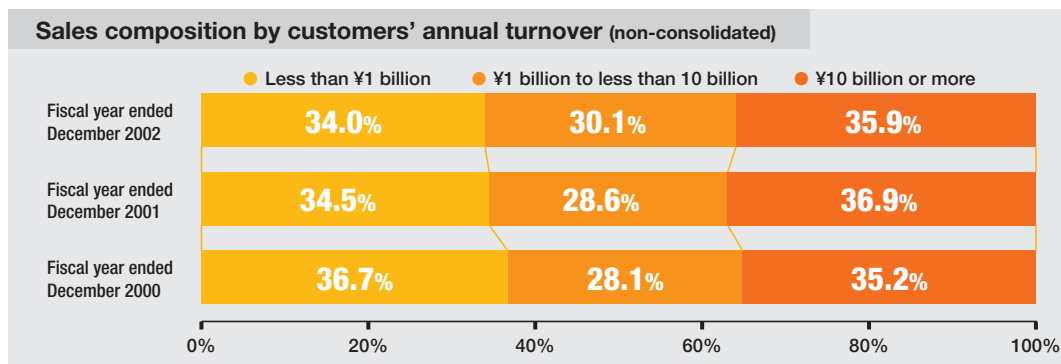


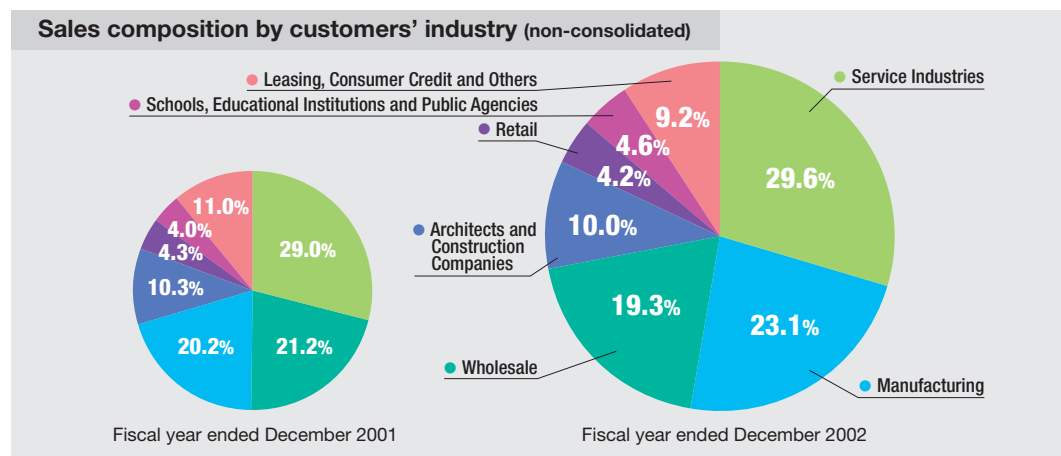
OTSUKA CORPORATION is supported by over 250 thousand corporate customers nationwide.

OTSUKA CORPORATION conducts ongoing business with a broad range of customers, approximately 250,000 companies, on a monthly basis. We maintain well-balanced sales, almost equally divided into thirds among those with less than ¥1 billion in annual turnover, ¥1 billion to less than ¥10 billion, and ¥10 billion or more.

In the fiscal year ended December 31, 2002, there was a slight decline in the composite share of sales of large corporate customers with annual revenues of ¥10 billion and above because year-end demand from major companies was not as pronounced in the year ended March 31, 2002 compared with previous fiscal years. On the other hand, we have seen a steady increase in the share of sales to midsize companies with annual turnover between ¥1 billion to less than ¥10 billion, which represent our greatest strength. While the share of sales to small and medium size companies with annual turnover below ¥1 billion remains on a downtrend, they continue to occupy the majority of our customer base in terms of the number of companies and represent a market that is difficult for competitors to enter, further distinguishing our customer base while ensuring a good balance between corporations of various sizes.



Furthermore, by type of customer industry, our transactions span the entire industrial spectrum, with the service sector accounting for about 30%, manufacturing about 23%, and wholesale about 19%, with no single sector constituting more than half of the total. This indicates not only a well-maintained balance among business sectors, but also that group performance is not easily influenced by market trends affecting any specific industry.



Consequently, we enjoy the support of a remarkably broad range of customers in terms of the number of companies, corporate size, and business sectors, representing a dependably solid customer base.

Growth based on our customers' success.

OTSUKA CORPORATION knows it can and will do even better, primarily through offering a greater variety and range of systems and services to meet the changing needs of our customers. In a recent analysis of customer transactions, we discovered that customers are not familiar with the full capabilities of the OTSUKA CORPORATION, and therefore do not take advantage of all we have to offer. We will work to highlight the broader ways in which we and our customers together can benefit by recommending solutions that more clearly integrate our diverse capabilities in the context of their specific requirements.

For such occasions, we have always sought to provide the best solutions in response to the individual needs of all our customers, no matter how large or small. For example, for major corporations that request one-to-one support, we offer high added-value services, including consulting and customization. For midsize corporations, we provide comprehensive system solutions to support overall management, including the construction of information infrastructures, and the establishment of and operational support for mission-critical information systems. For medium and small companies businesses that depend on low overhead, we offer systems and services such as “off-the-shelf” packaged software with high cost-performance. Equally important for all customers, we provide information on customers' transactions with OTSUKA CORPORATION and troubleshooting solutions as well as a wide range of other valuable business information through “e-otsuka.com,” our corporate portal site, and “QQ-Web,” a membership-based information site available 24 hours a day, every day of the year. We spare no effort to enhance both customer convenience and the efficiency of support.

