



SHINKA 2019
Evolution



Konica Minolta, Inc. 4th Quarter/FY2018 ended in March 2019 **Consolidated Financial Results**

Three months: January 1, 2019 – March 31, 2019
Fiscal Year 2018: April 1, 2018 – March 31, 2019
– Announced on May 13, 2019 –

Shoei Yamana
President and CEO
Konica Minolta, Inc.

[¥ billions]

	FY2018 12M	FY2017 12M	YoY	YoY (W/O Forex)	FY2018 4Q	FY2017 4Q	YoY	YoY (W/O Forex)
Revenue	1,059.1	1,031.3	+3%	+4%	281.5	281.0	+0%	+2%
Operating Profit	62.4	53.8	+16%	+7%	11.9	24.8	-52%	-51%
Profit attributable to owners of the parent	41.7	32.2	+29%		8.0	13.6	-42%	
FOREX [Yen]								
USD	110.91	110.85	+0.06		110.20	108.3	+1.90	
EUR	128.41	129.7	-1.29		125.15	133.22	-8.07	

Revenue

- For the full year, we achieved a year-on-year increase of 3% in revenue, making this the second year in a row to record higher revenue. With the foreign exchange impact excluded, the trend of effectively increased revenue will continue in 4Q, as well.
- In the core businesses, the shift to higher value-added products and sales approach produced results, while the growth and new businesses also made effective use of advance expenses and expanded sales.

Operating Profit

- Increased revenue in core businesses together with a rising gross profit due to an increase in the gross profit ratio and reduction in the SG&A expense ratio contributed to operating profit so that we realized a 16% increase in profit year-on-year while sustaining investment in growth and new businesses.
- The 4Q fell short of anticipation so operating profit for the full year did not achieve the announced value, but profit attributable to owners of the parent surpassed the announced value and 29% increase year-on-year, for a new record high since the 2008 financial crisis.

FY2018 12M Performance Overview | Revenue & Operating Profit by Segment

[¥ billions]

<u>Revenue</u>	FY2018 12M	FY2017 12M	YoY	YoY (W/O Forex)	FY2018 4Q	FY2017 4Q	YoY	YoY (W/O Forex)
Office	587.9	583.9	+1%	+2%	151.4	156.2	- 3%	-1%
Professional Print	227.7	214.3	+6%	+8%	62.7	59.2	+6%	+9%
Healthcare	90.9	96.5	-6%	-5%	29.8	29.6	+1%	+2%
Industrial	116.7	118.2	-1%	-1%	28.3	28.1	+1%	+1%
Optical systems for industrial use	35.2	43.1	-18%	-18%	9.0	8.8	+2%	+3%
Materials and components	81.5	75.1	+9%	+9%	19.3	19.4	- 0%	-0%
New business	34.7	17.3	+100%	+100%	9.2	7.4	+24%	+24%
Bio-healthcare	25.9	9.0	+189%	+188%	6.9	5.4	+28%	+25%
Others	8.7	8.4	+5%	+5%	2.3	2.0	+13%	+19%
Corporate, etc.	1.2	1.0	+17%	+7%	0.2	0.4	- 51%	-60%
Company overall	1059.1	1031.3	+3%	+4%	281.5	281.0	+0%	+2%

<u>Operating profit/OPM</u>	FY2018 12M	FY2017 12M	YoY	YoY (W/O Forex)	FY2018 4Q	FY2017 4Q	YoY	YoY (W/O Forex)
Office	47.2	44.9	+5%	-5%	12.8	15.0	- 14%	-14%
Professional Print	13.8	9.3	+49%	+42%	5.1	4.2	+21%	+29%
Healthcare	2.4	5.6	-57%	-53%	1.2	1.7	- 28%	-17%
Industrial	20.9	23.5	-11%	-11%	3.9	5.9	- 33%	-36%
New business	-19.3	-16.0	-	-	-5.3	-5.6	-	-
Corporate, etc.	-2.6	-13.4	-	-	-5.8	3.6	-	-
Company overall	62.4	53.8	+16%	+7%	11.9	24.8	- 52%	-51%

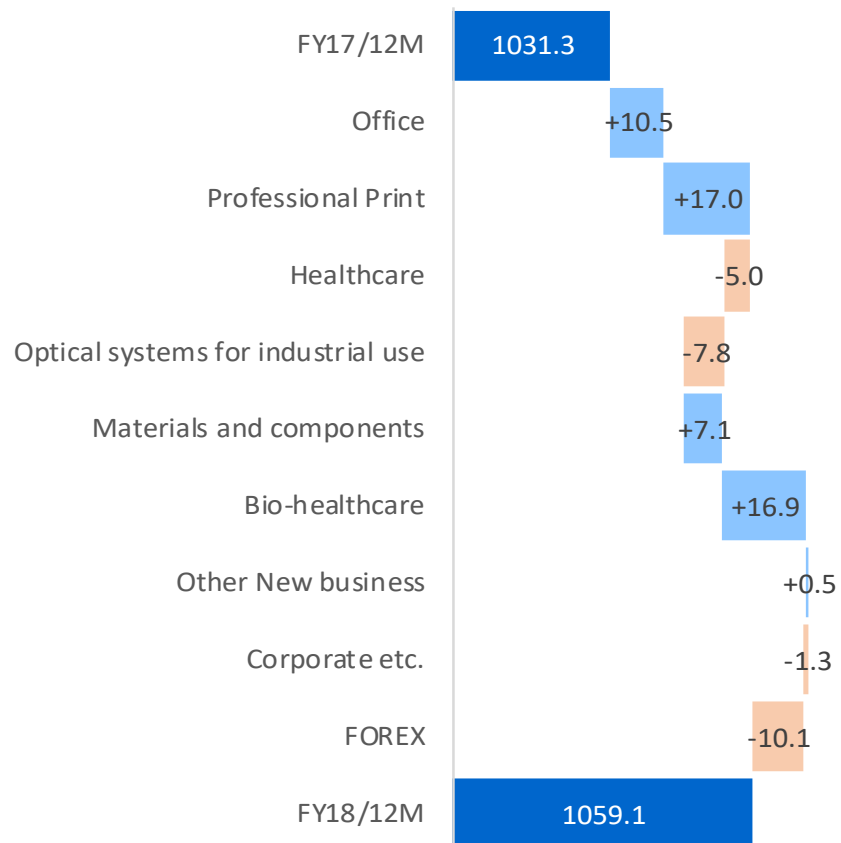
- Promotion of structural reforms in Japan and overseas continues and implementation of a corporate real estate (CRE) strategy as part of the strengthening of profitability in core businesses set out in Medium Term Business Plan SHINKA 2019.
- Conclusion of sale and leaseback contracts for ownership of the land on the Company's Tokyo sites (Hachioji and Hino) led to a cumulative total of ¥20.3 billion for the fiscal year.
- A process of integrating and reorganizing certain R&D and production facilities in Japan was launched as part of the Group's initiative to accelerate its digital transformation through the global optimization of R&D and production. The conditions were not in place for posting a reserve for expenses related to repairs/removals, so ¥3 billion will be carried forward to the next fiscal year.

	Impact on profit and loss			
	FY17 12M		FY18 12M	
(1) Structural reform expenses	–¥10.0bn	Corporate: slightly over –¥5.0bn: Special early retirement program in Japan Office: slightly over –¥3bn, Professional print: slightly over –¥1bn: Outsourcing of back office / consolidation of warehouses in Europe, consolidation of locations in North America, etc.	–¥3.0bn	Office: –¥2.7bn: Outsourcing of back office / consolidation of warehouses in Europe, consolidation of locations in North America, etc. Healthcare: slightly less than –¥0.3bn: Structural reform in North America
(2) CRE strategy	¥20.9bn	Office: ¥6.5bn Healthcare: ¥2.0bn Corporate: ¥12.4bn	¥18.3bn	All included in Corporate S&LB: ¥20.3 bn, Repairs, etc.: –¥2.0bn
(1)+(2) Total of one-off profit	¥10.9bn		¥15.4bn	

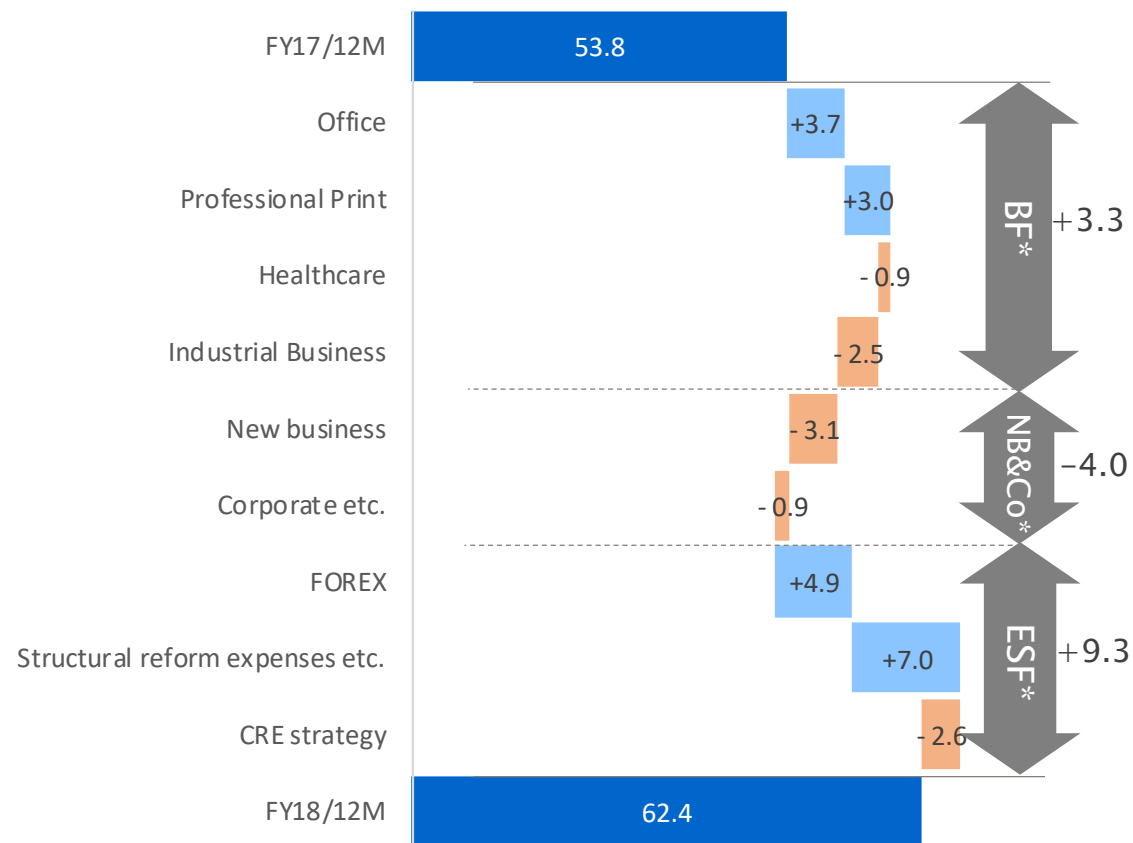
FY2018 12M Performance Overview | Bridge–Revenue & Operating Profit

[¥ billions]

Revenue



Operating Profit



* BF: Business Factors

NB&Co: New Business and Corporate

ESF: External and Special Factors

Strengthening Core Business Profitability: Progress of Improvement in Costs

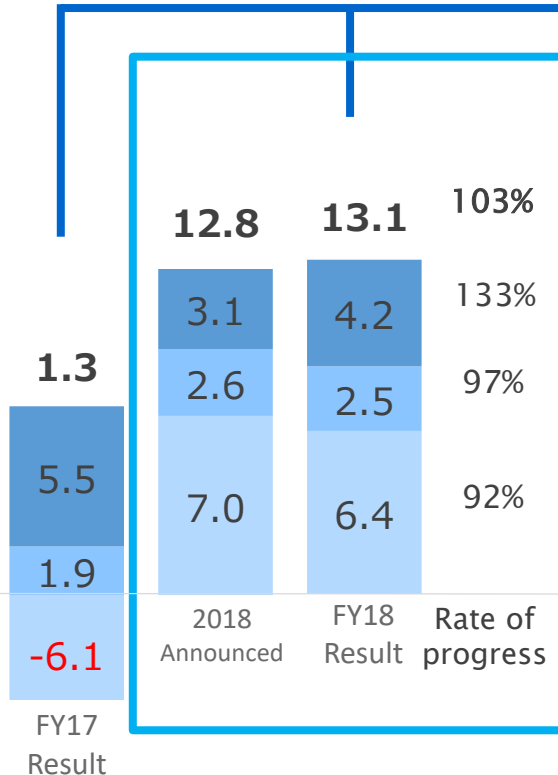


KONICA MINOLTA

Initiatives to strengthen profitability are progressing on schedule and producing greater results heading into FY2019

[¥ billions]

- Production costs
- Service costs
- Administration and indirect cost



17.7

5.4

2.5

9.9

FY19
Forecast

Status of progress in FY18

Reduction of
production
costs

- In addition to Office/PP, productivity improvement measures in Performance Materials are producing greater results than anticipated

Reduction of
service costs

- Underachieved somewhat due to increase in models with high service costs, but shift left measures are making steady progress, contributing to improvement in non-hard gross profit.

Reduction of
administration
and indirect
costs

- Additional expenses were incurred in Europe, slightly delaying the results.

32.2

15.0

7.0

10.2

May 13
2019
Forecast

30.0

16.0

6.0

8.0

May 11,
2017
Announced

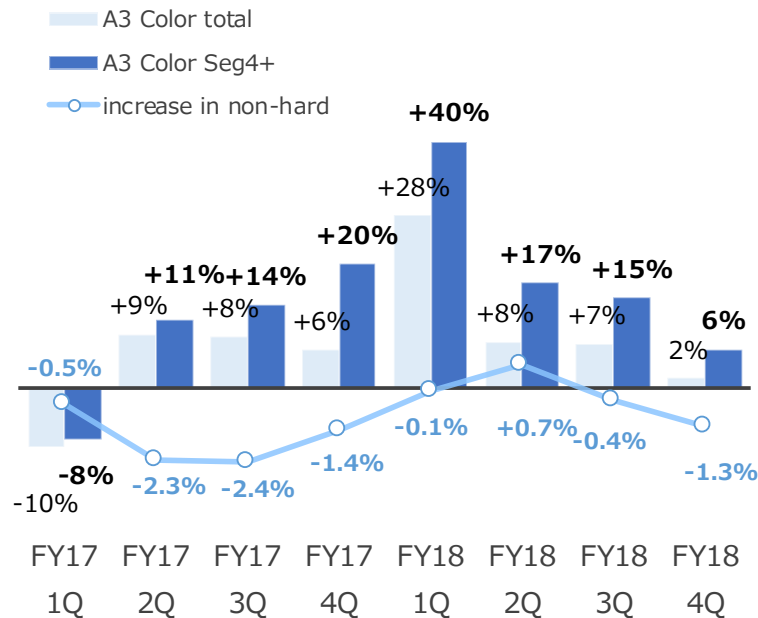
Reason for difference from FY2018 forecast (Operating Profit)

[¥ billions] Business	Difference from announced value	Main reasons for difference	Impact of FY18 reasons for difference on FY19 ○: Positive/△: Negative
Office	-2.3	<ul style="list-style-type: none"> • Installation of major projects in Europe extending over into FY19 • One-off expenses of additional restructuring in Europe and related expenses (to be confirmed) 	<ul style="list-style-type: none"> ○ Installation of major projects in Europe (An increase of the sales with additional contract) ○ Harvesting the effects of additional restructuring in Europe
Professional Print	+0.3	<ul style="list-style-type: none"> • Expansion in both PP hard and non-hard 	<ul style="list-style-type: none"> ○ Sustained expansion in both hard and non-hard
Healthcare	-1.6	<ul style="list-style-type: none"> • Structural reform expenses • Delay in recovery of X-ray business in US 	<ul style="list-style-type: none"> ○ Structural reform results
Industrial Business	-1.1	<ul style="list-style-type: none"> • Impact of slowing economy in China on measuring instruments and optical components 	<ul style="list-style-type: none"> △ Impact of China's slowing economy on measuring instruments and optical components, also observations that China's economy may have bottomed out
New	-1.4	<ul style="list-style-type: none"> • Recognition of impairment loss on goodwill in part of status monitoring business • Bio-healthcare slipped lower due mainly to impact of suspended projects related to Alzheimer drug development 	<ul style="list-style-type: none"> △ Continuing impact of suspended projects related to Alzheimer drug development
Corporate	+4.5	<ul style="list-style-type: none"> • Carry over to FY19 because conditions for CRE provision were not in place • Corporate expenses decrease 	<ul style="list-style-type: none"> △ CRE provision of approx. ¥3.0 billions generated ○ Decreased expenses provided basis
Company total	-1.5		

Office

- Due to the carryover of a major projects in Europe, the increase remained only slight for 4Q, but A3 models achieved a record high annual sales volume both in color models and in color / mono models in total. The sales volume for March also set a record high on a monthly basis.
- Non-hard revenue declined, but with the contribution of improved efficiency in services, non-hard gross profit for the full year showed a positive result year-on-year.

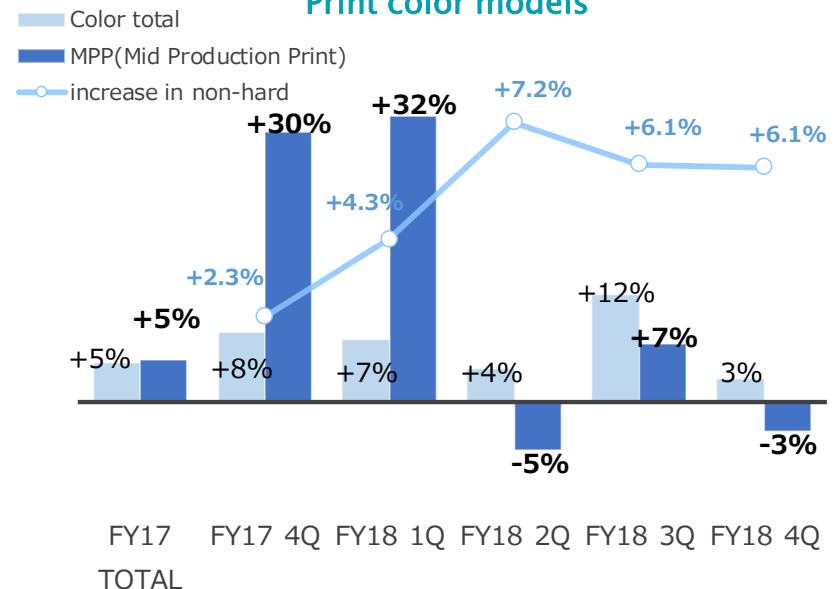
Year-on-year growth rate in A3 color MFP shipments



Production Print

- In Europe and the US, both hardware and non-hard contributed to higher gross profit thanks to IQ-501 effects. Sales of color MPP models remained stable, given the strong growth in the previous year's 4Q, which was immediately after the launch of new products.
- In China, India, and ASEAN countries, all color models showed a significant increase.
- The increase in MIF has produced an increase in PV that is sustaining the expansion in non-hard revenue and profits.

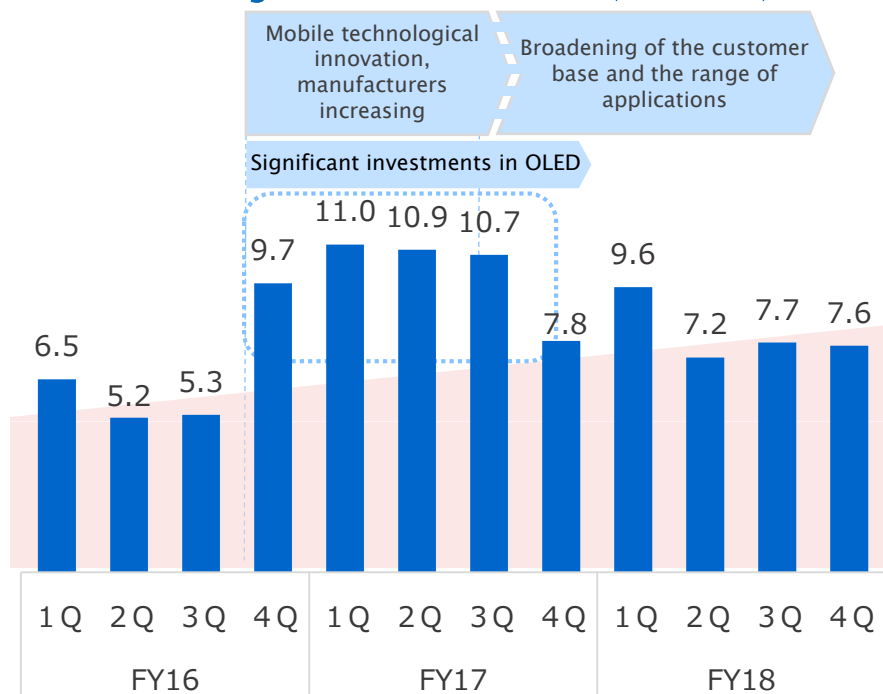
Year-on-year growth rate in Production Print color models



Measuring Instruments

- Although demand for significant OLED-related investment in FY17 stabilized in FY18 so that year-on-year revenue decreased, we caught a wave of medium-term market growth due to growth of the China and South Korea customer bases and diversified OLED applications.
- In China, the 4Q result was flat due partly to the influence of fluctuating demand for display devices, but the medium-term trend remains unchanged.

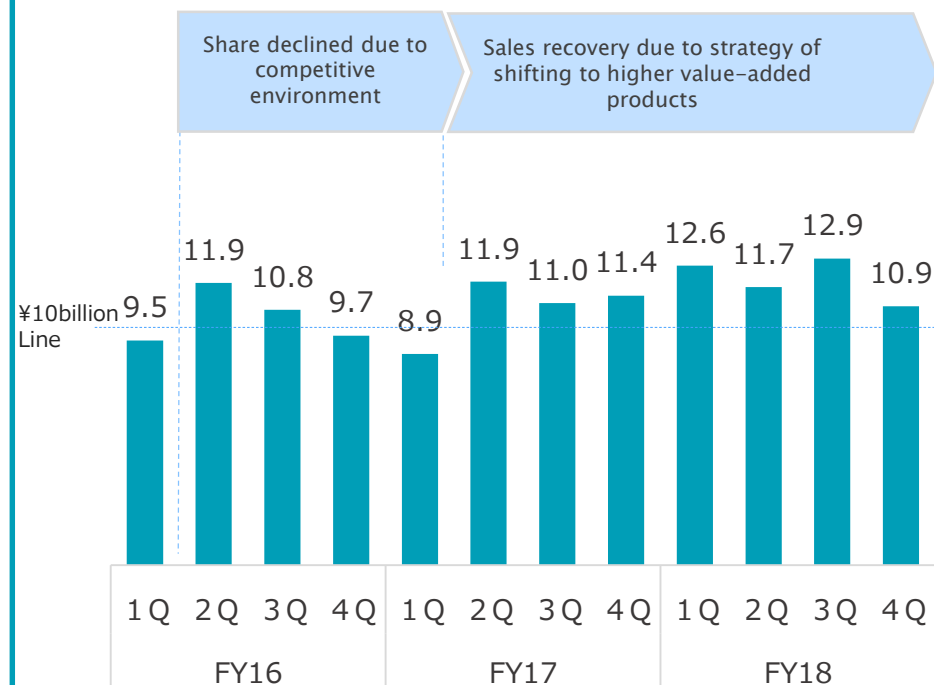
Measuring Instruments revenue (¥ billions)



Performance Materials

- Sales measures prioritizing high value-added products were strengthened.
- Although market conditions had an impact on products for small to medium-size models, a stable, high levels of revenue has been maintained since 2Q of FY17. Switchover in production line to prepare for mass production of new SANUQI resin in 4Q ended up a constraint in terms of revenue.

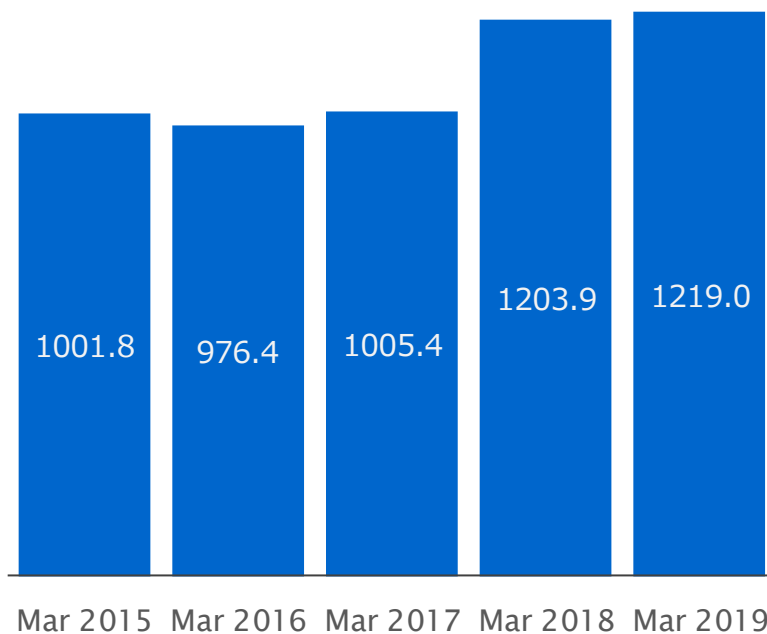
Net sales of Performance Materials (¥ billions)



Total Assets

[¥billions]

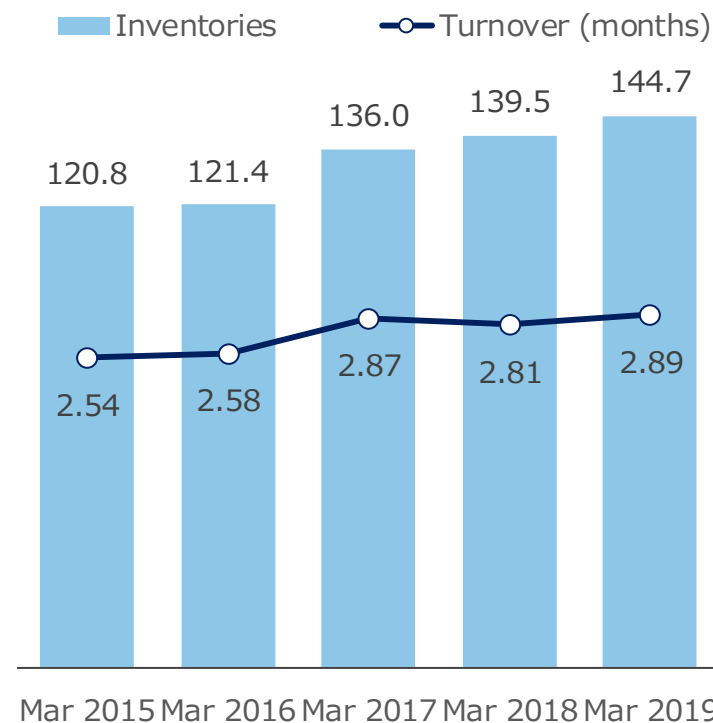
A small increase in inventories and an increase in assets due to acquisitions, among other such factors, produced a slight increase.



Inventory/Turnover

[¥billions]

Although the switchover in production resulted in a significant decrease in Performance Materials from the end of the previous fiscal year, the increase in inventory due to lower Healthcare sales in the US, together with the increase due to transfer of the Panasonic inkjet business, resulted in a small increase in inventories.



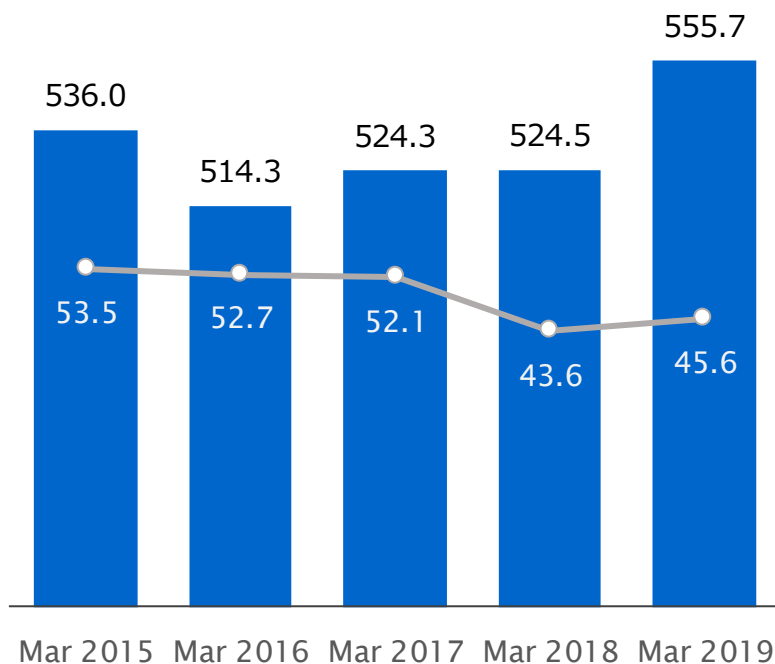
Inventory turnover, in months = Inventory balance at end of fiscal year / Average cost of sales for most recent three months

Equity & Equity Ratio [¥ billions]

Attributable to owners of the parent company

Equity and the equity ratio increased over the levels recorded at the end of the previous fiscal year.

■ Shareholders' equity ○ Equity ratio(%)

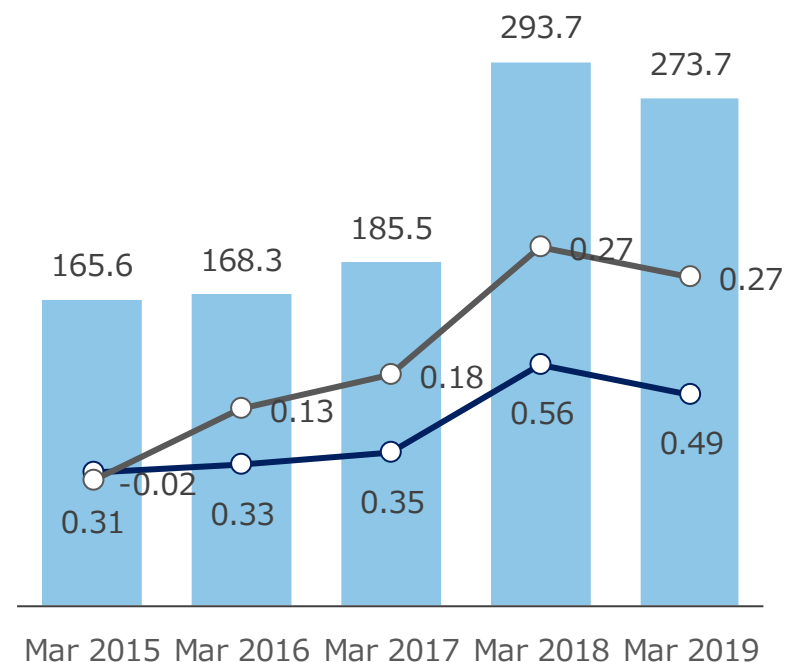


Equity = Equity attributable to owners of the parent
 Equity ratio = Equity attributable to owners of the parent / Total assets
 (For Company Rating 49.6%)

Interest-Bearing Debts & D/E Ratio [¥ billions]

Interest-bearing debt decreased as a result of bond redemptions.

■ Interest-bearing debts
 ○ Net Debt equity ratio (times)
 ● Debt-to-equity ratio (times)



FY2019 Financial Forecast

[¥ billions]

	SHINKA FY2019 12M	FY2019 12M Forecast (Current)	FY2018 12M Results	YoY
Revenue	1185.0	1120.0	1059.1	+6%
Operating Profit	75.0	66.0	62.4	+6%
Profit attributable to owners of the parent	50.0	45.5	41.7	+9%
	9.5%	8.0%	7.7%	+0.3p
FOREX [Yen]				
USD		110.0	110.91	
EUR		125.0	128.41	

Full-year earnings forecast

- In the final year of Medium-term Business Plan “SHINKA 2019”, the Company is aiming to increase sales and profits by strengthening Core Business’s competitive advantage and revenue capabilities, and maximizing Growth / New Business's earnings by expanding the scale of the businesses.
- While the SHINKA2019 targets will be revised downward, the Company has confidence in the targeted customer value in the Growth / New Businesses, and prioritizes the allocation of resources in the area to cultivate the businesses for the future revenue.
- Exchange rate assumptions: USD = JPY 110, EUR = JPY 125.

Dividend forecast

- Annual dividend: ¥30 per share (interim and year-end dividends: ¥15 per share)

Changes since Management Policy Briefing (September 27, 2018)

- Office: ¥+0.5 billion: Largely in line with forecast released on Sept. 27.
- Professional Print: ¥-1.5 billion: Despite production print growth, measures to make industrial printing contribute to profit will be continued.
- Healthcare: ¥-3.0 billion: Time will be required to realize structural reform and yield results from measures taken in the US, as well as for deployment in Asia.
- Industrial Business: ¥-1.0 billion: Impact on measuring instruments and optical components from smartphone investment and Chinese economy slowdown.
- New Business: ¥-7.0 billion: Measures will be continued toward expansion of sales in each business.

[¥ billions]	Revenue			Operating Profit		
	9/27 Announced	FY19 Forecast	vs. 9/27 Announced	9/27 Announced	FY19 Forecast	vs. 9/27 Announced
Office	595.0	595.0	0	52.0	52.5	0.5
Professional print	255.0	240.0	- 15.0	19.0	17.5	- 1.5
Healthcare	95.0	92.0	- 3.0	7.0	4.0	- 3.0
Industrial Business	145.0	130.0	- 15.0	26.0	25.0	- 1.0
New	95.0	63.0	- 32.0	- 3.0	- 10.0	- 7.0
Corporate coordination	0	0	0	- 26.0	- 23.0	3.0
Corporate Total	1185.0	1120.0	- 65.0	75.0	66.0	- 9.0

[¥ billions]

Revenue	FY2019		FY2018	
	12M Forecast (current)		Result	YoY
Office	595.0		587.9	+ 1%
Professional Print	240.0		227.7	+ 5%
Healthcare	92.0		90.9	+ 1%
Industrial	130.0		116.7	+ 11%
Optical systems for industrial use	40.0		35.2	+ 14%
Materials and components	90.0		81.5	+ 10%
New business	63.0		34.7	+ 82%
Bio-Healthcare	35.0		25.9	+ 35%
Others	28.0		8.7	+ 220%
Corporate, etc.	0.0		1.2	-
Company overall	1,120.0		1,059.1	+ 6%

Operating Profit	FY2019		FY2018		
	12M Forecast (current)		Result		YoY
Office	52.5	8.8%	47.2	8.1%	+ 11%
Professional Print	17.5	7.3%	13.8	5.7%	+ 26%
Healthcare	4.0	4.3%	2.4	5.6%	+ 67%
Industrial	25.0	19.2%	20.9	16.0%	+ 19%
New business	-10.0		-19.3		-
Corporate, etc.	-23.0		-2.6		-
Company overall	66.0	5.9%	62.4	5.9%	+ 6%

FY2018 Performance Overview and FY2019 Priority Initiatives

Core Business will further strengthen revenue capabilities, and Growth/New will lead to business expansion based on the confidence earned on customer value

	FY2018 Performance Overview	FY2019 Priority Initiatives
Office	<ul style="list-style-type: none"> ■ A3 color MFP sales volume, particularly in Segment 4+, increased (+9.8%) to surpass the market average ■ Manufacturing cost reduction and service efficiency improvements increased both hard and non-hard gross profit ratios ■ The scientific approach to sales in the US produced results 	<ul style="list-style-type: none"> ■ Strengthen competitiveness by introduction of brand new A3 color MFP products with industry top level security functionality and operability ■ Improve gross profit through cost competitiveness of new products and further heightened service efficiency ■ Produce results from effects of structural reform measures
Professional Print	<ul style="list-style-type: none"> ■ Production Print: Increase in PV due to increased MPP sales and IQ-501 effect achieved significant increase in gross profit ■ Industrial printing: KM-1, label printing and digital decoration printing equipment took "genre-top" product positions, but SG&A expenses increased as both sales structure and product development were strengthened 	<ul style="list-style-type: none"> ■ Production Print: Increase hard and non-hard gross profit by introducing new HPP and LPP products and by IQ-501 ■ Industrial printing: Increase hard revenue by effective use of advance expenses and expand non-hard profit significantly
Healthcare	<ul style="list-style-type: none"> ■ Domestic results were robust while revenue decreased due to the influence of the declining DR market in the US and structure reform was implemented in the second half ■ Revenue from diagnostic ultrasound products expanded and Dynamic Digital Radiography using DR was announced 	<ul style="list-style-type: none"> ■ Expand revenue by the effect of new DR products ■ Produce effects from structural reform in the US ■ Implement measures for deployment to ASEAN countries
Industrial Business	<ul style="list-style-type: none"> ■ Performance materials: High value-added product shift achieved 11% sales increase ■ IJ components: Continuing to perform well, achieved 19% sales increase ■ Measuring instruments: Revenue decreased as OLED-related demand slowed down 	<ul style="list-style-type: none"> ■ Performance materials: Introduce new resin to yield higher value added ■ IJ components: Introduce new products to acquire new markets ■ Measuring instruments: Expand China and South Korea customer projects
New Businesses	<ul style="list-style-type: none"> ■ Bio-healthcare: Strengthened sales force of genetic diagnostics yielded an increased number of samples in the latter part of the second half ■ WPH: Aimed-for customer value and price setting were confirmed and marketing region was expanded to nine countries 	<ul style="list-style-type: none"> ■ Bio-healthcare: Expand target markets with CARE and strengthen competitiveness with RNA testing ■ WPH: Deploy data services to achieve higher value added and expand sales channels to acquire 4,000 customers

[Core] Priority Initiatives to Strengthen Profitability in the Office Business

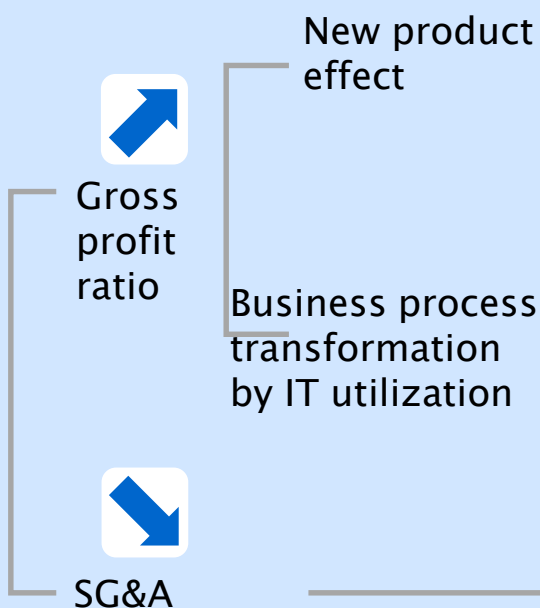


KONICA MINOLTA

Perception of market climate	FY2018	FY2019 Forecast
A3 color MFP unit sales growth (WW)	+4.5%	+1.0%
A3 color MFP Konica Minolta unit sales growth	+9.8%	+6.5%

■ Measure

● KPI, milestone



Business expansion measures

- Firmly uphold sales prices by working out industry's first security functionality and operability optimized for individuals
- Ratio of new products in total color A3 sales units: 48%

- Full deployment of scientific approach to sales



Cost reduction and efficiency measures

- Effect of innovation in quality manufacturing by concurrent development, automation, and reduced resources
- Manufacturing cost reduction relative to previous year mainly in new products: ¥3.3 billion

- Expand predictive maintenance, remote maintenance



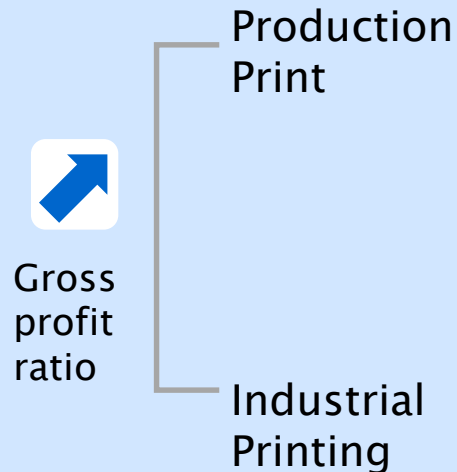
Structural reform results, operational excellence

- Structural reform measures implemented from FY17 produce results
- Amount of YoY reduction in SG&A expenses: ¥2.4 billion annually

[Core and Growth] Priority Initiatives to Strengthen Profitability in the Professional Print Business

Perception of market climate	FY2018	FY2019 Forecast
Color MPP unit sales growth (WW)	+2%	+1%
Color MPP Konica Minolta unit sales growth	+4%	+11%

- Measure
- KPI, milestone



Measures to expand hard gross profit

- Expand MIF by effect of HPP and LPP new product launch and HPP entry into new market
- Ratio of new products in revenues of hard ware: 11%
- Strengthened sales structure produces results
- Rate of the growth in sales volume of hard ware over the previous year
 - KM-1: +30%
 - Decoration printer : +70%
 - Label printer: +25%

Measures to expand non-hard gross profit

- Improve customer utilization rate with IQ-501, strengthen capture of PV from competitors products
- IQ-501 installation rate: 79%
- Improve in non-hard revenue of KM-1
- Rate of the growth in sales volume of non-hard ware over the previous year: over 50%
- Rate of the growth PV par a printer over the previous year: +15%

[Core and Growth] Priority Initiatives to Strengthen Profitability in the Industrial Business

Business	Core Business: Target market and influencing factor		Growth Business target market
Measuring instruments	Displays, automobiles, chemical products, etc.	Capital investment in manufacturing industry (line expansion, etc.), building new technology into new products, expansion of application fields	ICT products, outside appearance of automobiles
Performance Materials	Polarizers for displays (TV, mobile phones)	Panel area (number of shipped units × monitor size, TV average size in inches, etc.), panel supply and demand conditions	Touch panel

- Measure
- KPI, milestone



Gross profit

Measuring Instruments

Performance Materials



Business expansion measures in Core Business

Target: Expand applications for display products and expand mobile customers in China and South Korea

- Strengthen customer service for major customers, introduce new products and solutions for new devices such as microLEDs

- Increase customer value in large phase contrast panels with SANUQI (new resin)
- Rate of revenue growth over previous year: +8%



Business expansion measures in Growth Business

Target: Start up visual inspection business

- Acquisition of new technologies and establishment of business base in Asian and European markets

- Develop additional business in the surface of small and medium-sized applications by making effective use of SANUQI etc.

Customer value and pricing

- The "customer value" anticipated by small and medium-sized enterprises and the corresponding "customer unit price" are confirmed to be as forecast.
- Proportion of cases where competitor MFPs are replaced with WPH+MFPs, or with WPH+additional ITS, is greater than forecast.
- High marks also received from resellers and strategic partners, and inquiries with motivation to sell are also greater than forecast.



Confidence in approach as a platformer for the "Connected Office" with WPH as its core

Sales and service organization

- Deployed on schedule in eight countries and seven US cities. Preparations to expand deployment countries and cities in FY19 are also making progress.
- In terms of resources, a structure is being created to make effective use of 1,700 IT system engineers and MFP direct sales staff.
- Sales lead time is shorter than expected, and pipeline converting rate to contracts is as expected.
- Delay in version upgrades for improved functionality has delayed the start of installations and catch-up efforts are underway.



Achieve 4,000 customers in FY2019 and cumulative 10,000 customers in FY2020, accelerating the movement toward recovery of investment and profitability.

(Reference) Case Study of a Workplace Hub Customer



Industry: Manufacturing industry
New customer
Employees: Approx. 300

WPH frees them from a number of IT administrative tasks, allowing them to promote strategic investments in IT infrastructure.

Before

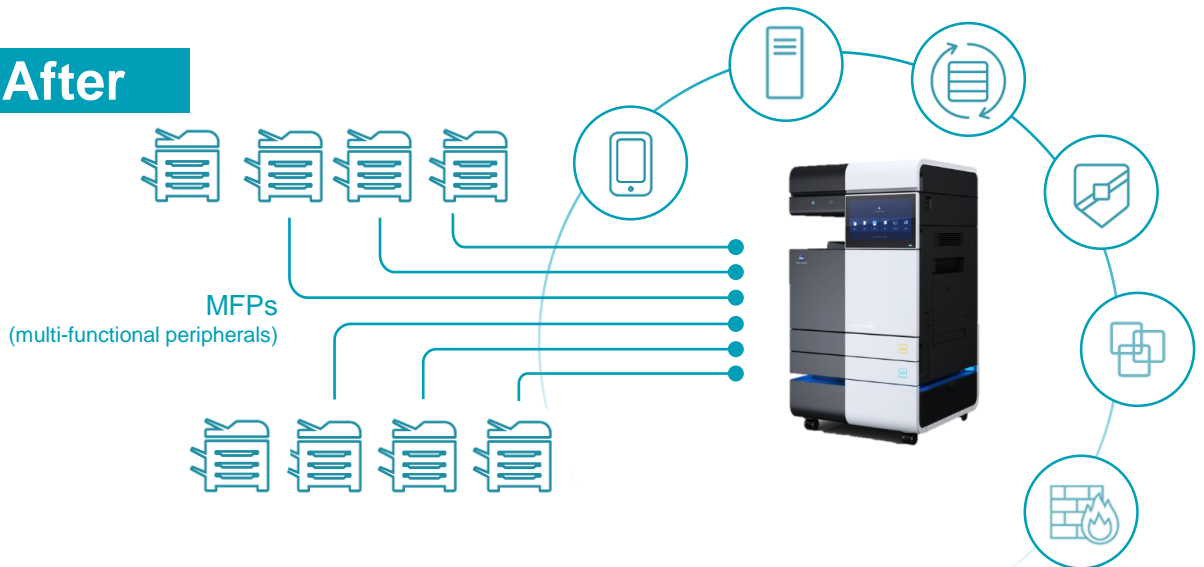
They needed to build a new IT environment.

They tried to build a business system based on cloud services, but they were unable to manage printing at the same time.

IT managers were busy with optimizing their ERP* system, so they couldn't manage all the IT infrastructure and printing.

* ERP (Enterprise Resource Planning)

After



Workplace Hub manages business systems and MFPs (multi-functional peripherals) with one Workplace Hub and eight bizhub.

Business system :server operation, IT security, mobile device management

Print control: certification printing, usage monitoring, ledger printing, fax server

Why Konica Minolta?

All-in-one IT service that guarantees a high level of security and manages business systems, including MFPs (multi-functional peripherals)

Confirm the value for Konica Minolta with Workplace Hub by maximizing customer's Life Time Value

Increase “revenue”
per customer

Realize
8 times
larger revenue
per customer
compare with same
class MFP.

Realize the retention of
customers and expansion of
sales opportunities due to
prolonged contract periods
as a service business.

Managed
IT business
1 year
with
annual
renewal after
the contract

WPH
business
**4 to 5
years**



New customer
development by
differentiation with
WPH+MFP

Maximize the efficiency of
MFP sales staff in “Connected
Office” concept which
manages MFPs with WPH.



[New] Workplace Hub Business: FY2019 measures and milestones

Enlarge "number of customers" and "customer unit price"
by expanding "deployment countries × channels" and "customer value"

	FY18	FY19 1Q	FY19 2Q	FY19 3Q	FY19 4Q
Expand customer value		Chapter 3 With "Workplace Go" as a starter, deploy data services and solutions			
		Chapter 2 Deploy industry solutions (healthcare, legal, education, etc.)			
		Chapter 1 – Deploy Managed IT Services Functionality, Deploy Horizontally as Successful Customer Cases (all-in-One IT infrastructure management, security, cloud/on-premises hybrid IT, operation of applications on VM (virtual machine, Wi-Fi/intranet)			
Expand channels		Initiate model for large enterprise (branches)			
		Strategic partner PoC in Europe, China, India			Initiate strategic partnerships
		Reseller Program – Phase 1: 40 European and US dealers		Reseller Program – Phase 2	
Expand direct sale deployed countries	Number of countries	9	19	20	25
	Number of US cities	7	15	22	22
		10 European countries + Japan		One European country	Five European countries
		Initiate advance sales – Phase 2 (UK, Denmark, Poland, Hungary, Canada)			
		Initiate advance sales – Phase 1 (US, Germany, France, Czech Republic)			

Genetic testing

- Pricing responses to competitive prices ended and growth strategy accelerated.
- Measures have begun to bear fruit, and 4Q 's average number of samples has started to grow (+40% YoY) and recorded the highest since the acquisition.



**Increase accuracy in the current main market with RNA testing,
and expand into new markets through CARE.**

Support services for pharmaceutical development

- The loss of large-lot Alzheimer-related project affected, despite of the expansion of new pipeline.
- The project aim to reinforce the oncology field started with installing HSTT laboratories and acquiring customer by it.



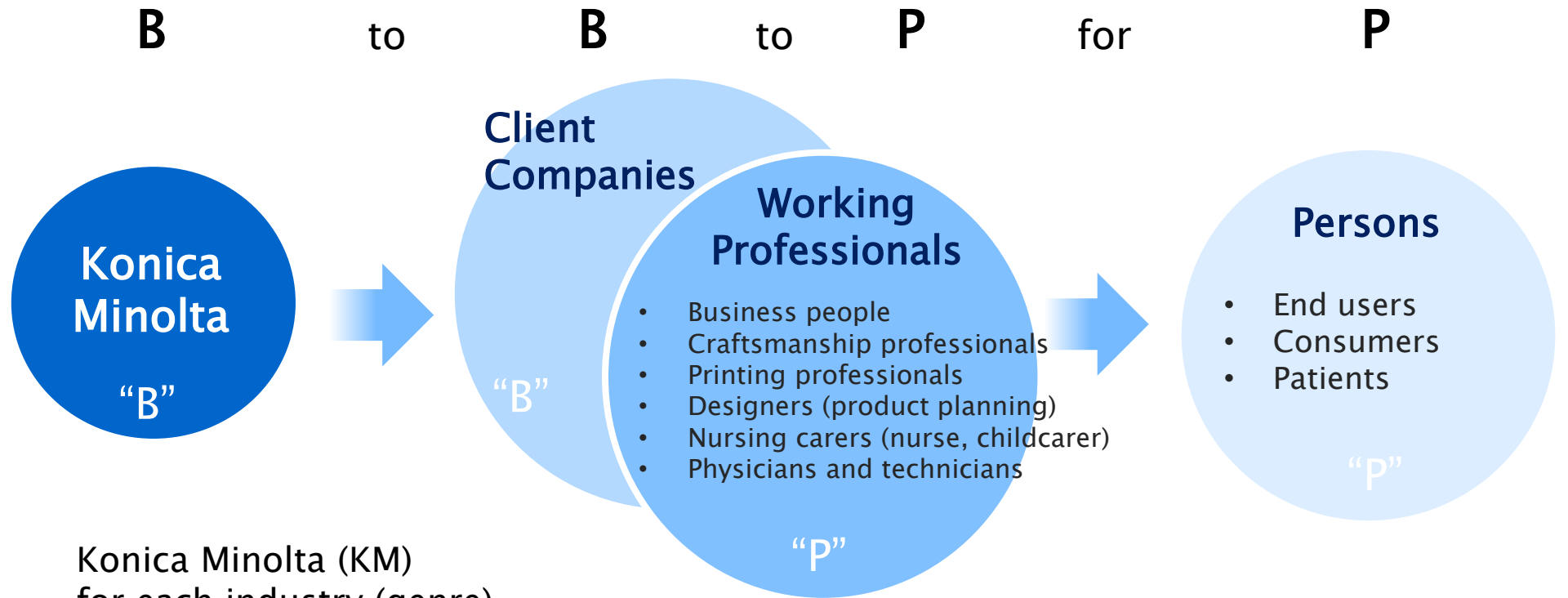
Further strengthen neurology markets and accelerate project in oncology.

Global Strategy

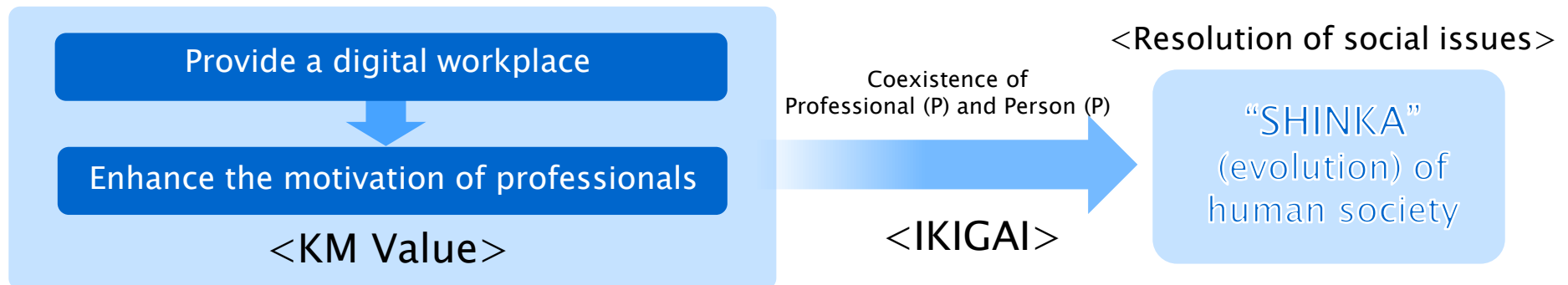
- A global headquarters in the United States and a scientific advisory board including top KOLs were established.
- Business in Japan launched, collaboration with research institutions and pathology laboratory function was strengthened.



Accelerate the establishment of our unique and competitive business.



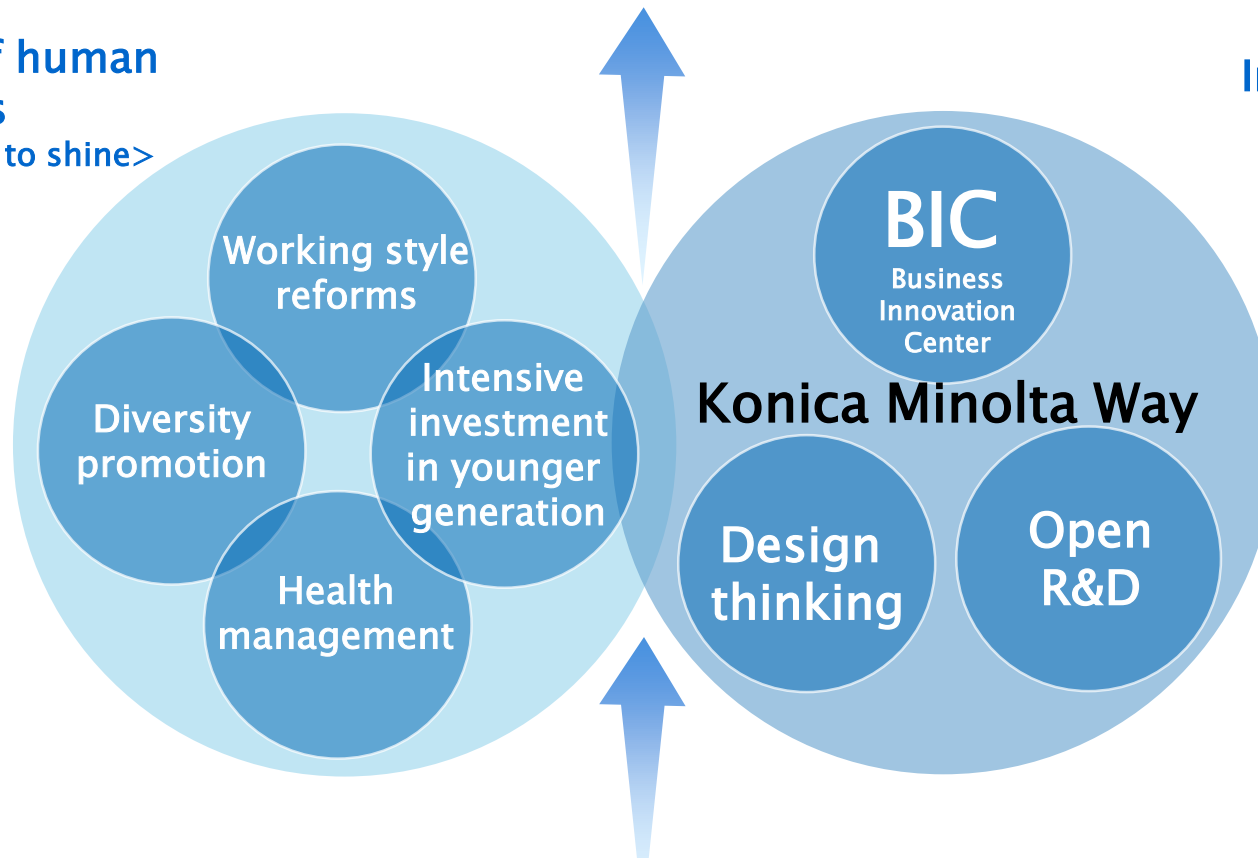
Konica Minolta (KM)
for each industry (genre)



Business creation connected to social value

Strengthening of human resources
<Allowing individuals to shine>

Innovation system



Penetration and consistency in 6 values

Appendix

[Core] Brand new Office product: bizhub i-Series is next-generation MFP



[Background] Trends in customer needs and evolution expected in MFP

- Changes in remote working and other work styles bring evolution in the MFP role as part of document-centered workflow
- In order to guarantee business continuity and corporate credibility, needs for information security are growing more sophisticated



Outstanding user experience



Next-generation MFP security



Cost competitiveness at industry top level

Next-generation user interface

Mobile-like control panel allows for intuitive operation, and learning function enables optimization for individual user styles

GDPR-compliant, robust security

MFP in-out data monitoring and antivirus functionality added to bizhub SECURE service (first in industry)

Culmination of manufacturing innovation

New platform optimized by digital manufacturing



Confidence in approach as a platformer for the "Connected Office" with WPH as the core

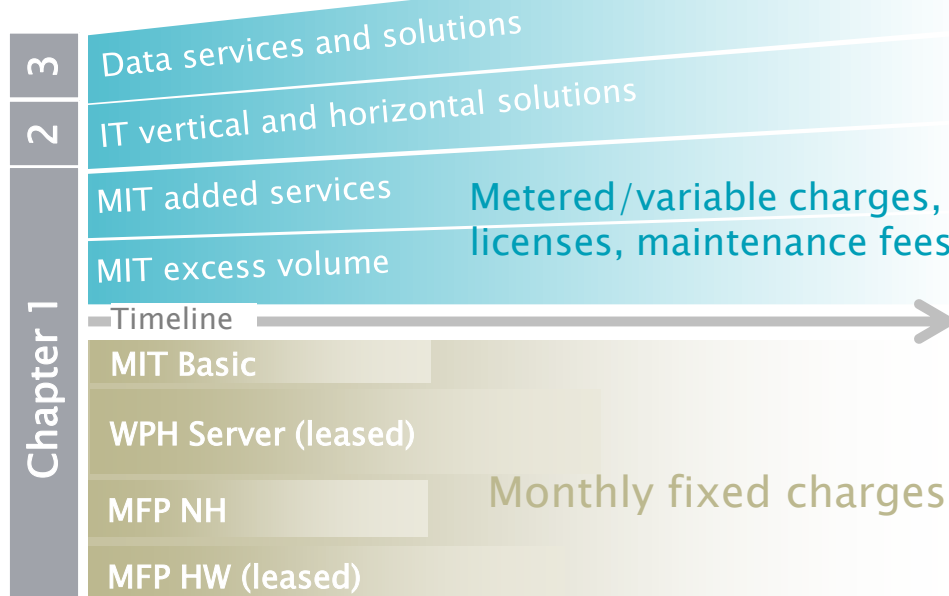
Top Six IT Issues and Needs Faced by SMBs



91% of SMBs have multiple vendors, and they replied that most appropriate for them would be a one-stop solution that provides hardware, software, and services with seamlessly integrated all-in-one IT.

- **Customer cases acquired as envisioned.**
- **Customer sizes:** Small to medium-sized enterprises (SMEs) with 10–600 employees
- **Type of industry:** Manufacturing, retail, accounting/law offices, etc.
- **Provided services:** Bundled contract for IT infrastructure management, including installation, security, cloud/on-premises hybrid IT, operation of applications on Virtual Machine (accounting/customer management systems, office suites), Wi-Fi/intranet infrastructure, etc.

Recurring revenue components



- **Customer cases acquired as envisioned.**
- **Monthly charge model:** Deciding factor is that it is an all-in-one fee model without an initial investment burden.
- **Price range:** Acquired cases of monthly charges from \$1,000 to \$6,000 per customer. Average unit price in first fiscal year is also as envisioned.
- **Component elements:** Metered-charge portion on initial installation and additional MFP/ITS sales exceed the envisioned.

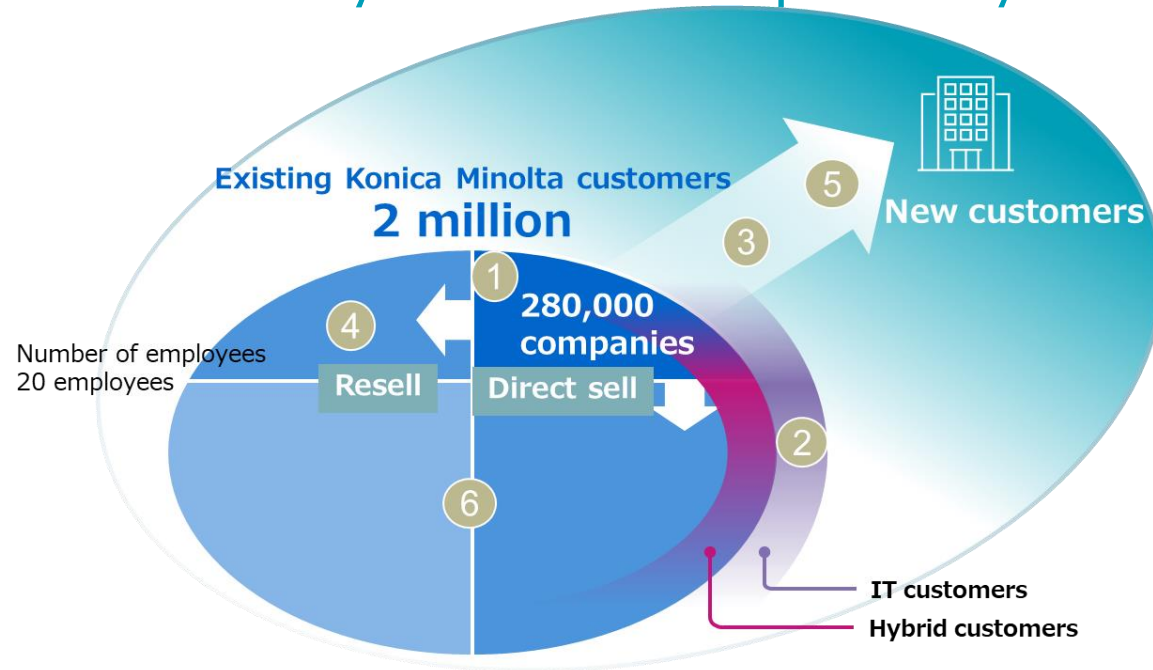
Achieve 4,000 customers in FY2019 and cumulative 10,000 customers in FY2020, accelerating the movement toward recovery of investment and profitability.

Initial target

- (1) Existing customers for MFP only
- (2) Existing customers for ITS only
- (3) Customers of competitors

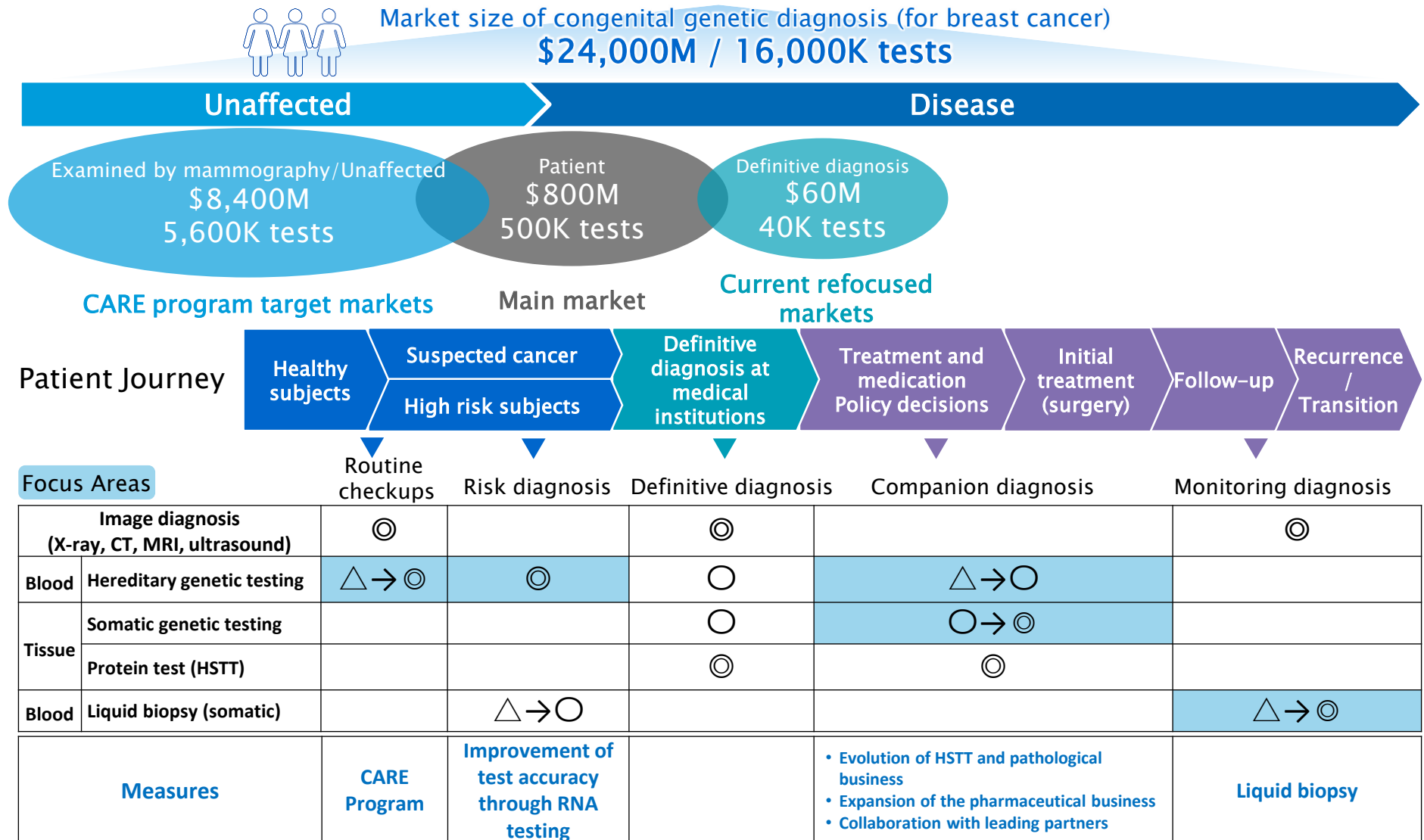
Expand scope

- (4) Reseller customers (reseller program)
- (5) Strategic channel partners
- (6) Cloud-centered light solutions

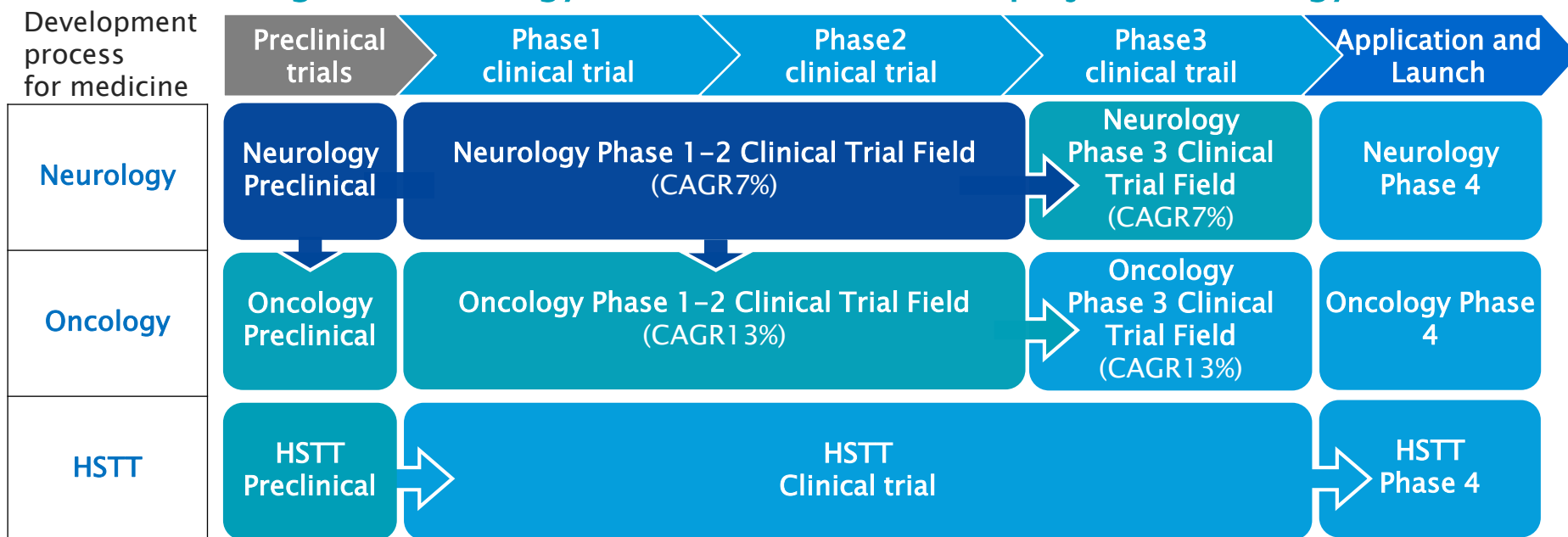


- **Number of customers:** Delayed in version upgrades for improved functionality delayed start of installations.
- **Initial targets:** Acquired all (1), (2), and (3) customer cases. At 60% of cases, replace competitor MFPs with WPH+MFPs, or with WPH+additional ITS, in proportions that are greater than anticipated. In (2), ITS is normally on a one-year contract, but WPH with MFPs makes five-year contracts possible. This raises retention rates and increases opportunities for follow-on sales.
- **Scope expansion:** (4) received good evaluations at dealer events, and reseller contracts were signed with 20 dealers in the US. (5) is under discussion with multiple partners and tests have begun with some of their customers. These will be pursued with bringing initial schedules forward.

Increase accuracy in the current main market by RNA testing, expand into new markets through CARE



Further strengthen neurology markets and accelerate project in oncology market



Measures	Neurology	<ul style="list-style-type: none"> Strengthen acquisition of clinical trials for Tau target Alzheimer drug Create business model utilizing world's largest database 	<ul style="list-style-type: none"> Expand later-stage projects by success in early-stage clinical trials
	Oncology	<ul style="list-style-type: none"> With strengths in biomarker detection and analysis, strengthen acquisitions of clinical trial upstream projects 	<ul style="list-style-type: none"> Acquire later-stage projects by success in early-stage clinical trials Full-fledged entry in pathology laboratory market with considering acquisition of such functionality or tie-ups with major CRO
	HSTT	<ul style="list-style-type: none"> Continue expansion of projects in pharmaceutical research field 	<ul style="list-style-type: none"> Establish business model for HSTT use in pathology laboratories Consider possibilities for tests in kit form

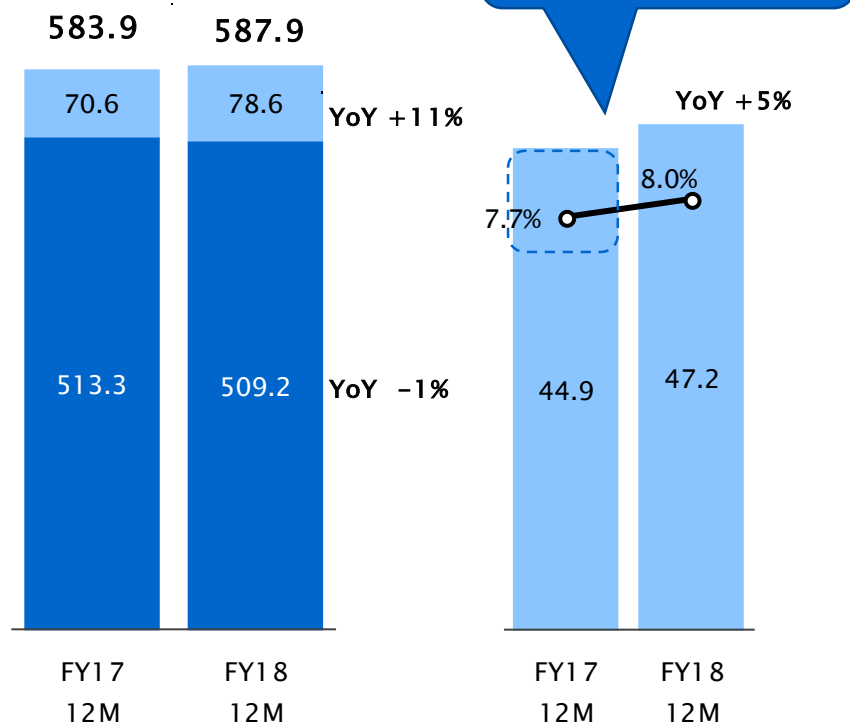


Revenue (12M)

Operating Profit (12M)

[¥ billions]

IT Service Solution
Office



4Q (3M) Summary

Office

- Progress was made in line with Company regional strategy. There was a decline in sales volume for monochrome models, and despite a rise in sales of color models, the carryover of major project installations in Europe and other such factors resulted in a small decline as a whole.
- A3 model sales volumes on a monthly basis for March and for the year showed record highs both in color models and in color and monochrome totals.
- 4Q also brought an improved model mix due to the increase in Seg4+ sales volumes, and together with the scientific approach to sales and other such factors, this continued to produce a year-on-year increase in the gross profit ratio.
- Mass production and shipment of new products that will contribute in the next fiscal year have begun.

IT Services Solutions

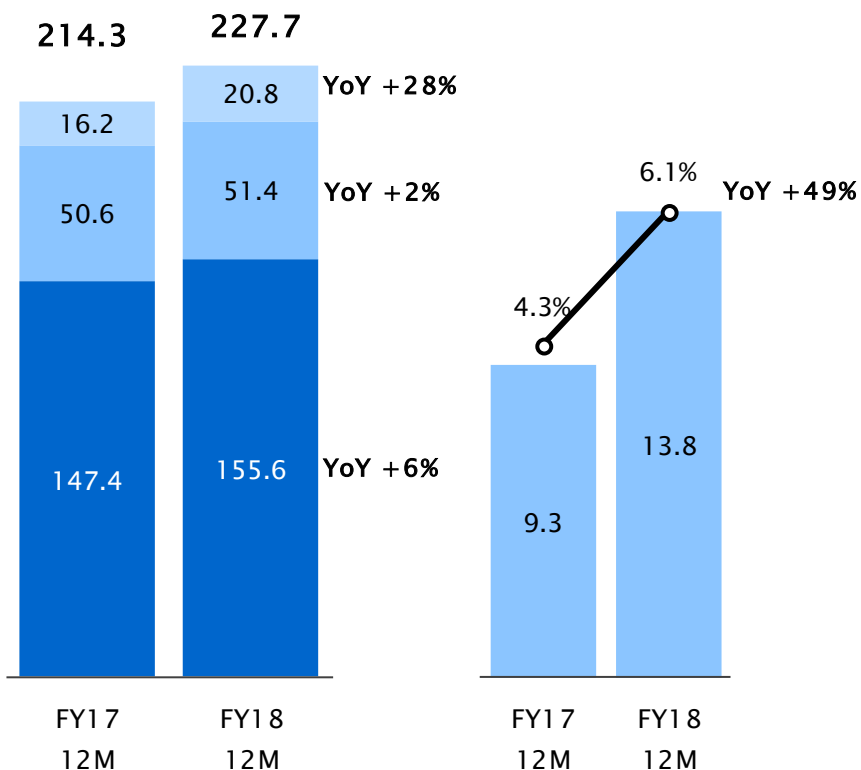
- In addition to the effects of newly consolidated subsidiaries arising from acquisitions in the United States and Europe, strengthening sales and service delivery capabilities of managed IT services, as part of efforts to develop a sales structure for the Workplace Hub, achieved the optimum results and drove increased in revenue.

Revenue (12M)

Operating Profit (12M)

[¥ billions]

- Industrial Print
- Marketing Service
- Production Print



4Q (3M) Summary

Production Print

- In Europe and the US, color MPP along with the IQ-501 effect contributed to an increase in the gross profit. Color MPP maintained strong levels when taking into account the significant growth in 4Q of the previous year. In China, India, and ASEAN countries, all color models showed a significant increase.
- Figures for monochrome models were flat while the increase in color models produced a year-on-year increase as a whole.
- The increase in MIF centered on MPP in Europe and the US, and in color models in general in the growing countries, has produced an increase in PV that is anticipated to contribute to non-hard profit from the next fiscal year onward.

Marketing Services

- The acceleration of our shift to high value-added services as well as the expansion of business in Japan and the U.S. led to improved profitability.

Industrial Printing

- Sales of the AccurioJet KM-1 digital inkjet press, label printers, and digital decoration printing equipment expanded significantly, primarily in the US and Europe. The assignment of highly specialized human resources is also progressing.
- Sales also expanded in China, India, and the ASEAN countries, producing a significant overall increase.

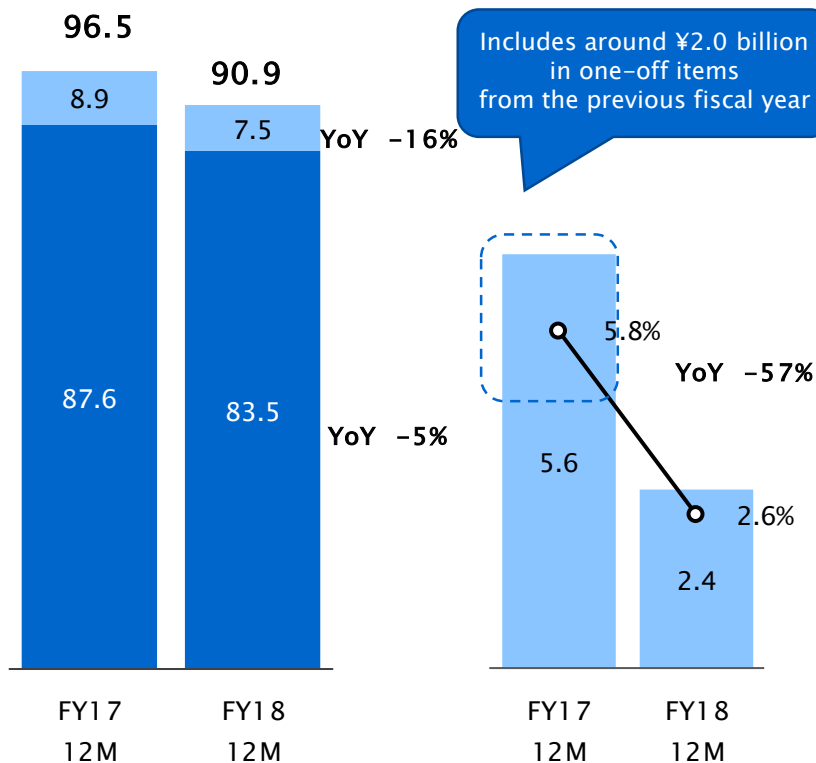
Revenue (12M)

Operating Profit (12M)

[¥ billions]

Medical IT

Healthcare (Modality)



4Q (3M) Summary

Healthcare (Modality)

- DR: Sales grew steadily in the Asian market, and particularly in Japan, but sales volumes in the US were lower because sales to hospitals were influenced by the previous year's large-scale demand.
- Diagnostic ultrasound: Revenue grew in Japan due to the contribution of new products as well as the "genre-top" product position in orthopedics and expansion to obstetrics and gynecology and internal medicine fields. Expanding sales volume in other countries, primarily in the US and China, also contributed.

Medical IT

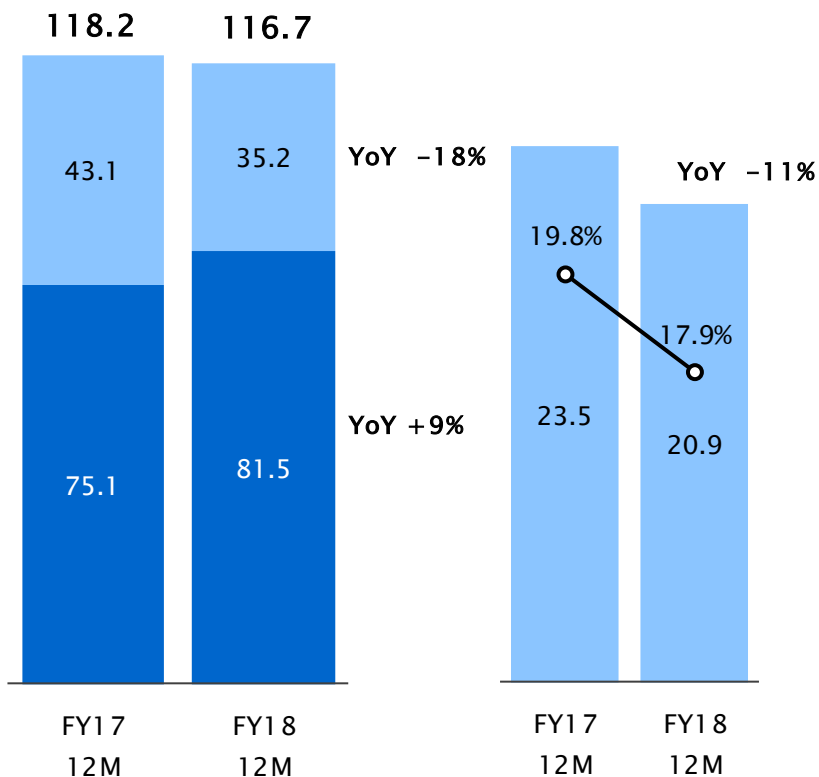
- Although the service business centered on "infirmity" showed growth, PACS sales volumes declined and revenue declined.

Revenue (12M)

Operating Profit (12M)

[¥ billions]

- Optical systems for industrial use
- Materials and components



4Q (3M) Summary

Optical systems for industrial use

- Measuring instruments: Sales were sluggish due to the impact of fluctuations in demand for display devices in China, but remained almost stable from the same period of the previous year.

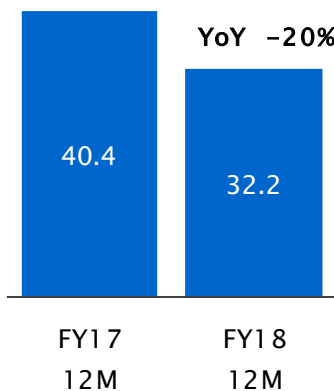
Materials and components

- Performance materials: Solid sales were maintained in high value-added products such as TAC film, for which there is high demand especially among customers in growth markets.
- Optical components: Declining of market demand in China led to lower sales volumes and a year-on-year decline in revenue.
- IJ components: Sales of IJ heads are expanding, particularly in Europe and Asia, and revenue continues to increase.

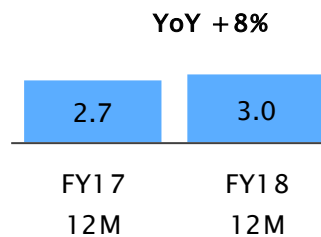
Optical systems for industrial use

[¥ billions]

Measuring Instruments

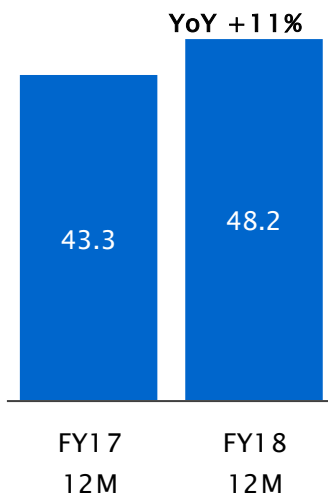


Imaging Solutions

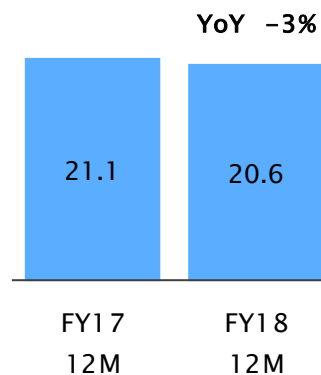


Materials and components

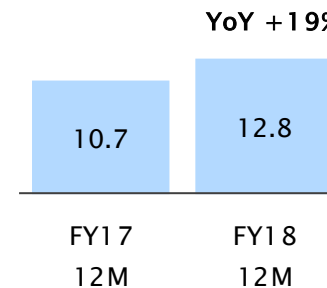
Performance Materials



Optical Components



IJ (inkjet) Components



[¥ billions]

	FY2018 12M	FY2017 12M	YoY	FY2018 4Q	FY2017 4Q	YoY
Revenue	1,059.1	1,031.3	+ 3%	281.5	281.0	+ 0%
Gross Profit	508.9	489.8	+ 4%	131.2	132.3	- 1%
Gross Profit ratio	48.0%	47.5%	-	46.6%	47.1%	-
Operating Profit	62.4	53.8	+ 16%	11.9	24.8	- 52%
Operating Profit ratio	5.9%	5.2%	-	4.2%	8.8%	-
Profit before tax	60.1	49.1	+ 22%	12.2	22.0	- 45%
Profit before tax ratio	5.7%	4.8%	-	4.3%	7.8%	-
Profit attributable to owners of the parent	41.7	32.2	+ 29%	8.0	13.6	- 42%
Profit attributable to owners of the parent ratio	3.9%	3.1%	-	2.8%	4.9%	-
EPS [Yen]	84.33	65.17		16.10	27.57	
CAPEX	52.5	38.7		19.0	14.0	
Depreciation and Amortization Expenses	59.0	56.3		15.0	14.9	
R&D expenses	78.4	77.0		19.0	20.0	
FCF	15.7	-68.4 *)		-1.2	25.6	
Investment and lending	14.0	125.0		9.1	3.3	
FOREX [Yen] USD	110.91	110.85	+0.06	110.20	108.30	+1.90
EUR	128.41	129.70	- 1.29	125.15	133.22	- 8.07

*) -33.0 without contribution from INCJ for acquisition of Ambry Genetics Corporation

[¥ billions]

	FY2018 12M	FY2017 12M	YoY	FY2018 4Q	FY2017 4Q	YoY
SG&A:						
Selling expenses – variable	+46.9	+48.2	– 1.3	+11.4	+11.1	+0.3
R&D expenses	+78.4	+77.0	+1.4	+19.0	+20.0	– 1.0
Personnel expenses	+211.3	+202.8	+8.5	+53.5	+53.8	– 0.3
Others	+121.6	+116.0	+5.6	+31.4	+28.1	+3.3
SG&A total	+458.2	+444.0	+14.2	+115.3	+113.0	+2.3
	<i>* Forex impact:</i>		–3.0 bn. (Actual: +17.2bn.)	–2.1bn. (Actual: +4.4bn.)		
Other income:						
Gain on sales of property, plant and equipment	+20.5	+20.9	– 0.4	+0.0	+9.7	– 9.6
Other income	+4.9	+4.0	+0.9	+1.9	+1.6	+0.3
Other income total	+25.4	+24.9	+0.5	+1.9	+11.2	– 9.3
Other expenses						
Loss on sales of property, plant and equipment	+3.3	+1.0	+2.4	+1.4	+0.4	+1.0
Special extra retirement payments	–	+5.3	– 5.3	–	–	–
Other expenses	+10.3	+10.5	– 0.2	+4.5	+5.3	– 0.8
Other expenses total	+13.7	+16.8	– 3.2	+5.9	+5.7	+0.2
Finance income/loss:						
Interest income/Dividends received/Interest expense	– 2.1	– 1.8	– 0.3	– 0.5	– 1.1	+0.5
Foreign exchange gain/loss (net)	– 0.4	– 2.4	+2.0	– 0.1	– 1.6	+1.5
Others	+0.8	+0.2	+0.6	+1.0	+0.4	+0.6
Finance income/loss, net	– 1.7	– 4.1	+2.4	+0.4	– 2.2	+2.6

[¥ billions]

FY18/4Q vs. FY17/4Q

[Factors]

	Office	Professional Print	Healthcare	Industrial Business	New business	corporate, etc.	Total
Forex impact	- 0.1	- 0.3	- 0.2	+0.1	+0.0	+0.3	- 0.1
Price change	- 2.2	+1.3	- 0.4	+0.4	-	-	- 1.0
Sales volume change, and other, net	+1.5	+0.3	- 0.2	- 1.7	+1.9	+0.1	+1.9
Cost up/down	+0.5	- 0.6	+0.2	+0.3	-	-	+0.4
SG&A change, net	- 1.1	- 1.0	+0.3	- 1.0	- 0.9	- 0.8	- 4.4
Other income and expense	- 0.7	+1.2	- 0.3	- 0.1	- 0.7	- 9.3	- 9.6

[Operating Profit]

Change, YoY	- 2.1	+0.9	- 0.5	- 2.0	+0.3	- 9.7	- 12.8
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FY18/12M vs. FY17/12M

[Factors]

	Office	Professional Print	Healthcare	Industrial Business	New business	corporate, etc.	Total
Forex impact	+4.3	+0.7	- 0.2	- 0.0	- 0.0	+0.2	+4.9
Price change	- 2.8	+2.4	- 1.4	- 1.3	-	-	- 3.1
Sales volume change, and other, net	+4.8	+4.6	- 2.1	- 2.4	+11.2	+0.1	+16.2
Cost up/down	+2.3	- 0.2	+0.7	+1.4	-	-	+4.2
SG&A change, net	- 0.5	- 5.3	+2.2	+0.3	- 14.2	+0.2	- 17.2
Other income and expense	- 5.9	+2.4	- 2.4	- 0.5	- 0.4	+10.1	+3.6

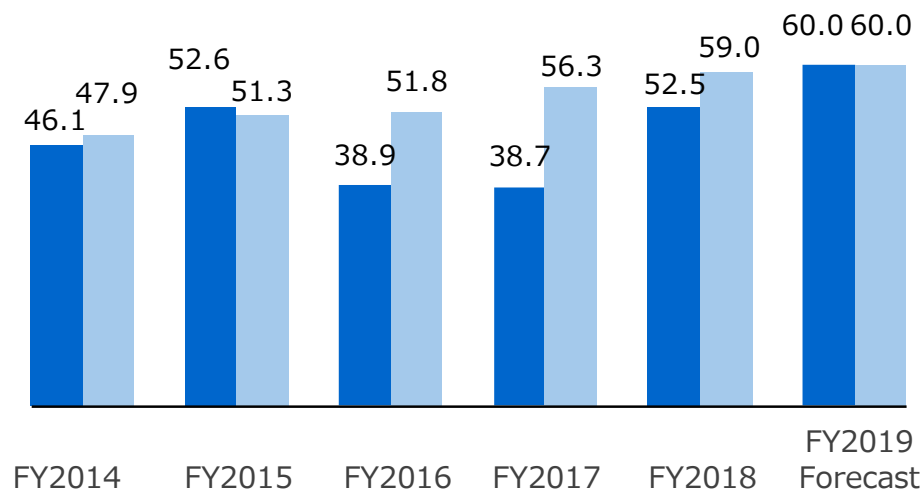
[Operating Profit]

Change, YoY	+2.3	+4.6	- 3.2	- 2.5	- 3.4	+10.6	+8.6
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[¥ billions]

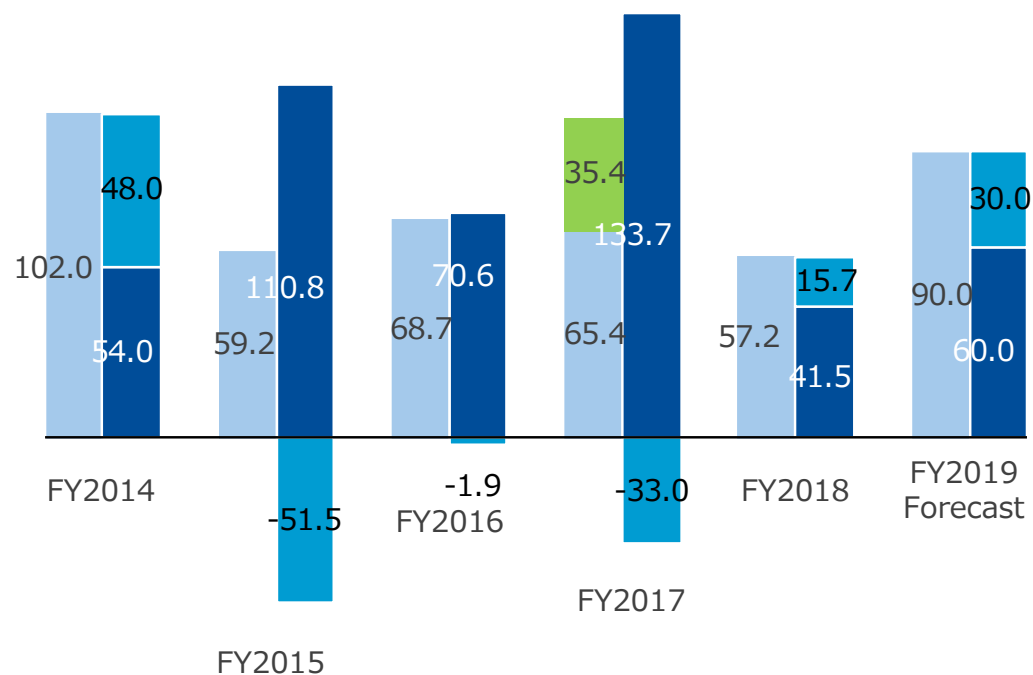
Capital Expenditure and Depreciation and Amortization Expenses

- Capital expenditures
- Depreciation and amortization



Free Cash Flows

- INCJ (contribution from INCJ for acquisition of Ambry Genetics)
- FCF
- Net cash flows from investing activities
- Net cash flows from operating activities



*FCF forecast for FY2019 does not include investment and lending

[¥ billions]

	FY2019 12M	FY2018 12M	
	Forecast (current)	Results	YoY
Revenue	1,120.0	1,059.1	+ 6%
Operating Profit	66.0	62.4	+ 6%
Operating Profit ratio	5.9%	5.9%	
Profit before tax	64.0	60.1	+ 6%
Profit attributable to owners of the parent	45.5	41.7	+ 9%
Profit attributable to owners of the parent ratio	4.1%	3.9%	
EPS [Yen]	92.00	84.33	
ROE* (%)	8.0%	7.7%	
CAPEX	60.0	52.5	
Depreciation and Amortization Expenses	60.0	59.0	
R&D expenses	80.0	78.4	
FCF (without investment and loan for FY19)	30.0	15.7	
Investment and loan	20.0	14.0	
FOREX [Yen] USD	110.00	110.91	
EUR	125.00	128.41	

ROE*: Profit attributable to owners of the company divided by equity attributable to owners of the company
(average of beginning and ending balances)

[FOREX : ¥]

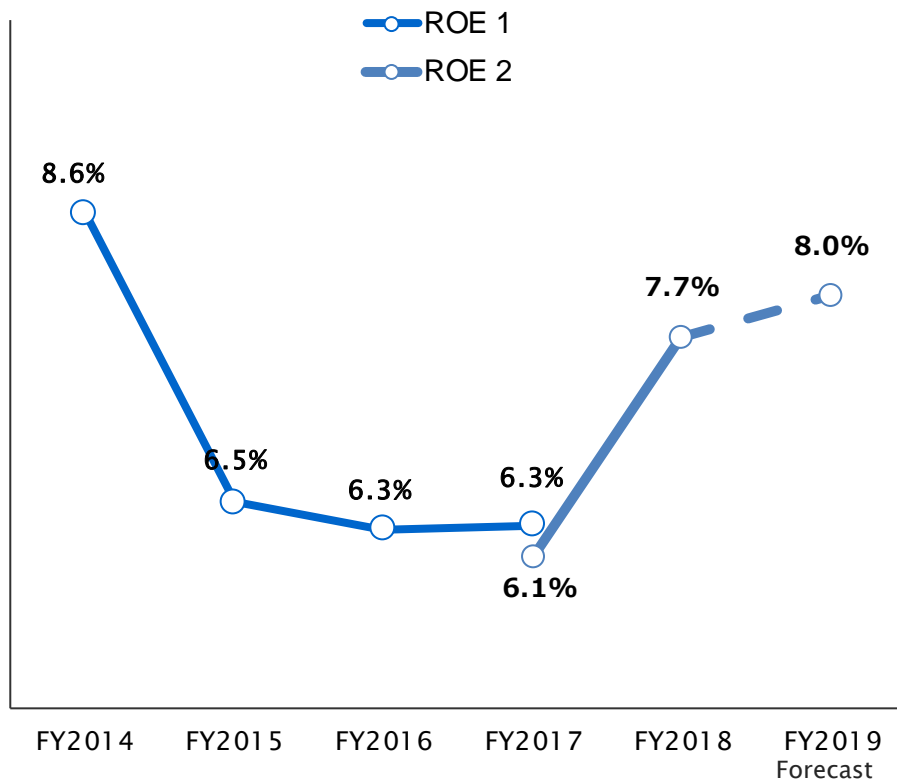
[Impact, Sensitivity : ¥ billions]

	FY17	FY18	YoY Impact		FX Sensitivity*2	
	12M	12M	Revenue	OP	Revenue	OP
USD	110.85	110.91	△0.1	+0.4	+3.4	+0.0
EUR	129.70	128.41	△2.5	+0.4	+1.8	+0.6
GBP	147.03	145.68	△0.4	+0.0	+0.3	+0.1
European Currency*1	—	—	△5.5	+0.3	+2.1	+1.0
CNY	16.75	16.54	△0.7	△0.2	+3.2	+1.2
AUD	85.78	80.92	△2.0	△0.5	+0.4	+0.1
Other	—	—	△1.8	△0.9	—	—
Exchange contract effect	—	—	+0.1	+5.8	—	—
Total impact from FY2018	—	—	△10.1	+4.9	—	—

*1 European currency: Currencies used in Europe including EUR/GBP

*2 FOREX Sensitivity: FOREX impact at ¥1 change (annual)

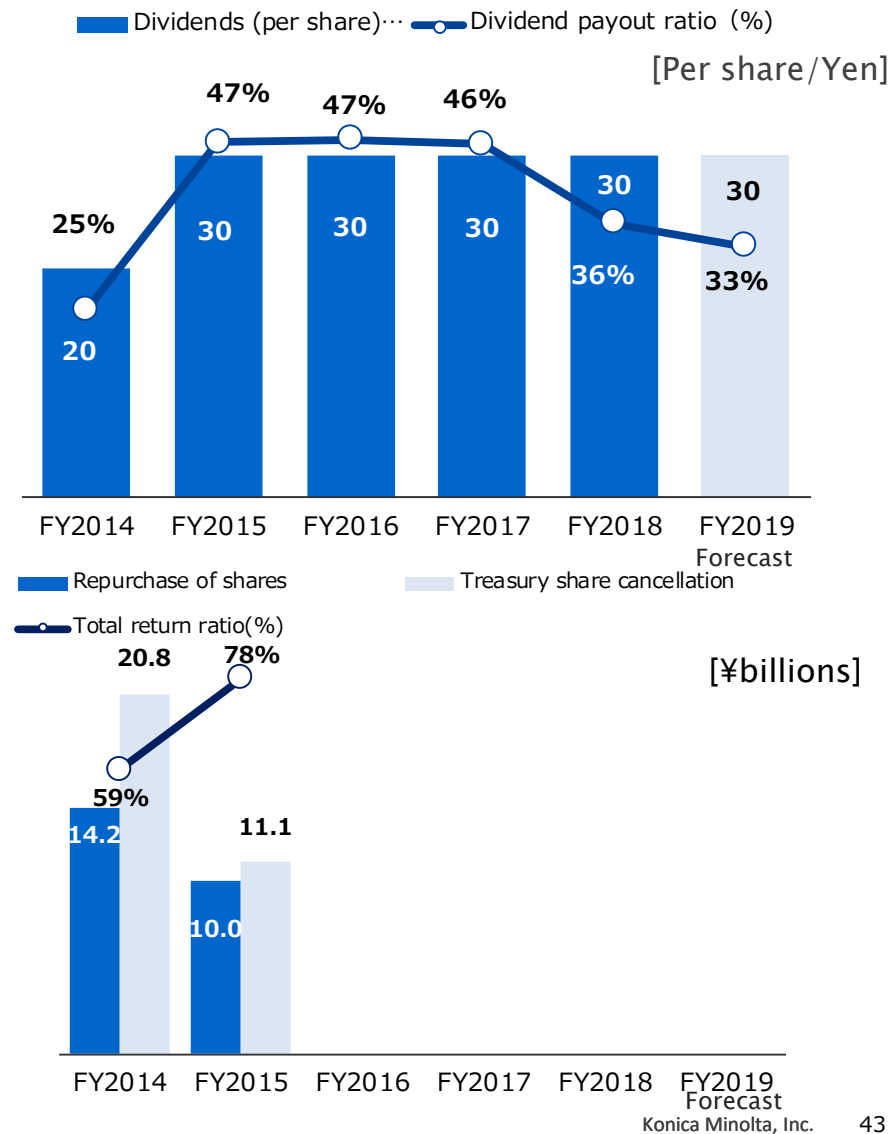
ROE



ROE1: Profit for the year attributable to the owners of the parent, divided by the average (using figures from start and end of year) of the sum of share capital, share premium, retained earnings and treasury shares

ROE2: Profit attributable to the owners of the parent divided by equity attributable to owners of the parent (average of beginning and ending balances)

Shareholder Returns



■ Composition of revenue by region (in yen)

	FY2016				FY2017				FY2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Japan	13%	12%	13%	13%	13%	13%	12%	12%	13%	12%	12%	12%
North America	32%	34%	33%	32%	34%	34%	33%	31%	33%	33%	33%	33%
EU	37%	36%	36%	38%	36%	36%	38%	40%	36%	36%	36%	36%
Others	18%	18%	18%	16%	17%	17%	17%	17%	18%	19%	18%	18%

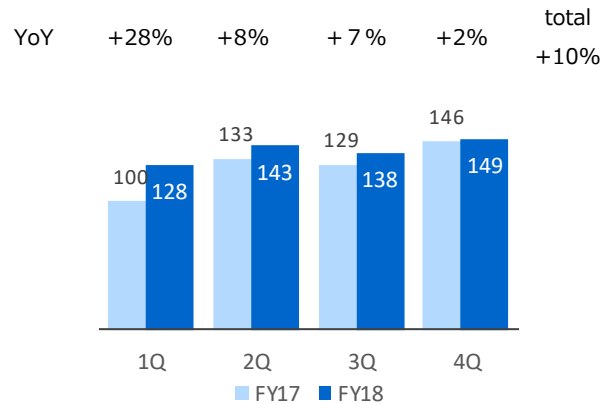
■ Change in revenue by region (w/o FOREX)

	FY2016				FY2017				FY2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Japan	-1%	-1%	-1%	-2%	+2%	+0%	-1%	-1%	+4%	+1%	+2%	+3%
North America	+2%	+3%	+6%	-3%	+2%	+3%	-3%	+8%	+5%	+4%	+5%	+4%
EU	+4%	+4%	+9%	+4%	-1%	+2%	+1%	+4%	+4%	+1%	+1%	+0%
Others	+4%	+7%	-12%	-1%	-10%	-8%	-5%	-2%	+16%	+8%	+10%	+10%

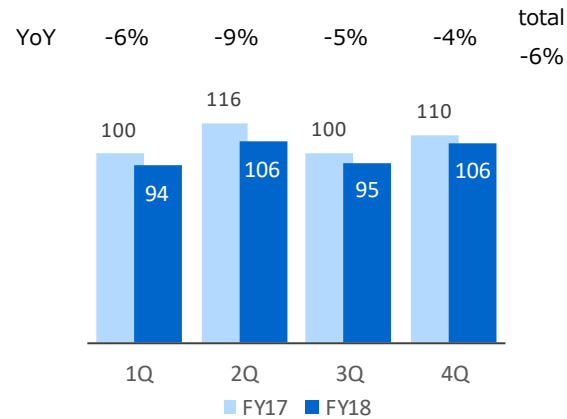
■ Percentage of color in sales of hardware

	FY2016				FY2017				FY2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Office	71%	72%	72%	72%	69%	72%	72%	72%	73%	73%	73%	74%
Professional Print	74%	73%	73%	72%	78%	76%	80%	78%	81%	80%	80%	81%

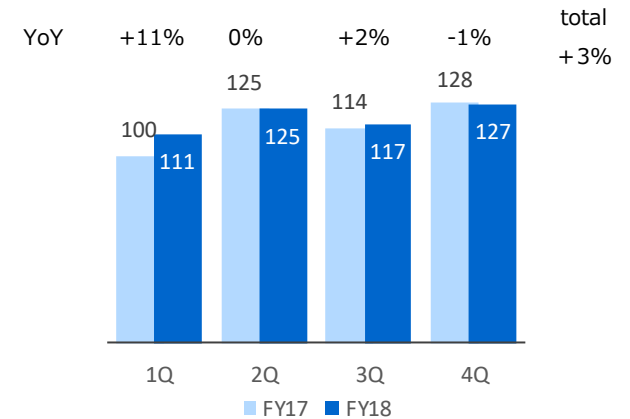
A3 Color MFP– Units*



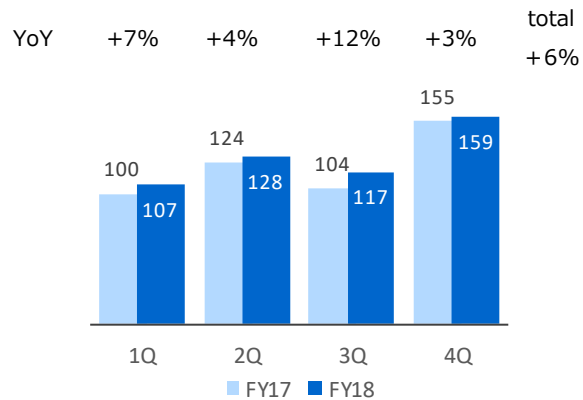
A3 monochrome MFP– Units*



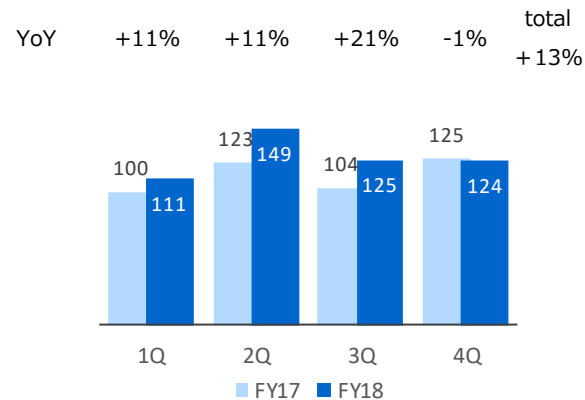
A3 MFP– Units*



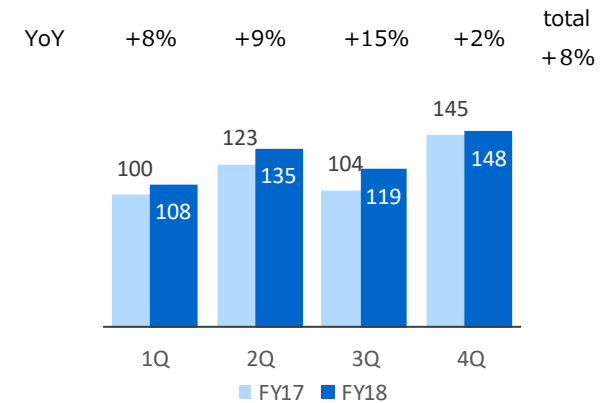
Color Production Print – Units*



Monochrome Production Print – Units*



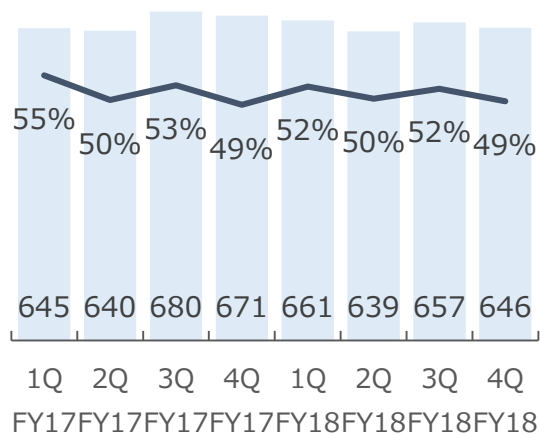
Production Print – Units*



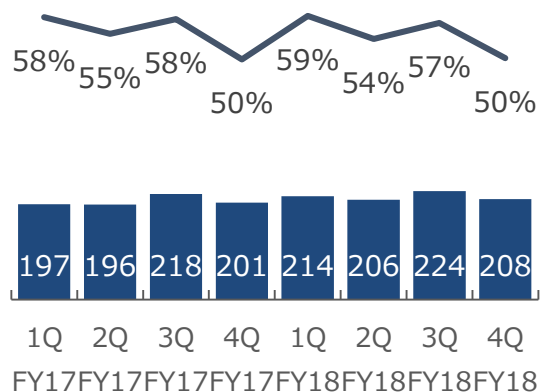
* Base Index: "FY2017-1Q = 100

Revenue & ratio of non-hard

Office [¥ billions]

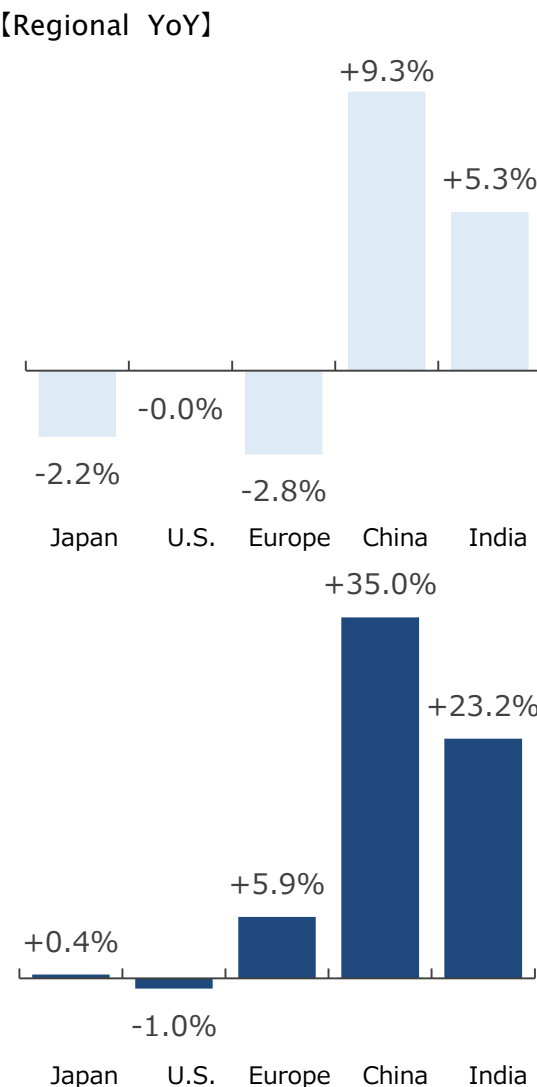
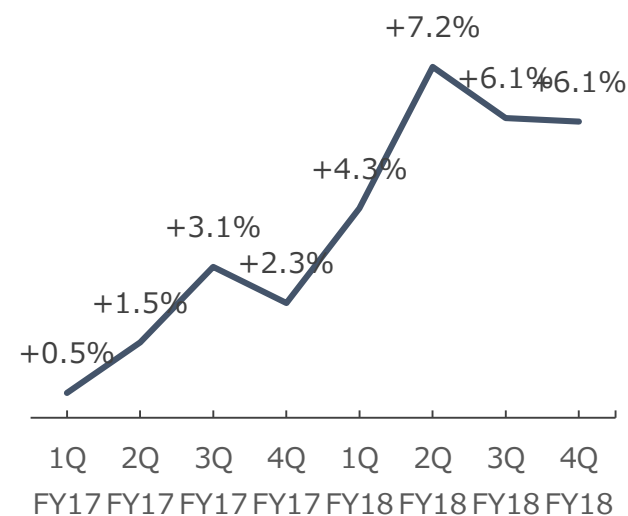
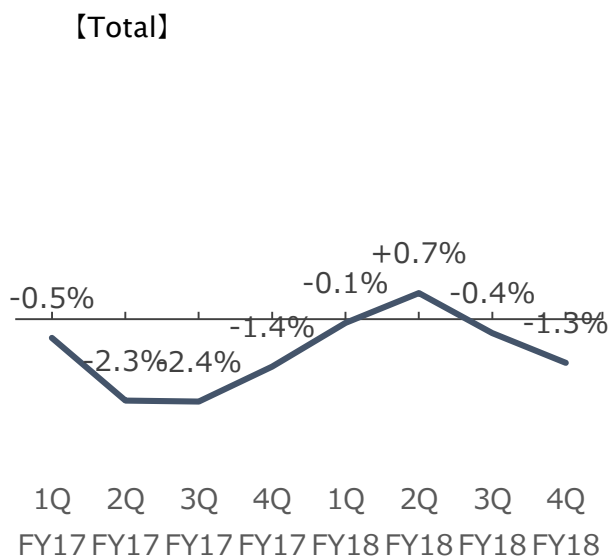


Production print



YoY revenue increase in non-hard

(w/o FOREX)



[¥ billions]

【Revenue】	FY16				FY17				FY18			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Office Business	136.2	132.5	138.5	150.9	133.0	146.5	148.2	156.2	143.5	147.2	145.7	151.4
Professional Print Business	47.5	49.6	51.1	55.8	49.0	52.2	53.9	59.2	53.4	55.9	55.8	62.7
Healthcare Business	18.5	22.9	22.0	26.6	19.5	23.3	24.0	29.6	18.6	21.6	20.9	29.8
Industrial Business	24.9	25.1	24.1	27.5	28.7	31.3	30.1	28.1	31.6	28.0	28.8	28.3
Optical Systems for Industrial Use	7.0	5.7	6.1	10.5	11.7	11.5	11.1	8.8	10.1	7.9	8.2	9.0
Material · Components	17.9	19.4	18.0	17.0	17.0	19.8	19.0	19.4	21.5	20.1	20.6	19.3
New business	1.8	2.3	1.8	1.8	1.9	2.3	5.7	7.4	7.8	8.8	8.8	9.2
Bio-healthcare	0.0	0.0	0.0	0.0	0.0	0.0	3.6	5.4	5.9	6.5	6.6	6.9
Others	1.8	2.3	1.8	1.8	1.9	2.3	2.1	2.0	2.0	2.3	2.2	2.3
Corporate etc.	0.4	0.3	0.2	0.3	0.1	0.2	0.3	0.4	0.3	0.3	0.4	0.2
Company overall	229.1	232.8	237.7	262.9	232.4	255.8	262.2	281.0	255.2	261.9	260.5	281.5

【Operating Profit】	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Office Business	11.4	10.3	9.6	12.1	5.3	14.8	9.8	15.0	9.3	13.4	11.6	12.8
Professional Print Business	1.6	2.7	2.5	2.5	1.6	0.9	2.6	4.2	1.7	3.7	3.3	5.1
Healthcare Business	0.2	1.0	0.3	1.4	-0.5	3.4	1.0	1.7	-0.2	1.0	0.3	1.2
Industrial Business	3.4	3.0	10.4	5.3	6.1	5.9	5.6	5.9	6.8	4.7	5.6	3.9
New Business	-2.9	-2.2	-2.4	-2.4	-2.7	-3.2	-4.4	-5.6	-5.1	-3.5	-5.4	-5.3
Corporate etc.	-4.8	-5.2	-4.4	-3.0	-1.1	-10.0	-5.9	3.6	3.1	-0.2	0.4	-5.8
Company overall	8.9	9.6	15.9	15.7	8.7	11.8	8.6	24.8	15.4	19.2	15.9	11.9

Business Segments for FY 2018

Core businesses

Strengthen profitability through structural cost reforms to become businesses that support profits during the medium term business plan

Growth businesses

Utilize resources in which upfront investment was made during the previous medium term business plan, with the aim of making highly profitable new businesses around the core

New businesses

Establish new business models appropriate to the IoT age, targeting highly profitable businesses



Business segment

*Certain BUs, such as Healthcare and Measuring Instruments, may be incubating growth businesses internally, as is the case with the main businesses.

Business Unit	Core businesses	Growth businesses	New businesses
Office	Office ITS		WPH
Professional Print	Production Print (PP)	Industrial Printing (IP) Textiles Marketing services	
Healthcare	Healthcare Business Ultrasound	Medical IT	Bio-healthcare
Optical Systems for Industrial Use	Measuring Instruments Visual Inspection	Imaging Solutions	QOL Status monitoring Digital Manufacturing
Materials and components	Performance Materials New Films IJ Components Optical Components	Materials OLED	

- **IQ-501 (Intelligent Quality Optimizer): (Professional Print Business)**
An optional unit that implements constant monitoring/control during printing to automate color management and front/back register control. This drastically cuts down on control times and improve production time.
- **SANUQI: (Industrial Business)**
Trademark of a new resin film, used as a material in electronic devices for displays.
- **Workplace Hub (WPH): (New Business)**
This is a platform that will become the base for the IoT business that Konica Minolta plans to focus on. In addition to MFP functions, a server is integrated to create a solution that drives efficiencies by reducing the overall costs of IT infrastructure management, providing real-time data-driven visibility of IT usage patterns that help to improve business processes. This will link people and data, and empower them to make smarter decisions and solve problems in the office.
- **Genetic diagnosis: (Bio-healthcare)**
DNA information is described as the blueprint for bodily tissue, and this kind of diagnosis identifies in-born susceptibility to cancer and other diseases by examining that information.
Knowing about such predispositions through genetic information makes it possible to deal efficiently with a disease if it is contracted.
- **Support for pharmaceutical development: (Bio-healthcare)**
This is the provision of technical support to pharmaceutical companies when developing new drugs. New drug development tends to cost huge sums of money, and this support makes efficient use of our analytical technology to help move from preclinical study and clinical trials to market launch.
- **CRE Strategy (Corporate Real Estate Strategy): (Corporate)**
A corporate strategy for a corporation to utilize its assets and real estate more efficiently in ways that benefit its business.
- **S&LB (Sale and Leaseback): (Corporate)**
A method for using assets more efficiently as part of a corporate strategy, in which a corporation sells one of its assets and then continues to use the asset by leasing it back.
- **PACS (Picture Archiving and Communication System) : (Healthcare)**
An image storage and communication system for medical image processing. More generally, any system for managing a large number of images, such as CT, MRI, and X-ray images from DR or CR.
- **informity: (Healthcare)**
Our ICT service platform for helping hospitals and clinics deliver care in a variety of ways. Offerings include our Collaboration Box Service, which allows multiple institutions to share medical data such as examination images and reports, and remote diagnostic support services that facilitate requests for image interpretation.



KONICA MINOLTA

Cautionary Statement:

The forecasts mentioned in this material are the results of estimations based on currently available information, and accordingly, contain risks and uncertainties. The actual results of business performance may sometimes differ from those forecasts due to various factors.

Remarks:

Yen amounts are rounded to the nearest 100 million.