

Nine months of FY 2023(Jan. 2023 – Sep. 2023) Business results data

October 31, 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 Jan.- Sep.	2022 Jan.- Sep.				2023 Jan.- Sep.				
	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year	Change to Last year	Consolidated to non-consolidated ratio
Net sales	652,146	642,199	100.0%	-9,947	-1.5%	740,058	100.0%	+97,858	+15.2%	1.12
Gross profit	132,931	136,149	21.2%	+3,217	+2.4%	152,581	20.6%	+16,432	+12.1%	1.09
Operating profit	42,063	40,090	6.2%	-1,973	-4.7%	47,390	6.4%	+7,300	+18.2%	1.14
Ordinary profit	43,491	41,542	6.5%	-1,948	-4.5%	48,846	6.6%	+7,303	+17.6%	1.12
Profit*	29,921	29,739	4.6%	-182	-0.6%	33,135	4.5%	+3,396	+11.4%	1.09

*Profit attributable to owners of parent

Non-consolidated Net sales and Profits

(Millions of yen)

	2021 Jan.- Sep.	2022 Jan.- Sep.				2023 Jan.- Sep.			
	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	587,885	576,531	100.0%	-11,353	-1.9%	661,832	100.0%	+85,300	+14.8%
Gross profit	121,487	125,439	21.8%	+3,952	+3.3%	139,731	21.1%	+14,291	+11.4%
Operating profit	36,524	35,475	6.2%	-1,048	-2.9%	41,458	6.3%	+5,982	+16.9%
Ordinary profit	38,576	37,620	6.5%	-955	-2.5%	43,573	6.6%	+5,952	+15.8%
Profit	27,169	27,633	4.8%	+464	+1.7%	30,274	4.6%	+2,640	+9.6%

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%	219,001	+22,138	+11.2%
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%	11,222	+1,427	+14.6%
4Q (Oct. - Dec.)	14,075	15,096	+1,020	+7.3%	-	-	-

Consolidated Net sales by segments

(Millions of yen)

	2021 Jan.- Sep.	2022 Jan.- Sep.				2023 Jan.- Sep.			
	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	407,986	404,811	63.0%	-3,174	-0.8%	483,420	65.3%	+78,609	+19.4%
Service and Support business	244,160	237,387	37.0%	-6,772	-2.8%	256,637	34.7%	+19,249	+8.1%

Non-consolidated Net sales and Gross profit by segments

(Millions of yen)

		2021 Jan.- Sep.	2022 Jan.- Sep.				2023 Jan.- Sep.			
		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	345,827	341,556	59.2%	-4,271	-1.2%	407,831	61.6%	+66,275	+19.4%
	Service and Support	242,058	234,975	40.8%	-7,082	-2.9%	254,000	38.4%	+19,025	+8.1%
Gross profit	System Integration	64,138	64,793	51.7%	+655	+1.0%	74,779	53.5%	+9,985	+15.4%
	Service and Support	57,348	60,645	48.3%	+3,296	+5.7%	64,951	46.5%	+4,305	+7.1%

Non-consolidated Net sales by 4 segments

(Millions of yen)

		2021 Jan.- Sep.	2022 Jan.- Sep.				2023 Jan.- Sep.			
		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	307,074	303,830	52.7%	-3,243	-1.1%	364,260	55.0%	+60,430	+19.9%
	Custom-made software etc.	38,753	37,725	6.5%	-1,027	-2.7%	43,570	6.6%	+5,844	+15.5%
Service and Support business	Supplies	121,173	127,620	22.1%	+6,446	+5.3%	136,945	20.7%	+9,325	+7.3%
	Maintenance, etc.	120,884	107,355	18.6%	-13,529	-11.2%	117,054	17.7%	+9,699	+9.0%

Nine months of FY 2023(Jan. 2023 – Sep. 2023) Business results data

Consolidated Cash flows (Millions of yen)

	2021	2022	2023
	Jan.- Sep.	Jan.- Sep.	Jan.- Sep.
C/F from operating	43,928	24,969	58,384
C/F from investing	-6,242	-6,966	-9,766
C/F from financing	-21,953	-23,105	-23,837
Cash and cash equivalents at end of period	194,722	200,659	228,062

Consolidated Equity and Interest-bearing debt

	2021	2022	2023
	Sep.30	Sep.30	Sep.30
Equity	287,540	304,171	329,152
Interest-bearing debt	8,983	8,752	8,334
Total assets	465,313	498,328	540,414
Equity ratio	61.8%	61.0%	60.9%
Interest-bearing debt ratio	1.9%	1.8%	1.5%

Non-consolidated Key strategic business

(Millions of yen)

	2021 Jan.- Sep.	2022 Jan.- Sep.			2023 Jan.- Sep.		
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
"tanomail"	129,336	136,147	+6,810	+5.3%	146,517	+10,370	+7.6%
SMILE	8,399	9,285	+886	+10.6%	12,373	+3,088	+33.3%
ODS	40,588	41,232	+643	+1.6%	43,202	+1,970	+4.8%
OSM	67,157	66,428	-728	-1.1%	81,076	+14,647	+22.0%
<As reference: Number of Sales> (Units)							
Copier	27,551	27,074	-477	-1.7%	27,406	+332	+1.2%
(of which color copier)	26,941	26,570	-371	-1.4%	26,743	+173	+0.7%
Server	18,650	15,280	-3,370	-18.1%	16,446	+1,166	+7.6%
PC	1,209,499	820,910	-388,589	-32.1%	889,903	+68,993	+8.4%
Client Total	1,362,910	891,845	-471,065	-34.6%	928,701	+36,856	+4.1%

Future Plans

Plans of consolidated Net sales and profits

(Millions of yen)

	FY 2021 (Result)	FY 2022 (Result)		FY 2023 (Plan)	
	Amount	Amount	Change to Last year	Amount	Change to Last year
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