

Six months of FY 2023(Jan. 2023 – Jun. 2023) Business results data

August 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)

	2021	2022 Jan.- Jun.				2023 Jan.- Jun.						Consolidated to non-consolidated ratio
	Jan.- Jun.	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Plan (Note)	Ratio to Plan(Note)	Difference to Last year	
Net sales	466,625	445,336	100.0%	-21,288	-4.6%	521,056	100.0%	468,600	111.2%	+75,720	+17.0%	1.11
Gross profit	94,279	94,496	21.2%	+217	+0.2%	106,287	20.4%	-	-	+11,791	+12.5%	1.09
Operating profit	33,246	30,778	6.9%	-2,467	-7.4%	36,712	7.0%	33,200	110.6%	+5,933	+19.3%	1.12
Ordinary profit	34,245	31,747	7.1%	-2,498	-7.3%	37,623	7.2%	33,900	111.0%	+5,876	+18.5%	1.09
Profit*	23,657	22,848	5.1%	-809	-3.4%	25,417	4.9%	22,890	111.0%	+2,568	+11.2%	1.06

*Profit attributable to owners of parent

(Note)Plan announced on February 1, 2023 at the beginning of the term.

Non-consolidated Net sales and Profits

(Millions of yen)

	2021	2022 Jan.- Jun.				2023 Jan.- Jun.					
	Jan.- Jun.	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Plan (Note)	Ratio to Plan(Note)	Difference to Last year	Change to Last year
Net sales	423,770	405,122	100.0%	-18,648	-4.4%	469,566	100.0%	426,700	110.0%	+64,444	+15.9%
Gross profit	86,669	87,574	21.6%	+905	+1.0%	97,752	20.8%	-	-	+10,178	+11.6%
Operating profit	29,544	27,930	6.9%	-1,614	-5.5%	32,757	7.0%	30,100	108.8%	+4,827	+17.3%
Ordinary profit	31,236	29,699	7.3%	-1,536	-4.9%	34,480	7.3%	31,700	108.8%	+4,781	+16.1%
Profit	22,090	21,924	5.4%	-166	-0.8%	23,886	5.1%	21,990	108.6%	+1,961	+8.9%

(Note)Plan announced on February 1, 2023 at the beginning of the term.

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%	278,447	+43,179	+18.4%
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%	20,192	+2,784	+16.0%
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)

	2021	2022 Jan.- Jun.				2023 Jan.- Jun.			
	Jan.- Jun.	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year
System Integration business	302,246	287,037	64.5%	-15,208	-5.0%	350,303	67.2%	+63,266	+22.0%
Service and Support business	164,379	158,299	35.5%	-6,079	-3.7%	170,753	32.8%	+12,453	+7.9%

Non-consolidated Net sales and Gross profit by segments

(Millions of yen)

		2021	2022 Jan.- Jun.				2023 Jan.- Jun.			
		Jan.- Jun.	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year
Net sales	System Integration	260,759	248,408	61.3%	-12,351	-4.7%	300,611	64.0%	+52,203	+21.0%
	Service and Support	163,010	156,714	38.7%	-6,296	-3.9%	168,954	36.0%	+12,240	+7.8%
Gross profit	System Integration	48,011	47,140	53.8%	-870	-1.8%	54,394	55.6%	+7,253	+15.4%
	Service and Support	38,657	40,433	46.2%	+1,775	+4.6%	43,358	44.4%	+2,924	+7.2%

Non-consolidated Net sales by 4 segments

(Millions of yen)

		2021	2022 Jan.- Jun.				2023 Jan.- Jun.			
		Jan.- Jun.	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year
System Integration business	SI related products	232,361	221,587	54.7%	-10,773	-4.6%	270,584	57.6%	+48,996	+22.1%
	Custom-made software etc.	28,398	26,820	6.6%	-1,577	-5.6%	30,027	6.4%	+3,206	+12.0%
Service and Support business	Supplies	82,491	85,267	21.0%	+2,776	+3.4%	91,719	19.5%	+6,451	+7.6%
	Maintenance, etc.	80,518	71,446	17.6%	-9,072	-11.3%	77,235	16.4%	+5,789	+8.1%

Six months of FY 2023(Jan. 2023 – Jun. 2023) Business results data

Consolidated Cash flows (Millions of yen)

	2021	2022	2023
	Jan.- Jun.	Jan.- Jun.	Jan.- Jun.
C/F from operating	58,938	31,583	55,738
C/F from investing	-5,064	-4,812	-8,024
C/F from financing	-21,952	-23,102	-23,830
Cash and cash equivalents at end of period	210,912	209,419	227,165

Consolidated Equity and Interest-bearing debt

	2021	2022	2023
	Jun.30	Jun.30	Jun.30
Equity	280,215	296,753	321,271
Interest-bearing debt	8,963	8,975	8,359
Total assets	499,159	518,807	563,639
Equity ratio	56.1%	57.2%	57.0%
Interest-bearing debt ratio	1.8%	1.7%	1.5%

Non-consolidated Key strategic business

	2021	2022 Jan.- Jun.			2023 Jan.- Jun.		
	Jan.- Jun.	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
	Amount						
"tanomail"	88,191	91,245	+3,053	+3.5%	98,598	+7,352	+8.1%
SMILE	6,161	6,527	+365	+5.9%	8,683	+2,156	+33.0%
ODS	29,348	30,355	+1,007	+3.4%	32,201	+1,845	+6.1%
OSM	49,112	46,836	-2,275	-4.6%	53,385	+6,548	+14.0%
<As reference: Number of Sales> (Units)							
Copier	21,533	20,853	-680	-3.2%	21,109	+256	+1.2%
(of which color copier)	21,078	20,466	-612	-2.9%	20,555	+89	+0.4%
Server	13,083	11,036	-2,047	-15.6%	11,970	+934	+8.5%
PC	907,975	579,984	-327,991	-36.1%	642,107	+62,123	+10.7%
Client Total	1,046,028	641,504	-404,524	-38.7%	670,194	+28,690	+4.5%

Future Plans

Plans of consolidated Net sales and profits

	FY 2021	FY 2022		FY 2023	
	(Result)	(Result)	Change to Last year	(Plan)	Change to Last year
	Amount	Amount		Amount	
Net sales	851,894	861,022	+1.1%	954,000	+10.8%
Operating profit	55,827	54,768	-1.9%	62,200	+13.6%
Ordinary profit	57,567	56,639	-1.6%	63,400	+11.9%
Profit*	39,927	40,022	+0.2%	42,700	+6.7%

*Profit attributable to owners of parent

According to plan revised on July 26, 2023

Plans of consolidated Net sales by segments

	FY 2021	FY 2022		FY 2023	
	(Result)	(Result)	Change to Last year	(Plan)	Change to Last year
	Amount	Amount		Amount	
System Integration	523,609	541,671	+3.4%	613,000	+13.2%
Service and Support	328,284	319,350	-2.7%	341,000	+6.8%

According to plan revised on July 26, 2023