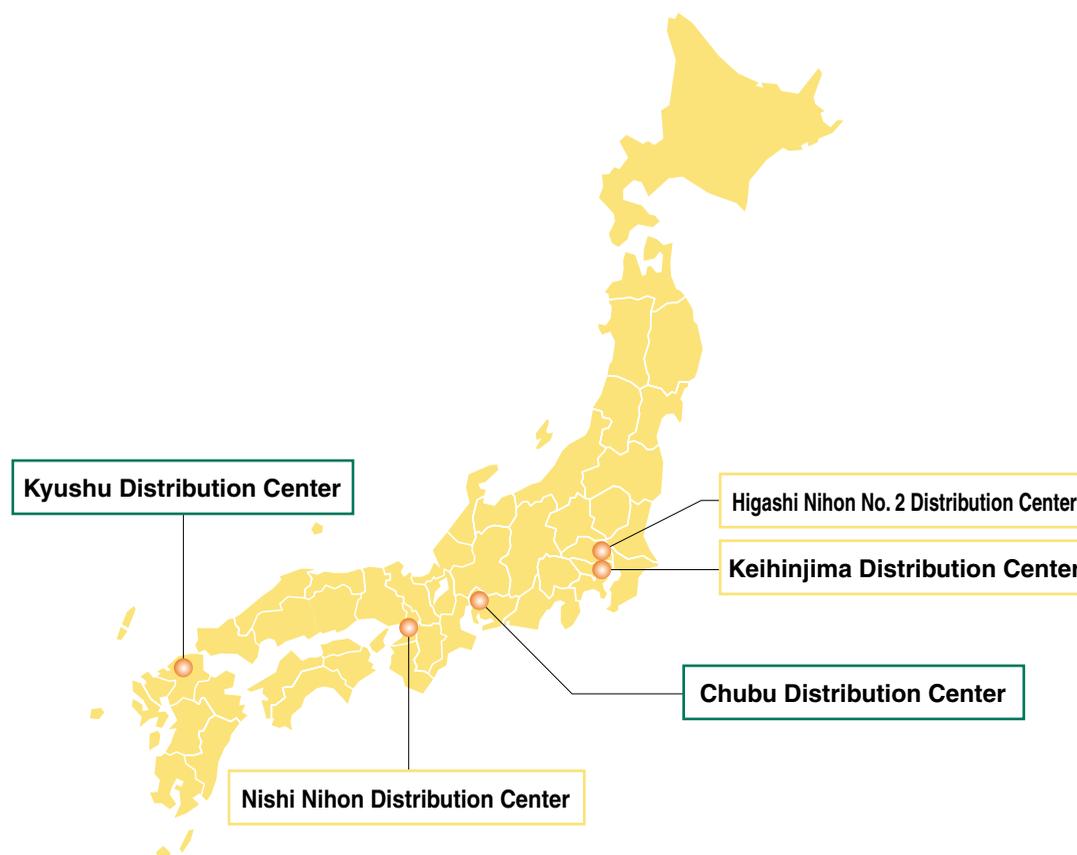


# Topics

## ■ New Distribution Centers Established in Kyushu and Chubu Regions

New “tanomail” distribution centers were established in the Kyushu and Chubu regions in May and November 2007, respectively. As a result, the Company now operates five distribution centers.



The establishment of new distribution centers in the Kyushu and Chubu regions is a significant expansion of the area where same-day shipping of “tanomail” service is available. Use of “tanomail” by customers is now even more convenient.



### ■ Otsuka Information Technology Corp. Removed from Scope of Consolidation

Otsuka Information Technology Corp. (Taiwan), formerly a consolidated subsidiary of OTSUKA CORPORATION, was converted from a subsidiary to an affiliate accounted for using the equity method on December 31, 2007, as a result of the dissolution of direct control by the Company. Consequently, the Company currently has eight consolidated subsidiaries.