

## To Our Shareholders and Investors



I am pleased to announce the results for the fiscal year ended December 31, 2018 and to thank our shareholders and investors for their loyal support.

During the fiscal year, the Japanese economy continued a moderate recovery and corporate IT investments trended firmly. The OTSUKA Group worked to strengthen relationships with customers through its regional-led business management structure.

As a result, net sales increased 9.9% from the previous fiscal year to ¥759,871 million. At the earnings level, operating income increased 8.3% to ¥48,058 million, ordinary income increased 8.4% to ¥49,285 million and profit attributable to owners of parent increased 6.5% to ¥33,601 million. This marked the ninth consecutive year of increases in sales and profits.

Management has resolved to pay year-end dividends per share of ¥85 in line with our efforts to return profits to shareholders, who have given us their support. This also marked the ninth consecutive year of an increase in dividends.

In the coming fiscal year, corporate IT investments are expected to be firm. Within this environment, we will implement regional-led business management and further strengthen our solution proposals that resolve issues faced by customers for their entire office and ensure their satisfaction.

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 2019