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October 31, 2025

## Consolidated Financial Report for the Nine Months Ended September 30, 2025 <Under Japanese GAAP>

**OTSUKA CORPORATION** (URL: <https://www.otsuka-shokai.co.jp/>)

Listing: Tokyo Stock Exchange, Code 4768

Representative: Yuji Otsuka, President & Chief Executive Officer

Contact: Hironobu Saito, Managing Director & Executive Operating Officer; General Manager of Business Administration Headquarters (Tel: +81-3-3264-7111)

Scheduled date to commence dividend payments: —

Preparation of supplementary material on quarterly financial results: Yes

Holding of quarterly financial results briefing: No

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated Financial Results for the Nine Months Ended September 30, 2025 (From January 1, 2025 to September 30, 2025)

#### (1) Consolidated results of operations (Cumulative)

(Percentages indicate year-on-year changes.)

|                    | Net sales       |      | Operating profit |      | Ordinary profit |      | Profit attributable to owners of parent |      |
|--------------------|-----------------|------|------------------|------|-----------------|------|-----------------------------------------|------|
| Nine months ended  | Millions of yen | %    | Millions of yen  | %    | Millions of yen | %    | Millions of yen                         | %    |
| September 30, 2025 | 1,005,719       | 22.3 | 66,529           | 27.5 | 68,071          | 26.0 | 46,531                                  | 27.0 |
| September 30, 2024 | 822,262         | 11.1 | 52,169           | 10.1 | 54,015          | 10.6 | 36,631                                  | 10.5 |

Note) Comprehensive Income: For the nine months ended September 30, 2025: 49,579 million yen [38.5%]  
For the nine months ended September 30, 2024: 35,807 million yen [5.4%]

|                    | Basic earnings per share | Diluted earnings per share |
|--------------------|--------------------------|----------------------------|
| Nine months ended  | yen                      | yen                        |
| September 30, 2025 | 122.71                   | —                          |
| September 30, 2024 | 96.60                    | —                          |

\*The Company implemented a two-for-one stock split of its common stock with an effective date of April 1, 2024. Accordingly, basic earnings per share stated above are calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year (Fiscal Year 2024).

#### (2) Consolidated financial position

|                    | Total assets    | Net assets      | Equity ratio |
|--------------------|-----------------|-----------------|--------------|
| As of              | Millions of yen | Millions of yen | %            |
| September 30, 2025 | 696,258         | 377,203         | 53.5         |
| December 31, 2024  | 673,903         | 375,247         | 55.0         |

Reference) Equity: As of September 30, 2025: 372,357 million yen  
As of December 31, 2024: 370,799 million yen

## 2. Dividends

|                                                 | Annual dividends    |                      |                     |              |              |
|-------------------------------------------------|---------------------|----------------------|---------------------|--------------|--------------|
|                                                 | First quarter - end | Second quarter - end | Third quarter - end | Year-end     | Total        |
| Fiscal year ended December 31, 2024             | yen<br>—            | yen<br>0.00          | yen<br>—            | yen<br>80.00 | yen<br>80.00 |
| Fiscal year ending December 31, 2025            | —                   | 45.00                | —                   |              |              |
| Fiscal year ending December 31, 2025 (forecast) |                     |                      |                     | 40.00        | 85.00        |

Note) 1. Revision of the recently announced dividends forecasts: No

2. The year-end dividend of ¥80 for the fiscal year ended December 31, 2024 includes the consolidated net sales of ¥1 trillion breakthrough commemorative dividend of ¥5.

## 3. Consolidated Financial Forecasts for the Fiscal Year 2025 (From January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes.)

|           | Net sales       |      | Operating profit |      | Ordinary profit |      | Profit attributable to owners of parent |     | Basic earnings per share |
|-----------|-----------------|------|------------------|------|-----------------|------|-----------------------------------------|-----|--------------------------|
|           | Millions of yen | %    | Millions of yen  | %    | Millions of yen | %    | Millions of yen                         | %   | yen                      |
| Full-Year | 1,261,000       | 13.8 | 86,200           | 15.9 | 86,600          | 14.1 | 58,700                                  | 9.8 | 154.80                   |

Note) 1. Revision of the recently announced financial forecasts: No

2. The above forecasts are based on the information available as of the date of publication of this document. Actual results are subject to change due to various future events and may differ from these figures.

**\* Notes**

- (1) Significant changes in the scope of consolidation during the period: No
- (2) Application of specific accounting for preparing the quarterly consolidated financial statements: Yes

- (3) Changes in accounting policies, changes in accounting estimates, and restatements

1) Changes in accounting policies due to revisions to accounting standards, etc.: Yes

2) Changes in accounting policies other than 1): No

3) Changes in accounting estimates: No

4) Restatements: No

- (4) Number of shares issued (common shares)

- 1) Number of shares issued at the end of the period (including treasury shares)

As of September 30, 2025: 380,004,240 shares

As of December 31, 2024: 380,004,240 shares

- 2) Number of treasury shares at the end of the period

As of September 30, 2025: 803,041 shares

As of December 31, 2024: 803,041 shares

- 3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2025: 379,201,199 shares

Nine months ended September 30, 2024: 379,201,443 shares

\* The number of shares stated above is calculated on the assumption that the stock split described in "1. Consolidated Financial Results" was implemented at the beginning of the previous fiscal year (Fiscal Year 2024).

**\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: No**

## **Quarterly Consolidated Balance Sheets**

(Millions of yen)

|                                                            | As of December 31, 2024 | As of September 30, 2025 |
|------------------------------------------------------------|-------------------------|--------------------------|
| <hr/>                                                      |                         |                          |
| Assets                                                     |                         |                          |
| Current assets                                             |                         |                          |
| Cash and deposits                                          | 228,136                 | 216,945                  |
| Notes and accounts receivable - trade, and contract assets | 200,952                 | 222,345                  |
| Merchandise                                                | 71,935                  | 60,491                   |
| Work in process                                            | 1,668                   | 1,573                    |
| Raw materials and supplies                                 | 815                     | 819                      |
| Other                                                      | 65,482                  | 76,925                   |
| Allowance for doubtful accounts                            | (147)                   | (165)                    |
| Total current assets                                       | 568,843                 | 578,934                  |
| Non-current assets                                         |                         |                          |
| Property, plant and equipment                              |                         |                          |
| Buildings and structures, net                              | 13,950                  | 14,261                   |
| Other, net                                                 | 20,963                  | 21,895                   |
| Total property, plant and equipment                        | 34,913                  | 36,157                   |
| Intangible assets                                          | 20,283                  | 27,927                   |
| Investments and other assets                               |                         |                          |
| Investment securities                                      | 22,815                  | 25,217                   |
| Other                                                      | 27,428                  | 28,447                   |
| Allowance for doubtful accounts                            | (380)                   | (425)                    |
| Total investments and other assets                         | 49,863                  | 53,238                   |
| Total non-current assets                                   | 105,060                 | 117,323                  |
| Total assets                                               | 673,903                 | 696,258                  |

(Millions of yen)

|                                                                      | As of December 31, 2024 | As of September 30, 2025 |
|----------------------------------------------------------------------|-------------------------|--------------------------|
| <b>Liabilities</b>                                                   |                         |                          |
| Current liabilities                                                  |                         |                          |
| Notes and accounts payable - trade                                   | 162,266                 | 157,486                  |
| Electronically recorded obligations - operating                      | 17,528                  | 27,081                   |
| Short-term borrowings                                                | 4,300                   | 4,300                    |
| Income taxes payable                                                 | 13,790                  | 10,884                   |
| Provision for bonuses                                                | 5,261                   | 14,708                   |
| Other                                                                | 86,545                  | 95,827                   |
| Total current liabilities                                            | 289,692                 | 310,288                  |
| Non-current liabilities                                              |                         |                          |
| Long-term borrowings                                                 | 1,700                   | 1,700                    |
| Provision for retirement benefits for directors (and other officers) | 613                     | 647                      |
| Retirement benefit liability                                         | 4,695                   | 4,055                    |
| Other                                                                | 1,955                   | 2,363                    |
| Total non-current liabilities                                        | 8,964                   | 8,766                    |
| Total liabilities                                                    | 298,656                 | 319,055                  |
| <b>Net assets</b>                                                    |                         |                          |
| Shareholders' equity                                                 |                         |                          |
| Share capital                                                        | 10,374                  | 10,374                   |
| Capital surplus                                                      | 16,254                  | 16,254                   |
| Retained earnings                                                    | 339,422                 | 338,554                  |
| Treasury shares                                                      | (143)                   | (143)                    |
| Total shareholders' equity                                           | 365,909                 | 365,040                  |
| Accumulated other comprehensive income                               |                         |                          |
| Valuation difference on available-for-sale securities                | 5,891                   | 7,245                    |
| Deferred gains or losses on hedges                                   | 133                     | (207)                    |
| Revaluation reserve for land                                         | (5,269)                 | (5,201)                  |
| Foreign currency translation adjustment                              | 363                     | 393                      |
| Remeasurements of defined benefit plans                              | 3,771                   | 5,086                    |
| Total accumulated other comprehensive income                         | 4,889                   | 7,317                    |
| Non-controlling interests                                            | 4,447                   | 4,845                    |
| Total net assets                                                     | 375,247                 | 377,203                  |
| Total liabilities and net assets                                     | 673,903                 | 696,258                  |

## **Quarterly Consolidated Statements of Income and Comprehensive Income**

### Quarterly Consolidated Statements of Income

(Millions of yen)

|                                                               | Nine months ended<br>September 30, 2024 | Nine months ended<br>September 30, 2025 |
|---------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Net sales                                                     | 822,262                                 | 1,005,719                               |
| Cost of sales                                                 | 658,382                                 | 819,394                                 |
| Gross profit                                                  | 163,879                                 | 186,324                                 |
| Selling, general and administrative expenses                  | 111,710                                 | 119,794                                 |
| Operating profit                                              | 52,169                                  | 66,529                                  |
| Non-operating income                                          |                                         |                                         |
| Interest income                                               | 67                                      | 305                                     |
| Dividend income                                               | 234                                     | 242                                     |
| Share of profit of entities accounted for using equity method | 647                                     | 586                                     |
| Other                                                         | 1,206                                   | 854                                     |
| Total non-operating income                                    | 2,155                                   | 1,987                                   |
| Non-operating expenses                                        |                                         |                                         |
| Interest expenses                                             | 42                                      | 49                                      |
| Donations                                                     | 260                                     | 394                                     |
| Other                                                         | 6                                       | 2                                       |
| Total non-operating expenses                                  | 309                                     | 446                                     |
| Ordinary profit                                               | 54,015                                  | 68,071                                  |
| Extraordinary income                                          |                                         |                                         |
| Gain on sale of investment securities                         | 11                                      | 5                                       |
| Total extraordinary income                                    | 11                                      | 5                                       |
| Extraordinary losses                                          |                                         |                                         |
| Loss on retirement of non-current assets                      | 86                                      | 50                                      |
| Other                                                         | —                                       | 2                                       |
| Total extraordinary losses                                    | 86                                      | 53                                      |
| Profit before income taxes                                    | 53,940                                  | 68,023                                  |
| Income taxes                                                  | 16,799                                  | 20,815                                  |
| Profit                                                        | 37,141                                  | 47,207                                  |
| Profit attributable to non-controlling interests              | 510                                     | 676                                     |
| Profit attributable to owners of parent                       | 36,631                                  | 46,531                                  |

## Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

|                                                                                      | Nine months ended<br>September 30, 2024 | Nine months ended<br>September 30, 2025 |
|--------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Profit                                                                               | 37,141                                  | 47,207                                  |
| Other comprehensive income                                                           |                                         |                                         |
| Valuation difference on available-for-sale securities                                | (762)                                   | 1,366                                   |
| Deferred gains or losses on hedges                                                   | (193)                                   | (417)                                   |
| Revaluation reserve for land                                                         | —                                       | 68                                      |
| Remeasurements of defined benefit plans, net of tax                                  | (363)                                   | 1,342                                   |
| Share of other comprehensive income of entities<br>accounted for using equity method | (13)                                    | 11                                      |
| Total other comprehensive income                                                     | (1,333)                                 | 2,371                                   |
| Comprehensive income                                                                 | 35,807                                  | 49,579                                  |
| (Breakdown)                                                                          |                                         |                                         |
| Comprehensive income attributable to owners of<br>parent                             | 35,333                                  | 48,958                                  |
| Comprehensive income attributable to non-controlling<br>interests                    | 474                                     | 620                                     |

## **Quarterly Consolidated Statements of Cash Flows**

(Millions of yen)

|                                                                      | Nine months ended<br>September 30, 2024 | Nine months ended<br>September 30, 2025 |
|----------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Cash flows from operating activities                                 |                                         |                                         |
| Profit before income taxes                                           | 53,940                                  | 68,023                                  |
| Depreciation                                                         | 6,269                                   | 6,824                                   |
| Increase (decrease) in allowance for doubtful accounts               | 137                                     | 62                                      |
| Interest and dividend income                                         | (302)                                   | (547)                                   |
| Interest expenses                                                    | 42                                      | 49                                      |
| Share of loss (profit) of entities accounted for using equity method | (647)                                   | (586)                                   |
| Loss on retirement of non-current assets                             | 86                                      | 50                                      |
| Loss (gain) on sale of investment securities                         | (11)                                    | (5)                                     |
| Decrease (increase) in trade receivables                             | (27,013)                                | (21,436)                                |
| Decrease (increase) in inventories                                   | (18,730)                                | 11,535                                  |
| Increase (decrease) in trade payables                                | 35,672                                  | 4,773                                   |
| Other, net                                                           | (2,363)                                 | 5,942                                   |
| Subtotal                                                             | 47,080                                  | 74,686                                  |
| Interest and dividends received                                      | 587                                     | 842                                     |
| Interest paid                                                        | (33)                                    | (35)                                    |
| Income taxes paid                                                    | (17,202)                                | (23,323)                                |
| Net cash provided by (used in) operating activities                  | 30,431                                  | 52,170                                  |
| Cash flows from investing activities                                 |                                         |                                         |
| Purchase of property, plant and equipment                            | (2,307)                                 | (3,660)                                 |
| Purchase of software                                                 | (5,590)                                 | (11,478)                                |
| Purchase of investment securities                                    | (18)                                    | (36)                                    |
| Proceeds from sale of investment securities                          | 20                                      | 8                                       |
| Payments into time deposits                                          | —                                       | (100)                                   |
| Other, net                                                           | 98                                      | (269)                                   |
| Net cash provided by (used in) investing activities                  | (7,797)                                 | (15,537)                                |
| Cash flows from financing activities                                 |                                         |                                         |
| Net increase (decrease) in short-term borrowings                     | (100)                                   | —                                       |
| Dividends paid                                                       | (25,591)                                | (47,395)                                |
| Other, net                                                           | (195)                                   | (222)                                   |
| Net cash provided by (used in) financing activities                  | (25,887)                                | (47,618)                                |
| Effect of exchange rate change on cash and cash equivalents          | (1)                                     | (0)                                     |
| Net increase (decrease) in cash and cash equivalents                 | (3,254)                                 | (10,984)                                |
| Cash and cash equivalents at beginning of period                     | 229,615                                 | 229,488                                 |
| Cash and cash equivalents at end of period                           | 226,361                                 | 218,503                                 |



## **Segment Information**

### **I Nine months ended September 30, 2024**

Information concerning net sales and segment profit/loss by reportable segments

(Millions of yen)

|                               | Reportable segments         |                              | Total   | Adjustment | Amount recorded in quarterly consolidated statements of income |
|-------------------------------|-----------------------------|------------------------------|---------|------------|----------------------------------------------------------------|
|                               | System Integration business | Service and Support business |         |            |                                                                |
| Net sales                     |                             |                              |         |            |                                                                |
| Outside customers sales       | 541,840                     | 280,422                      | 822,262 | —          | 822,262                                                        |
| Inter-segment sales/transfers | 838                         | 980                          | 1,818   | (1,818)    | —                                                              |
| Total                         | 542,679                     | 281,402                      | 824,081 | (1,818)    | 822,262                                                        |
| Segment profit                | 45,011                      | 15,928                       | 60,939  | (8,770)    | 52,169                                                         |

### **II Nine months ended September 30, 2025**

1 Information concerning net sales and segment profit/loss by reportable segments

(Millions of yen)

|                               | Reportable segments         |                              | Total     | Adjustment | Amount recorded in quarterly consolidated statements of income |
|-------------------------------|-----------------------------|------------------------------|-----------|------------|----------------------------------------------------------------|
|                               | System Integration business | Service and Support business |           |            |                                                                |
| Net sales                     |                             |                              |           |            |                                                                |
| Outside customers sales       | 697,889                     | 307,829                      | 1,005,719 | —          | 1,005,719                                                      |
| Inter-segment sales/transfers | 837                         | 1,298                        | 2,136     | (2,136)    | —                                                              |
| Total                         | 698,727                     | 309,127                      | 1,007,855 | (2,136)    | 1,005,719                                                      |
| Segment profit                | 54,350                      | 22,075                       | 76,425    | (9,896)    | 66,529                                                         |

2 Matters related to changes in the reportable segments, etc.

From the first quarter of the consolidated fiscal year ending December 31, 2025, the company has changed the classification method between “System Integration business” and “Service and Support business” pursuant to partially revision of performance management categories for consolidated subsidiaries.

Segment information for nine months ended September 30, 2024 has been prepared based on the new classification method of reportable segments.