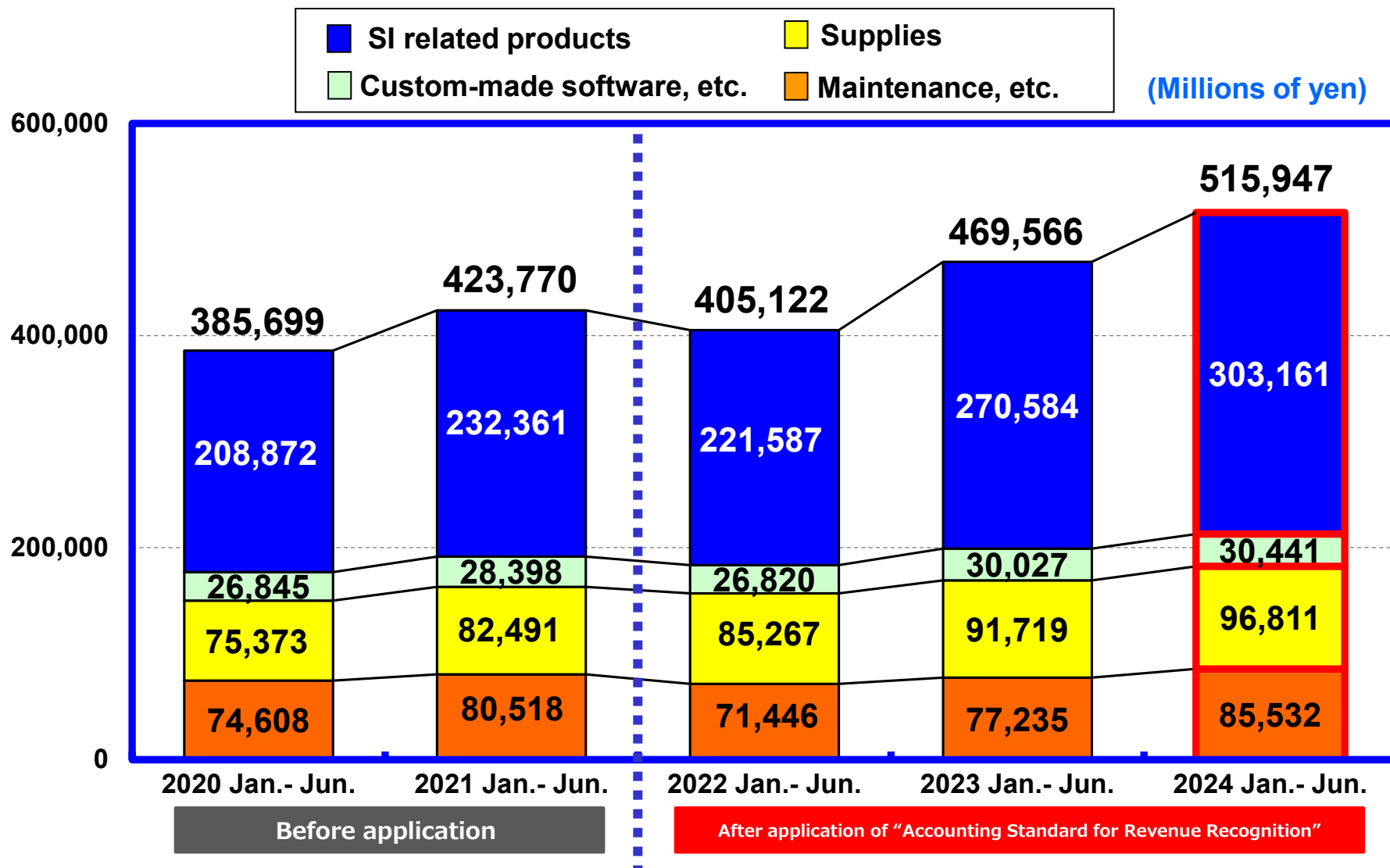
# Net sales by segments

■ SI business ■ S&S business

(Millions of yen)

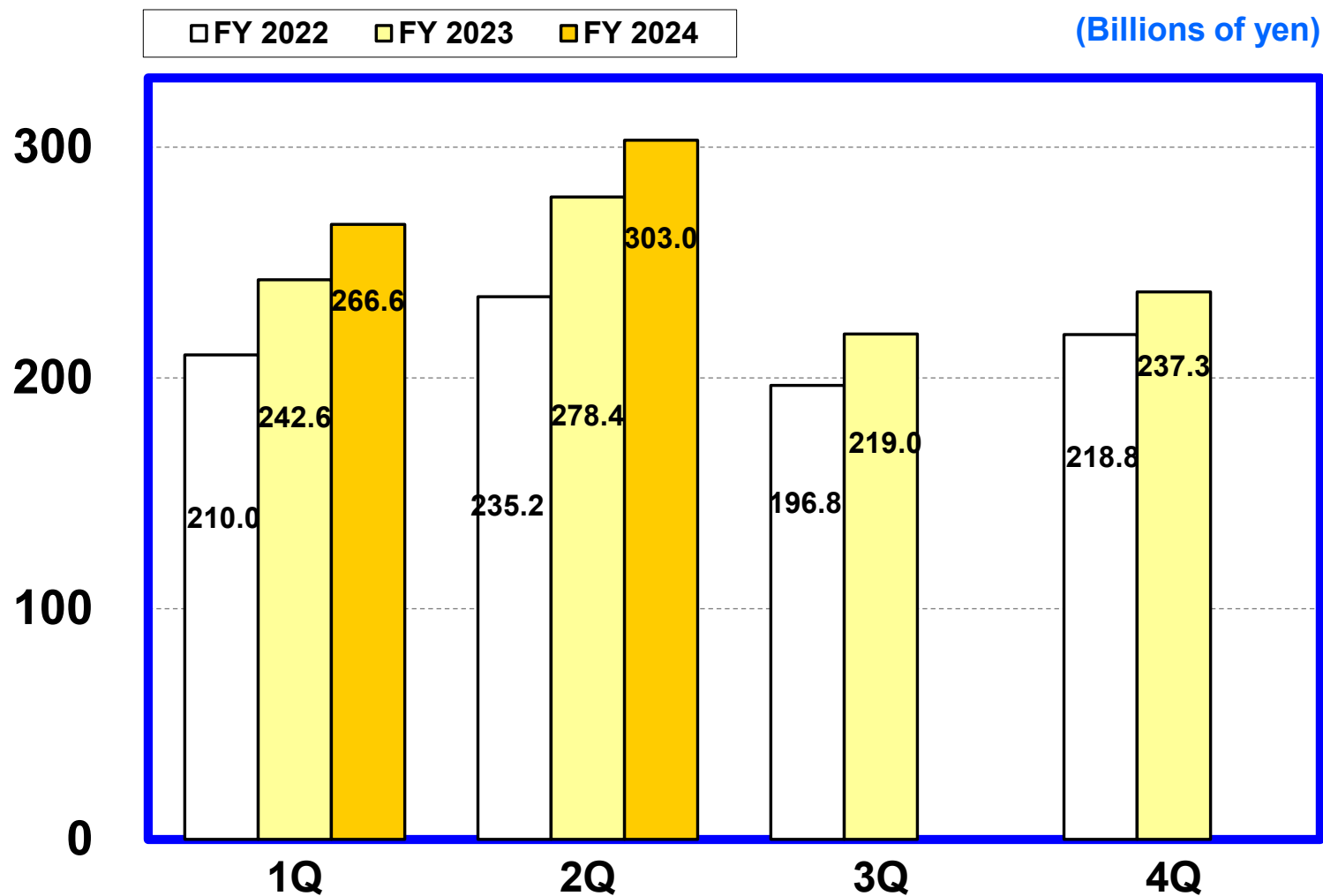


# Net sales by 4 segments



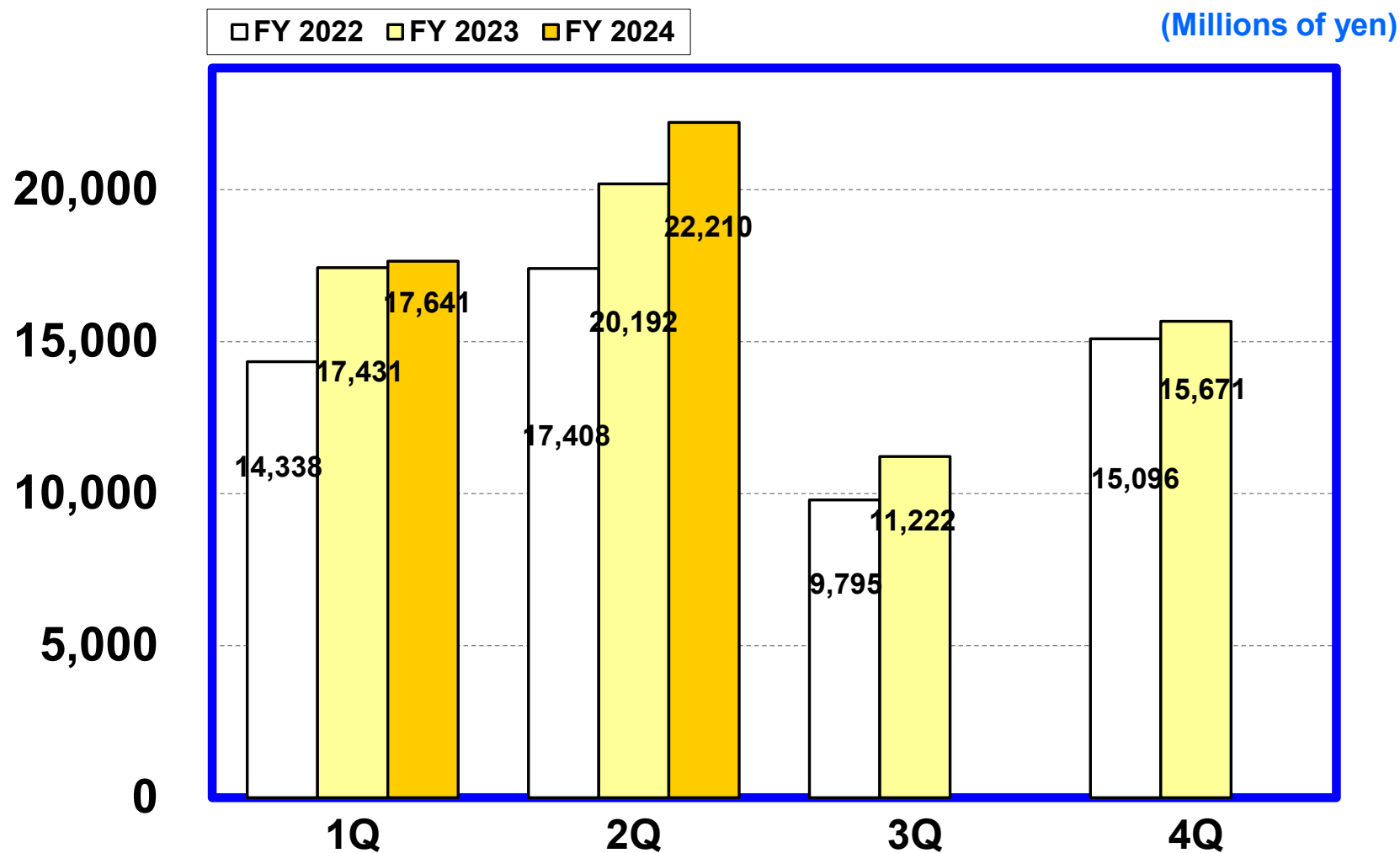
Consolidated

# Quarterly change of Net sales



Consolidated

# Quarterly change of Ordinary profit





# Summary of Business Results, April – June, 2024

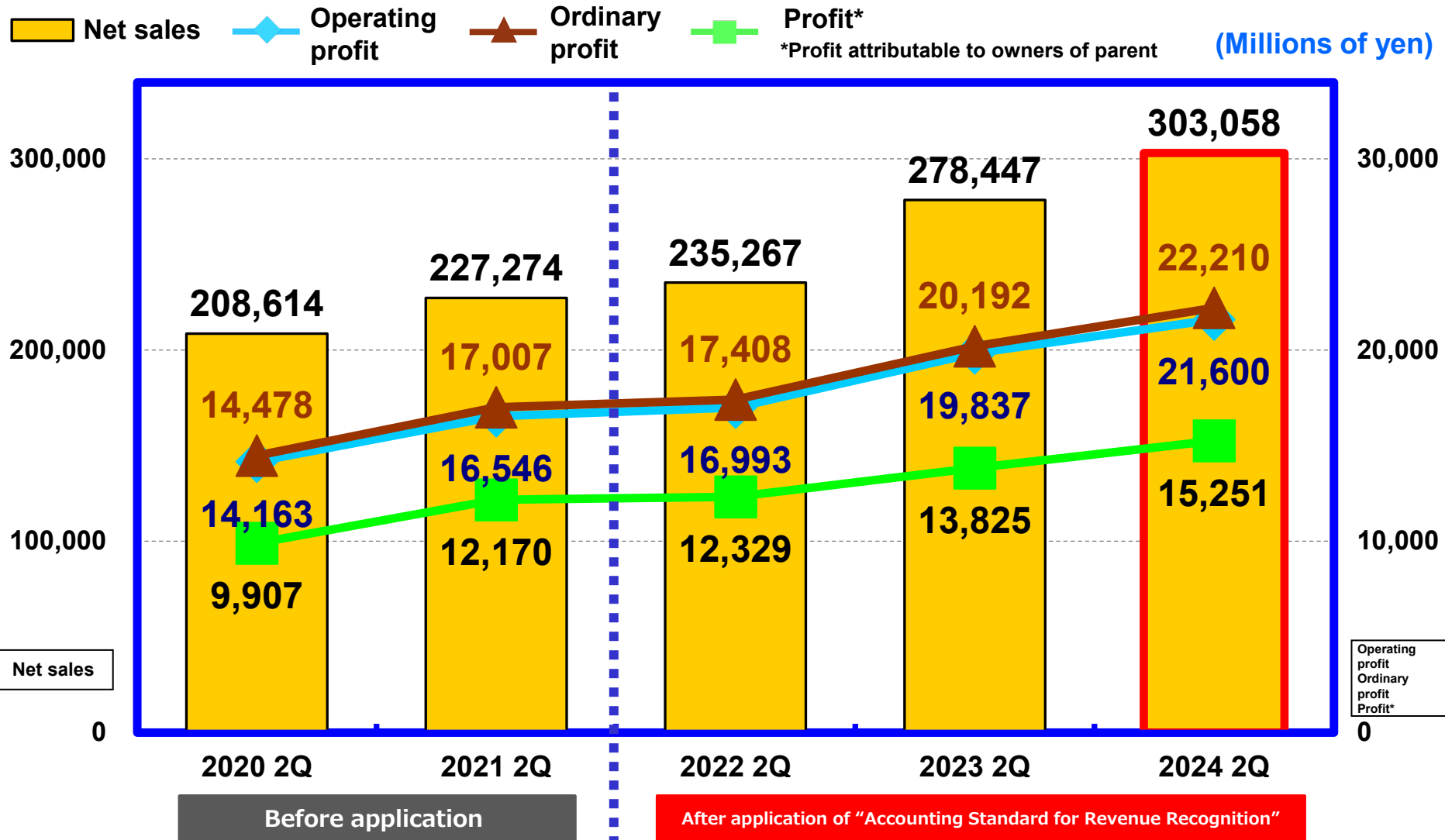
(Millions of yen)

	Consolidated		Non-Consolidated	
	Amount	Change to Last year	Amount	Change to Last year
Net sales	303,058	+8.8%	277,091	+10.4%
Operating profit	21,600	+8.9%	20,001	+10.3%
Ordinary profit	22,210	+10.0%	20,331	+10.4%
Profit*	15,251	+10.3%	14,098	+10.7%

\*Profit attributable to owners of parent

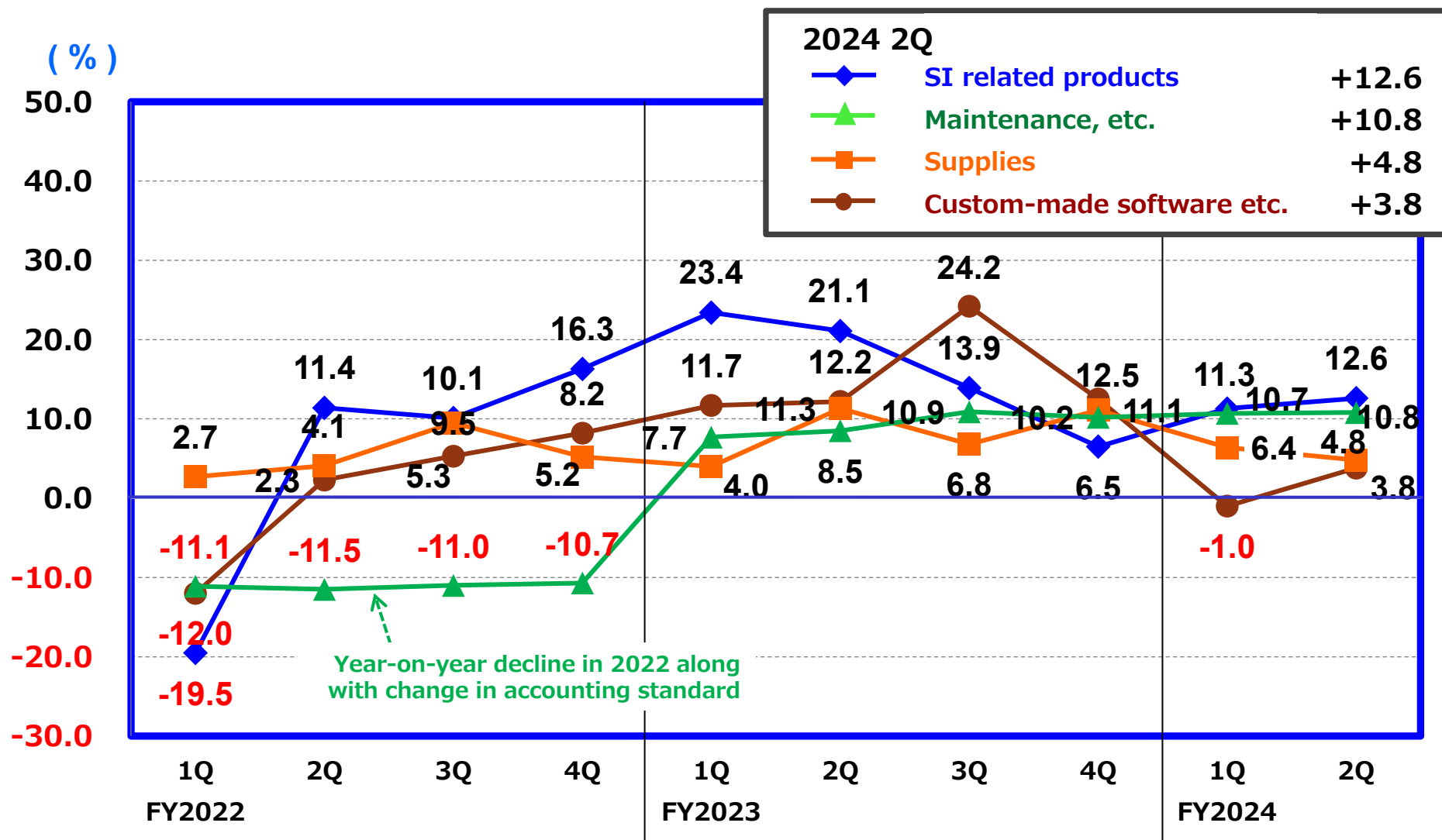
# Net sales and Profits, April – June

Consolidated



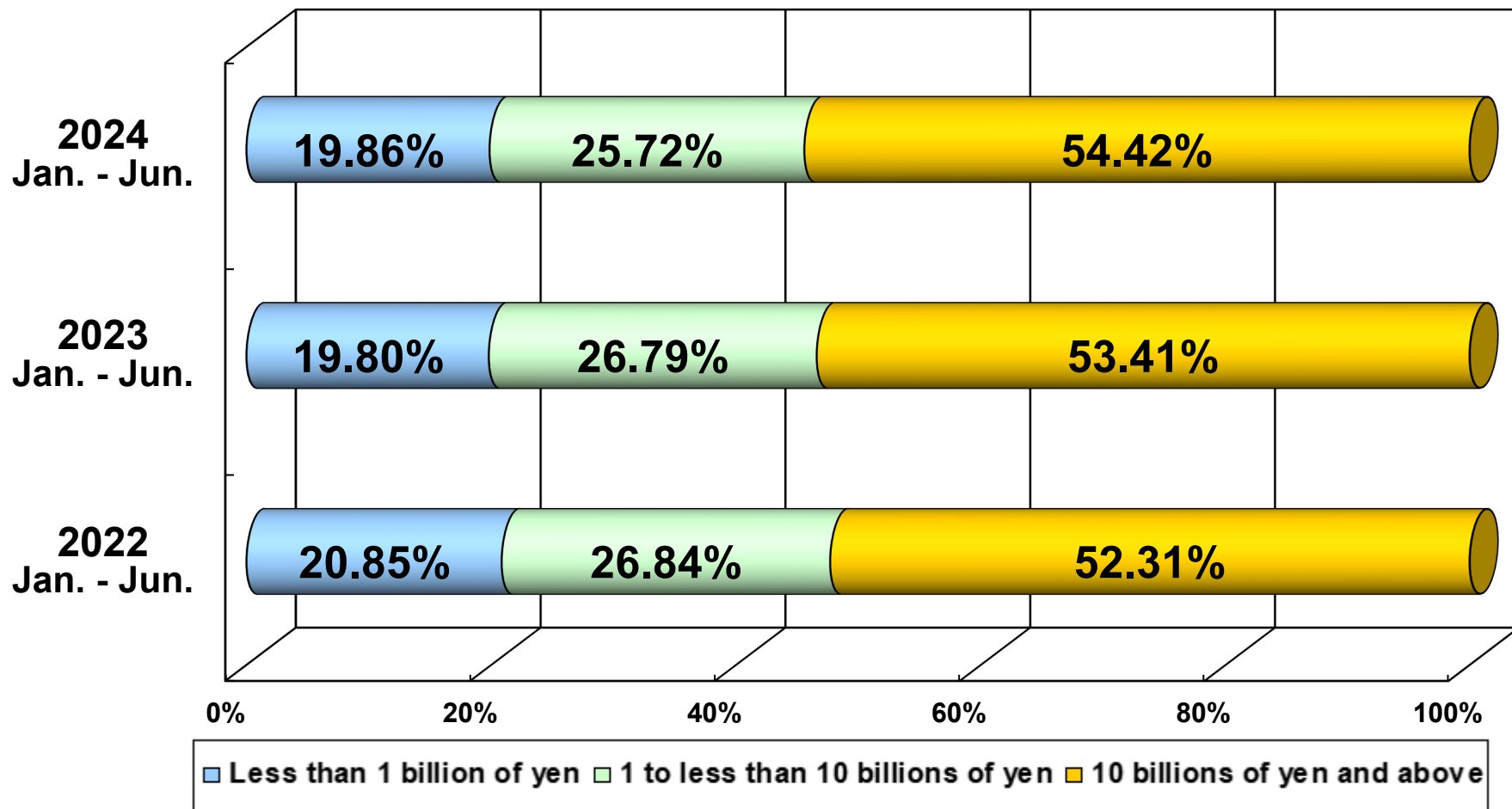
Non-Consolidated

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



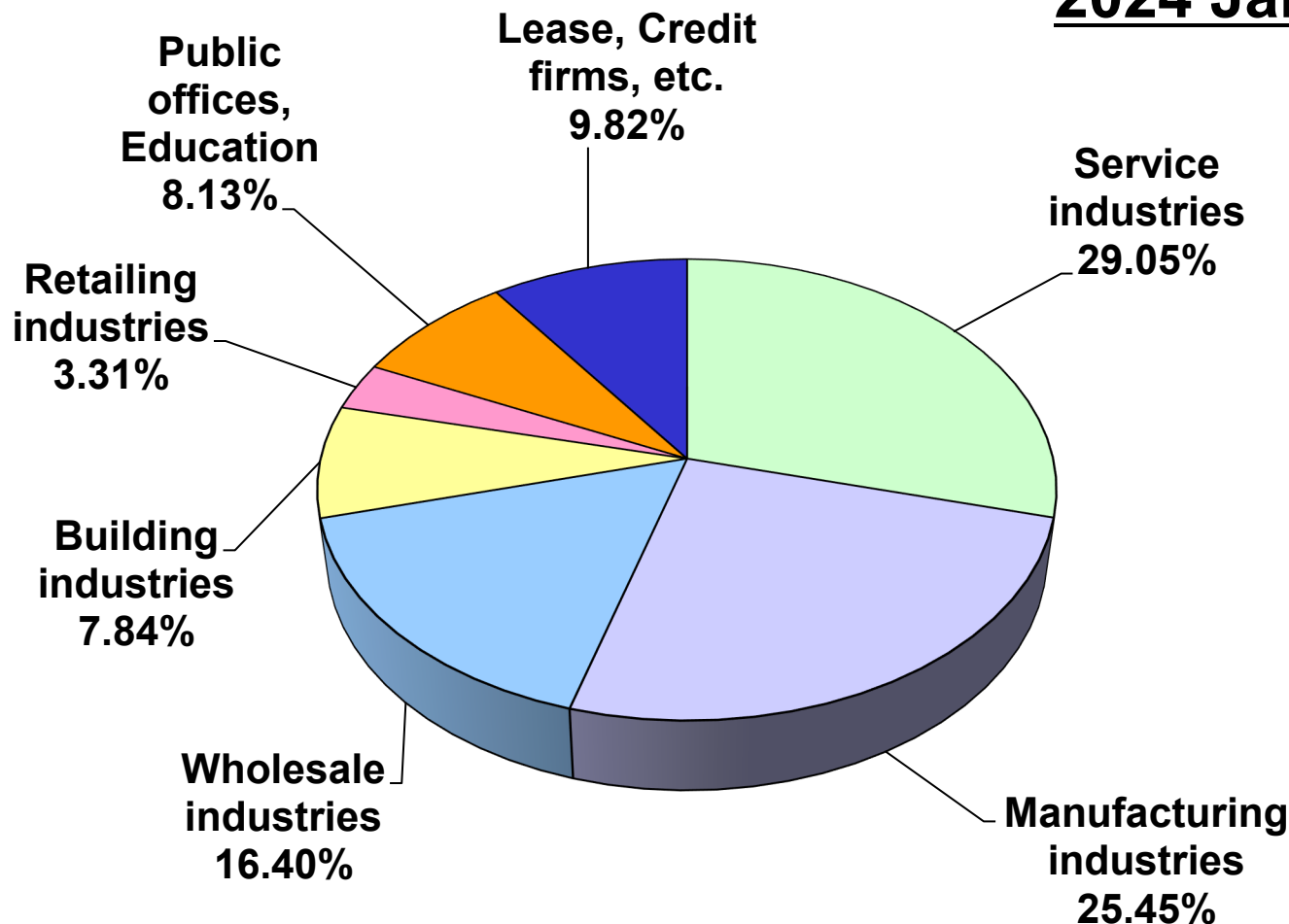
Non-Consolidated

# Net sales structure on customers' total annual business scale

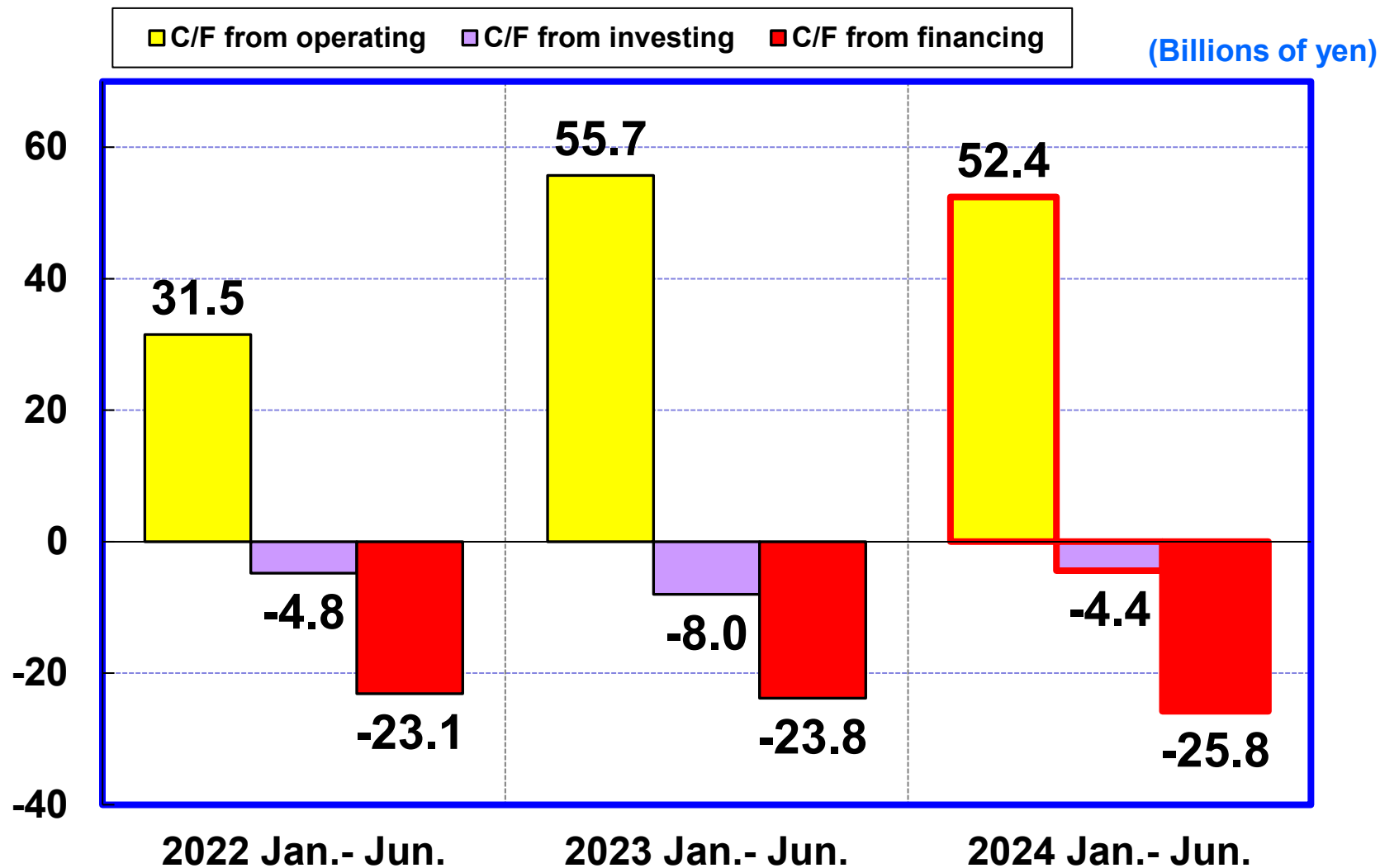


# Sales breakdown by customers' type of industry

2024 Jan. – Jun.

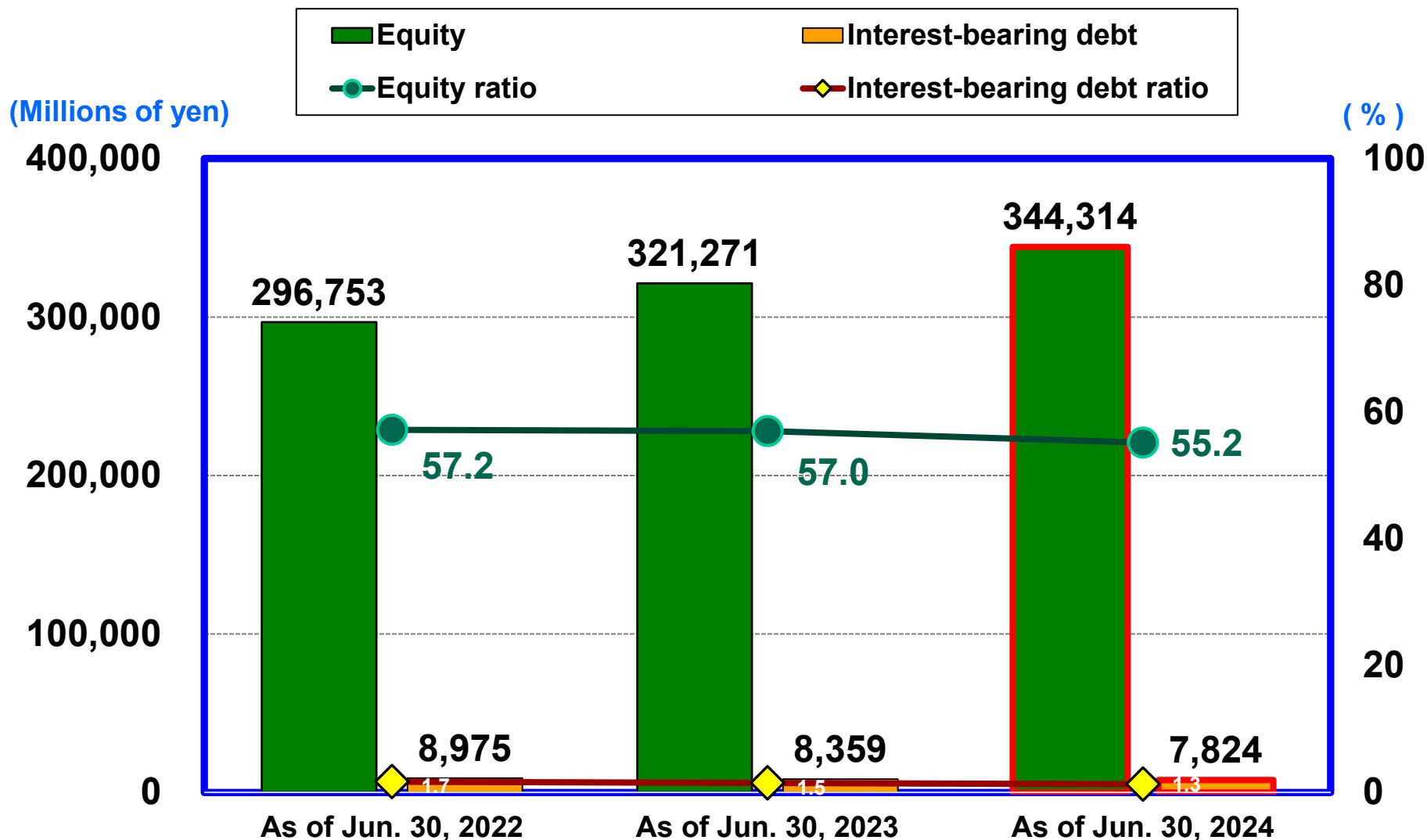


# Cash flows



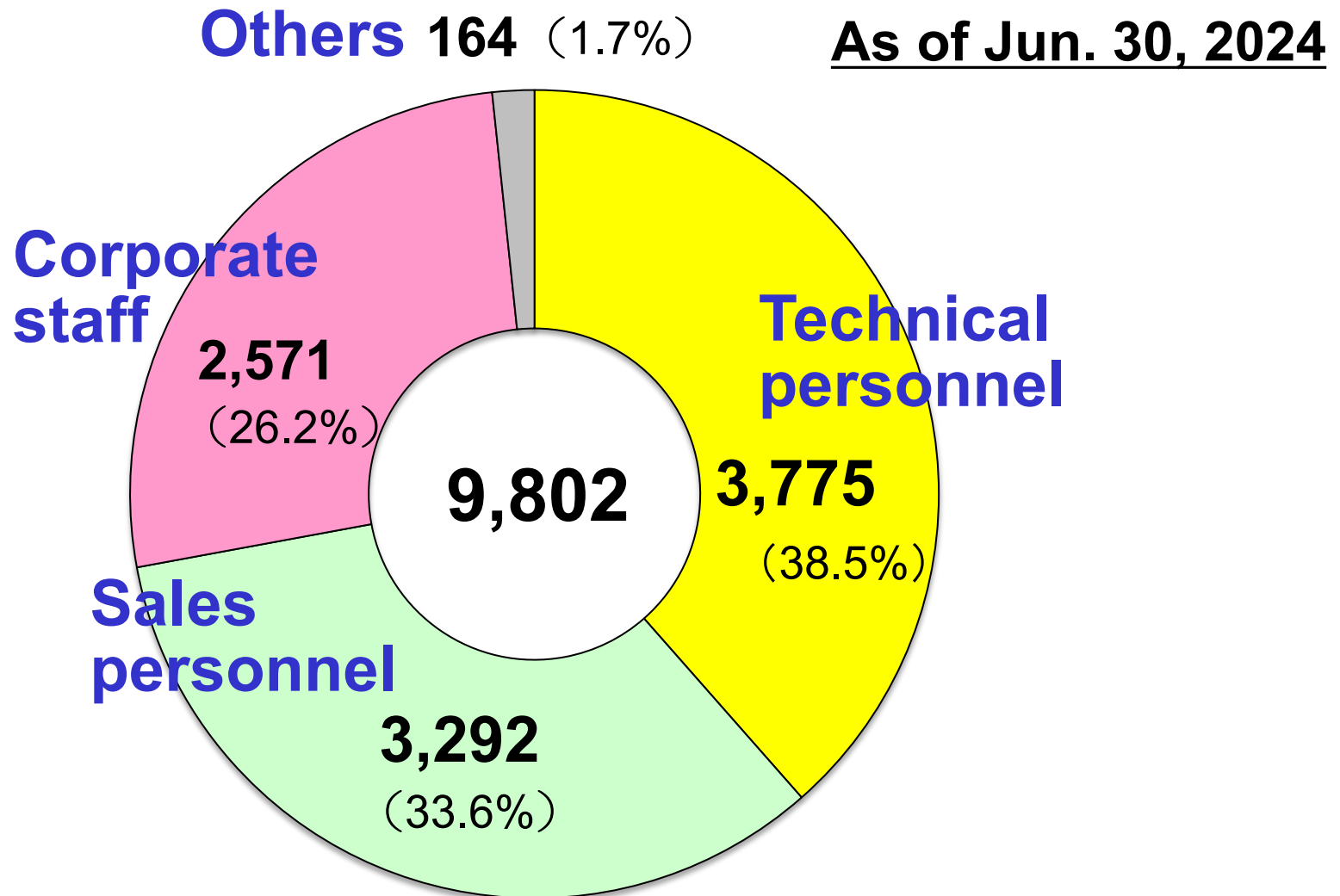
Consolidated

# Equity and Interest-bearing debt



# Personnel organization (regular employees)

Consolidated





# Key strategic business

<Amount of Sales>

(Millions of yen)

	2022 Jan. – Jun.	2023 Jan. – Jun.		2024 Jan. – Jun.			2024 Apr. – Jun.		
	Amount	Amount	Change to Last year	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
“tanomail”	91,245	98,598	+8.1%	103,848	+5,249	+5.3%	52,193	+2,289	+4.6%
SMILE	6,527	8,683	+33.0%	8,306	-377	-4.3%	5,022	+110	+2.2%
ODS	30,355	32,201	+6.1%	33,105	+903	+2.8%	17,743	+664	+3.9%
OSM	46,836	53,385	+14.0%	65,780	+12,394	+23.2%	34,413	+5,897	+20.7%

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

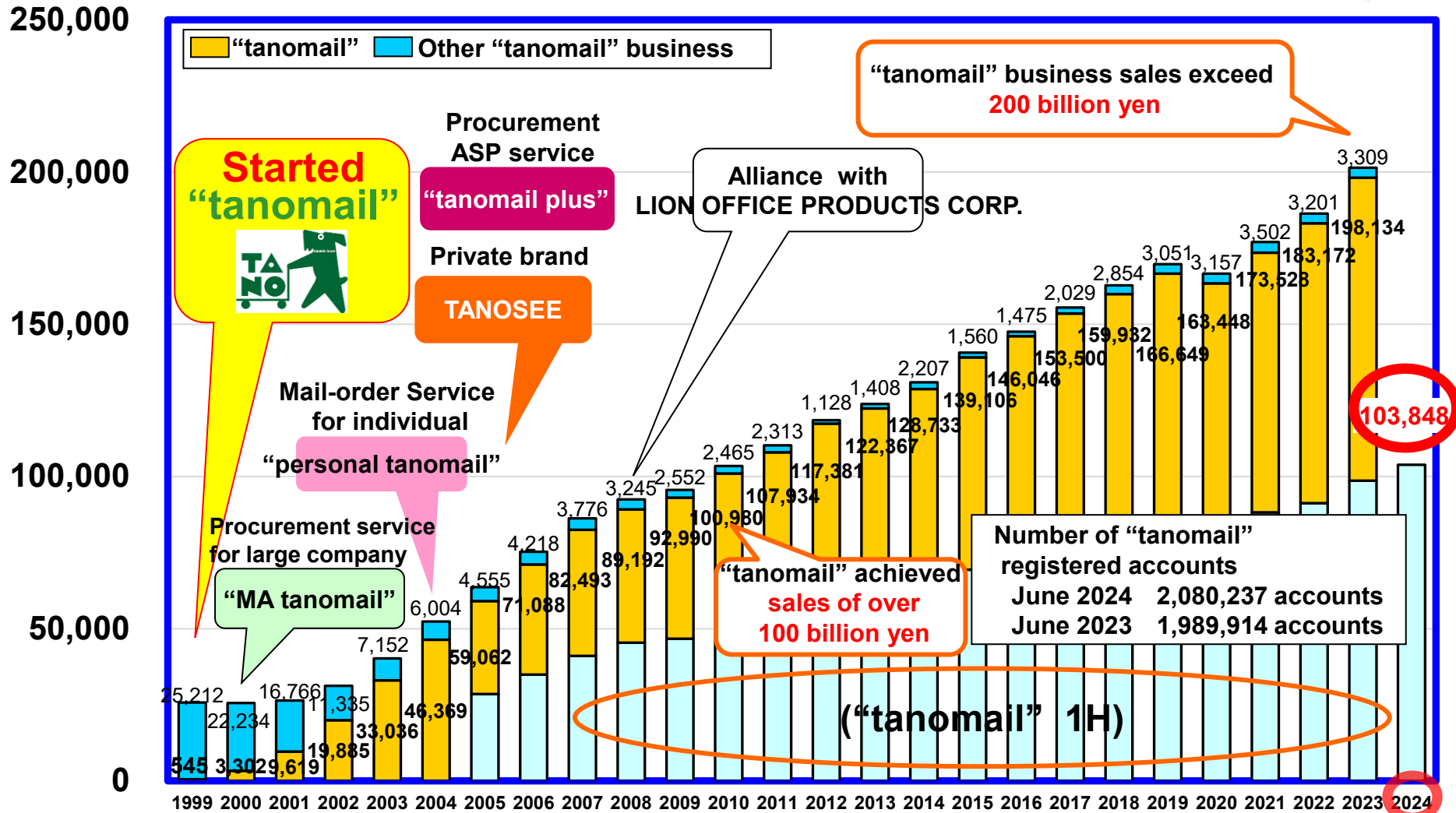
<As reference: Number of Sales>

(Units)

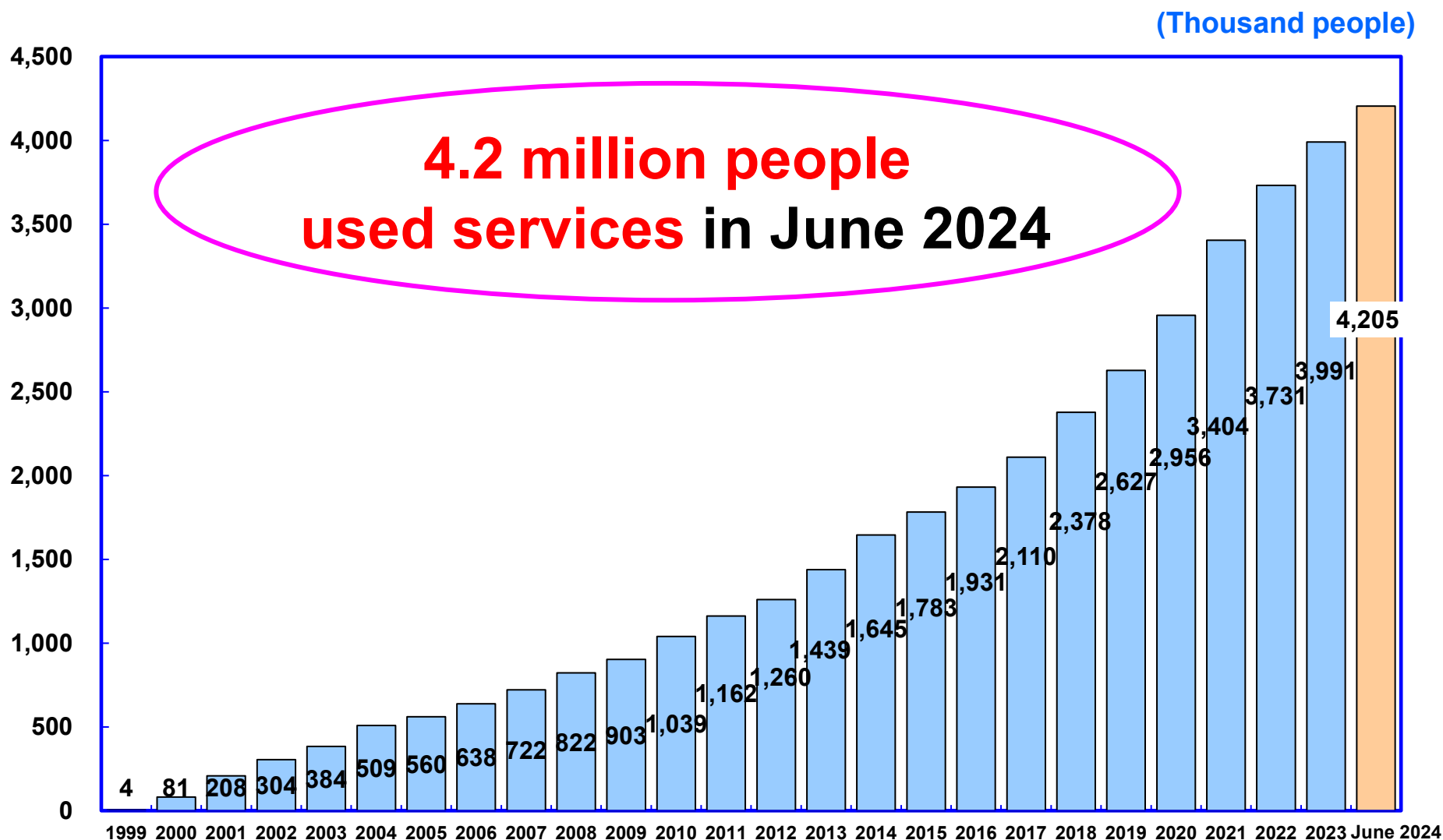
Copier	20,853	21,109	+1.2%	20,873	-236	-1.1%	11,128	-429	-3.7%
(of which Color copier)	20,466	20,555	+0.4%	20,435	-120	-0.6%	10,882	-326	-2.9%
Server	11,036	11,970	+8.5%	10,209	-1,761	-14.7%	5,405	-822	-13.2%
PC	579,984	642,107	+10.7%	678,381	+36,274	+5.6%	317,251	+28,953	+10.0%
Client Total	641,504	670,194	+4.5%	717,412	+47,218	+7.0%	338,147	+32,829	+10.8%

# Annual sales transition of “tanomail”

(Millions of yen)



# Number of Users of Main Web Services (ASP)



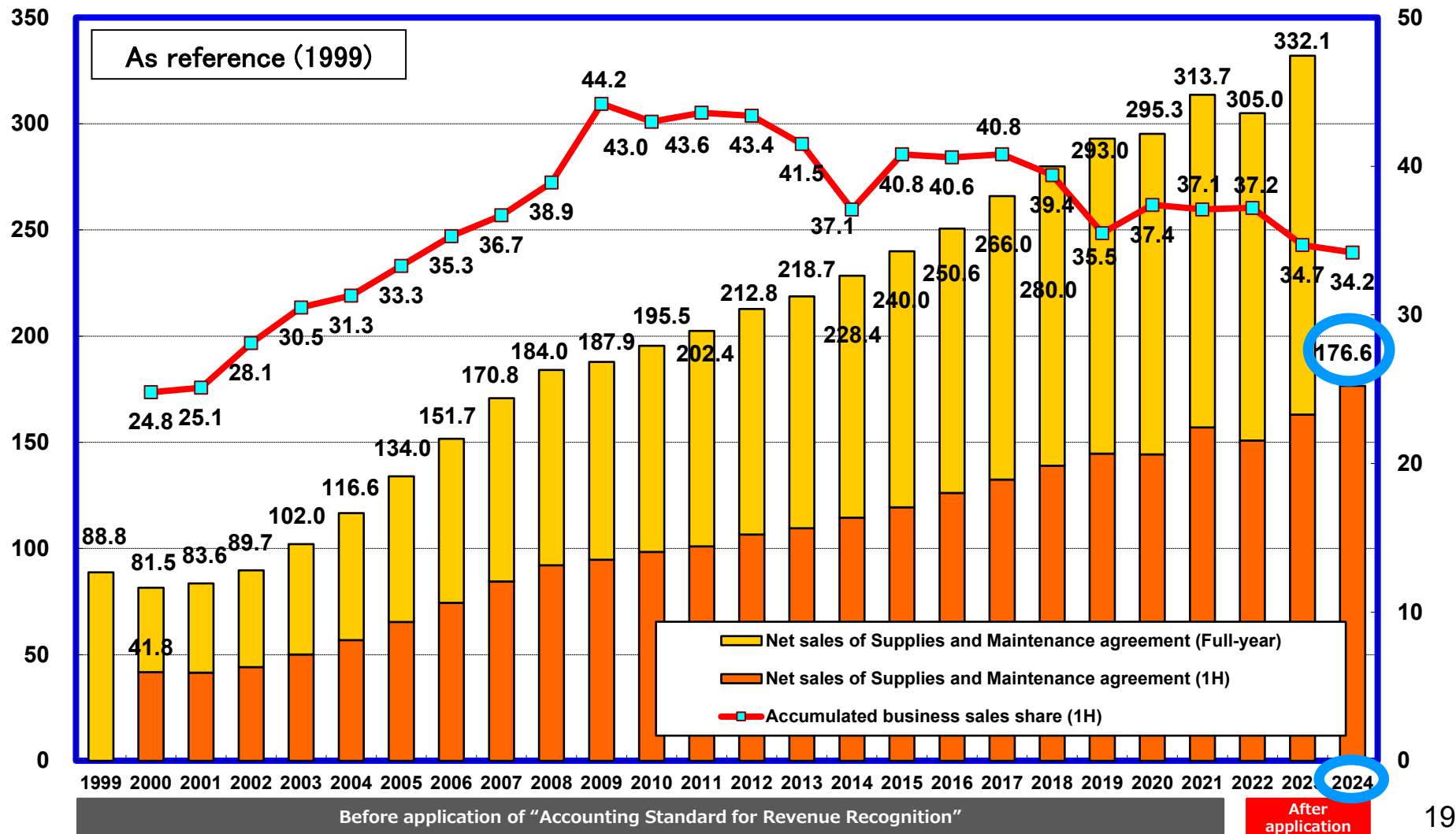
# Growth of accumulated business

## Net sales of Supplies and Maintenance agreement

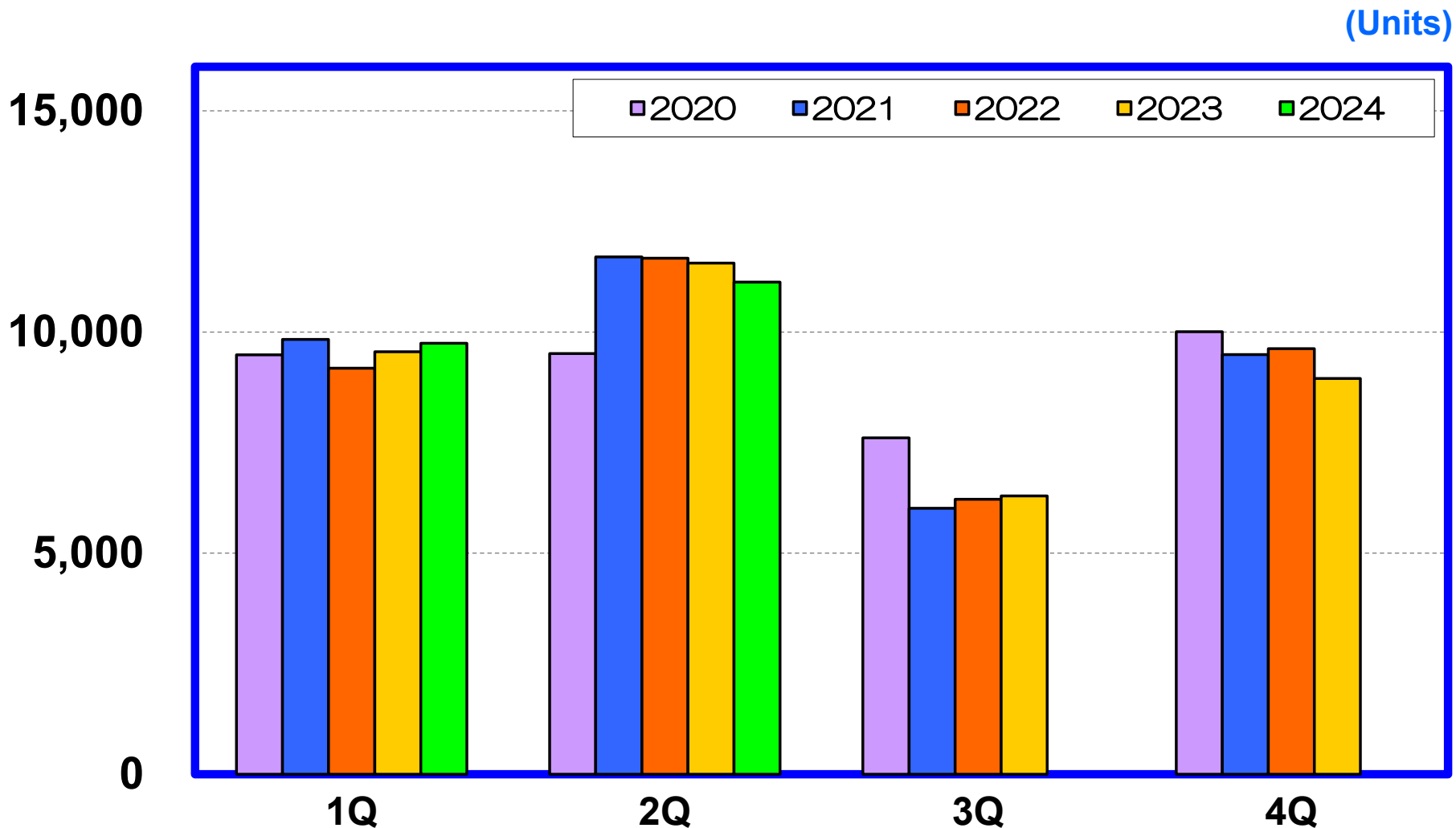
Net sales of Supplies and Maintenance agreement  
(Billions of yen)

## Accumulated business sales share

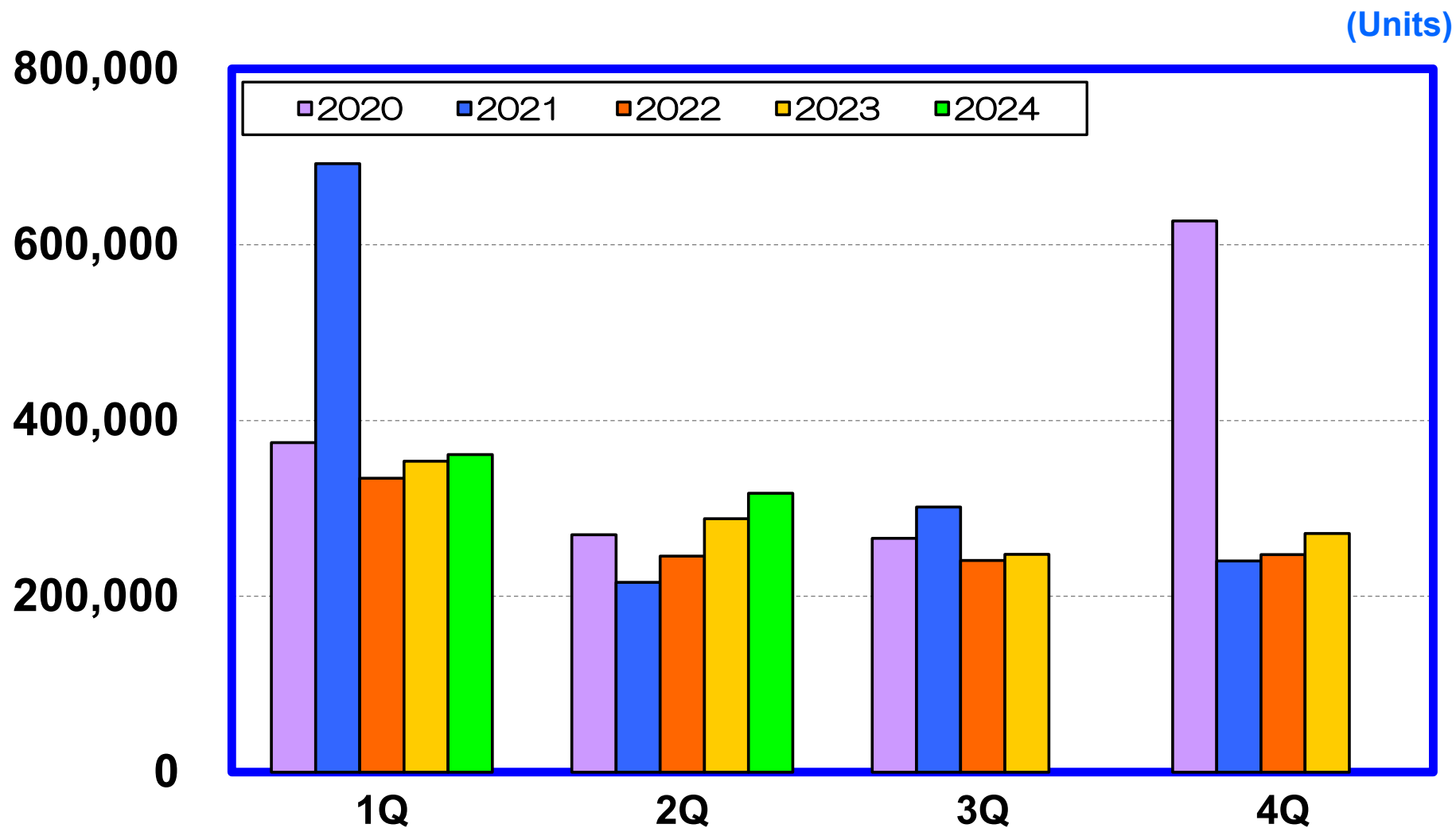
Accumulated business sales share (%)



# Quarterly Number of Copiers Sold



# Quarterly Number of PCs Sold



# Looking to the Future

# The Basic Principle and Medium- to Long-term Management Policy

## < Basic principle >

- Grow with customers by realizing the Mission Statement

## < Medium- to Long-term Management Policy >

- Maintain stable growth while responding to changes in the environment

**Operating profit to net sales ratio and ordinary profit to net sales ratio both firmly established at 7% or more.**

- Workforce plan calls for slight increases while focusing on productivity improvements
- Cultivate demand by utilizing information
- Raise per head productivity through efficient utilization of people, goods, money, and information



# OTSUKA CORPORATION for the Entire Office

Office equipment

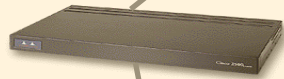
FAX



COPIER



LINE



GATEWAY

internet  
(ASP / Web Services)

Supplies



MRO

Electric power



LED  
BEMS

VC



Communication lines and  
Internet related products

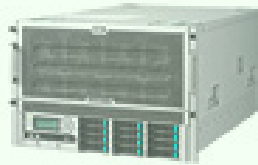
PBX

KT

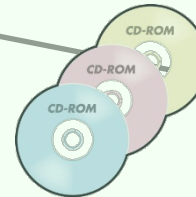
Voice communication  
system



SERVER



SOFTWARE



PC

TABLET

Computer system



# Organizational Restructuring toward “Marugoto”

“Marugoto” is a word that means “entire” in English.

Renewing product units...

## Toward “Marugoto” marketing!

**July 2024** **MM Strategy Promotion Business Department**  
Restructuring Company-wide organization



**April 2024** **MM Headquarters = Marugoto Marketing Headquarters**  
Renamed Company-wide organization.

**July 2023** **MST = Marugoto Solution Team**  
Renamed one organization in a specific department.

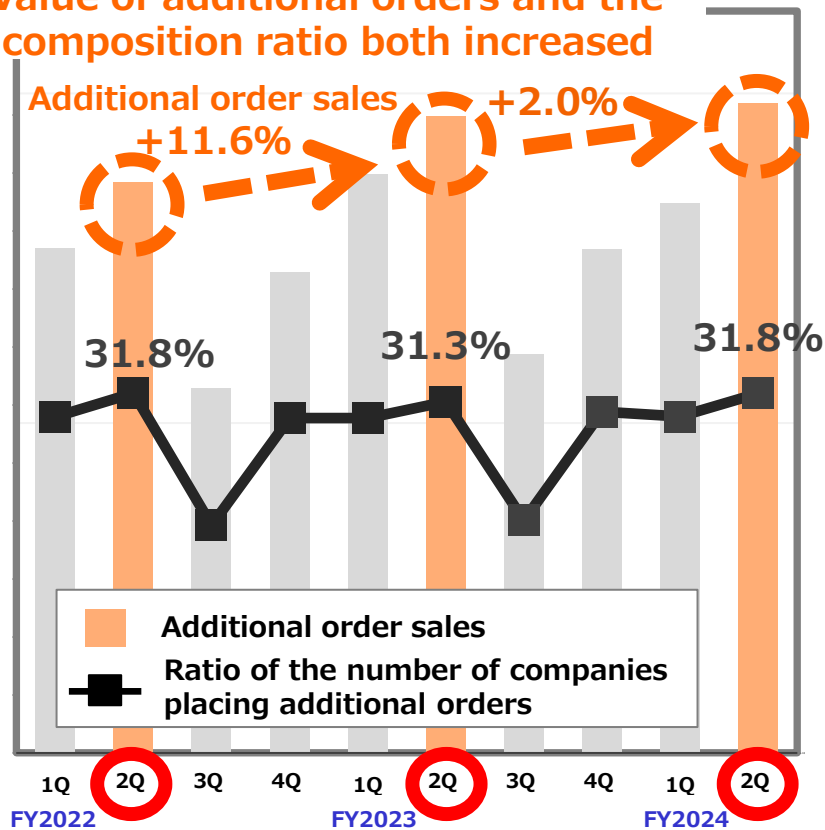
# Status of Orders

## 【State of Additional Orders】

Value of orders received and number of corporate customers in the current quarter as a percentage of customers who conducted transactions with Otsuka in the previous quarter

\* Calculated excluding ongoing transactions such as supply and maintenance

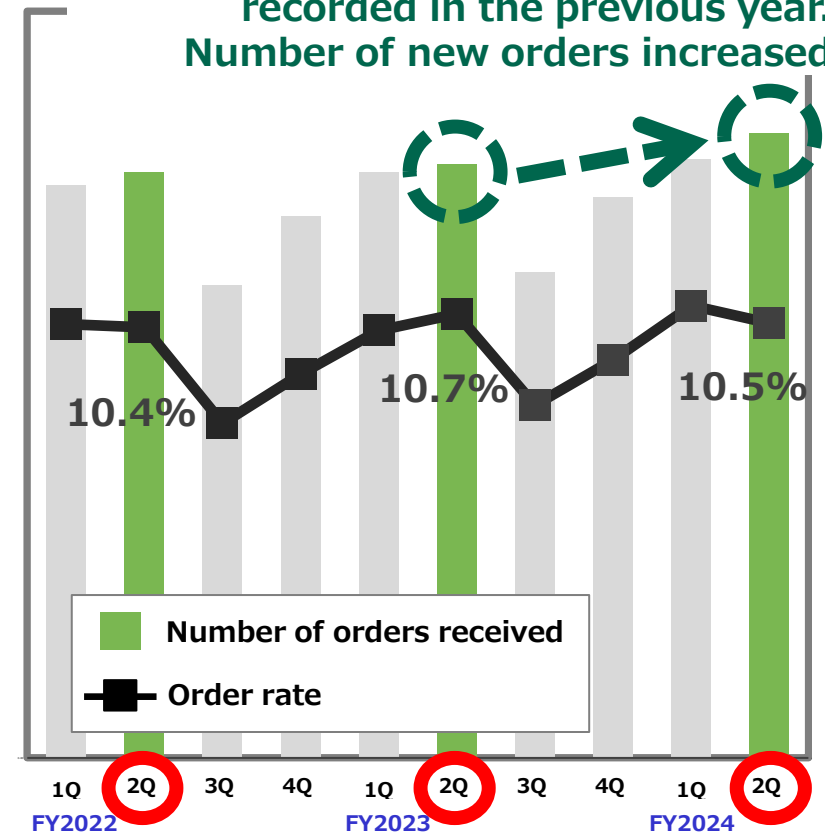
**Value of additional orders and the composition ratio both increased**



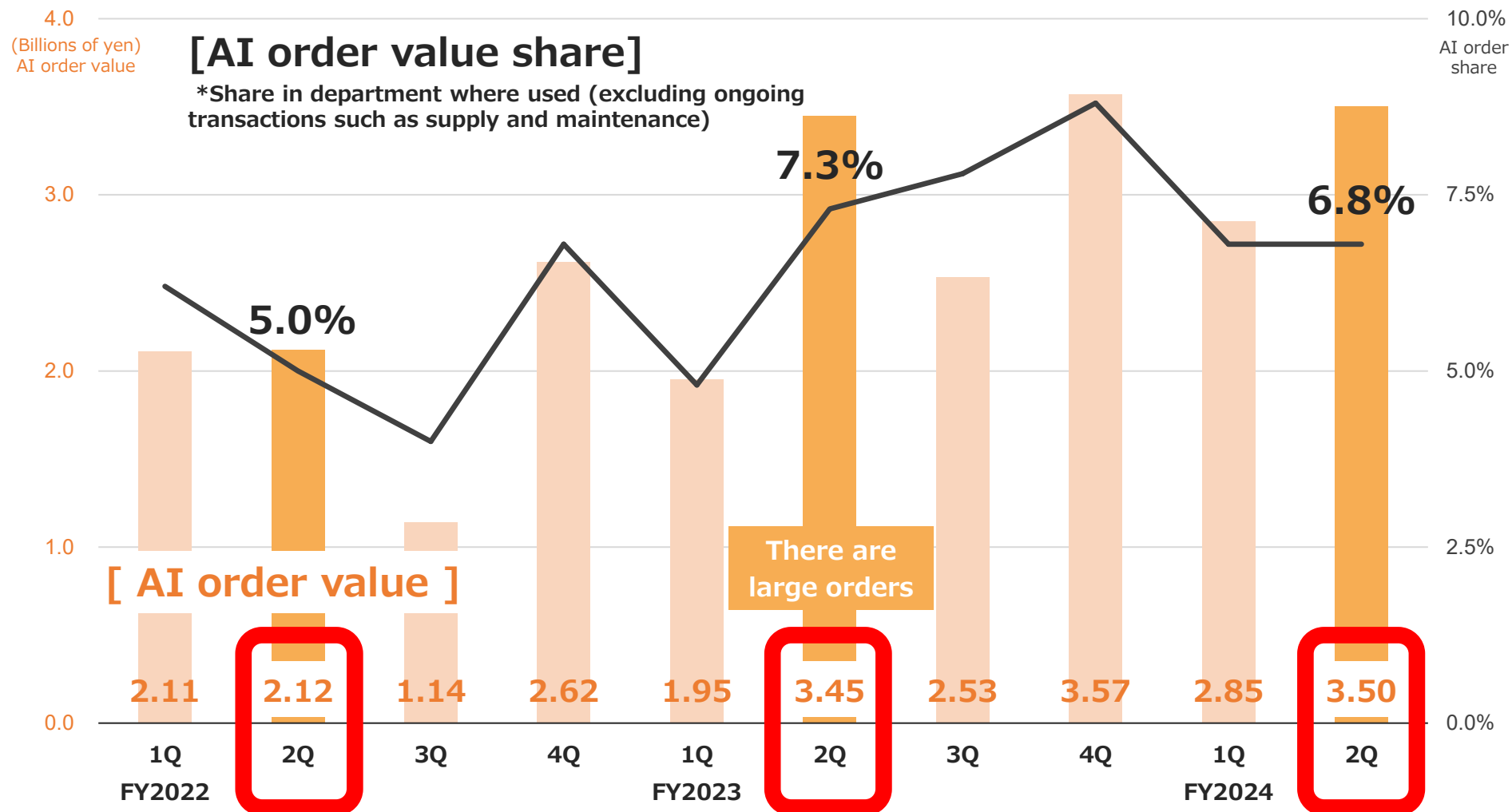
## 【Overall number of orders and order rate】

Order rate = Number of orders received ÷ Number of negotiations

**Order rate at the same high level as recorded in the previous year.  
Number of new orders increased**

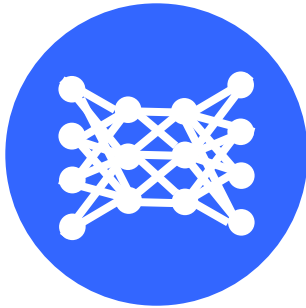


# Support Sales Activities through AI



# Three Types of AI Provided to Customers

## Data analysis



[Future prediction  
and analysis]  
**Corporate** strategy  
planning

## Generative AI



[Sharing and visualization  
of knowledge]  
Enhance work efficiency of  
**organization**

## Copilot



[Entrance into AI]  
Enhance work efficiency  
of **individuals**

**In-house implementation. Provide AI solutions tailored to the circumstances of customers through our own know-how and collaboration with partners.**

# AI Happiness



Cultivate **a positive spirit** and increase **connections within the organization** to foster an organizational culture and improve management.

**Spiritual capital**

(= increase “positive spirit”)

**Psychological safety**

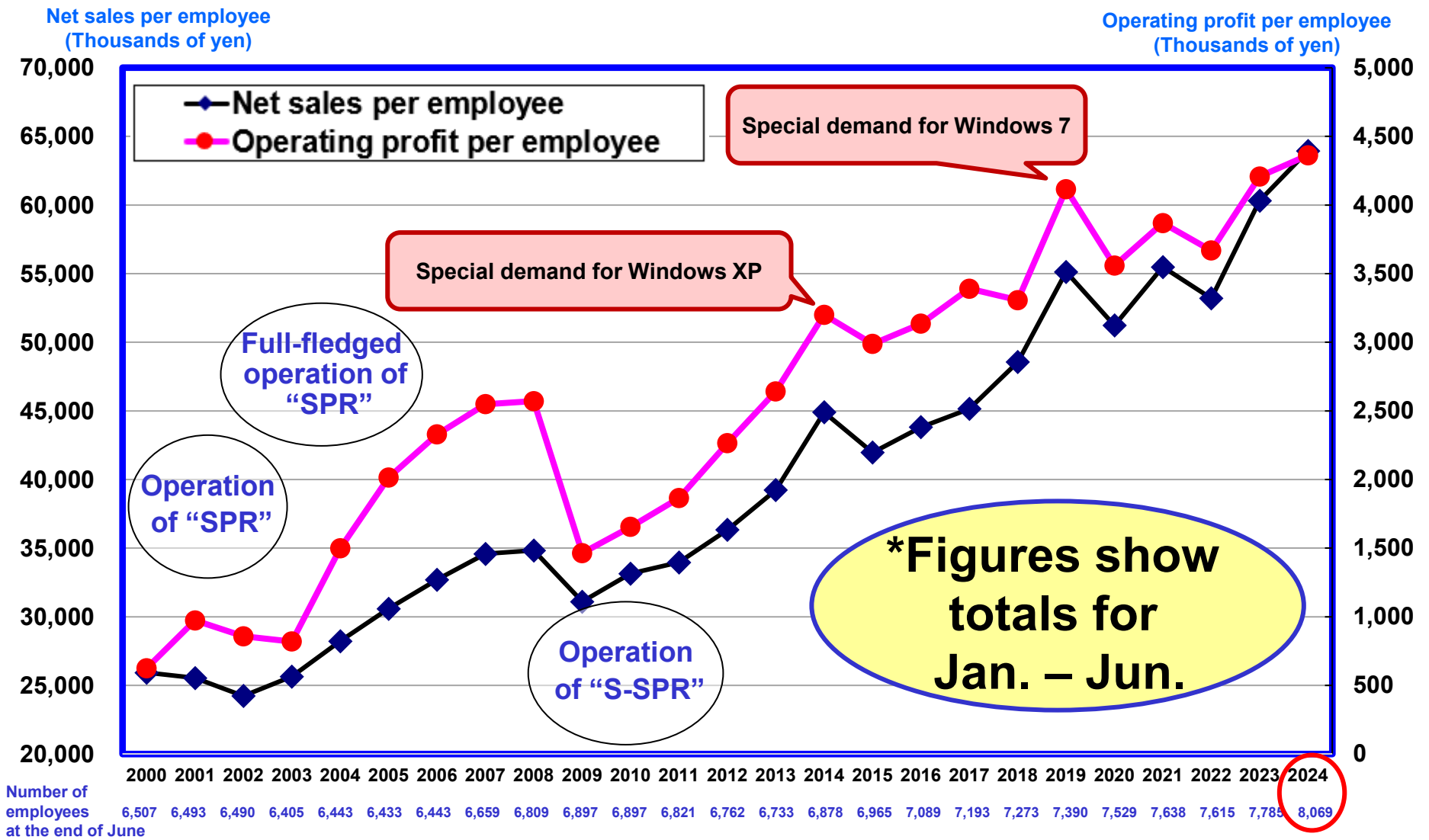
(= Increase “sense of unity of the organization”)

**Promote well-being**

**July 2024 ~ Strengthen deployment**

Non-Consolidated

# Change of Net sales per employee and Operating profit per employee



Consolidated

# Plans of Net sales and profit

(Millions of yen)

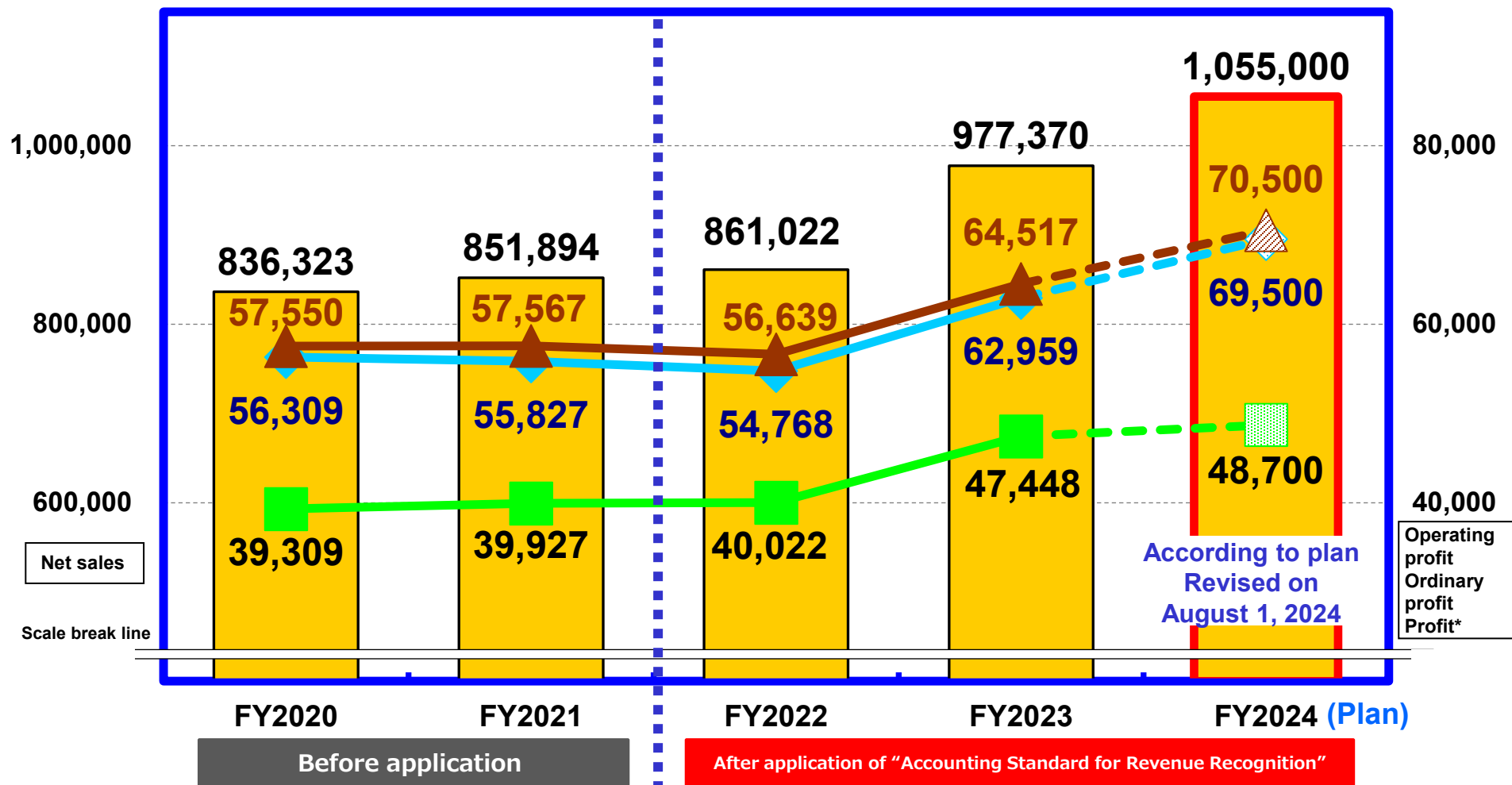
Net sales

Operating profit

Ordinary profit

Profit\*

\*Profit attributable to owners of parent







# Cautionary statement

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