



Fiscal year ending December 2019
First three months
(January – March)
Business Results

April 25, 2019

OTSUKA CORPORATION

Summary of Business Results, January - March, 2019

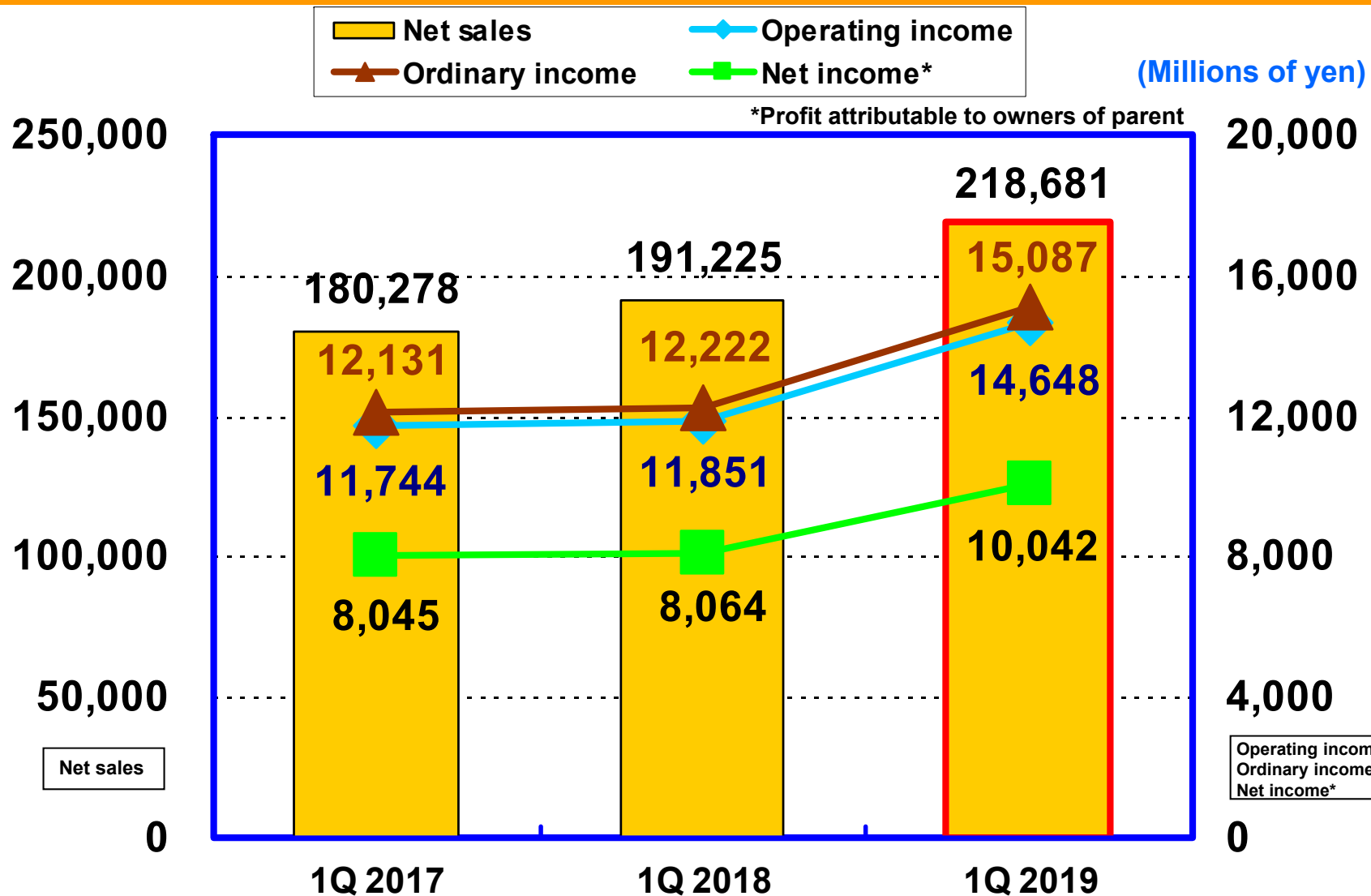
(Millions of yen)

	Consolidated		Non-Consolidated	
	Amount	Change to Last year	Amount	Change to Last year
Net sales	218,681	+14.4%	197,520	+14.9%
Operating income	14,648	+23.6%	12,793	+26.7%
Ordinary income	15,087	+23.4%	14,074	+25.6%
Net income*	10,042	+24.5%	9,764	+26.1%

*Profit attributable to owners of parent

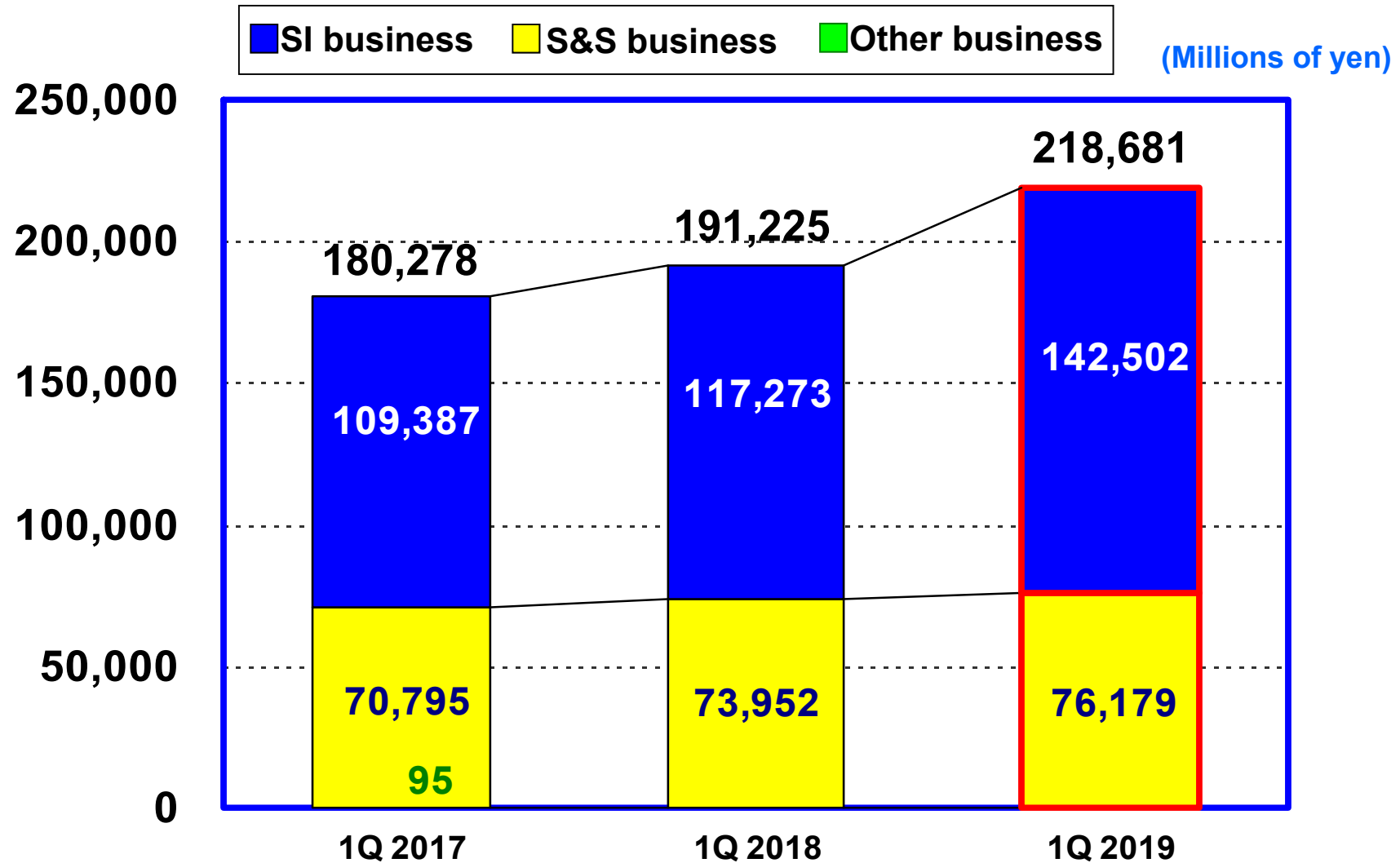
Consolidated

Net sales and Profits

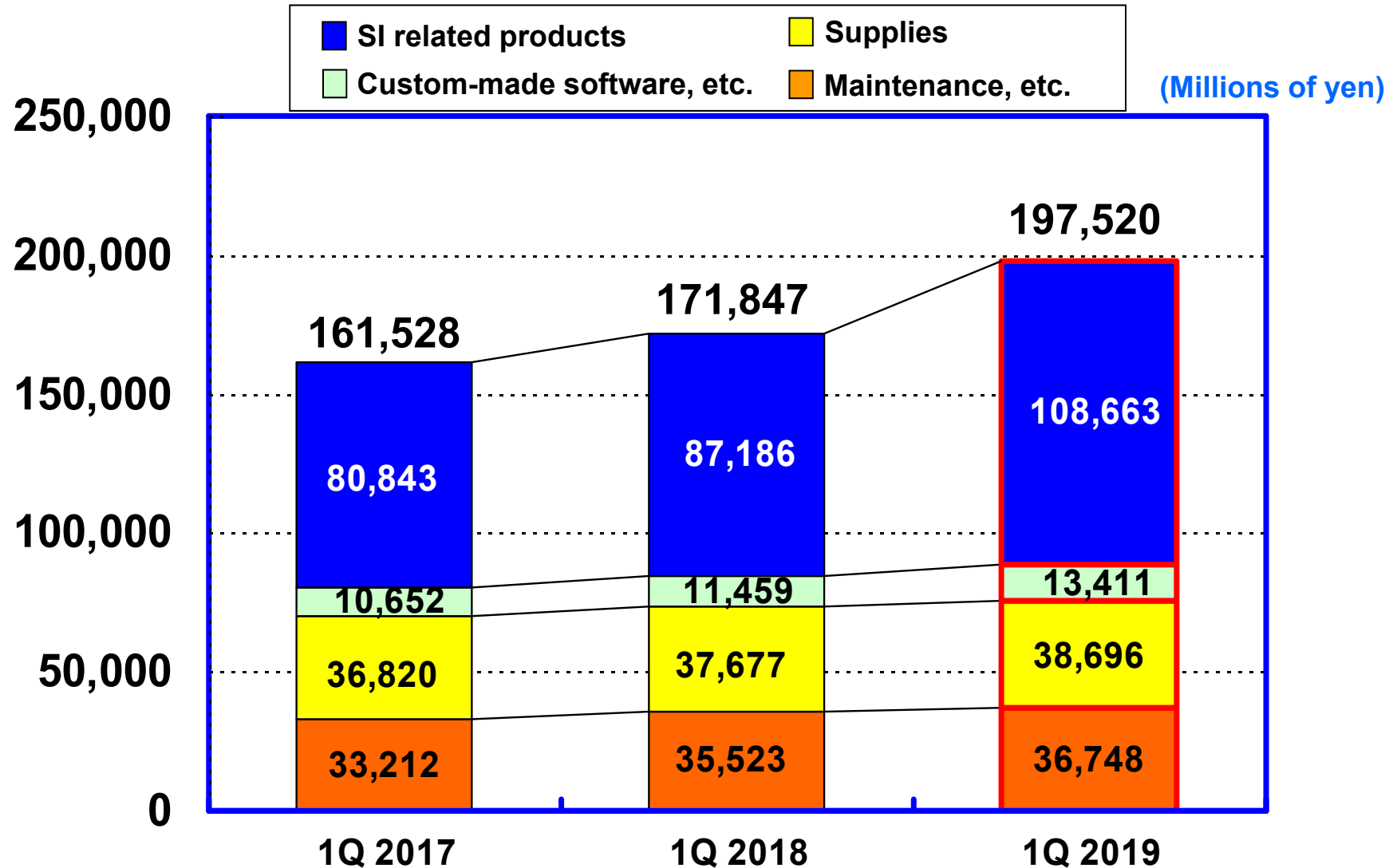


Consolidated

Net sales by segments

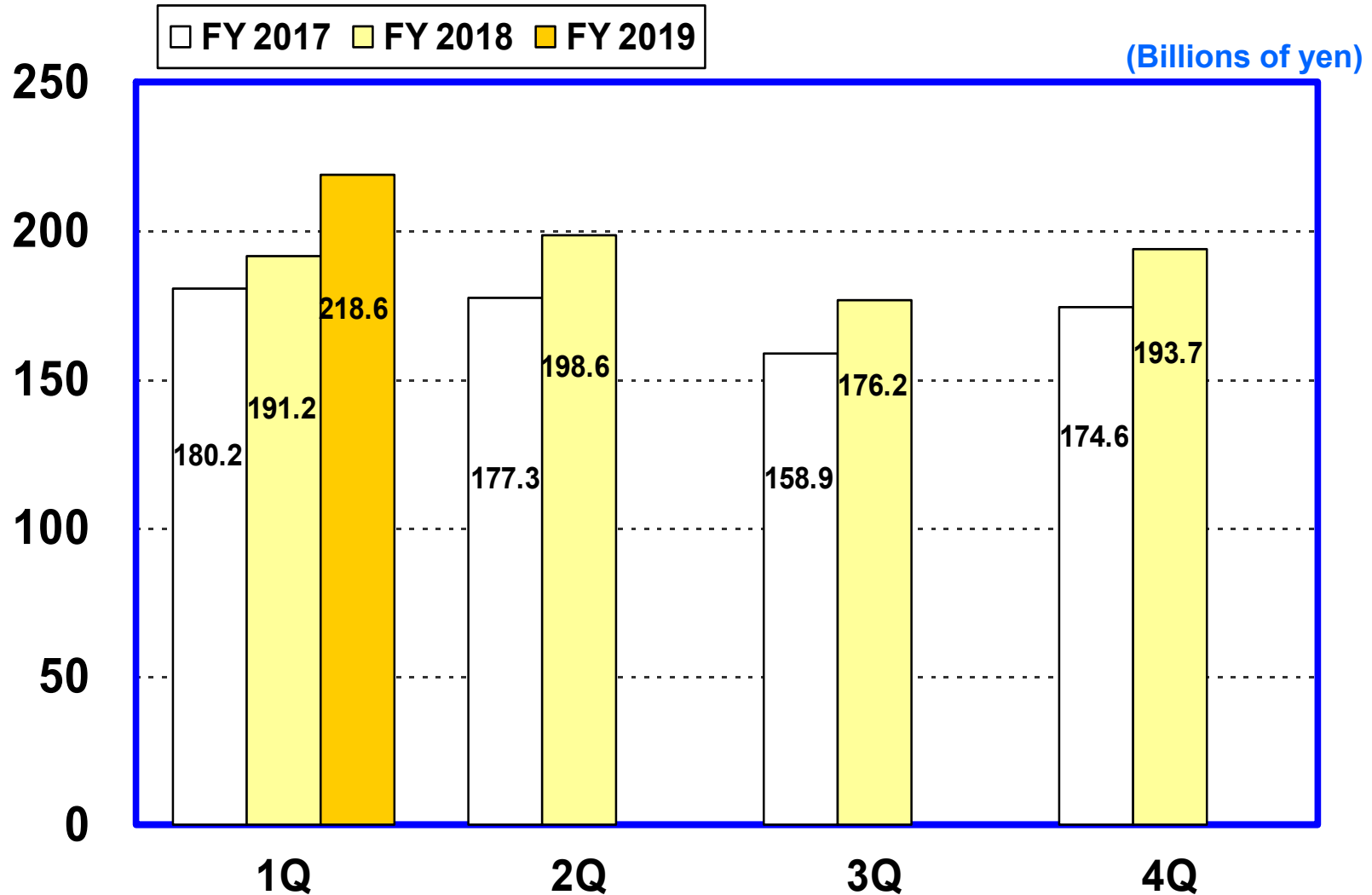


Net sales by 4 segments



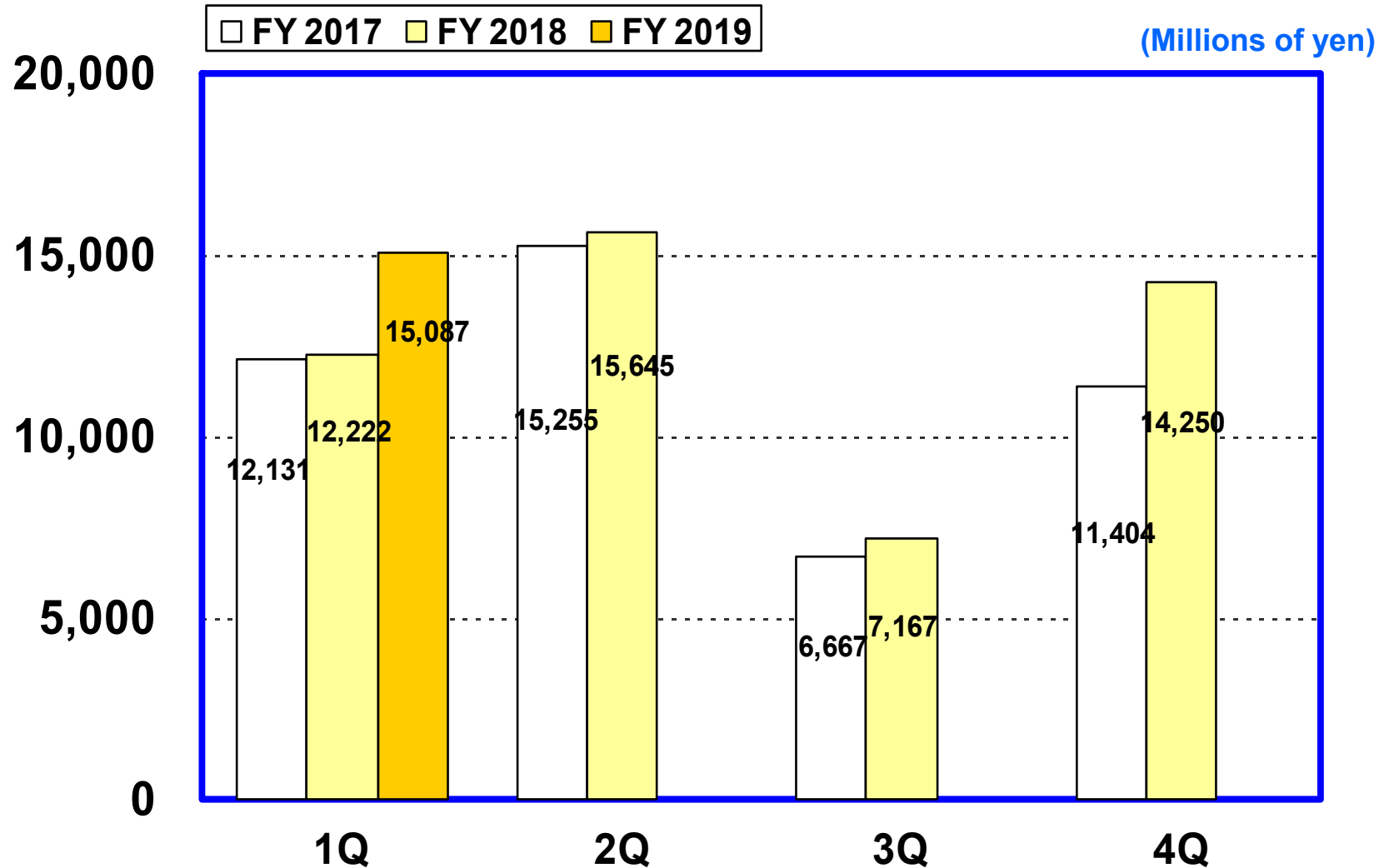
Consolidated

Quarterly change of Net sales



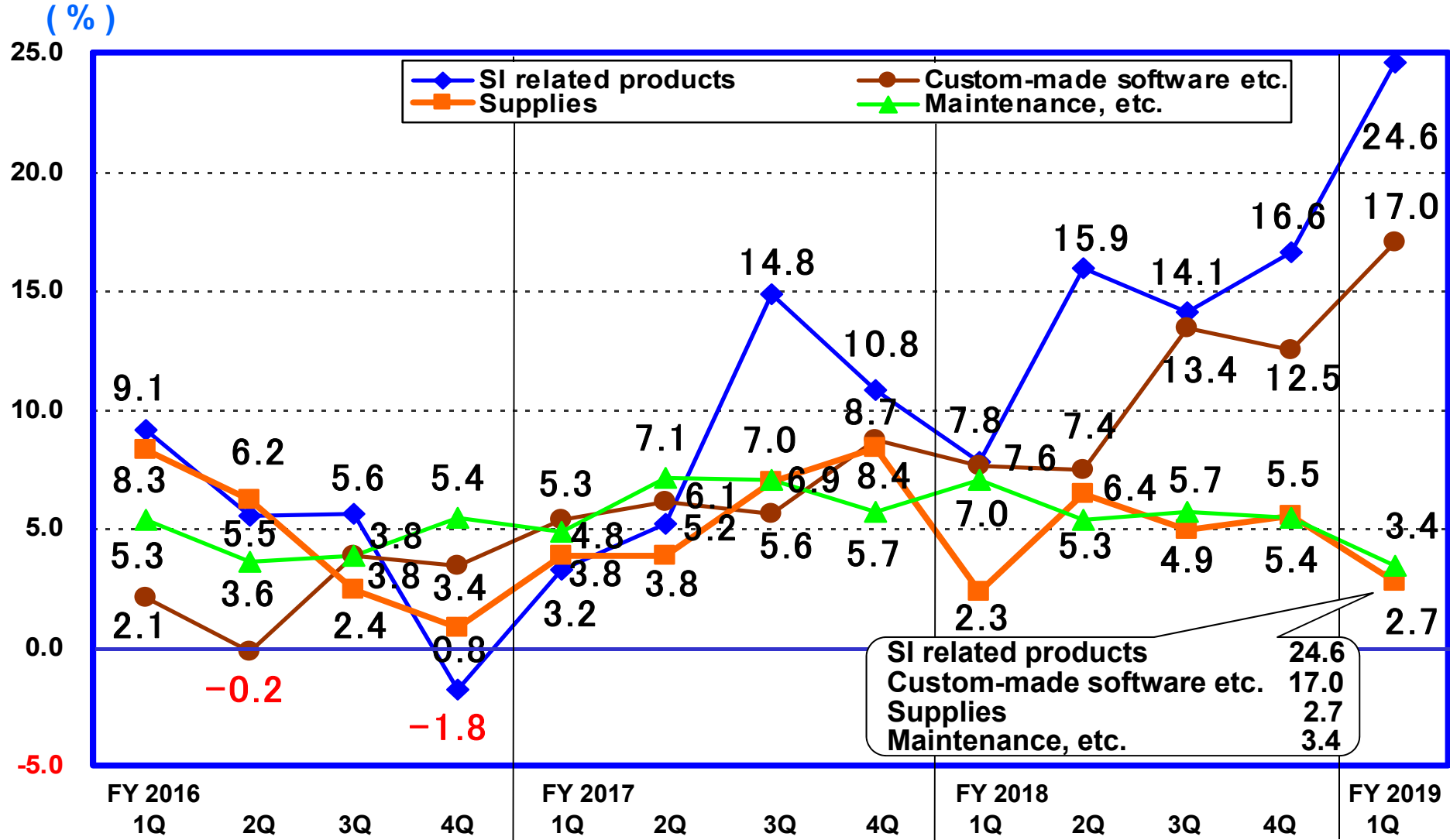
Consolidated

Quarterly change of Ordinary income



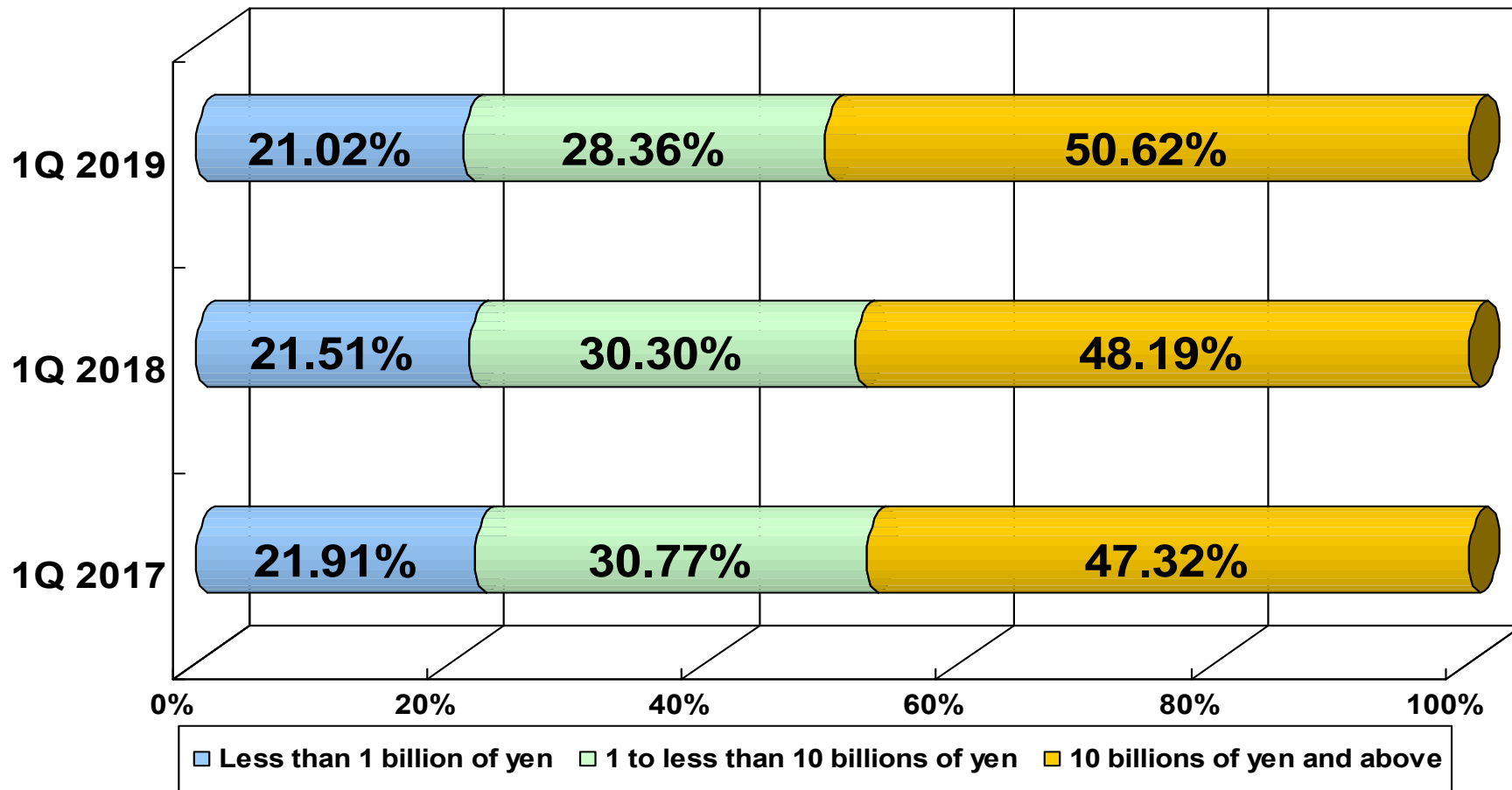
Non-Consolidated

Quarterly Net Sales by 4 segments (% change year-on-year)



Non-Consolidated

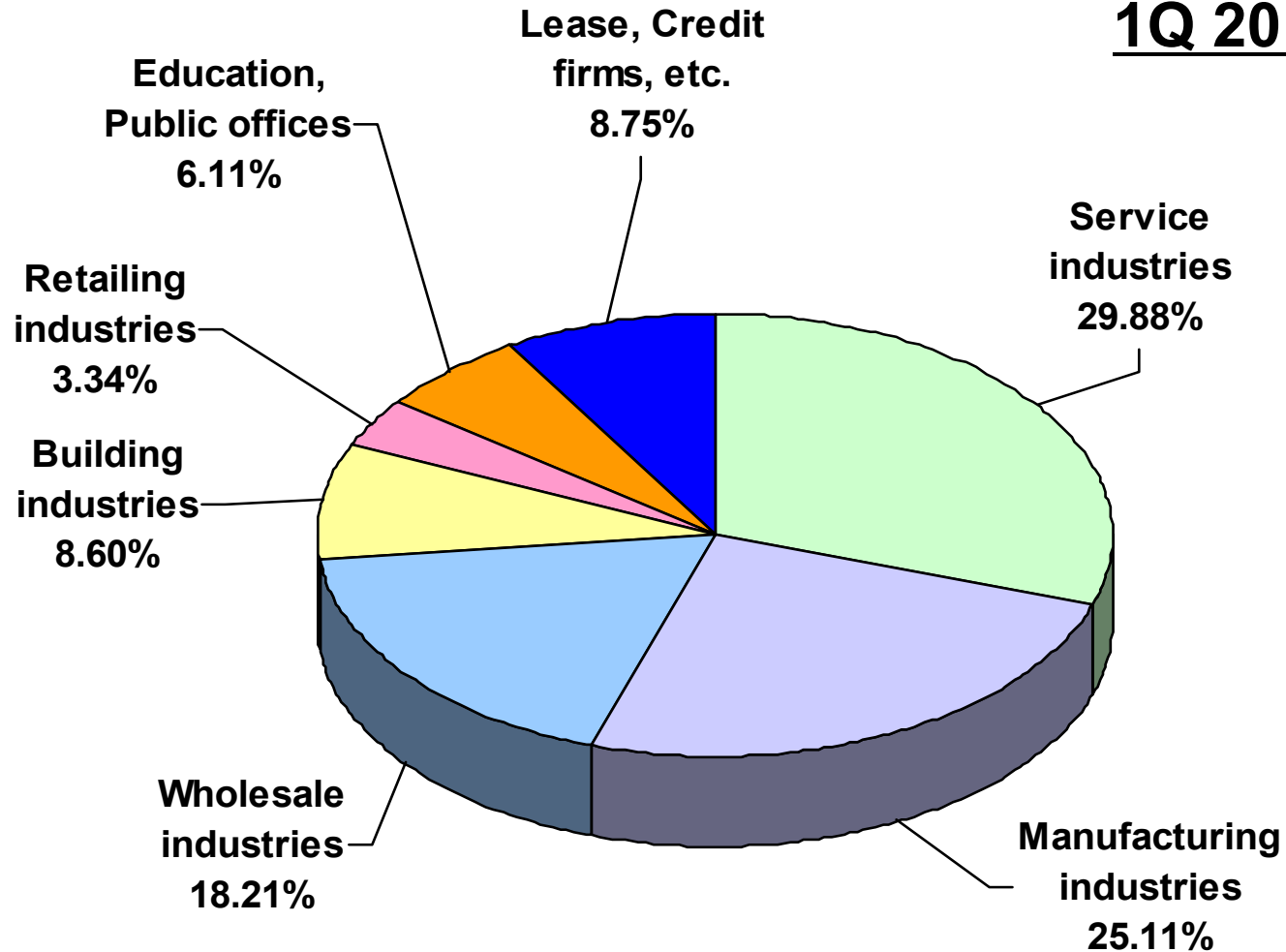
Net sales structure on customers' total annual business scale



* "Less than 1 billion yen" includes public offices.

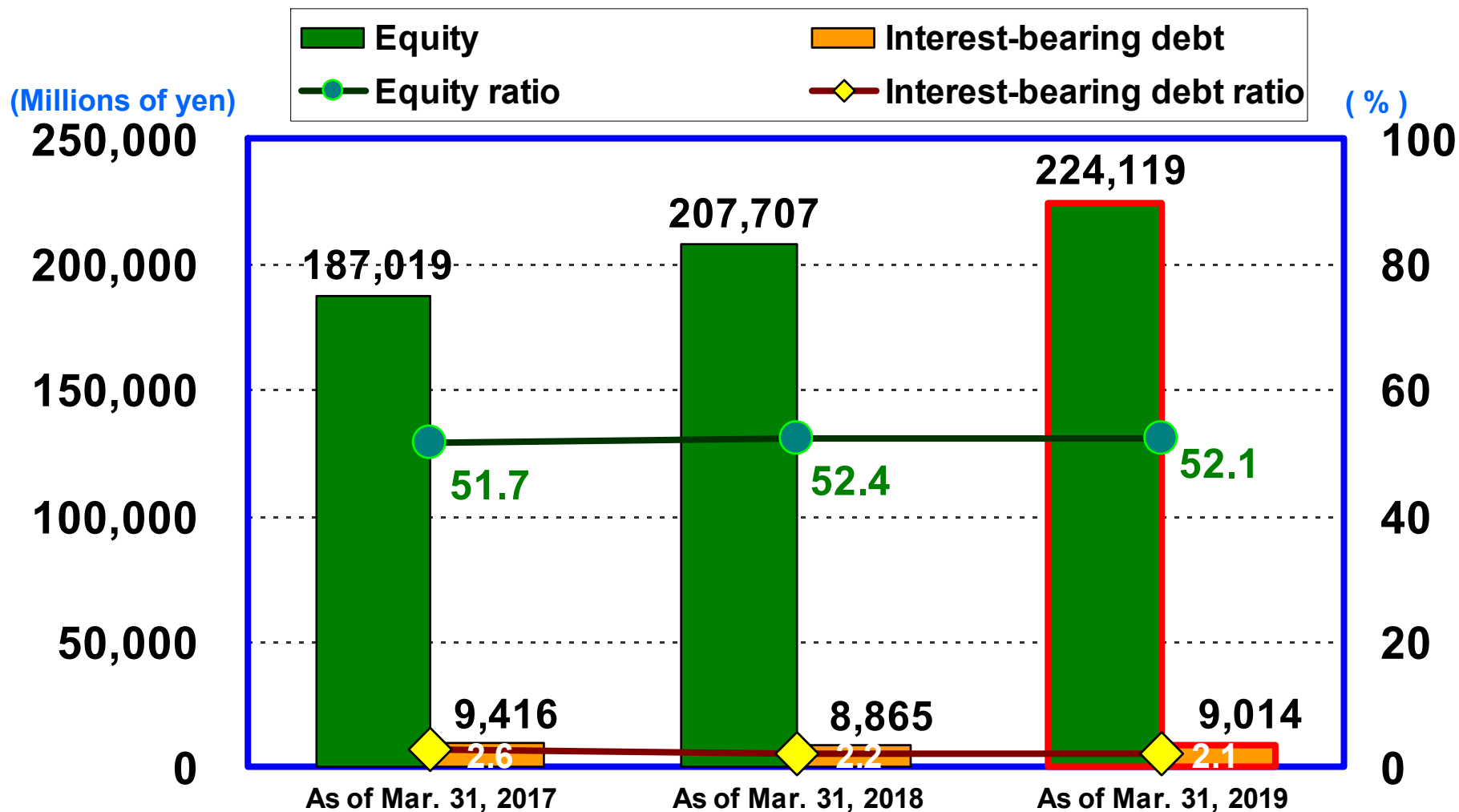
Sales breakdown by customers' type of industry

1Q 2019



Consolidated

Equity and Interest-bearing debt



*OTSUKA CORPORATION has adopted "Partial Amendments to Accounting Standard for Tax Effect Accounting" from 2019 and is applying this retroactively to 2018. Therefore, the figures for Equity ratio and Interest-bearing debt ratio at the end of March 2018 are expressed after retroactive adjustment.



Key strategic business

<Amount of Sales>

(Millions of yen)

	1Q 2017	1Q 2018		1Q 2019		
	Amount	Amount	Change to Last year	Amount	Difference to Last year	Change to Last year
“tanomail”	39,485	40,350	+2.2%	41,509	+1,159	+2.9%
SMILE	2,543	2,664	+4.8%	2,706	+42	+1.6%
ODS	14,519	14,446	-0.5%	14,231	-215	-1.5%
OSM	17,924	17,860	-0.4%	18,530	+670	+3.8%

(ODS: Otsuka Document Solutions OSM: Otsuka Security Management)

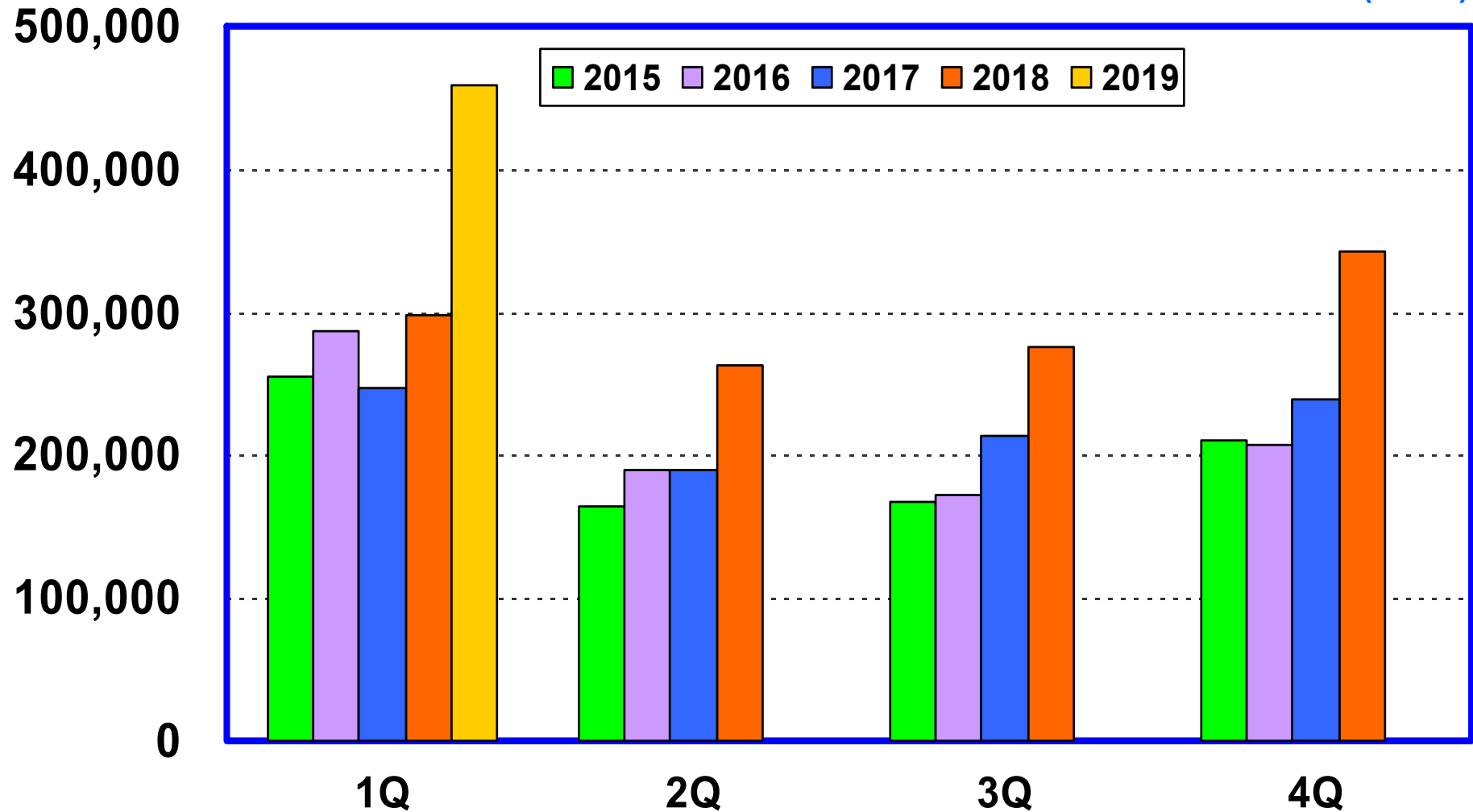
<As reference: Number of Sales>

(Units)

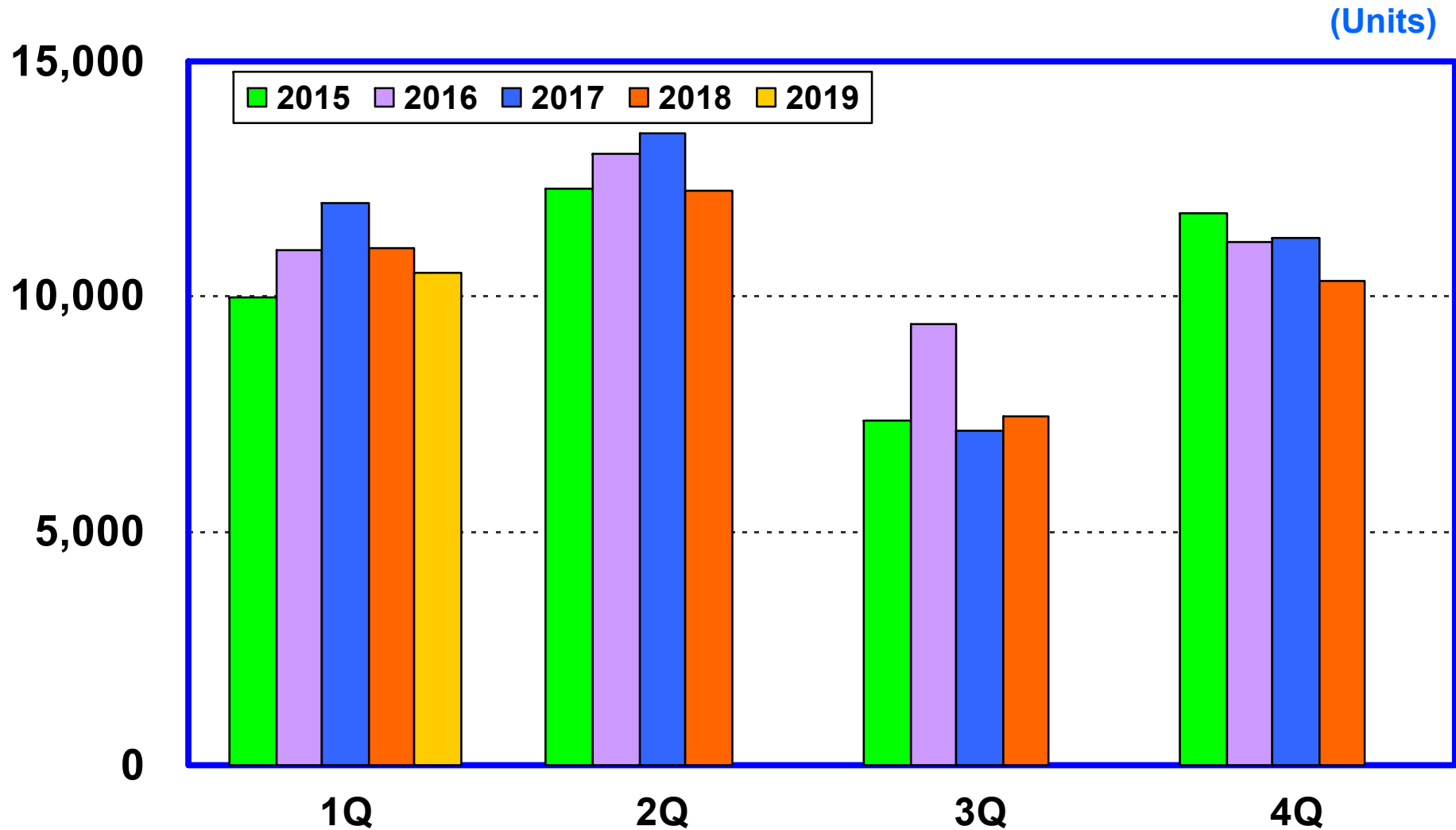
Copier	11,975	11,020	-8.0%	10,507	-513	-4.7%
(of which Color copier)	11,343	10,659	-6.0%	10,203	-456	-4.3%
Server	7,896	8,681	+9.9%	8,254	-427	-4.9%
PC	246,735	298,409	+20.9%	458,136	+159,727	+53.5%
Client Total	254,853	311,450	+22.2%	469,499	+158,049	+50.7%

Quarterly Number of PCs Sold

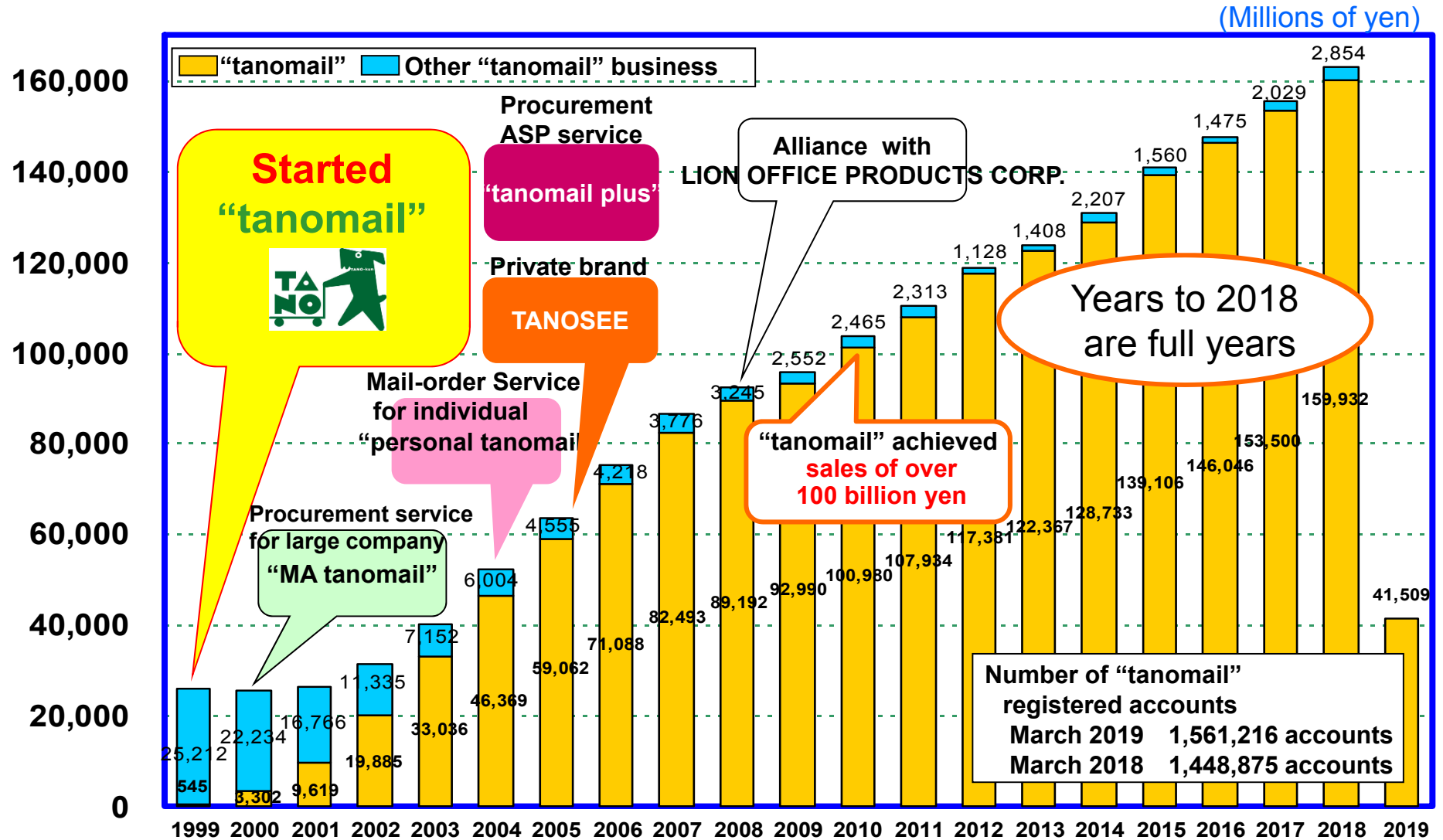
(Units)



Quarterly Number of Copiers Sold



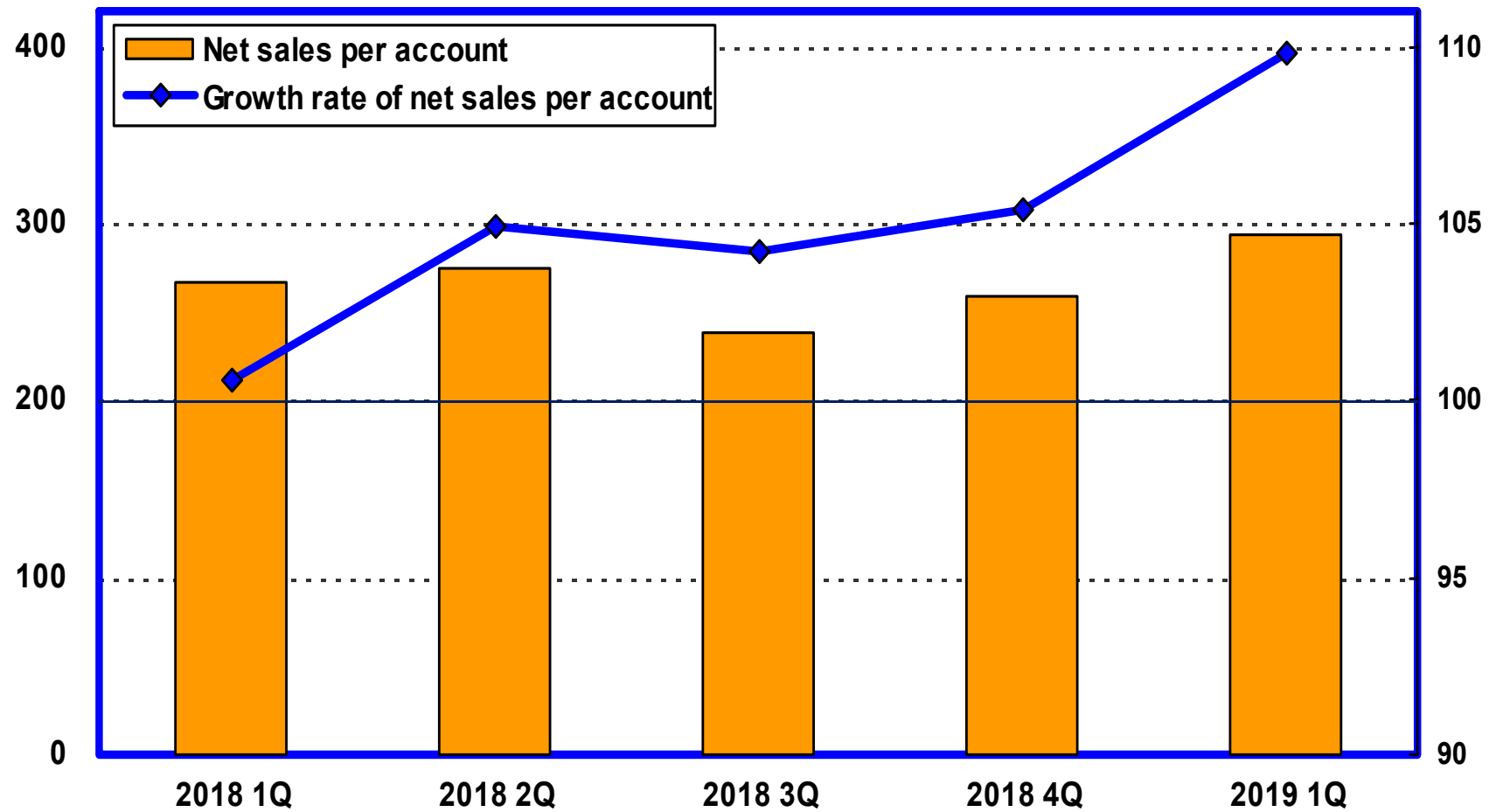
Annual sales transition of "tanomail"



Trends in net sales per account

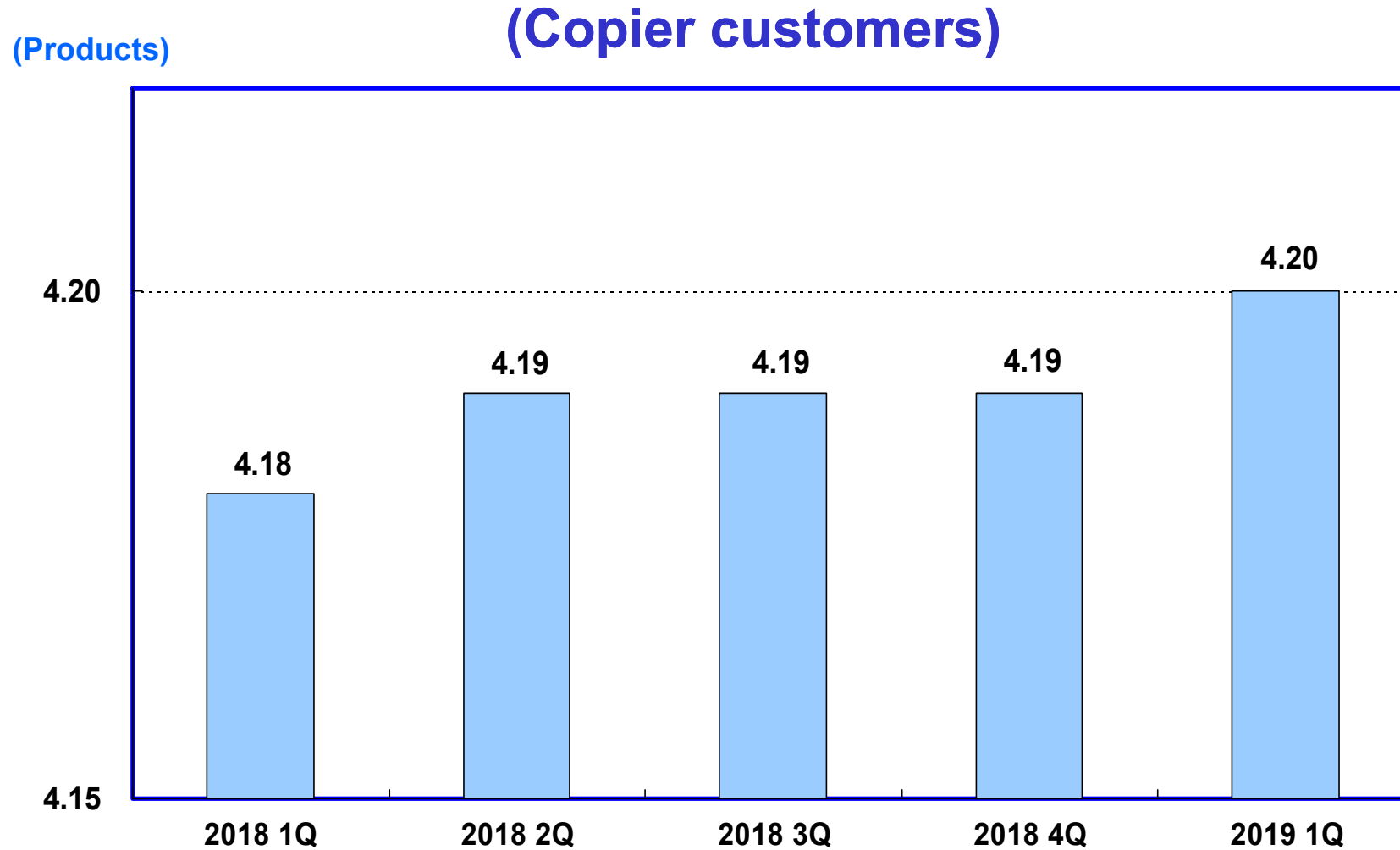
(Thousands of yen)

(%)



Non-Consolidated

Trends in the number of products per one company



Plans for FY 2019

(Millions of yen)

	Consolidated		
	1Q 2019 (Result)	1H 2019 (Plan)	FY 2019 (Plan)
Net sales	218,681	413,500	803,000
Operating income	14,648	28,500	50,400
Ordinary income	15,087	28,940	51,200
Net income*	10,042	19,280	34,210

*Profit attributable to owners of parent



Cautionary statement

1. This material is intended to provide information about the business performance of the 1st quarter of fiscal year 2019 and strategy of the OTSUKA CORPORATION and Group companies. It is not intended and should not be construed as an inducement to purchase or sell stocks of OTSUKA CORPORATION.
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