

Overview of Key Strategic Businesses (Non-consolidated)

OTSUKA CORPORATION has positioned “MRO”, “SMILE”, “ODS21” and “OSM” as its key strategic businesses and concentrated resources accordingly. Below is an overview of each strategic business for the fiscal year under review.

Key Strategic Business

MRO

For the fiscal year under review, net sales rose 21.5% to **¥63,618 million**.

of the above, “tanomail”:

For the fiscal year under review, net sales rose 27.4% to **¥59,062 million**.

MRO Net Sales

(Millions of yen)



The “MRO” business, which sells products such as stationery, daily office necessities and OA supplies, was able to achieve sales of well over ¥60 billion due to the strong performance by the “tanomail” office supply mail-order service, the core pillar of the “MRO” business.

Because “tanomail” is so easy to use and the products and materials it handles are needed by virtually all enterprises, it is playing a major role in developing customer transaction accounts.



“tanomail” catalog, Vol. 15



“tanomail” on the Internet at <http://www.tanomail.com>

Key Strategic Business

SMILE

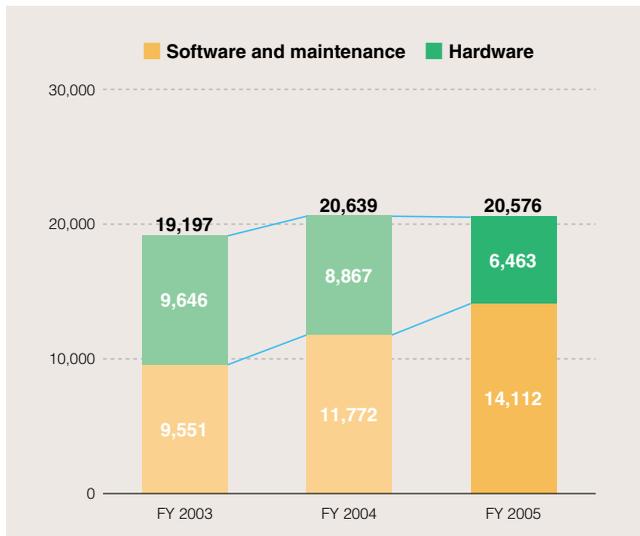
For the fiscal year under review, net sales declined **0.3%** to **¥20,576 million**.

of the above, software and maintenance:

For the fiscal year under review, net sales rose **19.9%** to **¥14,112 million**.

SMILE Net Sales

(Millions of yen)



"SMILE" is the Company's proprietary integrated mission-critical operational system, which encompasses 27 years of experience extending back to the days of the office computer. There are two products: "SMILE α AD", which is geared to the needs of midsize and smaller companies, and "SMILE ie", for large and midsize companies. In addition to packages for customers looking to revamp their mission-critical systems, product functionality has been reinforced and the range of program options enhanced, generating strong sales of software and maintenance.

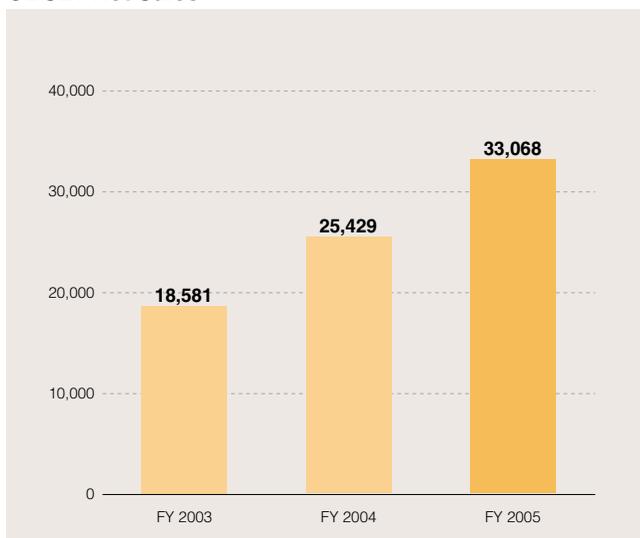
Key Strategic Business

ODS21

For the fiscal year under review, net sales rose **30.0%** to **¥33,068 million**.

ODS21 Net Sales

(Millions of yen)



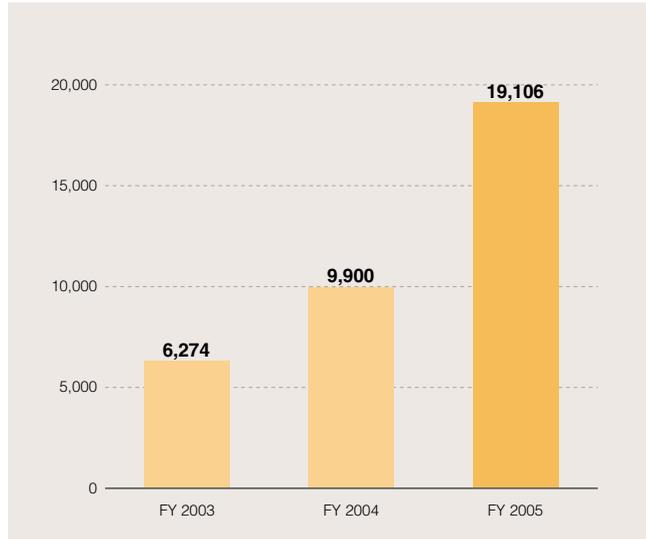
"ODS21" is a knowledge management system that combines copiers and computers to digitally capture paper-based information, bringing it under the same central management as other digital information, facilitating the sharing and utilization of such information. The increasing focus on ensuring the security of information generated strong sales for "ODS21".

Key Strategic Business

OSM

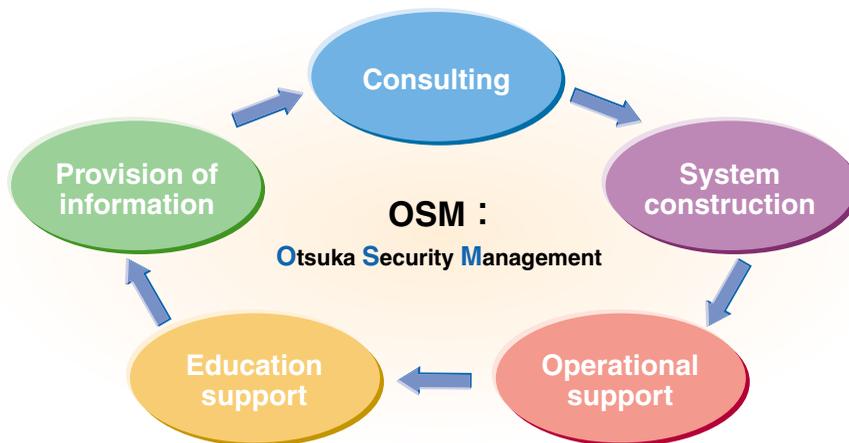
For the fiscal year under review, net sales rose 93.0% to ¥19,106 million.

OSM Net Sales (Millions of yen)



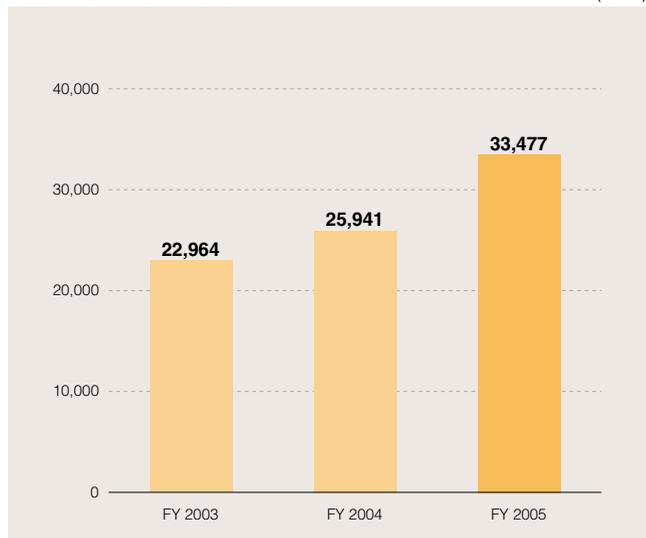
“OSM”, OTSUKA CORPORATION’s name-brand information security business, enjoyed a huge jump in sales of 93% that reflected skyrocketing investment in information security measures by enterprises, following the enforcement of the Personal Information Protection Law in April 1, 2005.

Overall information security support during system life-cycle

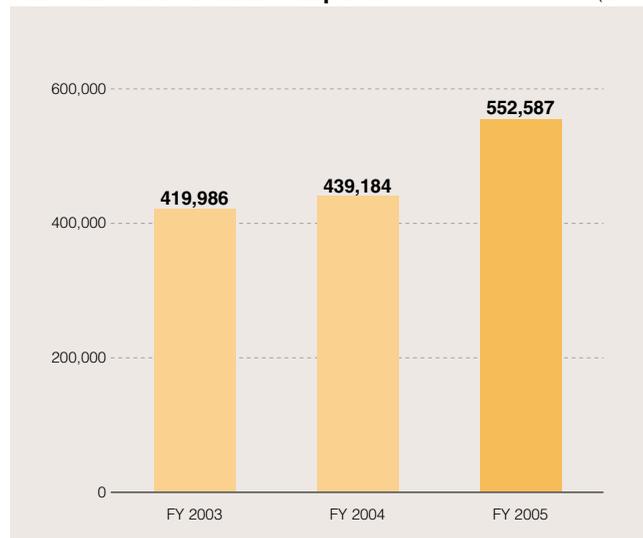


Three-year Summary of Unit Sales of Computers and Copiers

Unit Sales of Servers (units)



Unit Sales of Personal Computers (units)



Unit Sales of Copiers (units)

