

**2002
Highlights**

Service & Support Business Sales Exceed ¥100 Billion for the First Time

In the fiscal year ended December 31, 2002, net sales in the Service & Support (S&S) Business increased 7.3% year-on-year to ¥103.38 billion, exceeding the ¥100 billion mark for the first time. This was the result of significant growth in the “tanomail” office supply catalog mail-order service that constitutes the mainstay of the MRO* business, and it was driven by bolstering the product line of “tanomail” through corporate alliances and strengthening system functionality. At the same time, we have actively pursued security-related and other marketable businesses.

The S&S Business constitutes an ongoing business, whose consistent annual growth is boosting the profitability of the Group’s overall business structure.

*MRO (Maintenance, Repair, and Operations): office supplies such as paper, toner, stationery and repair parts

An Active Member of RosettaNet Japan

RosettaNet Japan (RNJ) is a non-profit consortium established in April 2000 as the sole Japanese organization affiliated with RosettaNet, one of the world’s largest organizations promoting supply-chain standardization. Since its establishment, OTSUKA CORPORATION has been involved as a board member, along with major domestic computer-related companies, with President Yuji Otsuka serving as vice chairman of RosettaNet Japan since 2002. Thus we are actively participating in the establishment of global supply-chain construction solutions by accelerating the implementation of RosettaNet standards.

The RosettaNet logo features the word "ROSETTANET" in a blue, sans-serif font. The letter "O" is stylized with a circular graphic element that resembles a globe or a network node.

“tanomail” Office Supply Business Leaps Ahead

Sales of our “tanomail” office supply catalog mail-order services demonstrated a high year-on-year growth rate of 106.7%. This was the result of reinforcing the overall product line through expanding environment-friendly products and computer-related supplies and providing “Kaimono-Jozu” (shopping smart) products, a private brand owned by Ito-Yokado Co., Ltd. We also endeavored to maximize the benefits of self-developing systems by incorporating customer feedback on those systems in a timely manner, which contributed to high sales growth.

OTSUKA CORPORATION Wins Information Technology Award 2002

We received the Japan Institute of Office Automation’s most valuable prize of Information Technology Award 2002 in recognition of our strengths in management and technology utilizing IT as well as our accomplishments and future vision for IT applications.

