

First three months of FY 2023(Jan. 2023 – Mar. 2023) Business results data

May 1, 2023

Outline of business results

OTSUKA Corporation applies "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29) from the beginning of the 2022 consolidated accounting period.

Consolidated Net sales and Profits

(Millions of yen)

	1Q 2021	1Q 2022				1Q 2023				Consolidated to non-consolidated ratio
	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year	Change to Last year	
Net sales	239,350	210,069	100.0%	-29,281	-12.2%	242,609	100.0%	+32,540	+15.5%	1.11
Gross profit	47,157	45,272	21.6%	-1,884	-4.0%	50,724	20.9%	+5,451	+12.0%	1.10
Operating profit	16,699	13,785	6.6%	-2,913	-17.4%	16,875	7.0%	+3,089	+22.4%	1.15
Ordinary profit	17,238	14,338	6.8%	-2,899	-16.8%	17,431	7.2%	+3,092	+21.6%	1.08
Profit*	11,486	10,519	5.0%	-967	-8.4%	11,591	4.8%	+1,072	+10.2%	1.04

*Profit attributable to owners of parent

Non-consolidated Net sales and Profits

(Millions of yen)

	1Q 2021	1Q 2022				1Q 2023			
	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year	Change to Last year
Net sales	218,389	189,680	100.0%	-28,708	-13.1%	218,504	100.0%	+28,823	+15.2%
Gross profit	43,068	41,667	22.0%	-1,400	-3.3%	46,295	21.2%	+4,627	+11.1%
Operating profit	14,559	12,222	6.4%	-2,336	-16.1%	14,619	6.7%	+2,397	+19.6%
Ordinary profit	15,977	13,749	7.2%	-2,227	-13.9%	16,067	7.4%	+2,317	+16.9%
Profit	11,055	10,540	5.6%	-514	-4.7%	11,147	5.1%	+606	+5.8%

Quarterly change of consolidated Net sales

(Millions of yen)

	FY 2021	FY 2022			FY 2023		
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
1Q (Jan. - Mar.)	239,350	210,069	-29,281	-12.2%	242,609	+32,540	+15.5%
2Q (Apr. - Jun.)	227,274	235,267	+7,993	+3.5%	-	-	-
3Q (Jul. - Sep.)	185,521	196,862	+11,341	+6.1%	-	-	-
4Q (Oct. - Dec.)	199,747	218,823	+19,075	+9.6%	-	-	-

Quarterly change of consolidated Ordinary profit

(Millions of yen)

	FY 2021	FY 2022			FY 2023		
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
1Q (Jan. - Mar.)	17,238	14,338	-2,899	-16.8%	17,431	+3,092	+21.6%
2Q (Apr. - Jun.)	17,007	17,408	+401	+2.4%	-	-	-
3Q (Jul. - Sep.)	9,245	9,795	+549	+5.9%	-	-	-
4Q (Oct. - Dec.)	14,075	15,096	+1,020	+7.3%	-	-	-

Consolidated Net sales by segments

(Millions of yen)

	1Q 2021	1Q 2022				1Q 2023			
	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year	Change to Last year
System Integration business	156,454	130,382	62.1%	-26,072	-16.7%	158,299	65.2%	+27,917	+21.4%
Service and Support business	82,896	79,687	37.9%	-3,209	-3.9%	84,310	34.8%	+4,623	+5.8%

Non-consolidated Net sales and Gross profit by segments

(Millions of yen)

		1Q 2021	1Q 2022				1Q 2023			
		Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year	Change to Last year
Net sales	System Integration	136,232	110,810	58.4%	-25,422	-18.7%	135,169	61.9%	+24,359	+22.0%
	Service and Support	82,156	78,870	41.6%	-3,285	-4.0%	83,334	38.1%	+4,463	+5.7%
Gross profit	System Integration	23,897	21,885	52.5%	-2,012	-8.4%	25,337	54.7%	+3,452	+15.8%
	Service and Support	19,171	19,782	47.5%	+611	+3.2%	20,957	45.3%	+1,175	+5.9%

Non-consolidated Net sales by 4 segments

(Millions of yen)

		1Q 2021	1Q 2022				1Q 2023			
		Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year	Change to Last year
System Integration business	SI related products	120,662	97,113	51.2%	-23,549	-19.5%	119,872	54.9%	+22,758	+23.4%
	Custom-made software etc.	15,569	13,696	7.2%	-1,873	-12.0%	15,297	7.0%	+1,601	+11.7%
Service and Support business	Supplies	42,297	43,425	22.9%	+1,127	+2.7%	45,166	20.7%	+1,741	+4.0%
	Maintenance, etc.	39,858	35,445	18.7%	-4,413	-11.1%	38,167	17.5%	+2,721	+7.7%

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Consolidated Cash flows (Millions of yen)

	1Q 2021	1Q 2022	1Q 2023
C/F from operating	24,498	18,198	29,832
C/F from investing	-2,246	-640	-3,103
C/F from financing	-21,968	-22,908	-23,847
Cash and cash equivalents at end of period	179,274	200,399	206,156

Consolidated Equity and Interest-bearing debt (Millions of yen)

	2021 Mar.31	2022 Mar.31	2023 Mar.31
Equity	268,362	285,149	307,113
Interest-bearing debt	9,198	9,383	8,576
Total assets	487,209	498,007	539,485
Equity ratio	55.1%	57.3%	56.9%
Interest-bearing debt ratio	1.9%	1.9%	1.6%

Non-consolidated Key strategic business (Millions of yen)

	1Q 2021	1Q 2022		1Q 2023			
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
"tanomail"	45,129	46,240	+1,110	+2.5%	48,693	+2,453	+5.3%
SMILE	2,457	2,514	+57	+2.3%	3,771	+1,256	+50.0%
ODS	13,466	13,002	-463	-3.4%	15,122	+2,119	+16.3%
OSM	24,245	22,257	-1,987	-8.2%	24,869	+2,612	+11.7%
<As reference: Number of Sales> (Units)							
Copier	9,836	9,185	-651	-6.6%	9,552	+367	+4.0%
(of which color copier)	9,572	9,016	-556	-5.8%	9,347	+331	+3.7%
Server	6,503	5,376	-1,127	-17.3%	5,743	+367	+6.8%
PC	692,078	334,276	-357,802	-51.7%	353,809	+19,533	+5.8%
Client Total	813,193	357,127	-456,066	-56.1%	364,876	+7,749	+2.2%

Future Plans

Plans of consolidated Net sales and profits (Millions of yen)

	1Q 2023 (Result)	1H 2023 (Plan)	FY 2023 (Plan)
Net sales	242,609	468,600	901,000
Operating profit	16,875	33,200	58,600
Ordinary profit	17,431	33,900	59,600
Profit*	11,591	22,890	40,170

*Profit attributable to owners of parent

Plans of consolidated Net sales by segments (Millions of yen)

	FY 2021 (Result)	FY 2022 (Result)		FY 2023 (Plan)	
	Amount	Amount	Change to Last year	Amount	Change to Last year
System Integration	523,609	541,671	+3.4%	563,100	+4.0%
Service and Support	328,284	319,350	-2.7%	337,900	+5.8%