

## To Our Shareholders and Investors



I am pleased to announce the results for the fiscal year ended December 31, 2012 and to thank our shareholders and investors for their loyal support.

During the fiscal year under review, although the direction of the Japanese economy remained uncertain, corporate IT investments remained firm. The OTSUKA Group focused on strengthening customer contact and offered system proposals for achieving cost reductions, improving productivity and reducing power usage. As a result of these measures, net sales rose 7.9% from the previous fiscal year to ¥515,771 million.

At the earnings level, the increase in gross profit due to the expansion in net sales surpassed the rise in selling, general and administrative (SG&A) expenses and operating income increased 22.3% to ¥28,251 million, ordinary income rose 24.7% to ¥29,079 million and net income jumped 27.7% to ¥16,277 million.

Management has resolved to pay year-end dividends per share of ¥200 in line with our efforts to return profits to shareholders, who have given us their support.

In the coming fiscal year, corporate IT investments are expected to remain stable. Within this environment, we will further strengthen our contact with customers and strive to identify customers' IT utilization needs and their power saving needs.

In working to realize our Mission Statement, the OTSUKA Group will continue to pursue management reforms to ensure the trust of all stakeholders. Your ongoing support is greatly appreciated as we move forward with these endeavors.

Yuji Otsuka, President & Chief Executive Officer

March 2013