

## To Our Shareholders and Investors



I am pleased to announce the results for the fiscal year ended December 31, 2021 and to thank our shareholders and investors for their loyal support.

During the fiscal year, the future of the Japanese economy remained uncertain as the spread of COVID-19 severely constrained economic activities while limitations of supplies of some products led to supply chain disruptions. The OTSUKA Group secured points of contact with customers mainly through online activities and supported customers' digitization.

As a result, net sales increased 1.9% from the previous fiscal year to ¥851,894 million. At the earnings level, operating profit decreased 0.9% to ¥55,827 million, ordinary profit increased 0.0% to ¥57,567 million and profit attributable to owners of parent increased 1.6% to ¥39,927 million.

Management has resolved to pay year-end dividends per share of ¥120, which includes an ordinary dividend of ¥115 and a 60th anniversary commemorative dividend of ¥5, in line with our efforts to return profits to shareholders, who have given us their support. This also marked the 12th consecutive year of an increase in dividends.

In the coming fiscal year, despite a sense of uncertainty about the future, a moderate recovery of the economy is expected.

Under these conditions, we will get close to our customers and support the utilization of IT by customers to help them resolve their problems.

In working to realize our Mission Statement, the OTSUKA Group will continue to pursue management reforms to ensure the trust of all stakeholders. Your ongoing support is greatly appreciated as we move forward with these endeavors.

Yuji Otsuka, President & Chief Executive Officer

March 2022