



Konica Minolta, Inc. 4th Quarter/FY2020 ended in March 2021 Consolidated Financial Results

Three months : January 1, 2021 – March 31, 2021
Fiscal Year 2020 : April 1, 2020 – March 31, 2021
– Announced on May 14, 2021 –

Shoei Yamana
President and CEO
Konica Minolta, Inc.

FY2020 Performance | Year-on-Year Summary

[¥ billions]

	FY2020 Q4	FY2019 Q4	YoY	FY2020 12M	FY2019 12M	Difference	YoY
Revenue	248.5	249.1	- 0.0%	863.4	996.1	- 132.7	- 1.3%
Gross Profit	110.4	111.8	- 0.1%	374.7	466.3	- 91.7	- 2.0%
Gross Profit ratio	44.4%	44.9%	-0.4pt	43.4%	46.8%	-3.4pt	
SG&A	100.3	107.0	- 0.6%	389.7	443.1	- 53.4	- 1.2%
(w/o FOREX)	99.4	-		391	-		
Operating Profit	8.3	- 2.4	-	- 16.3	8.2	- 24.5	-
Profit attributable to owners of the Company	5.4	- 5.2	-	- 15.2	- 3.1	- 12.1	-
FCF	+ 35.9	+ 6.7	+ 436%	+ 43.7	- 19.9	+ 63.6	

Businesses that Achieved Increased Revenue and Increased Profit in Q4

- IT services/WPH (+12%)
- Healthcare (modality and HC-IT) (+13%)
- Measuring instruments (+37%)
- Performance materials (+11%)
- IJ components (+23%)

Businesses that Achieved Increased Revenue and Increased Profit for the Full Year

- Industry total (+1%)
 - Measuring instruments (+18%)
 - Performance materials (+6%)
 - Imaging IoT (+12%)
- IT services/WPH (+1%)

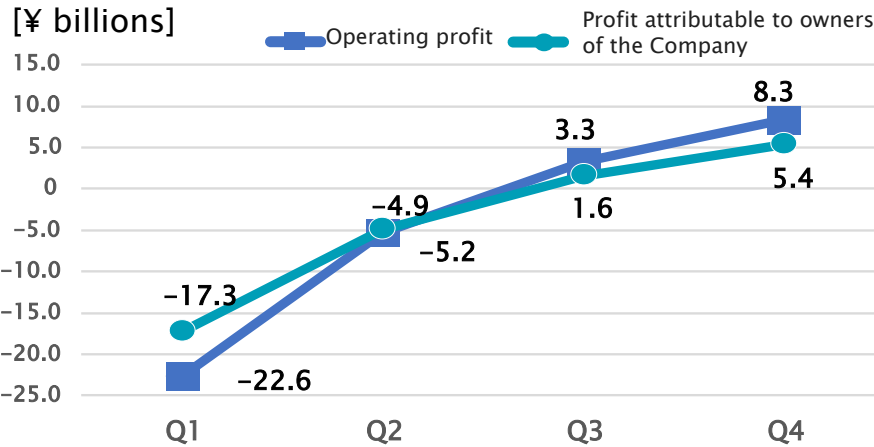
※ () increased ratio



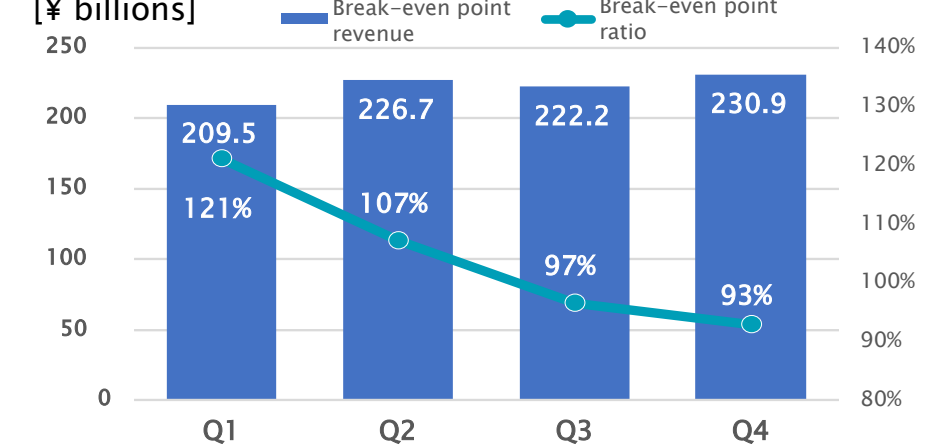
FY2020 Performance | Quarterly Changes in Indicators

The operating profit and break-even point ratio for each quarter have steadily improved. Improvements in working capital, continuing selectivity in capital investment and in investment and lending, and other such factors, have definitely been restoring cash generating capacity (earning power).

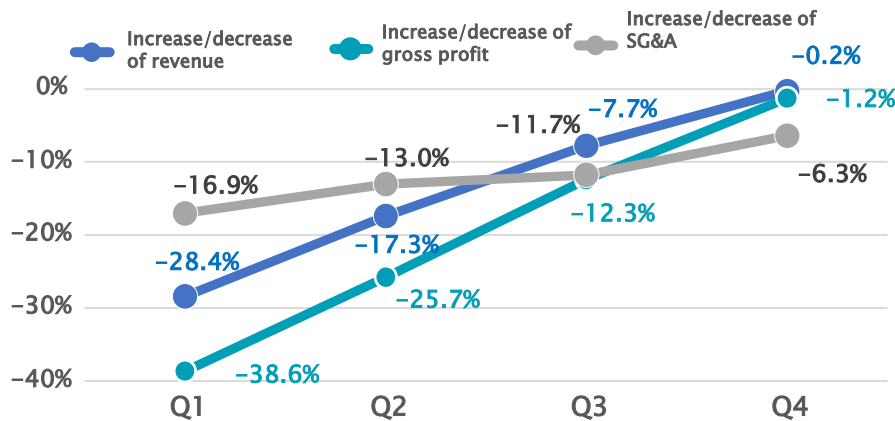
Operating profit



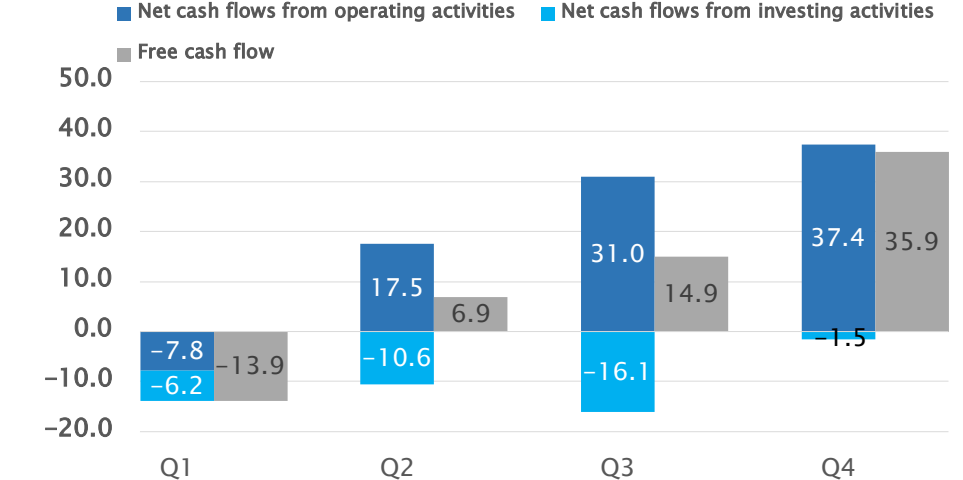
Break-even point



Year-on-year rate of increase/decrease



FCF



Positive

- Profit attributable to owners of the Company exceeded the target (+¥2.8 billion) and non-consolidated profits also improved
- Improvements in CCC and in CF from operating activities yielded significant improvements in FCF (+¥33.7 billion)
 - ¥65.0 billion of initial borrowings of ¥85.0 billion was repaid (in Q4 repaid ¥35.0 billion)
 - Equity ratio improved (+0.5 pts relative to end of previous fiscal year, +3.2 pts relative to end of Q1)
 - Period-end dividend ¥15 (as planned, and dividend increased ¥5 from mid-term)
- SG&A came in under ¥100 billion in all quarters (in Q4, on effective basis without foreign exchange impact)
- Industry business came in showing profit growth as expected
 - Measuring instruments: Q4 had highest quarterly revenue, excluding FY17 with its extraordinary OLED related demand
 - Performance materials: Revenue is highest for Q4 since revenue disclosure began (FY16)
- No applicable impairment loss on goodwill incurred, including in precision medicine business

Negative

- Impact from continued and reinstated constraints on activity in Europe and the U.S. (faltered in January but turned toward recovery in March)
 - PV reduction: Against anticipated 90% recovery in non-hardware, office was 84% and PP was 88% → Hardware showed significant recovery trend in March, however, which bodes well for non-hardware recovery in FY21
 - Reduction in number of genetic tests: Recovery in number of tests came later half of March and so did not contribute to Q4 revenue
- Structural reform: Some reforms delayed in Europe

	Earnings Forecast	Results	Difference
Profit attributable to owners of the Company	-¥18.0 billion	-¥15.2 billion	+¥2.8 billion
FCF	¥10.0 billion	¥43.7 billion	+¥33.7 billion
Borrowings repaid	-	¥65.0 billion of initial borrowings of ¥85.0 billion repaid	As planed
Equity ratio	-	45.3% (for company rating)	+0.4 pts relative to end of previous fiscal year +3.0 pts relative to end of Q1
Period-end dividend	¥15	¥15	As forecast
Q4 SG&A	Under ¥ 100 billion	¥98.1 billion (effective without foreign exchange impact)	-¥1.9 billion
Industry operating profit	¥15.5 billion	¥15.6 billion	Increase in profit as expected

FY2020 Performance |

Operating Profit by Segment Difference from Previous Forecast



[¥ billions]

Operating profit	Previous forecast	Results	Difference
Digital Workplace (Office)	0.0	- 2.7	- 2.7
Professional Print (Production Print)	- 7.0	- 7.9	- 0.9
Healthcare (Precision Medicine)	- 5.5	- 6.4	- 0.9
Industry	15.5	15.6	+ 0.1
Corporate, etc.	- 16.0	- 14.9	+ 1.1
Company Overall	- 13.0	- 16.3	- 3.3

※ (Business units that caused the difference)

	Forecast	Results	
Non-hard in Q4	Recovered 90%	OP 84%、PP 88%	-¥3.7 billion (OP -¥3.4 billion, PP -¥0.3 billion)
Revenue of precision medicine in Q4	¥9.4 billion	¥7.6 billion	Sample number of genetic tests exceeded +6% relative to the forecast, but the sample number increased in the latter half of March
Structural reform in Q4 (expense)	¥5 billion	¥3.2 billion	¥ 1.8 billion

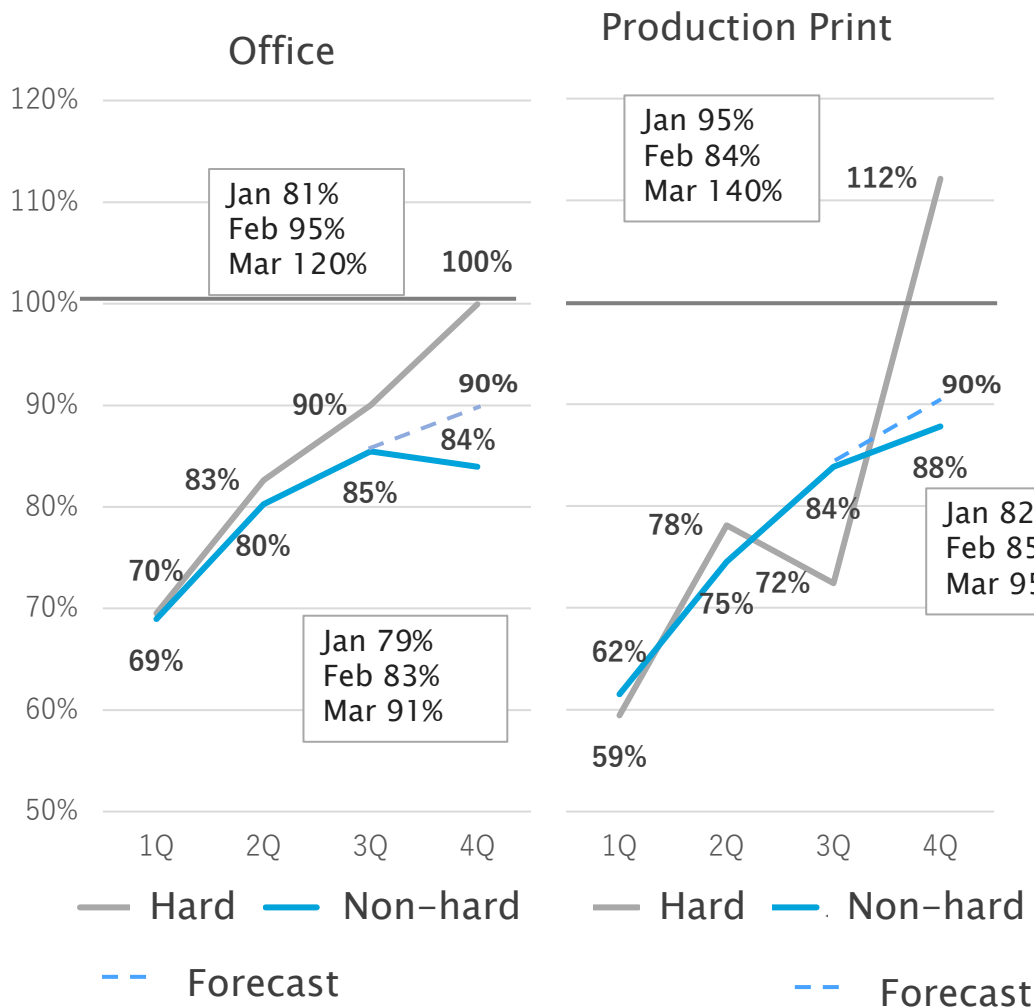
FY2020 Performance |

OP & PP Hard and Non-Hard Revenues, Number of APM Genetic Tests Received

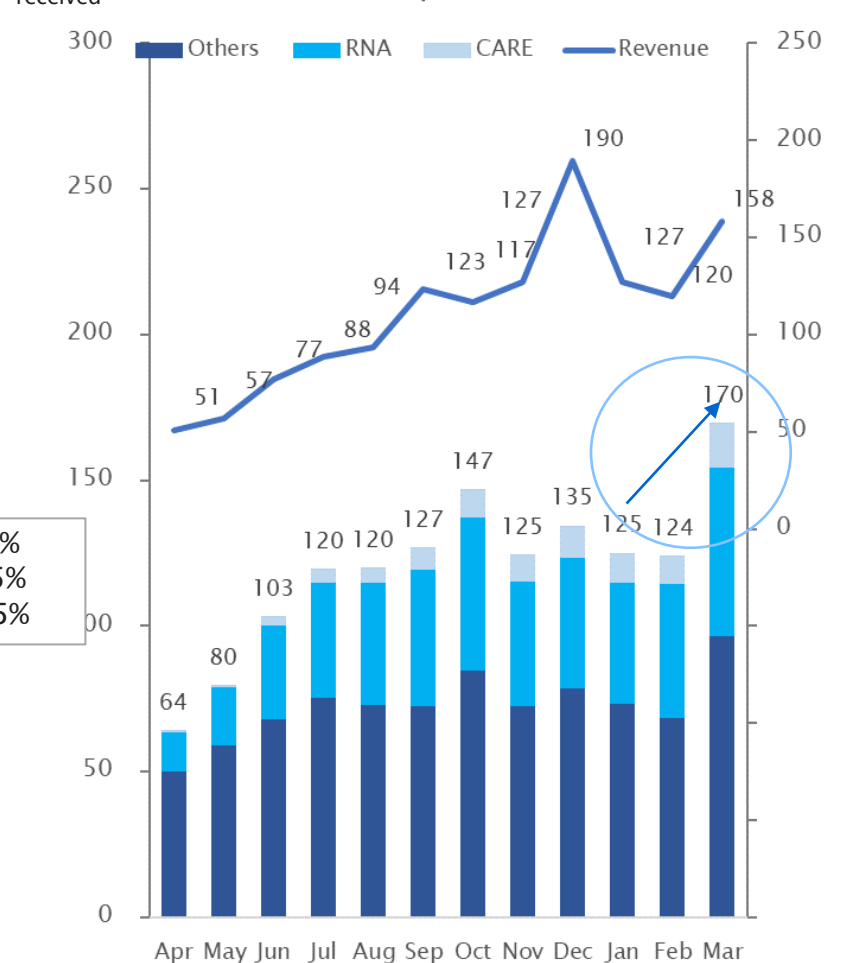


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Year-on-year rate of increase/decrease of hard and non-hard in revenue



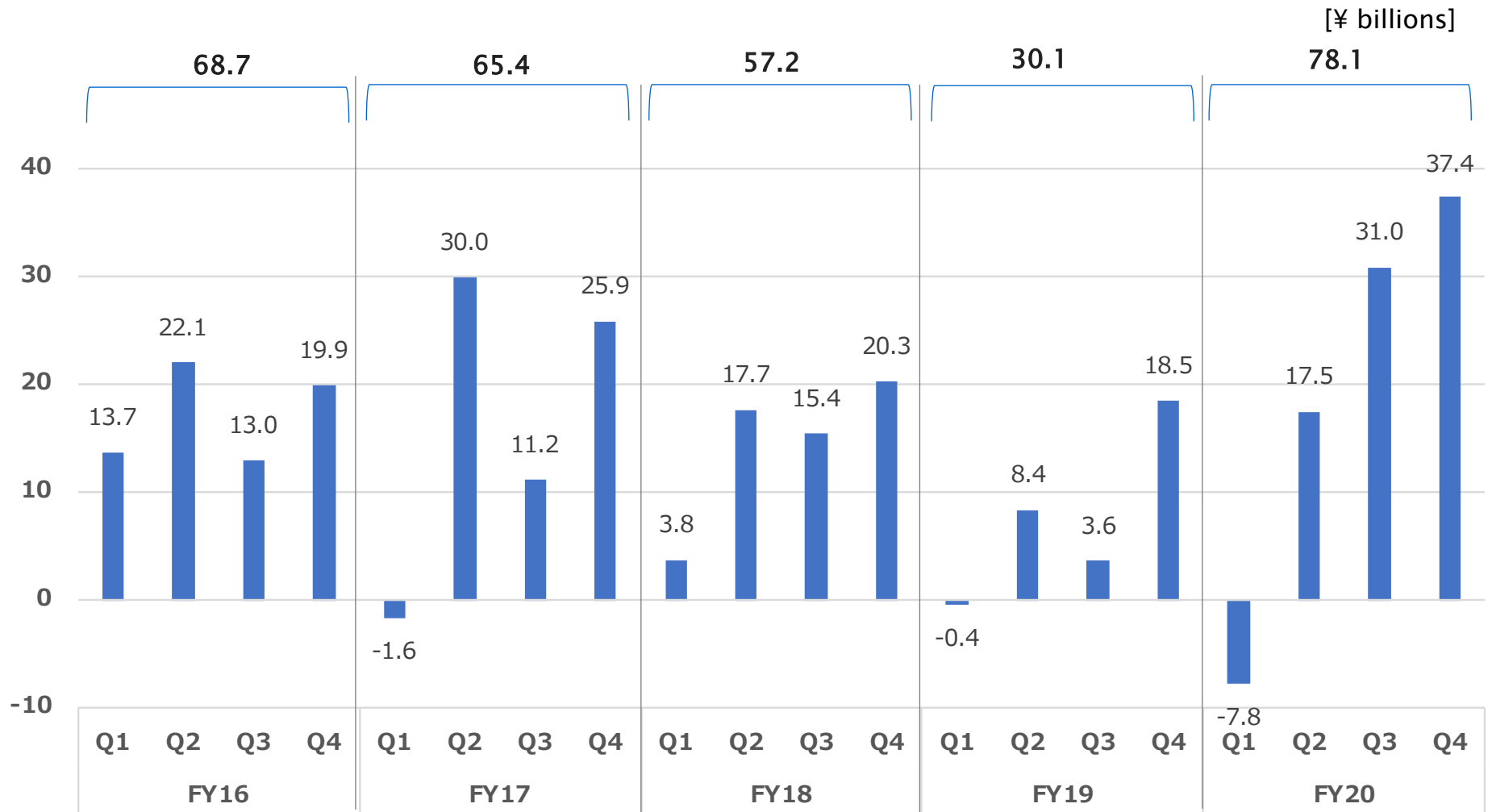
Ambry Genetics: Fluctuations in revenue and samples received



*Indexed with April FY2019 as 100.

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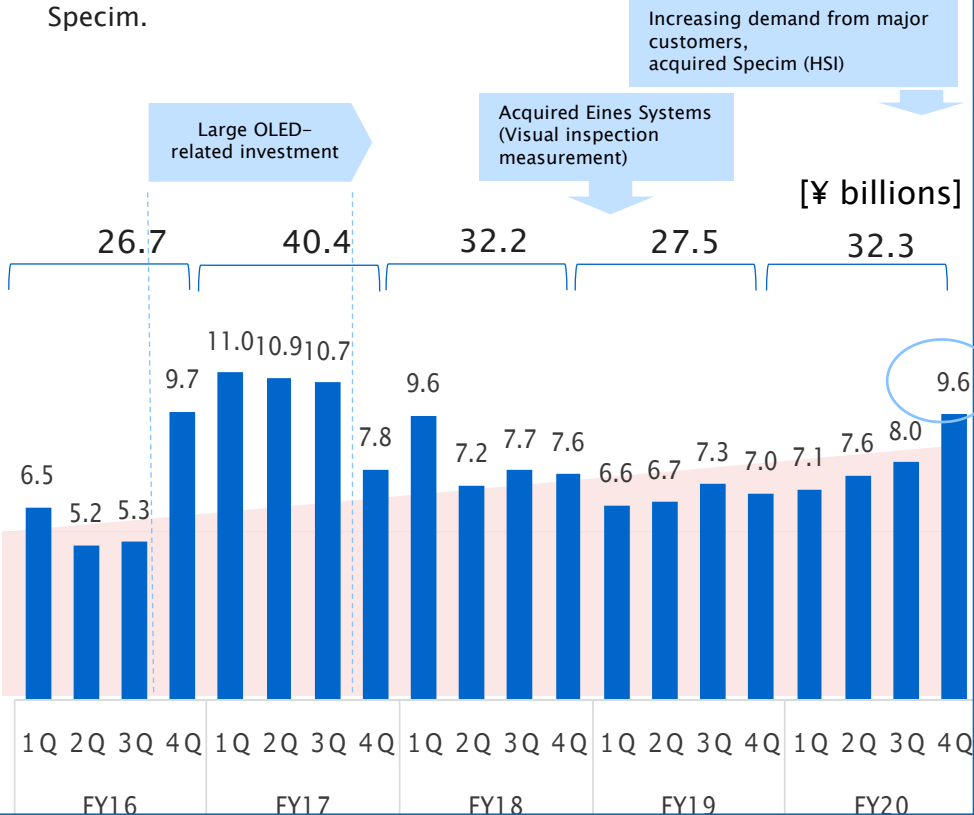
Transition of Net cash flows from operating activities





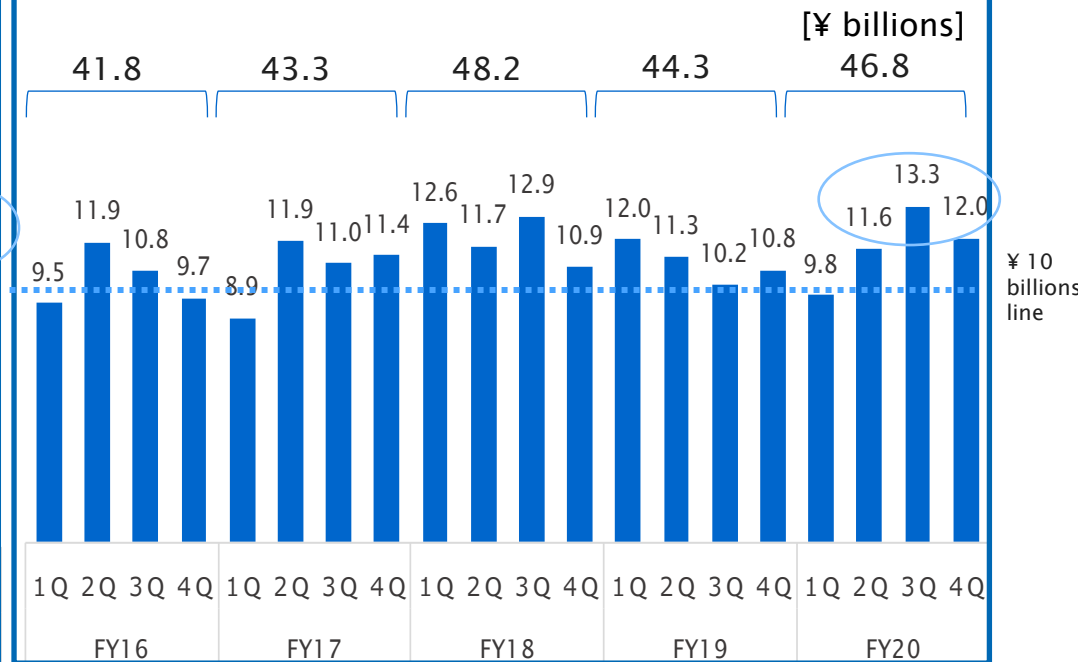
Measuring instruments

- Demand for light-source color measurement instruments is growing significantly among major customers. The trend toward recovery continues in the market for object color measurement instruments. In visual inspection measurement, a number of new contracts have been won from major automotive manufacturers.
- Entered hyperspectral imaging (HSI) field and started consolidation of Specim.



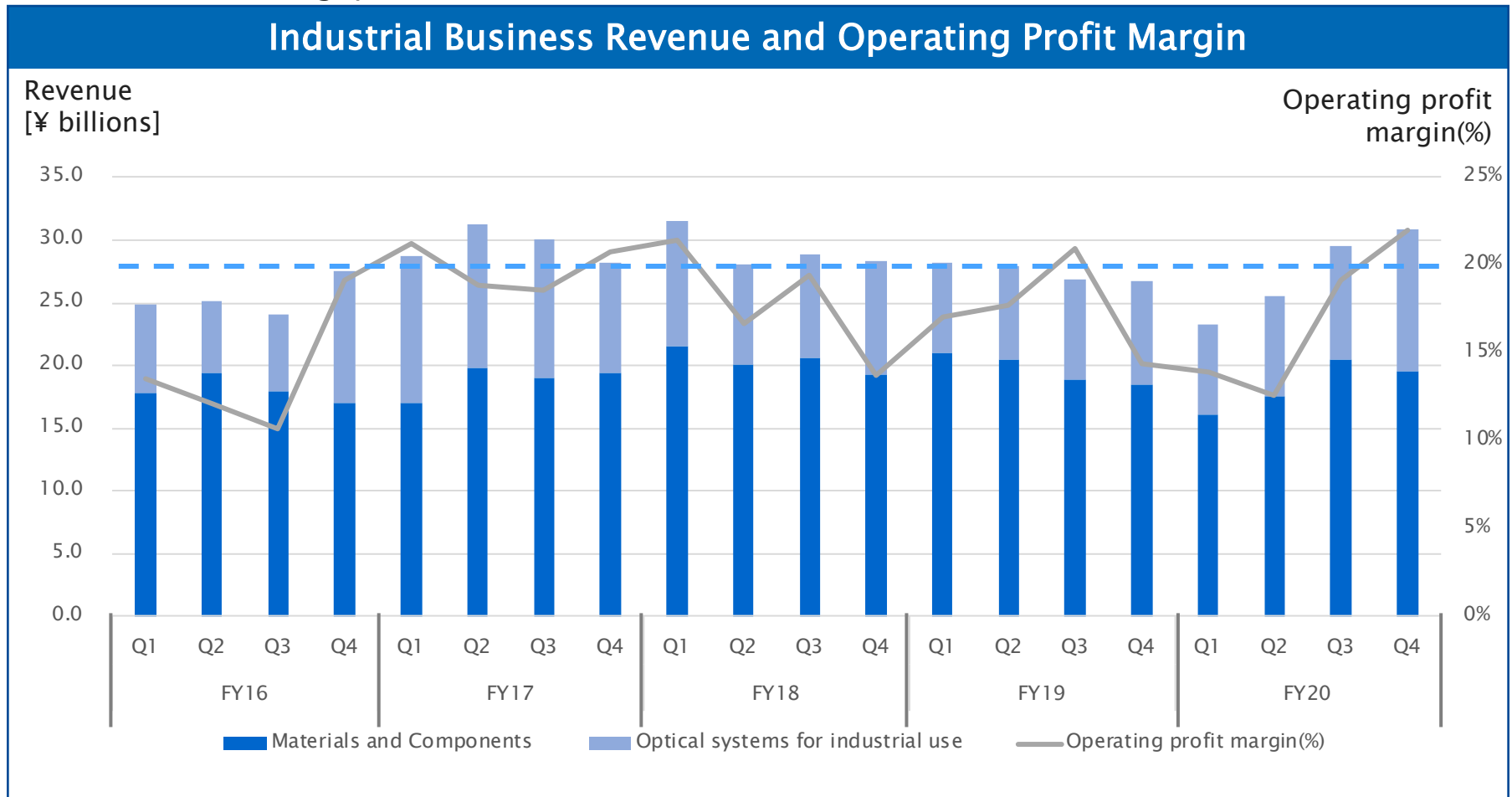
Performance materials

- Concentrate on phase difference film for LCD TVs, thin films for PCs, tablets, and smartphones, and other such high value-added products to address increased demand. Sales are at high levels from Q2 on.
- The essential value of new SANUQI resin film has permeated the market and both sales volume and the customer base are expanding.



*FY16-18: Material Business Unit included. FY19 on: Material Business Unit added to UJ.

- **Measuring instruments, performance materials, and IJ components** showed revenue increases that also improved the profit ratio.
- Measuring instruments aims to achieve simultaneous growth in revenue and profit by cultivating close customer relation more deeply in high value-added display industry as well as new deployment in recycling, food, remote sensing, pharmaceutical industries.



※ Materials and Components : performance materials, optical components, IJ components
 Optical systems for industrial use: measuring instruments, visual solutions

FY2021 Earnings Forecast | Summary

[¥ billions]

	FY2021 Forecast	FY2020 Result	Difference	YoY
Revenue	940.0	863.4	+ 76.6	+ 9%
Gross Profit		374.7		
Gross Profit ratio		43.4%		
SG&A		389.7		
Operating Profit	36.0	-16.3	+ 52.3	-
Profit attributable to owners of the Company	19.0	-15.2	+ 34.2	-
CAPEX	51.5	57.7		
R&D expenses	67.0	65.0		
FCF	17.5	43.7		
Investment and lending	15.5	9.3		
	FOREX [Yen] USD	105.0	106.1	- 1.1
	EUR	125.0	123.7	+ 1.3

■ Assumption: Foreign exchange rates will be the US dollar at ¥105 and the euro at ¥125.

• **Revenue:** Increase of 9% over FY20 is expected

- ✓ Revenues recover in businesses that saw downturn from COVID-19 pandemic in first half of FY20
- ✓ Expansion in businesses where demand emerged under COVID-19 pandemic

• **Gross profit:** Improvement of about 3 pts expected

- ✓ Recovery of revenue, improvement due to region and product mix improvements, and recovery in non-hardware revenues also to be contributed
- ✓ Revenue expansion in industry, precision medicine, and other such high value-added businesses

• **SG&A:** Maintain level under ¥100 billion for quarter

• **Strengthen capacity to generate CF from operating activities:**

Take on challenge of ¥100 billion/year

• **Portfolio transformation:** Implement policy indicated on IR day, effect in ¥4 billion operating profit (transitional)

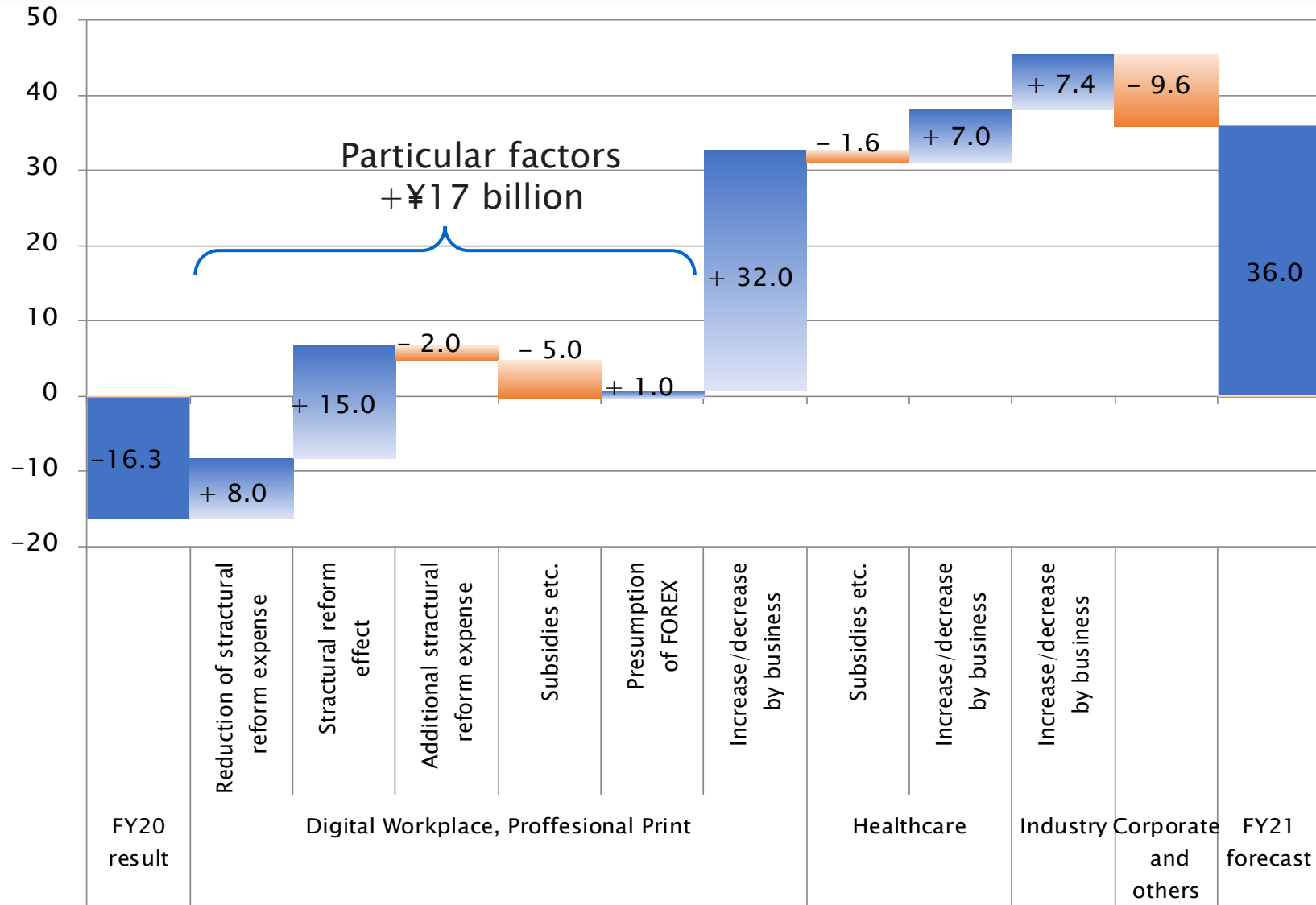
■ **Risk factors for full-year operating profit ¥36 billion**

- **Upside** : Early recovery of demands due to vaccination
- **Downside** : Prolonged increase in price of materials due to the steep recovery of demands

FY2021 Earnings Forecast |

Factors in Operating Profit Increase/Decrease from FY20

[¥ billions]



+49.1

+5.4

+7.4

-9.6

FY2021 Earnings Forecast | Revenue & Operating Profit by Segment

[¥ billions]

Revenue	FY2021 12M Forecast	FY2020 12M Results	Difference	YoY
Digital Workplace	500.0	465.2	+ 34.8	+ 7%
Professional Print	203.0	169.6	+ 33.4	+ 20%
Healthcare	122.0	109.1	+ 12.9	+ 12%
Healthcare	85.0	83.4	+ 1.6	+ 2%
Precision medicine	37.0	25.7	+ 11.3	+ 44%
Industry	144.5	118.2	+ 26.3	+ 22%
Sensing	39.0	32.3	+ 6.7	+ 21%
Materials and components	86.5	73.7	+ 12.8	+ 17%
Imaging-IoT solutions	19.0	12.2	+ 6.8	+ 55%
Corporate, etc.	-29.5	1.3	- 30.8	-
Company overall	940.0	863.4	+ 76.6	+ 9%

Operating Profit	FY2021 12M Forecast		FY2020 12M Results		Difference	YoY
Digital Workplace	32.5	6.5%	-2.7	-	+ 35.2	-
Professional Print	6.0	3.0%	-7.9	-	+ 13.9	-
Healthcare	-1.0	-	-6.4	-	+ 5.4	-
Industry	23.0	15.9%	15.6	13.2%	+ 7.4	+ 47%
Corporate, etc.	-24.5	-	-14.9	-	- 9.6	-
Company overall	36.0	3.8%	-16.3	-	+ 52.3	-

Factors in profitability improvement by business, profit growth drivers: Digital workplace and Professional print



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Factors in revenue growth from FY20 to FY21 [¥ billions]		Profit growth drivers
Digital workplace	<p>Hardware: 9.5 Non-hardware: 12.0 DW-DX: 13.3 Revenue increase FY20 to FY21: 34.8 (84% compared to FY19)</p>	<ul style="list-style-type: none"> ■ Increased profit by particular factors: Around ¥15.0 billion ■ Increased profit by the business : Around ¥20.0 billion • Increase in acquisition of large-scale projects through a full lineup of new MFP products • One Rate (increase in gross profit), optimal proposals according to customers by utilizing AI • DW-DX: <ul style="list-style-type: none"> • Replacement by in-house document workflow software (increase in gross profit) • Outsourcing of service back-office operations (increase in gross profit) • Cyber Security Diagnosis + WPH (Differentiation of MIT services) • Shifting the process to electronic application/approval mainly by local governments • Reduce development costs (-¥2 billion by discontinuing WPH-only operating systems, -¥2 billion by focusing on office development themes)
Professional print	<p>LPP/MPP: 15.5 HPP: 4.5 IP: 7.6 MS: 5.6 Revenue increase FY20 to FY21: 33.4 (Non-hard: 90% compared to FY19)</p>	<ul style="list-style-type: none"> ■ Increased profit by particular factors: Around ¥2.0 billion ■ Increased profit by the business : Around ¥12.0 billion • Expansion of business at medium-sized to major printing companies through HPP/IP combination • New LPP/MPP with HPP-equivalent features drove sales • Differentiation through differentiated option IQ-501 equipped in medium and high-speed domains as standard, and expansion of PV by increasing PV shares in customer • Introduction of medium-speed label printer machines • Further expansion of PP sales in China, which was the highest record in FY2020 • Cost reduction by utilization through collaboration between development and production
com mon		<ul style="list-style-type: none"> • Considering the impact of the tight semiconductor market and soaring materials prices in H1

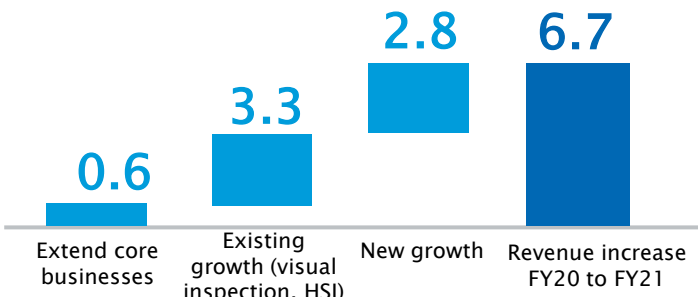
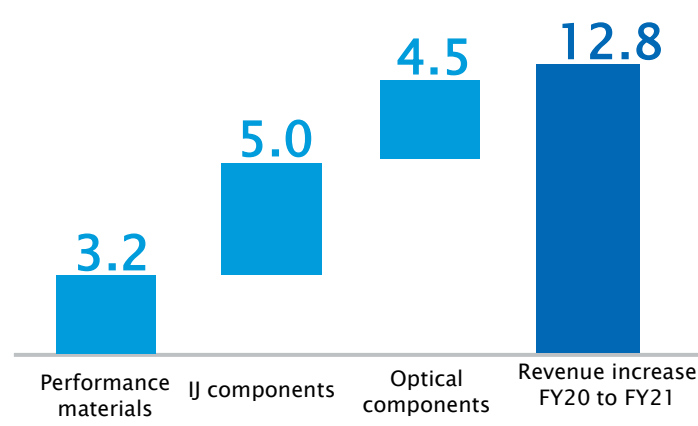
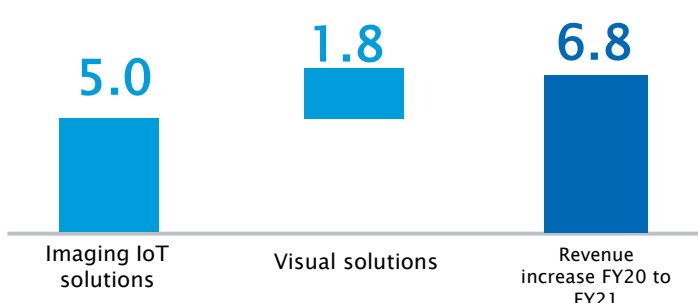
Factors in profitability improvement by business, profit growth drivers: Healthcare



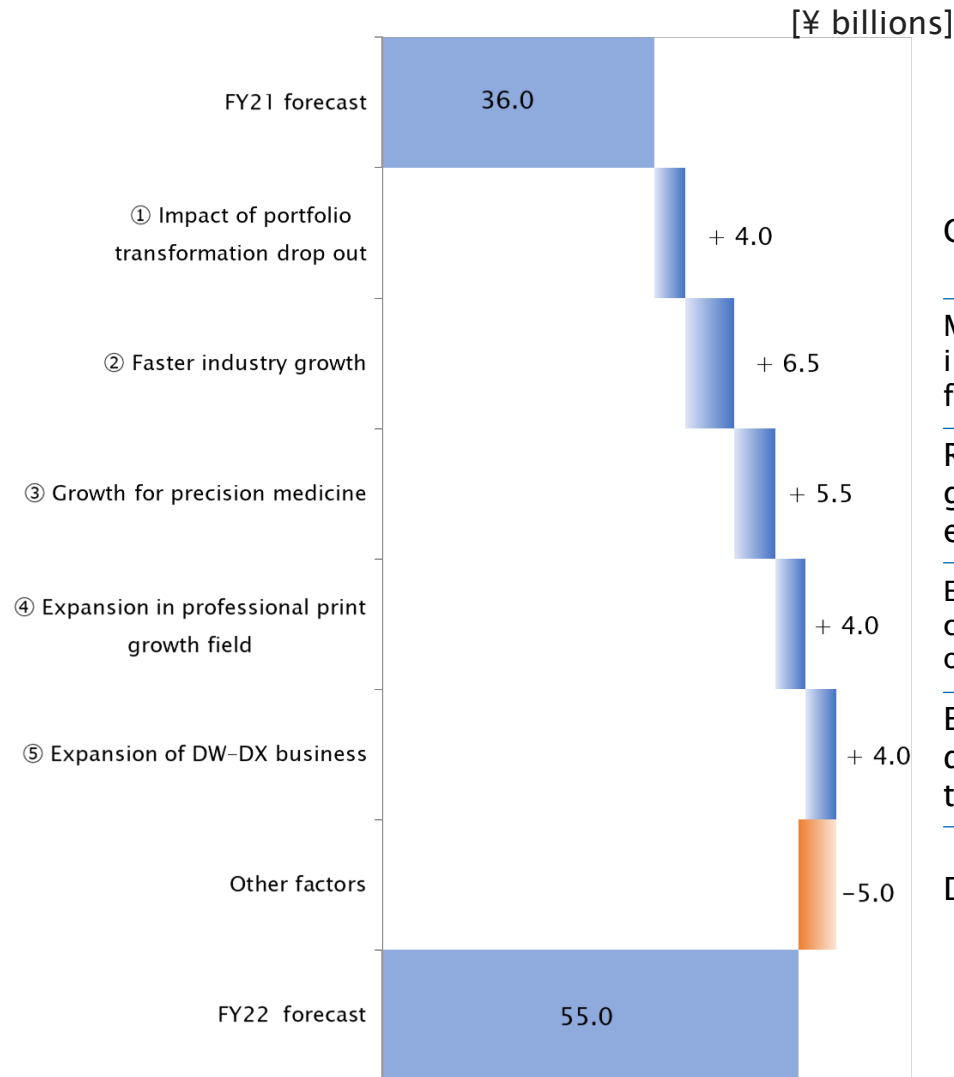
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	Factors in revenue growth from FY20 to FY21 [¥ billions]	Profit growth drivers										
Healthcare	<table border="1"> <caption>Factors in revenue growth for Healthcare</caption> <thead> <tr> <th>Category</th> <th>Value (¥ billions)</th> </tr> </thead> <tbody> <tr> <td>Digital business</td> <td>5.0</td> </tr> <tr> <td>High value-added imaging</td> <td>2.0</td> </tr> <tr> <td>Purchased products & analog devices</td> <td>-5.4</td> </tr> <tr> <td>Revenue increase FY20 to FY21</td> <td>1.6</td> </tr> </tbody> </table>	Category	Value (¥ billions)	Digital business	5.0	High value-added imaging	2.0	Purchased products & analog devices	-5.4	Revenue increase FY20 to FY21	1.6	<p>Increased profit: ¥0.9 billion (over FY20)</p> <ul style="list-style-type: none"> ■ Strengthen digital business <ul style="list-style-type: none"> • Expansion of digital business in Asia • Entering remote diagnostic support services utilizing medical ICT service ‘informaty’ ■ Strengthen high value-added imaging <ul style="list-style-type: none"> • Expanding sales of high value-added DR integrated X-ray systems • Clinical value of dynamic DR established in Japan, U.S., and China
Category	Value (¥ billions)											
Digital business	5.0											
High value-added imaging	2.0											
Purchased products & analog devices	-5.4											
Revenue increase FY20 to FY21	1.6											
Precision medicine	<table border="1"> <caption>Factors in revenue growth for Precision medicine</caption> <thead> <tr> <th>Category</th> <th>Value (¥ billions)</th> </tr> </thead> <tbody> <tr> <td>Core businesses</td> <td>6.5</td> </tr> <tr> <td>CARE program</td> <td>4.0</td> </tr> <tr> <td>LATTICE Other new businesses</td> <td>0.8</td> </tr> <tr> <td>Revenue increase FY20 to FY21</td> <td>11.3</td> </tr> </tbody> </table>	Category	Value (¥ billions)	Core businesses	6.5	CARE program	4.0	LATTICE Other new businesses	0.8	Revenue increase FY20 to FY21	11.3	<p>Increased profit: ¥4.5 billion (over FY20)</p> <ul style="list-style-type: none"> ■ Core business growth and increasing revenue from new platforms <ul style="list-style-type: none"> • Ambry: Increasing genetic diagnostics orders by differentiating RNA testing • Invicro: Increasing profit of imaging CRO as the resumption of clinical trial • Deployment of CARE Program in the U.S and Japan • Deployment of LATTICE platform ■ Improve gross profit by raising genetic testing accuracy and efficiency, achieving balance between shortened analysis time and cost reduction <ul style="list-style-type: none"> • Introduce most up-to-date high-speed genetic analysis equipment, bring into full-scale operation in second half • Shift data storage to cloud and reduce cost (AWS collaboration)
Category	Value (¥ billions)											
Core businesses	6.5											
CARE program	4.0											
LATTICE Other new businesses	0.8											
Revenue increase FY20 to FY21	11.3											

Factors in profitability improvement by business, profit growth drivers: Industry

Factors in revenue growth from FY20 to FY21 [¥ billions]	Profit growth drivers										
<p>Measuring instruments</p>  <table border="1"> <tr> <th>Category</th> <th>Value (¥ billions)</th> </tr> <tr> <td>Extend core businesses</td> <td>0.6</td> </tr> <tr> <td>Existing growth (visual inspection, HSI)</td> <td>3.3</td> </tr> <tr> <td>New growth</td> <td>2.8</td> </tr> <tr> <td>Revenue increase FY20 to FY21</td> <td>6.7</td> </tr> </table>	Category	Value (¥ billions)	Extend core businesses	0.6	Existing growth (visual inspection, HSI)	3.3	New growth	2.8	Revenue increase FY20 to FY21	6.7	<ul style="list-style-type: none"> ■ Extending core businesses (light-source color, object color) <ul style="list-style-type: none"> • Expanding new applications and new technology for displays ■ Generating customer value in growth businesses <ul style="list-style-type: none"> • Expanding sales channels and applications for automotive visual inspection measurement (Eines), etc. • Expanding to food, pharmaceutical, and other industries by additional strategic investment in Specim
Category	Value (¥ billions)										
Extend core businesses	0.6										
Existing growth (visual inspection, HSI)	3.3										
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Revenue increase FY20 to FY21	6.7										
<p>Materials and components</p>  <table border="1"> <tr> <th>Category</th> <th>Value (¥ billions)</th> </tr> <tr> <td>Performance materials</td> <td>3.2</td> </tr> <tr> <td>IJ components</td> <td>5.0</td> </tr> <tr> <td>Optical components</td> <td>4.5</td> </tr> <tr> <td>Revenue increase FY20 to FY21</td> <td>12.8</td> </tr> </table>	Category	Value (¥ billions)	Performance materials	3.2	IJ components	5.0	Optical components	4.5	Revenue increase FY20 to FY21	12.8	<ul style="list-style-type: none"> ■ Performance materials (PM): +7% growth primarily in growth areas <ul style="list-style-type: none"> • Expanding ultra-large display field using new resins for large-sized TVs • Accelerating deployment of new functional film responding to diversification of small- and medium-sized mobile devices ■ IJ components (IJ): +40% growth by expanding application <ul style="list-style-type: none"> • Strengthen POD field utilizing the strength in durability • Expanding to package and building materials by MEMS ■ Optical components (OC): +30% growth in industrial use <ul style="list-style-type: none"> • Expansion in mobile sensing monitoring and surveillance
Category	Value (¥ billions)										
Performance materials	3.2										
IJ components	5.0										
Optical components	4.5										
Revenue increase FY20 to FY21	12.8										
<p>Imaging IoT</p>  <table border="1"> <tr> <th>Category</th> <th>Value (¥ billions)</th> </tr> <tr> <td>Imaging IoT solutions</td> <td>5.0</td> </tr> <tr> <td>Visual solutions</td> <td>1.8</td> </tr> <tr> <td>Revenue increase FY20 to FY21</td> <td>6.8</td> </tr> </table>	Category	Value (¥ billions)	Imaging IoT solutions	5.0	Visual solutions	1.8	Revenue increase FY20 to FY21	6.8	<ul style="list-style-type: none"> ■ Imaging IoT Solutions (IIS) <ul style="list-style-type: none"> • Strengthening managed security utilizing Mobotix, expansion of sales in east Europe and the U.S. • Expanding partner and scale-up of imaging IoT platform FORXAI with partner ■ Visual solutions (VS): <ul style="list-style-type: none"> • Recovery from COVID-19 pandemic, opening directly-operated business, expansion of solution business 		
Category	Value (¥ billions)										
Imaging IoT solutions	5.0										
Visual solutions	1.8										
Revenue increase FY20 to FY21	6.8										

■ No change to FY22 operating profit target of ¥55.0 billion



Contribute to improve profit rate of whole company

Measuring instruments (expanding industry for visual inspection, HSI), performance materials (expanding in the field other than polarizer), IJ heads (industrial printing)

RNA test and CARE growth and reductions in cost of goods, expansion of oncology treatment field and establishment of LATTICE

Expand business targeting medium- and large-sized printing companies (combination of hardware of HPP and IP, improving operating rate by job allocation automation software)

Expanding business for local government, expanding deployment of electronic application/approval process to other business category

Decrease in office printing, etc.

- Medium to long-term goals: Complete two portfolio transformations
 - ① Convert office business to the Digital Workplace
 - ② Build the businesses that will become the main pillar after office business
- Resource shifting and capital allocation directed toward portfolio transformation
 - Personnel: Shift multifunction peripheral development personnel into growth fields. Strengthen imaging IoT personnel.
 - R&D expenses: Tighten focus of multifunction peripheral development themes and make priority investments in growth fields of Industry, Healthcare, and Digital Workplace
 - Placing importance on CF from operating activities, actively carry out investment needed to complete portfolio transformation
- Shareholder return

In light of FY20 improvement in cash generating capacity and heightened probability of profit improvement by FY22, the annual dividend forecast for FY21 is ¥30 per share. (5 yen increase in dividends from FY19 and FY20)



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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.

FY2020 Performance Overview

FY2020 12M Performance Overview | Summary



[¥ billions]

	FY2020 12M	FY2019 12M	YoY	YoY (W/O Forex)	YoY (Without External and Special Factors)	FY2020 Q4	FY2019 Q4	YoY	YoY (W/O Forex)	YoY (Without External and Special Factors)
Revenue	863.4	996.1	-13%	-13%	+2%	248.5	249.1	-0%	-1%	+3%
Operating Profit	-16.3	8.2	-	-	-	8.3	-2.4	-	-	-
Profit attributable to owners of the Company	-15.2	-3.1	-	-	-	5.4	-5.2	-	-	-
FCF	43.7	-19.9	-	-	-	35.9	6.7	+436%	-	-
FOREX [Yen]										
USD	106.1	108.7	-2.7			105.9	108.9	-3.0		
EUR	123.7	120.8	+2.9			127.7	120.1	+7.6		

*1 Without External and Special Factors: Forex, US-China trade tariff, CRE strategy related expenses, structural reform expenses, one-off expenses such as impairment, COVID-19 impact

Revenue

- Company overall: With recovery of demand and rising revenue in growth fields, recovery is continuing from -28% in Q1 to -17% in Q2, -8% in Q3, and -0% in Q4
- By business: ITS/WPH, measuring instruments, performance materials, and imaging IoT show growing annual revenues. In addition, industrial printing, healthcare, and IJ components show revenue growth in Q4. Businesses that felt greater impact from restrictions on coming to the workplace and to medical facilities and so on see declining revenue.
- By region: China, Japan, and Asia continue to show growing revenues. Although recovery in Europe stalled at 91%, in the U.S. it is accelerating to 93%.

Operating profit & capital efficiency

- Operating profit: Office, precision medicine, and so on fell short of expectations, but quarterly SG&A without foreign exchange impact continued under ¥100 billion. Profitability expanded and revenues grew in Q4.
- Profit attributable to owners of the Company: With improvement in finance income and loss and tax expenses, Q4 profit growth exceeded expectations.
- Improving capital efficiency, securing liquidity: Although inventory turnover days did not meet expectations, CCC improvement and other such factors expanded the surplus in CF from operating activities QoQ and the FCF surplus also expanded significantly.

FY2020 Performance Overview | Revenue & Operating Profit by Segment



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[¥ billions]

Revenue	FY2020	FY2019	YoY	YoY	YoY	FY2020	FY2019	YoY	YoY	YoY
	12M	12M		(W/O Forex)	(Without External and Special Factors)	4Q	4Q		(W/O Forex)	(Without External and Special Factors)
Digital Workplace	465.2	549.0	-15%	-15%	+0%	128.9	135.4	- 5%	-6%	+1%
Professional Print	169.6	210.1	-19%	-19%	+0%	50.8	51.4	- 1%	-3%	+1%
Healthcare	109.1	118.5	-8%	-6%	+8%	35.5	33.0	+8%	+9%	+8%
Industry	118.2	117.2	+1%	+2%	+9%	32.8	28.9	+14%	+14%	+6%
Sensing	32.3	27.5	+18%	+18%	+19%	9.6	7.0	+38%	+37%	+20%
Materials and Components	73.7	78.8	-7%	-6%	+5%	19.6	18.5	+6%	+7%	+0%
Imaging-IoT solutions	12.2	10.9	+13%	+12%	+17%	3.5	3.4	+3%	+0%	+6%
Corporate, etc.	1.3	1.3	-2%	+4%	+7%	0.5	0.5	- 4%	-1%	-1%
Company overall	863.4	996.1	-13%	-13%	+2%	248.5	249.1	- 0%	-1%	+3%

Operating profit/OPM	FY2019	FY2018	YoY	YoY	YoY	FY2019	FY2018	YoY	YoY	YoY	
	12M	12M		(W/O Forex)	(Without External and Special Factors)	4Q	4Q		(W/O Forex)	(Without External and Special Factors)	
Digital Workplace	-2.7	17.7	-	-	-	3.5	0.1	2.7%	+2338%	+1658%	+3675%
Professional Print	-7.9	4.4	-	-	-	0.9	-0.7	1.8%	-	-	-
Healthcare	-6.4	-4.4	-	-	-	0.7	-0.6	1.9%	-	-	-
Industry	15.6	14.4	+8%	+13%	+56%	5.8	3.2	17.7%	+80%	+90%	+55%
Sensing	13.2%										
Corporate, etc.	-14.9	-23.9	-	-	-	-2.6	-4.5	-	-	-	-
Company overall	-16.3	8.2	-	-	-	8.3	-2.4	3.4%	-	-	-

FY2020 12M Performance Overview

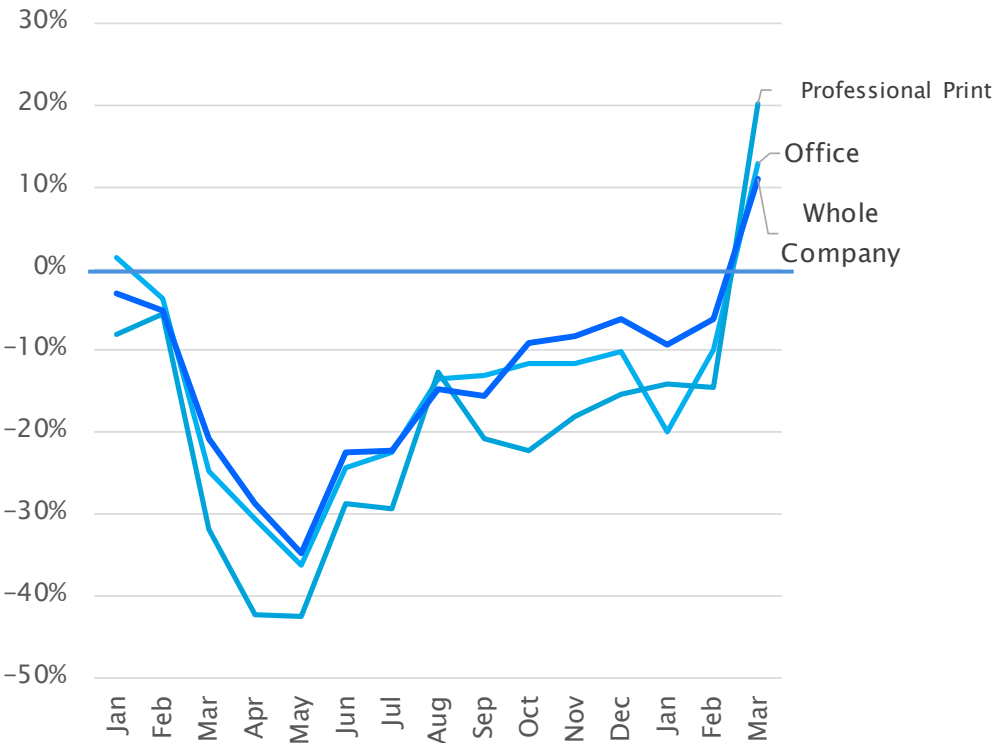
Monthly Sales Increase/Decrease by Business



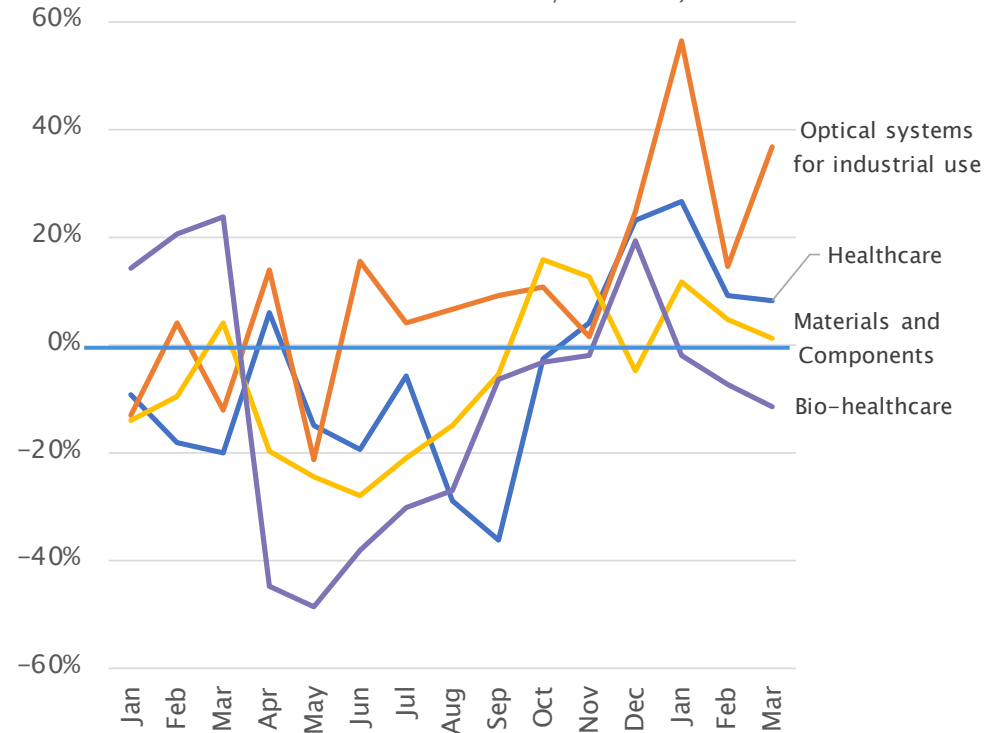
KONICA MINOLTA

The company overall is continuing to trend toward recovery from a bottom in May. Although the recovery in Office and Professional Printing stalled over January–February, March showed significant recovery. Measuring instruments, materials and components, and healthcare showed major growth. *Shown here with old segment names.

Transition of Sales / Month, Y on Y



Transition of Sales / Month, Y on Y



*The decline in Healthcare revenue in August and September was due to a reactionary decline after last-minute demand before a consumption tax hike took effect in the previous year.

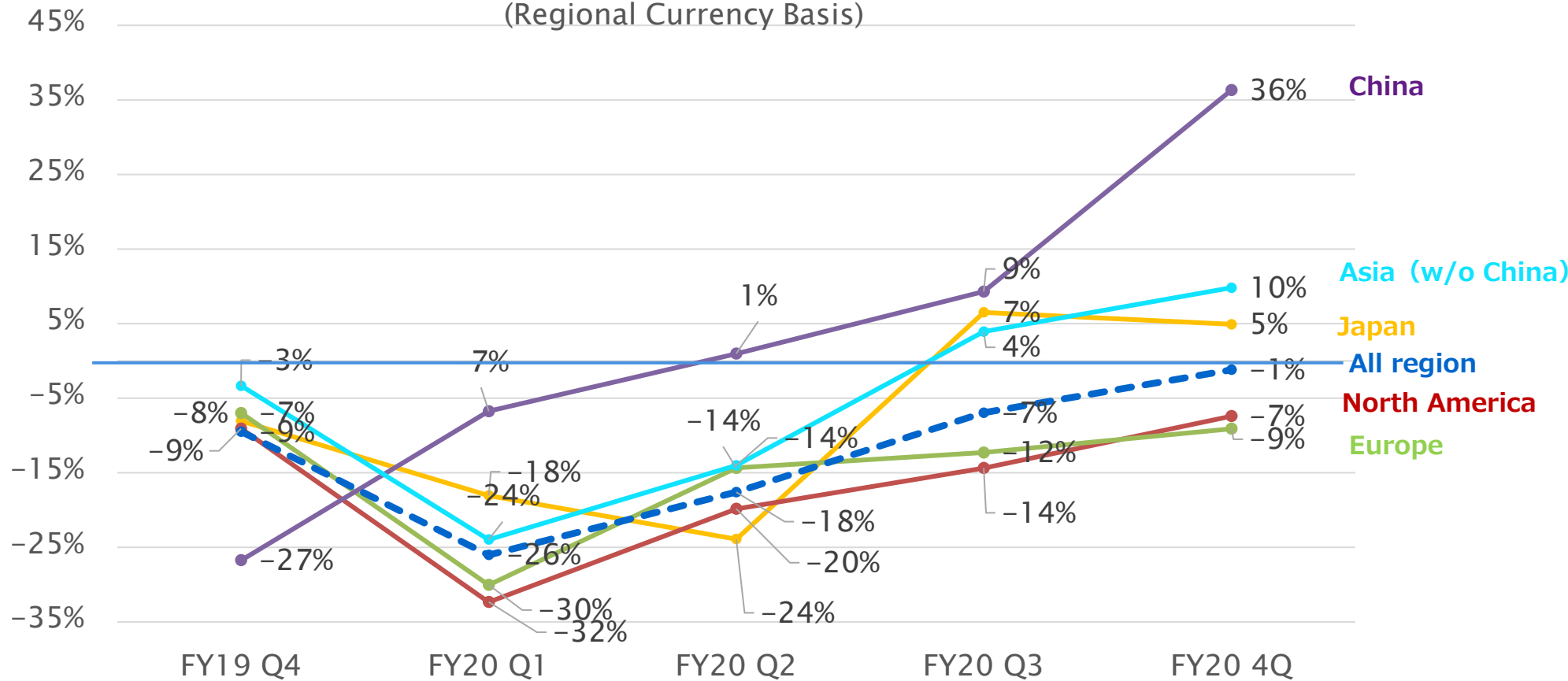
FY2020 12M Performance Overview

Monthly Sales by Region (Sales by Destination)



The Chinese economy, which felt the impact of COVID-19 most heavily in Q4 of 2019, is recovering rapidly and continuing to show revenue growth. Revenue in Japan and Asia turned to increase in Q3 and stable, while recovery in Europe was sluggish and North American recovery accelerated in Q4.

Transition of sales of region / Quarter, Y o Y
(Regional Currency Basis)



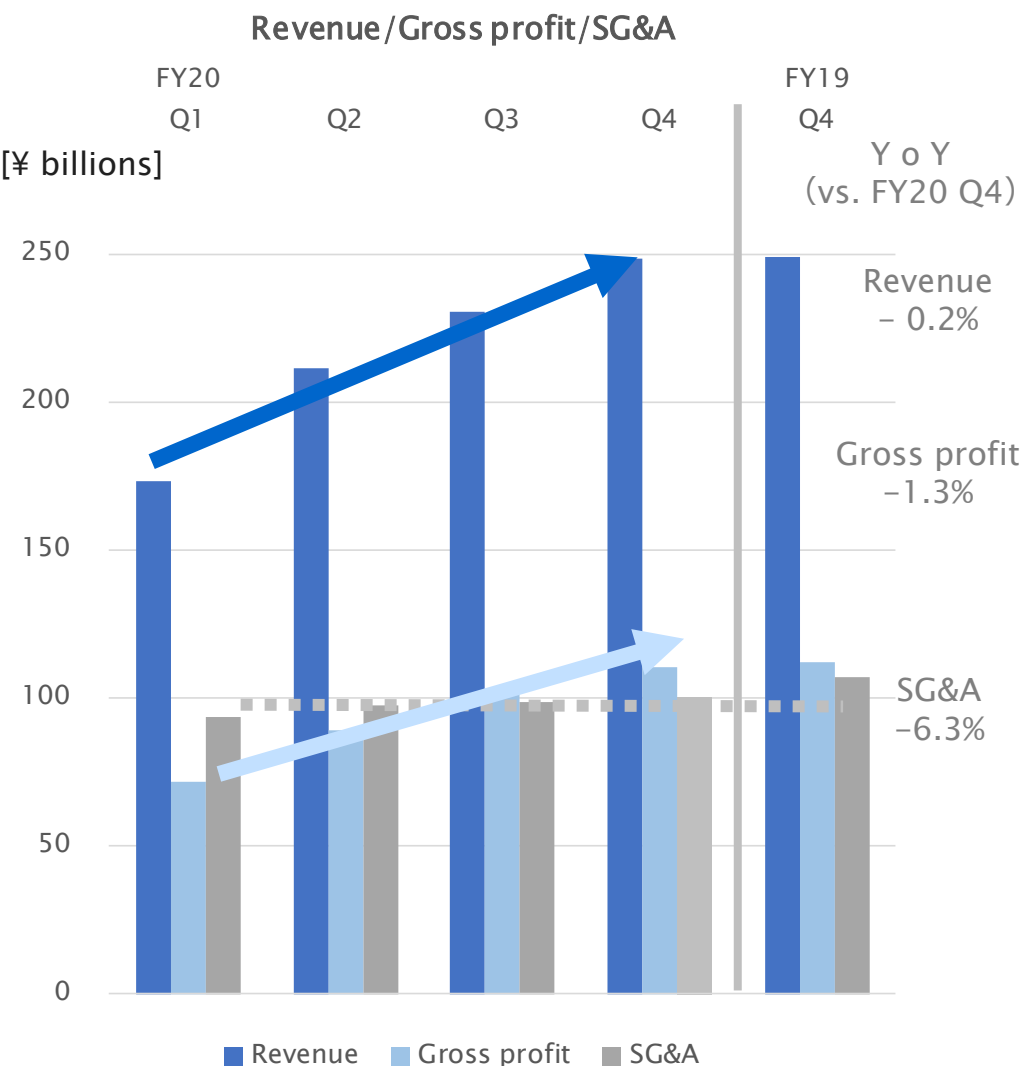
FY2020 12M Performance Overview

Increase/Decrease in Sales and Gross Profit, and Changes in SG&A



KONICA MINOLTA

while maintaining a slimmed-down cost structure, recovery in revenue continued steadily with recovery in demand and expansion of growth fields, and profit increased further in Q4.



Gross profit

- As revenue recovered, the gross profit amount improved QoQ
- Although QoQ improvement in gross profit ratio stalled because the advance recovery in hard together with delay in non-hard recovery affected the mix as well as the influence of regional and channel mix, improvement is expected going forward.

SG&A

- Continues under ¥100 billion from Q1 (effective without foreign exchange)
- Shift to DX in customer contact and demand creation activities (remote sales, webinars, online demonstration)
- Advertising, travel, and logistics expenses reduced by the above

Overall fixed costs (fixed costs in sales cost and SG&A)

- Factors such as structural reforms implemented in FY19 and initiated in the first half of FY20 continued to reduce costs, particularly labor costs (Q4 increase was due to exchange and new consolidation)

[¥ billions]

	FY20	Q1	YoY	Q2	YoY	Q3	YoY	Q4	YoY
Overall fixed cost	126.7	126.7	-20.3	119.1	-24.2	132.2	-12.8	133.2	-6.7
Labor cost	79.3	79.3	-10.7	78.9	-8.7	81.5	-7.8	82.9	-2.8

Priority initiatives of FY2019 2H had implemented almost as expected in Q4. Expand the results from the next period.

	Q4 major initiative	
Digital Workplace	<ul style="list-style-type: none"> Promote the full lineup of i-Series, strengthening sales in client industries and regions that are less susceptible to the impact of COVID-19. Complete revenue structural reform. In ITS/WPH, accelerate sales of educational institutions in the U.S., German manufacturing companies, and domestic municipalities in Japan. 	<ul style="list-style-type: none"> ● ● ●
Professional Print	<ul style="list-style-type: none"> Close the expanding deals in HPP pipelines steadily. Full-scale sales of new LPP products (replacing our customer machines and replacing competitors' machines.) Focus on sales to major to mid-sized printing companies that are performing well in areas such as mail-order printing. 	<ul style="list-style-type: none"> ● ● ●
Healthcare	<ul style="list-style-type: none"> Launch sales of nursing support systems and online medical platforms. Dynamic DR and PACS. Focus on sales of DNA testings using saliva (including CARE) and reduce costs with cutting-edge NGSs. Acquire CARE Program contracts for enterprises with CARE for COVID as the starting point. 	<ul style="list-style-type: none"> ● ● ●
Industry	<ul style="list-style-type: none"> Measuring instruments: Increase acquisition of 2021 model projects. Expand Micro/Mini LED projects. Measuring instruments: PMI for Specim and begin contributing to revenue. Performance materials: Expand sales of phase difference film with strong demand for TV. Expand ultra-thin film for smartphones and tablets. Imaging-IoT: Launch services with partner companies utilizing FORXAI such as disaster prevention diagnosis services utilizing gas leak inspection cameras and forklift accident reduction services. 	<ul style="list-style-type: none"> ● ● ● ●
Company overall	<ul style="list-style-type: none"> Achieve less than 3 months of inventory turnover by taking countermeasures for port congestion and minimize backorder at the end of March. Continue less than ¥100 billion SG&A by accelerating operational DX to improve productivity. Progress on various initiatives to accelerate business portfolio transformation. 	<ul style="list-style-type: none"> ● ● ●

Change Points and Factors in Each Business



	Main KPI progress, etc. (YoY)				Q4 analysis of change points
	Q1	Q2	Q3	Q4	
Digital Workplace	NH sales 69% A3 MFP units 79% ITS sales 86%	NH sales 80% A3 MFP units 86% ITS sales 100%	NH sales 86% A3 MFP units 94% ITS sales 102%	NH sales 84% A3 MFP units 107% ITS sales 112%	<ul style="list-style-type: none"> In China, the continuing momentum of increasing revenue brought the year-on-year figure to 140%. It was sluggish in Japan at 92% and in Europe at 78%. The U.S. has recovered steadily to 81%. Meanwhile, hardware sales, which also serve as an advance indicator for non-hardware, grew significantly in March partly because of the new product effect. In ITS, the margin of revenue increase expanded, driven by workflow solutions for educational institutions in the U.S. and for local governments and financial institutions in Japan, and so on.
Professional Print	PP NH sales 62% PP units 57% IP NH sales 95%	PP NH sales 75% PP units 71% IP NH sales 118%	PP NH sales 84% PP units 67% IP NH sales 130%	PP NH sales 88% PP units 99% IP NH sales 108%	<ul style="list-style-type: none"> In China, the continuing momentum of increasing revenue brought the year-on-year figure to 138%. It was sluggish in Japan at 87% and in Europe at 78%. The U.S. has recovered steadily to 82%. Partly because of the new product effect, hardware especially color models improved greatly in Q4. This is a sign of coming non-hardware recovery in the next period. In industrial printing, non-hardware revenue continued to increase. Hardware continued to experience expanding order backlogs.
Healthcare	DR quantity 134% Number of genetic tests 76% Order backlogs in drug discovery support services 127%	DR quantity 77% Number of genetic tests 104% Order backlogs in drug discovery support services 153%	DR quantity 106% Number of genetic tests 101% Order backlogs in drug discovery support services 164%	DR quantity 92% Number of genetic tests 111% Order backlogs in drug discovery support services 185%	<ul style="list-style-type: none"> Although Japan continues to hold steady, particularly in hospitals, in the U.S. the effects of curbing and putting off investment in healthcare institutions remain. Genetic diagnostics: Although infections ballooned again in the U.S., vaccinations progressed and in addition to saliva testing at home, genetic testing at hospitals and other healthcare institutions increased from March. This is anticipated to contribute to revenues in April and after. Drug discovery support services: Although some previous clinical trials restarted, delays in clinical trials continued. Quarterly revenue was in line with the previous year. The order backlog amount continues to increase.
Industry	Measuring instruments sales ¥7.1 billion Performance materials sales ¥9.8 billion	Measuring instruments sales ¥7.6 billion Performance materials sales ¥11.6 billion	Measuring instruments sales ¥8.0 billion Performance materials sales ¥13.3 billion	Measuring instruments sales ¥9.6 billion Performance materials sales ¥12.0 billion	<ul style="list-style-type: none"> Demand for light-source measuring instruments continues among major customers. With display demand in Asia being captured, revenue is at a high level. Specim was consolidated. Demand for functional film for large TVs, PCs, and smartphones continues at a high level.

※HW=Hardware、NH=Non-hard



Priority policies		Q4 progress
① Sustainable improvement and strengthening of profitability	Structural reform benefits of FY2019, production and service cost reduction	<ul style="list-style-type: none"> Structural reform effects: Results fell slightly short of target (Cumulative result of ¥8.2 billion out of annual target of ¥9.0 billion) Cost reductions: Efforts in variable expenses fell short under influence of reduction of sales volume (but covered by reductions in fixed costs) (Cumulative result of ¥2.9 billion out of annual target of ¥6.0 billion)
② Assurance of liquidity on hand	Allocation of funds to concentrate on businesses, thorough reduction of inventory and curb investment	<ul style="list-style-type: none"> FCF: The quarterly amount of FCF surplus expanded due to the turn to profitability, sharply reduced inventory turnover days, and curbs on capital investment. The cumulative amount is the highest figure since FY14. Given that ¥65.0 billion of initial borrowings of ¥85.0 billion was repaid, M&A was pursued in growth businesses, and dividends were paid, there were no problems with liquidity.
③ Comprehensive reduction of fixed costs	Reorganizing cost structure by converting customer contact to DX, reducing advertising, travel, and logistics expenses by reviewing activities to create demand, and structural reform according to these activities; also making use of subsidies	<ul style="list-style-type: none"> Emergency measures progressed as planned. (Cumulative result ¥39.0 billion out of annual target of ¥20.0 billion) Total fixed cost savings also achieved cumulative YoY reduction of ¥64.0 billion. Of this, the reduction in total labor costs was ¥30.0 billion. SG&A continued to be held under quarterly ¥100 billion from Q1 (effective without foreign exchange impact).
④ Improving capital productivity	Tightening capital efficiency management of each business by KM-ROIC and return on invested capital management	<ul style="list-style-type: none"> Inventory turnover days reduced from Q1 peak by production volume reduction and improving sales forecast accuracy. The target of less than three months of inventory turnover in months at the end of the fiscal year was raised to 3.4 months by port congestion measures and other such measures.
⑤ Transforming organizational structure	Viewing change as opportunity, establish an organizational structure that enables autonomous, flexible action. Advance activities by defensive and offensive task forces.	<ul style="list-style-type: none"> Activities to accelerate and maximize effects were strengthened, including aggressive personnel shifts intended to expand local government DX business. In Healthcare, a system to raise pulse oximeter production capacity to 20 times its past level was created flexibly through cooperation with partners.

FY2020 12M Performance Overview | Impact of COVID-19



The trend toward revenue recovery from a bottom in May is continuing, but the pace of European recovery slowed on entering Q4.

China, Japan, and other parts of Asia showed increasing revenues. European recovery stalled at 91% while the U.S. accelerated to 93%.

Business	Impact	Impact on revenue	Impact on profit
Digital Workplace/Professional Print	<ul style="list-style-type: none"> Hardware sales were affected by delays in business negotiations and installations due to restriction of sales activities with visits to customers. But it recovered in March. Non-hard sales in Office were affected by restrictions on client company employees coming to work, while those in production print were affected by a decline in customer orders. The recovery trend from June of last year faltered in January but turned back again toward recovery in March. 	Office Over ¥20 billion Prof. Print Around ¥9 billion	Office Around ¥8 billion Professional Print Around ¥4 billion
Healthcare	<ul style="list-style-type: none"> Continued decline in patient visits to hospitals, delayed investment decisions by hospitals and clinics. 	Around ¥5 billion	Around some hundreds of millions of yen
Precision medicine	<ul style="list-style-type: none"> In the U.S. the numbers of genetic testing is recovering, but the impact of the lockdown on patient visits to hospitals continued until mid-March. Sales of drug discovery support services continued to be affected by the delay of clinical trials. 	Over ¥3.5 billion	Around ¥2.5 billion
Materials and Components	<ul style="list-style-type: none"> IJ components affected by spread of COVID-19 in customers' export countries. Optical components affected by projector lens sales affected by decreased demand of entertainment industry. 	Around ¥3.5 billion	Around ¥1.5 billion
Company overall		Around ¥37 billion	Around ¥16 billion

[¥ billions]

Revenue · Operating Profit

Quarterly Financial Results

FY19		Q1	Q2	Q3	Q4	
Revenue	OP	116.4	120.9	119.6	116.6	
	ITS	18.1	17.7	19.4	17.7	
	WPH	0.4	0.5	0.5	1.1	
OP		5.5	7.8	4.3	0.1	
FY20		Q1	Q2	Q3	Q4	YoY
Revenue	OP	78.3	98.2	104.2	107.9	-7%
	ITS	15.7	17.7	19.9	20.0	+13%
	WPH	0.6	0.8	1.0	1.1	-4%
OP		-9.6	0.3	3.1	3.5	+2338%

Q4 Summary

Office (OP)

- With the full line-up of the i-Series product group, unit sales are recovering steadily (-26% in Q1, -14% in Q2, -6% in Q3, and +7% in Q4).
- By region, China continues to increase revenues (186%), with Japan at 97% and Europe 89%, while the U.S. recovery has accelerated to 86%.
- Continuing constraints on activity in Europe and the U.S. caused non-hardware to slow down in January, and despite improvement toward March, Q4 totals showed sluggish recovery (82%). With hardware recovery leading the way, non-hardware recovery is anticipated from the next period.

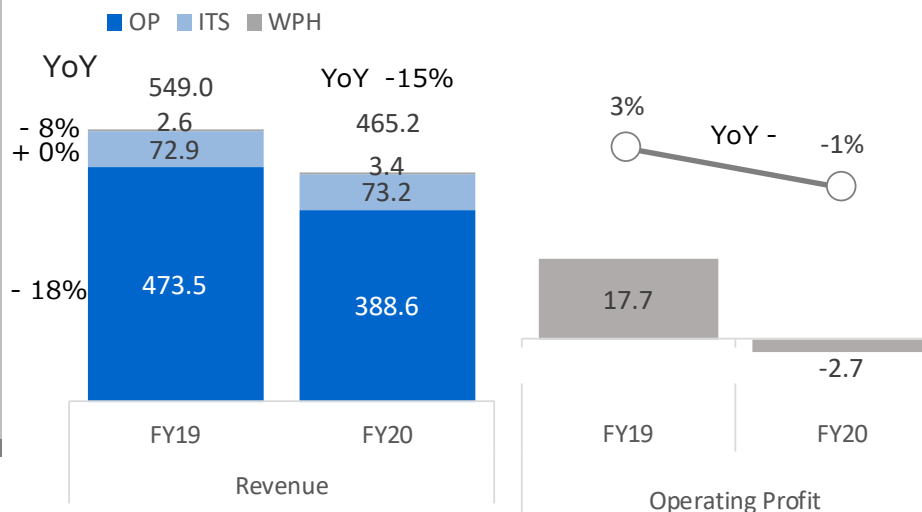
IT Services Solutions (ITS)

- The margin of revenue increase expanded with MIT for educational institutions in the U.S., workflow, document management, and other such solutions for local governments and financial institutions in Japan.

Workplace Hub (WPH)

- Promotion of changeover to WPH Smart is ongoing worldwide. Steps for further integration with ITS and combination with security and workflow solutions is pushing sales to existing MFP customers.

12M



[¥ billions]

Revenue · Operating Profit

Quarterly Financial Results

FY19		Q1	Q2	Q3	Q4	
Revenue	PP	34.2	35.4	37.5	33.5	
	IP	3.8	5.8	5.1	6.0	
	MS	12.6	11.5	12.8	11.9	
OP		1.1	1.0	2.9	-0.7	
FY20		Q1	Q2	Q3	Q4	YoY
Revenue	PP	20.4	27.1	29.5	32.7	-2%
	IP	2.9	4.3	4.8	6.3	+6%
	MS	8.4	10.2	11.0	11.7	-2%
OP		-7.1	-1.7	- 0.0	0.9	-

Q4 Summary

Production print (PP)

- In addition to solid results for HPP and steady results for MPP, new LPP products launched in December also contributed to rapid progress driven by color models in March.
(-51% in Q1, -29% in Q2, -33% in Q3, -1% in Q4)
- Q4 faltered in January but improved toward March. Recovery continues steadily for the quarter, as well (-38% in Q1, -25% in Q2, -16% in Q3, -12% in Q4).

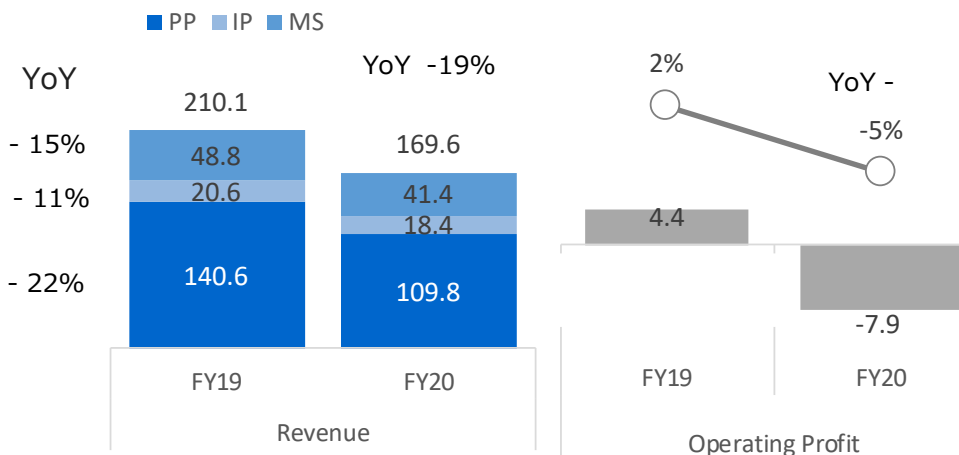
Industrial print (IP)

- In hardware, sales of label printers and decoration printing equipment are expanding. Sales of KM-1e are also steady. Non-hardware has also continued the trend of increasing revenue since Q2.
- Overall revenues have turned toward increase, exceeding pre-COVID-19 levels.

Marketing services (MS)

- Demand has decreased in Europe and the U.S. due to diminished marketing and promotion activities by customer corporations.
- In Japan, Kinko's has seen a trend toward reduced orders due to cancellations of corporate customer sales events and shifting to online seminars. The number of store visitors also trended downward. However, March saw return to last year's levels due to recovery in corporate training materials and university student use.

12M



[¥ billions]

Revenue · Operating Profit

Quarterly Financial Results

FY19		Q1	Q2	Q3	Q4	
Revenue	HC	18.6	26.4	18.1	24.7	
	APM	7.2	7.4	7.7	8.3	
OP		-2.1	-1.2	-0.4	-0.6	
FY20		Q1	Q2	Q3	Q4	YoY
Revenue	HC	16.4	19.1	20.0	27.9	+13%
	APM	4.1	5.9	8.2	7.6	-8%
OP		-4.7	-1.8	-0.5	0.7	-

Q4 Summary

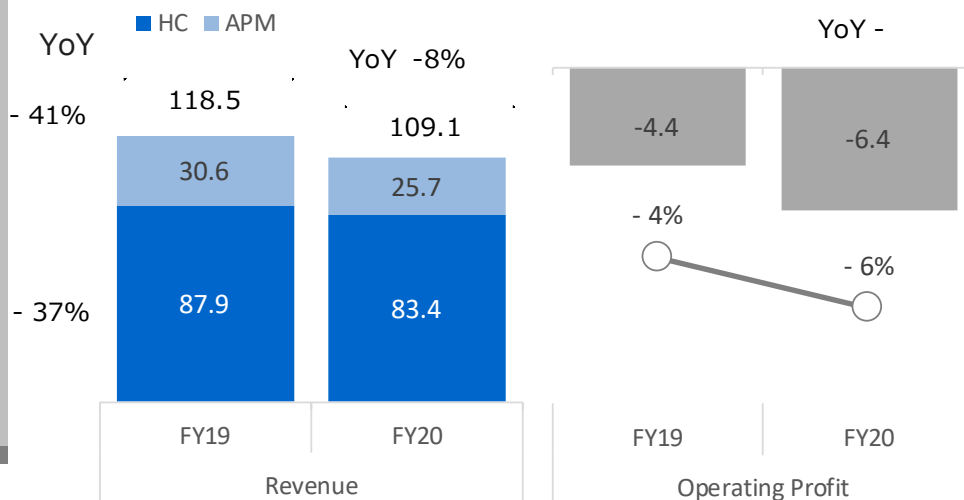
Healthcare (HC)

- In DR, the effects of a sluggish clinic market linger in Japan, but the hospital market is expanding. Severe conditions persisted in parts of Asia and the Americas, but Europe, China, and India were recovering.
- In diagnostic ultrasound systems, sales in the areas of orthopedics, dialysis, and obstetrics were steady and volumes increased year-on-year.
- In medical IT, curbs on investment by healthcare institutions continued in the U.S., but informity had solid sales in Japan.
- Responses to COVID-19: Pulse oximeter production increased. Biomonitoring and remote diagnostic support services were started.

Precision medicine (APM)

- In genetic testing, the number of samples recovered to pre-COVID-19 levels in March, due in part to the contribution of expanded CARE Program deployment. Profitability has continued since Q3.
- In COVID-19 testing services, the number of tests has diminished due to acceleration of vaccinations in the U.S. Contracting in Orange County continues.
- In drug discovery support services, the decline in numbers of clinical trial participants resulting in projects on hold together with growing backlogs are continuing, but revenues remain stable year-on-year.

12M

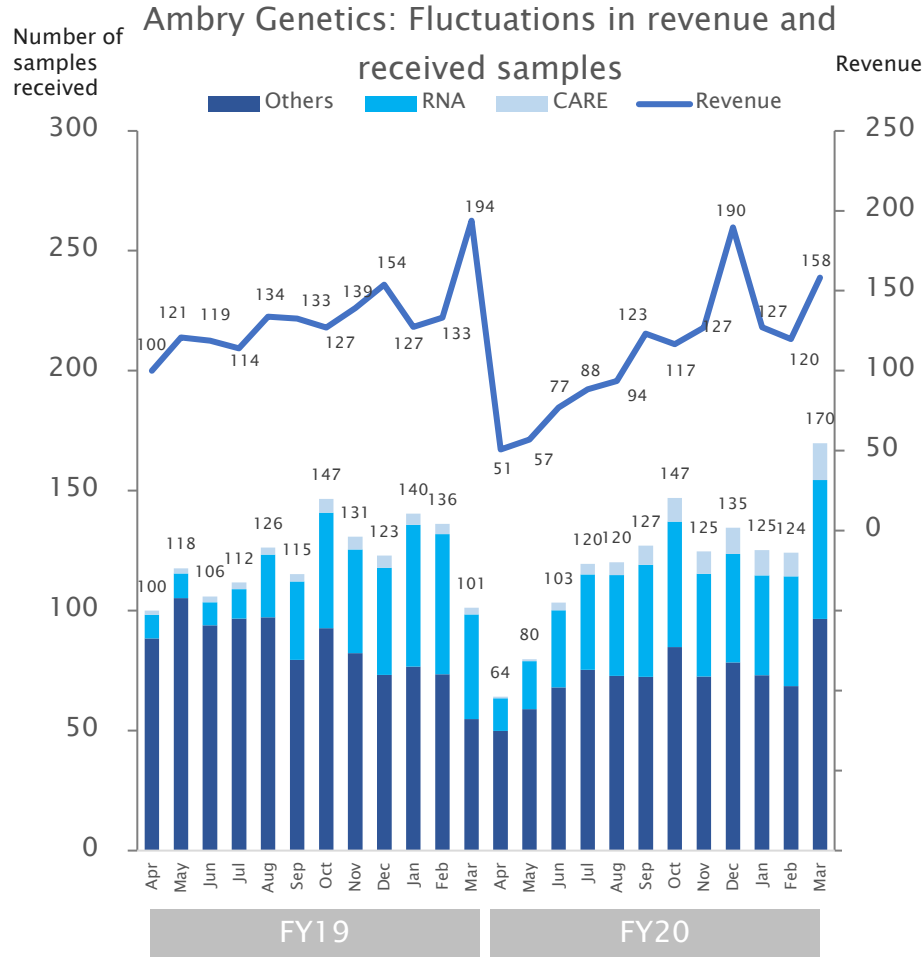


Precision Medicine Ambry Genetics and Invicro: FY2019 to FY2020 Earnings Trends (Revenue/KPI)



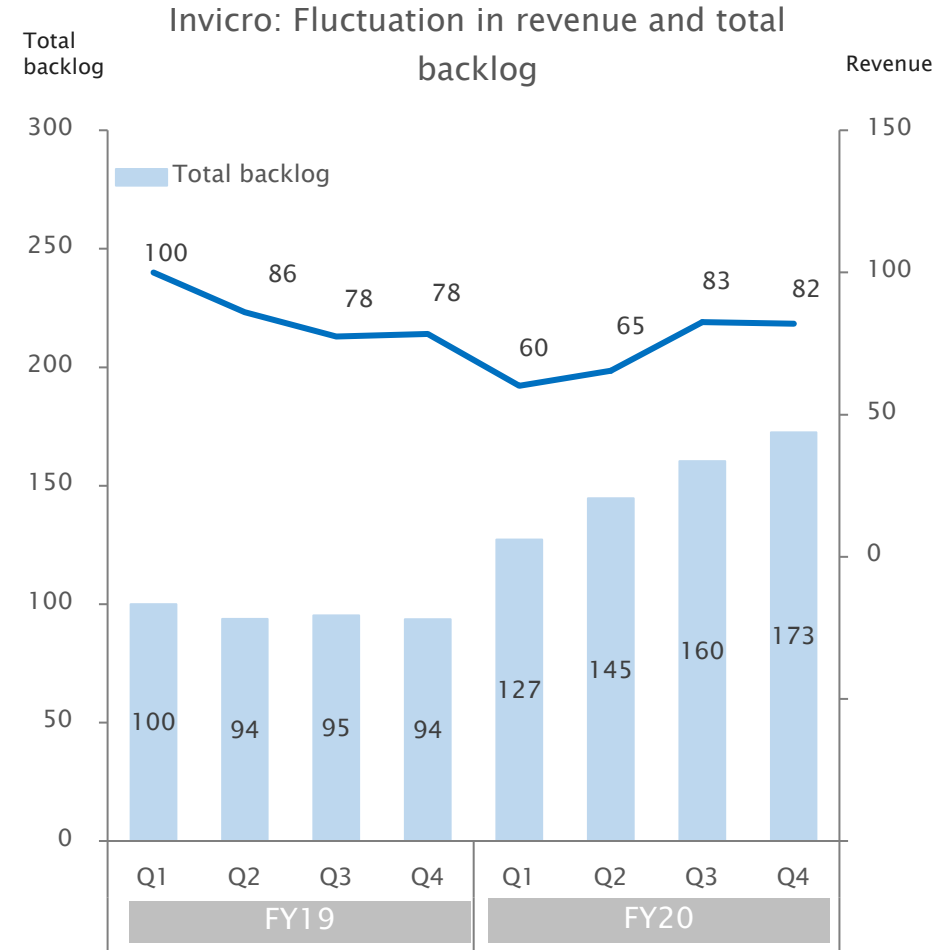
Ambry (AG)

*Indexed with April FY2019 as 100.



Invicro (IC)

*Indexed with FY2019 Q1 as 100.

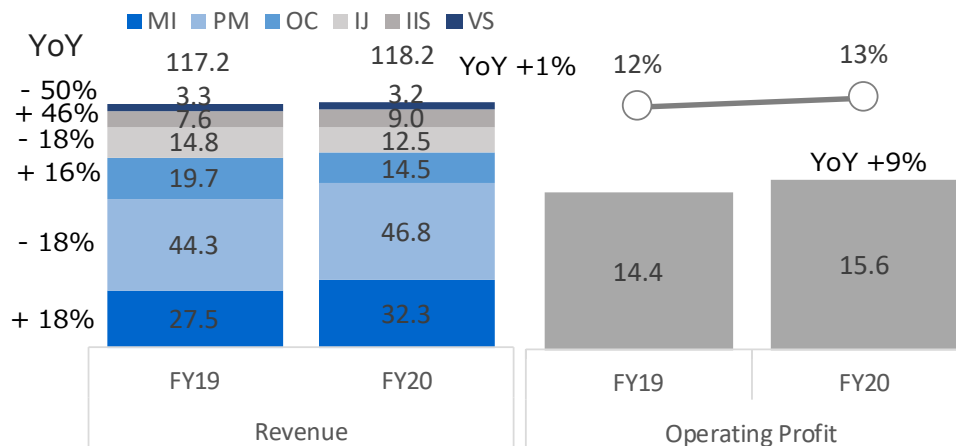


[¥ billions]

Revenue · Operating Profit

Quarterly Financial Results

FY19		Q1	Q2	Q3	Q4	
Revenue	MI	6.6	6.7	7.3	7.0	
	PM	12.0	11.3	10.2	10.8	
	OC	4.8	5.3	5.2	4.4	
	IJ	4.2	3.9	3.5	3.2	
	IIS	1.9	2.0	1.6	2.2	
	VS	0.6	0.8	0.7	1.2	
OP		3.2	3.7	4.2	3.2	
FY20		Q1	Q2	Q3	Q4	YoY
Revenue	MI	7.1	7.6	8.0	9.6	+38%
	PM	9.8	11.6	13.3	12.0	+11%
	OC	3.8	3.2	4.0	3.6	-19%
	IJ	2.5	2.8	3.2	4.0	+23%
	IIS	2.7	2.3	2.0	2.0	-10%
	VS	0.2	0.4	1.0	1.6	+26%
OP		2.8	2.2	4.8	5.8	+80%



Q4 Summary

Optical systems for industrial use: Measuring instruments (MI)

- The market for light-source color measurement instruments continued to recover and sales were strong.
- Demand for object color measurement instruments from major clients grew more than expected.
- Several new orders for visual inspection measuring instruments were brought in from major auto manufacturers.
- Consolidation of Specim as the HSI business began.

Materials and components: Performance materials (PM), Optical components (OC), IJ (Inkjet) components

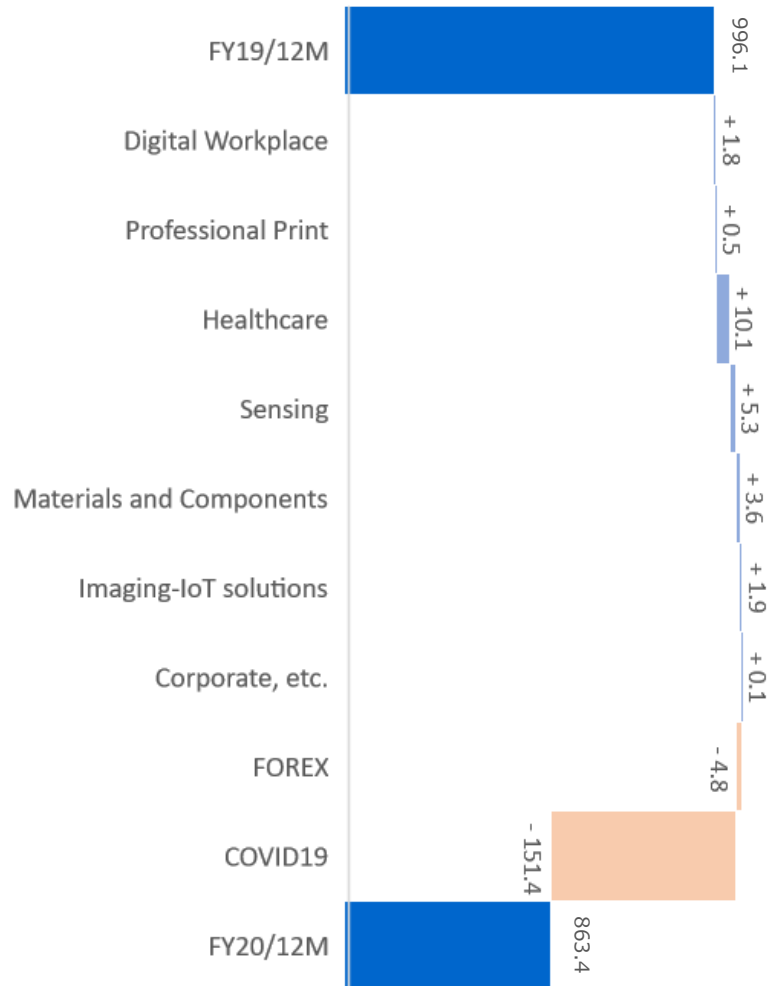
- PM: Sales volumes of high value-added products for displays exceed market trends. The essential value of new SANUQI resins has permeated the market and the customer base is expanding. Revenue has increased year-on-year.
- OC: The market for industrial applications such as autos expanded, and sales were also solid. Demand for projector lenses continued to fall, and revenue was down YoY.
- IJ: As in China, demand recovered in other Asian regions. In wide-format printing, the share of heads for high-speed printing increased

Imaging-IoT solutions: imaging-IoT solutions (IIS), visual solutions (VS)

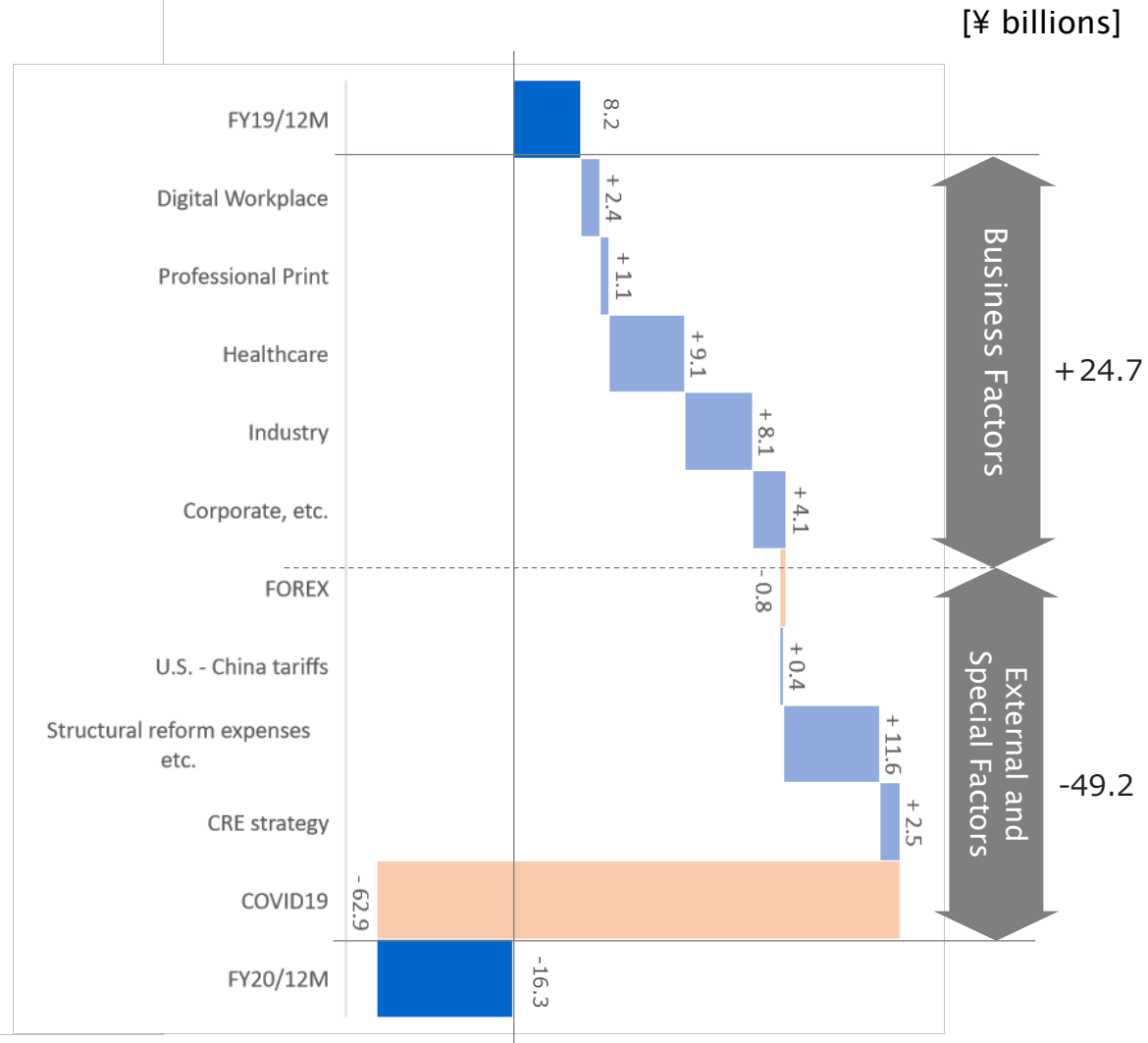
- IIS: Non-contact MOBOTIX thermal camera solutions and other such solutions are holding steady. The imaging IoT platform FORXAI was launched, and monitoring services were inaugurated to provide visualization of safety and security in plants, warehouses, and logistics areas.
- VS: Thoroughgoing infection countermeasures at company-owned planetariums and deployment of the new Connected Dome service for cloud collaboration have increased revenues.

FY2020 Performance Overview | Bridge-Revenue & Operating Profit

Revenue (12M)



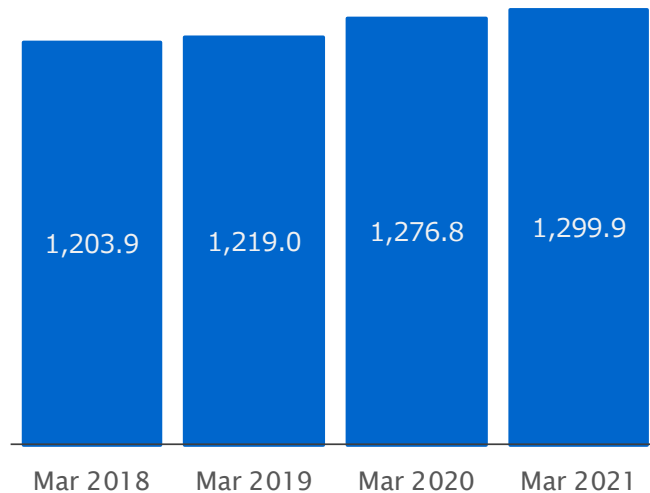
Operating Profit (12M)



Total Assets

[¥billions]

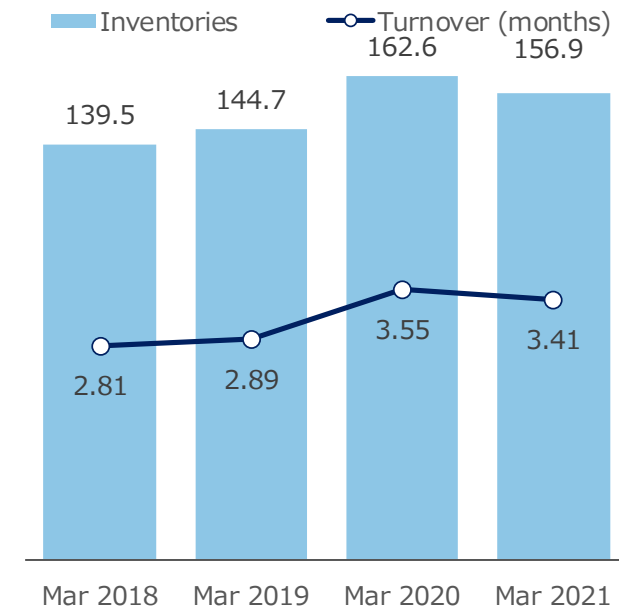
Although tangible fixed assets, inventory, and operating receivables have decreased, results showed increase due to foreign exchange impact of approximately ¥40.0 billion.



Inventory/Turnover

[¥billions]

The result without foreign exchange impact was an effective decrease of approximately ¥11.6 billion. Inventory balance at the end of the fiscal year remained high due to port congestion measures centered on the U.S.

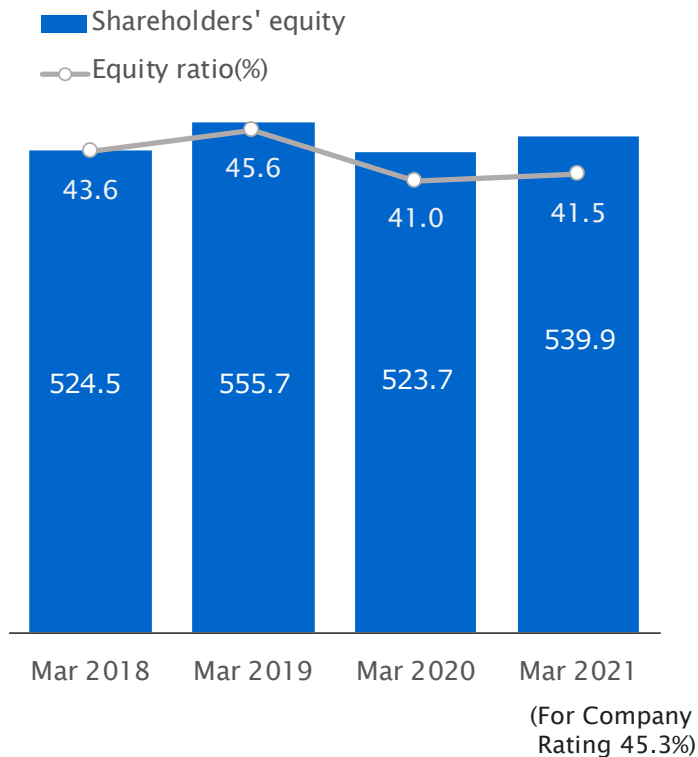


Inventory turnover, in months = Inventory balance at end of fiscal year / Average cost of sales for most recent three months

Equity & Equity Ratio [¥billions]

Attributable to owners of the Company

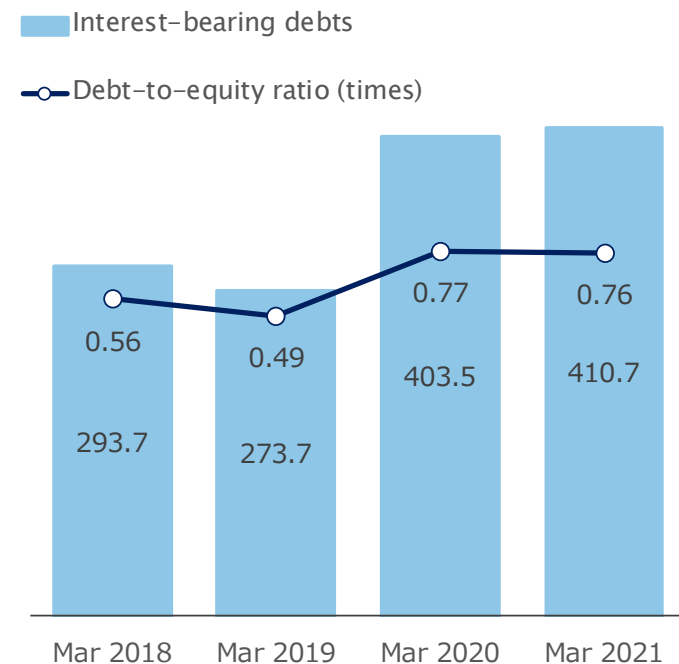
Despite reduction from accumulated loss and dividend payment, the result was an increase due to exchange rate changes.



Equity = Equity attributable to owners of the Company
 Equity ratio = Equity attributable to owners of the Company / Total assets

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

The debt decreased as the net value with cash on hand. The net D/E ratio of 0.53 shows improvement over the end of the previous fiscal year. ¥65.0 billion of initial borrowings of ¥85.0 billion repaid in the current period.



Appendix

Appendix Financial Result – Overview



KONICA MINOLTA

[¥ billions]

	FY2020 12M	FY2019 12M	YoY	FY2020 4Q	FY2019 4Q	YoY
Revenue	863.4	996.1	- 13%	248.5	249.1	- 0%
Gross Profit	374.7	466.3	- 20%	110.4	111.8	- 1%
Gross Profit ratio	43.4%	46.8%	-3.4pt	44.4%	44.9%	-0.4pt
Operating Profit	-16.3	8.2	-	8.3	-2.4	-
Operating Profit ratio	-	0.8%	-	3.4%	-	-
Profit before tax	-20.0	0.3	-	8.5	-5.3	-
Profit before tax ratio	-	0.0%	-	3.4%	-	-
Profit attributable to owners of the Company	-15.2	-3.1	-	5.4	-5.2	-
Profit attributable to owners of the Company ratio	-	-	-	2.2%	-	-
EPS [Yen]	-30.75	-6.21		11.01	-10.60	
CAPEX	57.7	50.8		27.7	16.6	
Depreciation and Amortization Expenses *	57.2	57.0		14.4	14.7	
R&D expenses	65.0	74.0		16.5	16.9	
FCF	43.7	-19.9		35.9	6.7	
Investment and lending	9.3	7.9		0.6	2.9	
FOREX [Yen] USD	106.1	108.7	- 2.7	105.9	108.9	- 3.0
EUR	123.7	120.8	+ 2.9	127.7	120.1	+ 7.6

* Depreciation and amortization expenses: IFRS16 right-of-use assets amortization expenses not included.

Appendix SG&A–Other Income/ Expenses–Finance Income/Loss



KONICA MINOLTA

[¥ billions]

SG&A:	FY2020 12M	FY2019 12M	YoY	FY2020 Q4	FY2019 Q4	YoY
Selling expenses – variable	33.8	44.0	– 10.2	9.2	10.1	– 0.9
R&D expenses	65.0	74.0	– 9.0	16.5	16.9	– 0.4
Personnel expenses	186.1	203.5	– 17.5	48.0	49.3	– 1.3
Others	104.8	121.4	– 16.7	26.5	30.7	– 4.2
SG&A total	389.7	443.1	– 53.4	100.3	107.0	– 6.8
	<i>* Forex impact:</i>		<i>– 1.5bn. (Actual: – 51.9bn.)</i>			<i>0.9bn. (Actual: – 76bn.)</i>
Other income:						
Gain on sales of property, plant and equipment	0.4	0.3	+0.1	0.3	0.2	+0.1
Other income	13.6	4.4	+9.3	4.8	1.6	+3.2
Other income total	14.0	4.6	+9.4	5.1	1.7	+3.3
Other expenses						
Loss on sales of property, plant and equipment	1.4	3.7	– 2.3	0.5	0.3	+0.2
Impairment losses on property	0.9	1.4	– 0.5	0.3	0.8	– 0.6
Impairment of goodwill	0.0	1.7	– 1.7	0.0	1.7	– 1.7
Business structure improvement costs	8.1	6.8	+1.3	4.4	4.3	+0.0
Other expenses	4.9	6.1	– 1.2	1.7	1.6	+0.1
Other expenses total	15.3	19.7	– 4.4	6.9	8.8	– 1.9
Finance income/loss:						
Interest income/Dividends received/Interest expense	–3.8	–4.8	+1.0	–1.1	–1.9	+0.8
Foreign exchange gain/loss (net)	0.6	–2.7	+3.3	1.0	–1.0	+1.9
Others	–0.5	–0.2	– 0.3	0.2	0.1	+0.2
Finance income/loss, net	–3.7	–7.7	+3.9	0.1	–2.8	+2.9

Appendix Operating Profit Analysis

[¥ billions]

Comparison of Y on Y FY20/12M vs. FY19/12M

[Factors]

	Digital Workplace	Professional Print	Healthcare	Industry	corporate, etc.	Total
Forex impact	+0.2	- 0.5	- 0.1	- 0.7	+0.3	- 0.8
Sales volume change, and other, net	- 57.0	- 24.2	- 5.8	- 2.7	- 0.3	- 90.0
Price change	+0.1	- 1.2	- 0.1	- 1.0	-	- 2.3
Cost up/down	+2.2	+0.3	+0.4	-	-	+2.9
SG&A change, net	+30.6	+10.7	+0.6	+4.0	+6.0	+51.9
Other income and expense	+3.5	+2.7	+2.9	+1.6	+3.1	+13.8

[Operating Profit]

Change, YoY	- 20.4	- 12.2	- 2.0	+1.2	+9.0	- 24.5
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Comparison of Y on Y FY20/Q4 vs. FY19/Q4

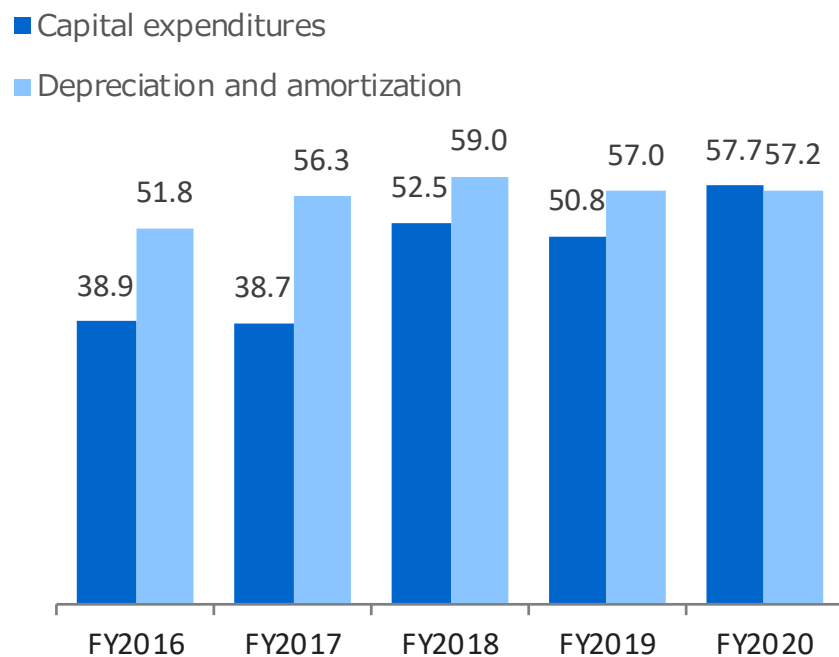
[Factors]

	Digital Workplace	Professional Print	Healthcare	Industry	corporate, etc.	Total
Forex impact	+1.0	+0.1	+0.1	- 0.3	+0.0	+0.9
Sales volume change, and other, net	- 8.8	- 2.2	+0.1	+2.3	- 0.3	- 8.9
Price change	+4.6	+0.1	+0.6	- 0.3	-	+5.0
Cost up/down	+0.7	+0.1	+0.1	-	-	+0.9
SG&A change, net	+5.2	+1.8	- 0.7	- 0.3	+1.6	+7.6
Other income and expense	+0.8	+1.7	+1.1	+1.2	+0.5	+5.3

[Operating Profit]

Change, YoY	+3.3	+1.6	+1.3	+2.6	+1.9	+10.7
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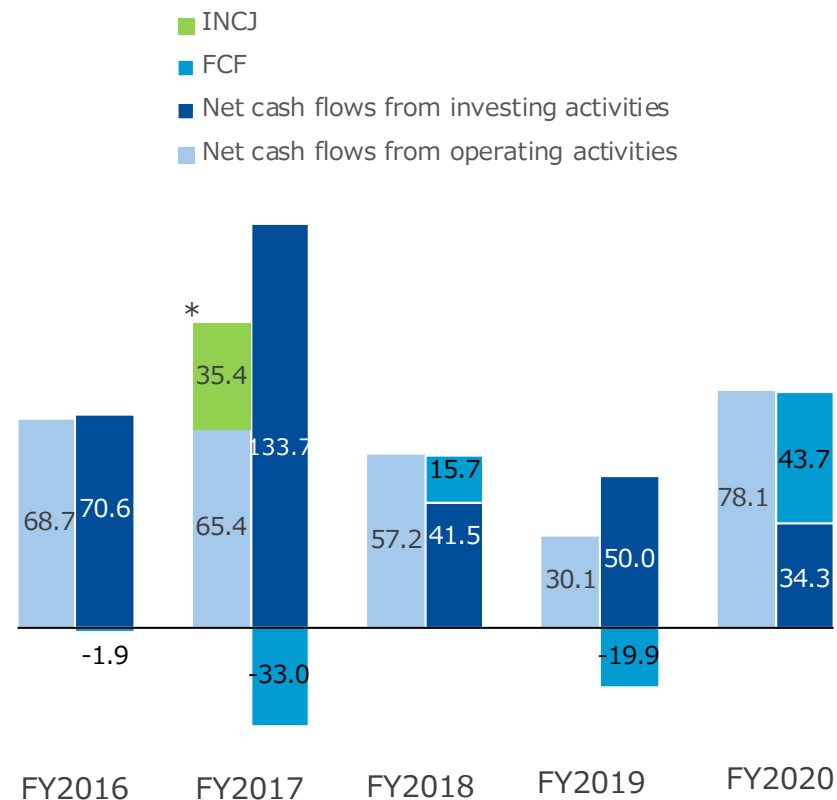
Capital Expenditure and Depreciation and Amortization Expenses



*Depreciation and amortization:
IFRS16 royalty assets amortization expenses not included

Free Cash Flows

[¥ billions]



*INCJ's equity stake regarding acquisition of Ambray Genetics

INCJ : Innovation Network Corporation of Japan
Konica Minolta, Inc. 42

Appendix FOREX Impact on Revenue and Operating Profit

[FOREX : ¥]

[Impact, Sensitivity : ¥ billions]

	FY19	FY20	YoY Impact		FX Sensitivity*2	
	12M	12M	Revenue	OP	Revenue	OP
USD	108.74	106.06	- 7.6	+0.6	+2.7	- 0.2
EUR	120.82	123.70	+5.3	+1.4	+1.5	+0.4
GBP	138.24	138.68	+0.1	+0.0	+0.2	+0.0
European Currency*1	-	-	+4.2	+1.4	+2.1	+0.6
CNY	15.60	15.67	+0.3	- 0.1	+3.4	+1.0
AUD	74.14	76.18	+0.9	+0.1	+0.3	+0.1
Other	-	-	- 2.5	- 0.5	-	-
Exchange contract effect	-	-	+0.1	- 2.2	-	-
Total impact	-	-	- 4.6	- 0.8	-	-

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

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

■ Composition of revenue by region (in yen)

	FY18				FY19				FY20			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Japan	13%	12%	12%	12%	12%	13%	13%	14%	15%	14%	14%	14%
North America	33%	33%	33%	33%	34%	33%	33%	33%	33%	32%	31%	31%
EU	36%	36%	36%	36%	36%	34%	37%	37%	35%	36%	36%	37%
China	6%	6%	6%	6%	6%	6%	5%	4%	8%	8%	8%	7%
Others	12%	13%	12%	12%	12%	13%	12%	12%	10%	11%	11%	11%

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

	FY18				FY19				FY20			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Japan	+4%	+1%	+2%	+3%	-8%	+4%	+1%	-3%	-19%	-18%	-14%	-11%
North America	+5%	+4%	+5%	+4%	-2%	-2%	-3%	-12%	-34%	-27%	-24%	-20%
EU	+4%	+1%	+1%	+0%	-2%	-1%	+6%	-7%	-31%	-23%	-19%	-17%
China	+15%	+5%	+8%	+11%	-4%	-1%	-8%	-40%	-4%	+1%	+7%	+16%
Others	+17%	+10%	+11%	+9%	-7%	+2%	+5%	-6%	-35%	-32%	-25%	-20%

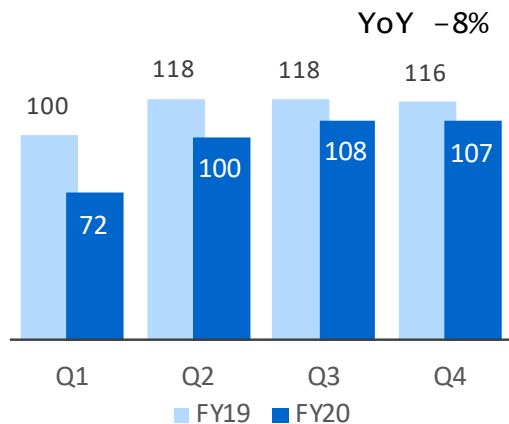
■ Percentage of color in sales of hardware

	FY18				FY19				FY20			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Office	73%	73%	73%	74%	72%	73%	72%	75%	69%	76%	75%	74%
Professional Print	81%	80%	80%	81%	78%	82%	76%	80%	75%	80%	80%	81%

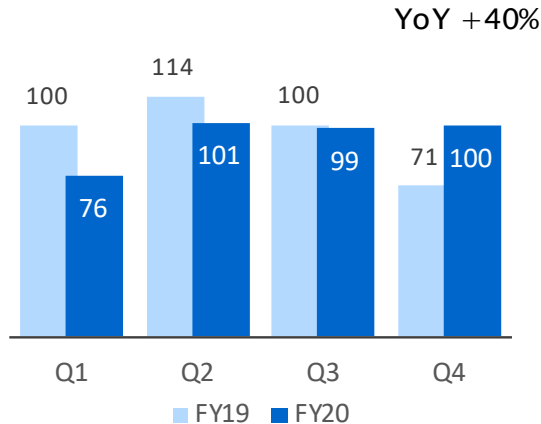


Appendix Quarterly Unit Sales Trends | office/production print – Products

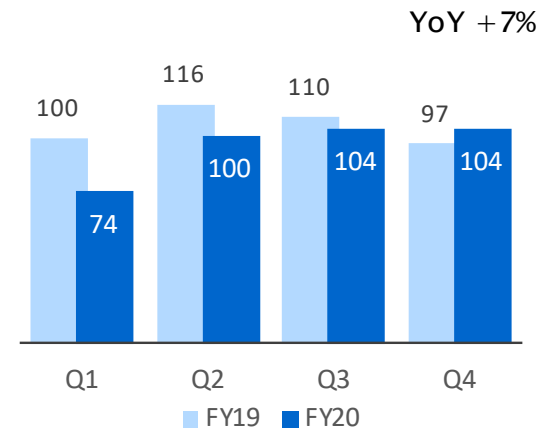
■ A3 Color MFP– Units*



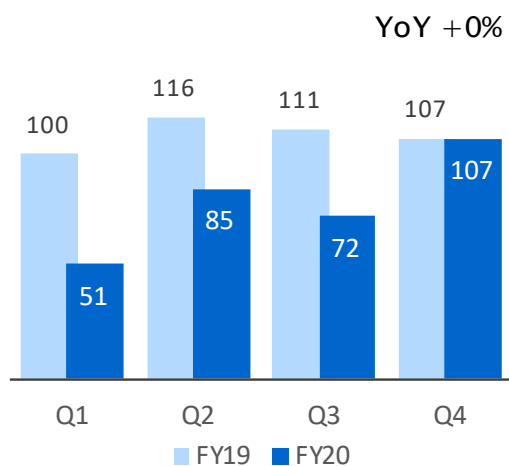
■ A3 monochrome MFP– Units*



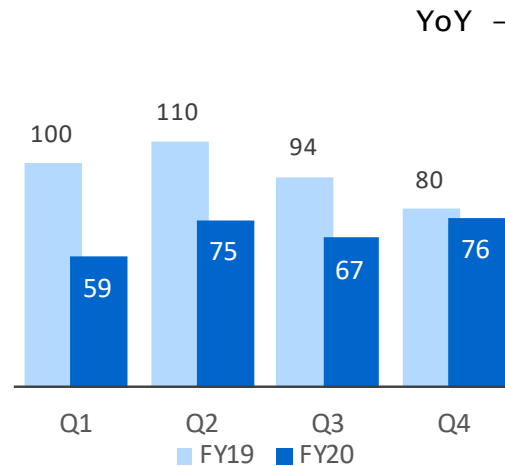
■ A3 MFP– Units*



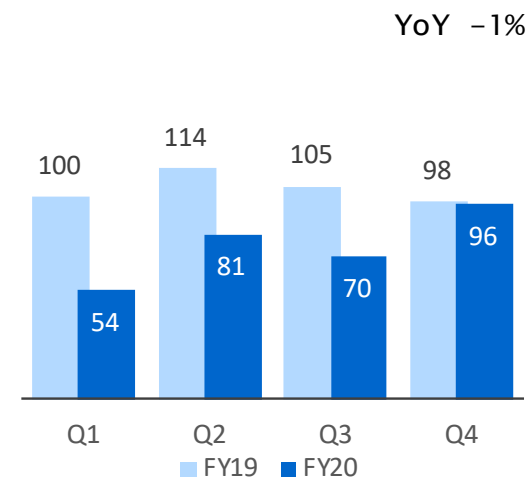
■ Color Production Print – Units*



■ Monochrome Production Print – Units*



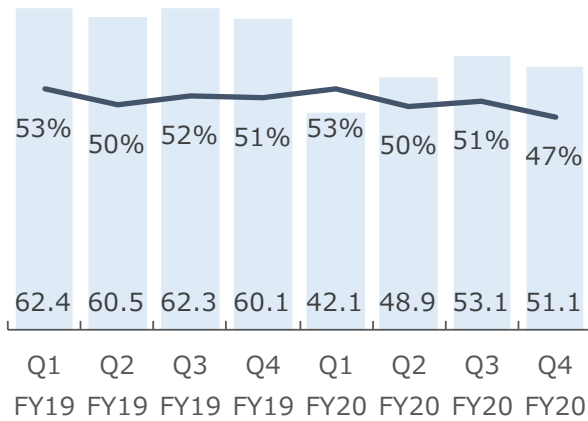
■ Production Print – Units*



* Base Index: "FY2019-Q1 = 100

Revenue & ratio of non-hard

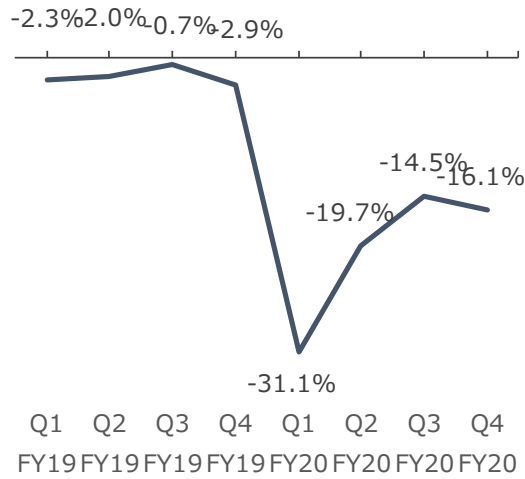
Office [¥ billions]



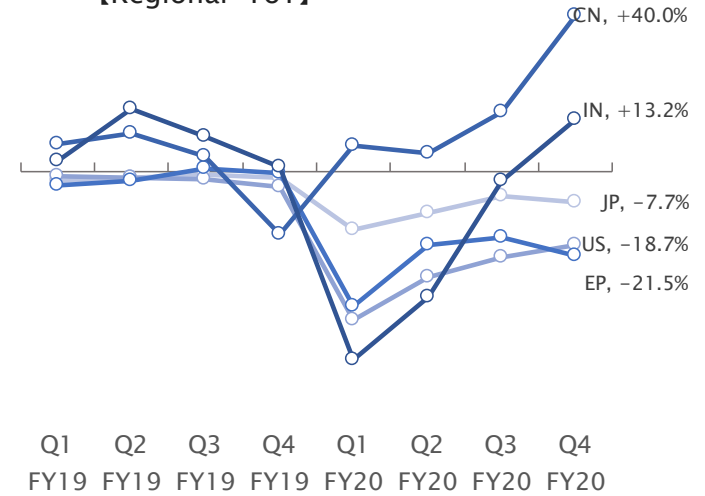
YoY revenue increase in non-hard

(w/o FOREX)

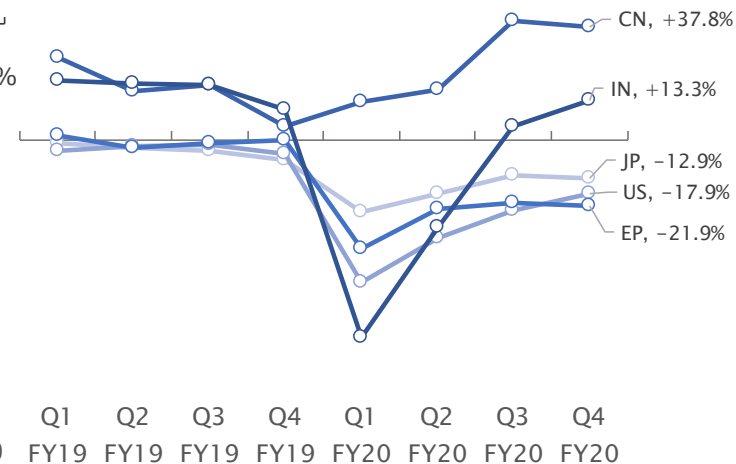
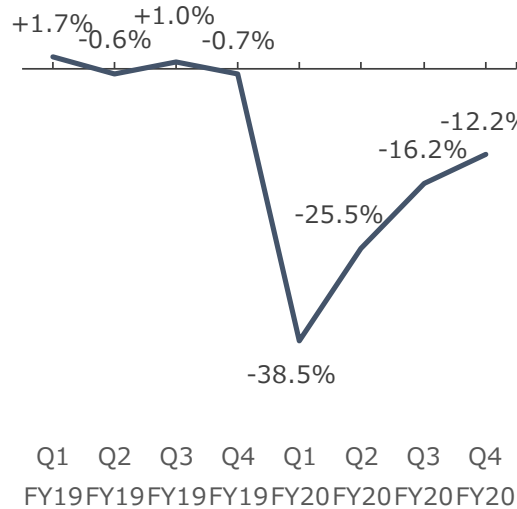
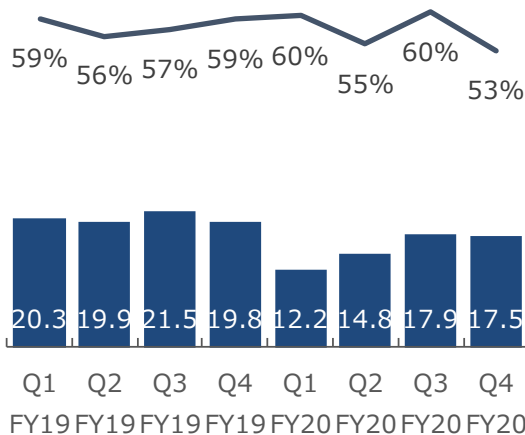
[Total]



[Regional YoY]



Production print



[¥ billions]

【Revenue】	FY18				FY19				FY20			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Digital Workplace Business	143.5	147.2	145.7	151.4	135.0	139.1	139.5	135.4	94.6	116.7	125.0	128.9
Professional Print Business	53.4	55.9	55.8	62.7	50.6	52.7	55.4	51.4	31.8	41.7	45.3	50.8
Healthcare Business	24.5	28.2	27.5	36.8	25.9	33.8	25.9	33.0	20.5	24.9	28.2	35.5
Healthcare	18.6	21.6	20.9	29.8	18.6	26.4	18.1	24.7	16.4	19.1	20.0	27.9
Precision medicine	5.9	6.5	6.6	6.9	7.2	7.4	7.7	8.3	4.1	5.9	8.2	7.6
Industry Business	33.5	30.3	31.0	30.4	30.0	29.8	28.5	28.9	26.1	27.9	31.5	32.8
Sensing	9.6	7.2	7.7	7.6	6.6	6.7	7.3	7.0	7.1	7.6	8.0	9.6
Materials and Components	21.5	20.1	20.6	19.3	21.0	20.5	18.9	18.5	16.1	17.6	20.5	19.6
Imaging-IoT solutions	2.4	2.9	2.6	3.4	2.5	2.7	2.3	3.4	2.9	2.8	3.0	3.5
Corporate etc.	0.3	0.3	0.5	0.3	0.3	0.3	0.3	0.5	0.2	0.3	0.2	0.5
Company overall	255.2	261.9	260.5	281.5	241.7	255.7	249.5	249.1	173.2	211.5	230.2	248.5
【Operating Profit】	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Digital Workplace Business	7.7	11.9	9.9	10.6	5.5	7.8	4.3	0.1	-9.6	0.3	3.1	3.5
Professional Print Business	1.7	3.7	3.3	5.1	1.1	1.0	2.9	-0.7	-7.1	-1.7	0.0	0.9
Healthcare Business	-1.6	0.9	-1.3	0.6	-2.1	-1.2	-0.4	-0.6	-4.7	-1.8	-0.5	0.7
Industry Business	5.3	3.5	4.3	2.1	3.2	3.7	4.2	3.2	2.8	2.2	4.8	5.8
Corporate etc.	2.4	-0.9	-0.3	-6.5	-7.0	-6.5	-5.9	-4.5	-4.1	-4.2	-4.0	-2.6
Company overall	15.4	19.2	15.9	11.9	0.6	4.9	5.1	-2.4	-22.6	-5.2	3.3	8.3

Revise of Segments for Disclosure



Old Segment	
Office Business	<ul style="list-style-type: none"> Office(OP) IT service solutions(ITS)
Professional Print Business	<ul style="list-style-type: none"> Production print(PP) Industrial printing(IP) Marketing services(MS)
Healthcare Business	<ul style="list-style-type: none"> Healthcare(HC) Medical IT(HIT)
Industrial Business	Optical systems for industrial use
	<ul style="list-style-type: none"> Measuring instruments(MI) Imaging solutions(IS)
	Materials and Components
	<ul style="list-style-type: none"> Performance materials(PM) Optical component(OC) IJ component(IJ)
<ul style="list-style-type: none"> New Business : Bio-healthcare (BHC), Workplace Hub (WPH), Monitoring solutions, QOL etc. 	
Corporate, etc.	



New Segment	
Digital Workplace Business	<ul style="list-style-type: none"> Office(OP) IT service solutions(ITS) Workplace Hub(WPH)
Professional Print Business	<ul style="list-style-type: none"> Production print(PP) Industrial print(IP) Marketing services(MS)
Healthcare Business	<ul style="list-style-type: none"> Healthcare(HC) Precision medicine(APM)
Industry Business	Sensing
	<ul style="list-style-type: none"> Measuring instruments(MI)
	Materials and components
	<ul style="list-style-type: none"> Performance materials(PM) Optical components(OC) IJ components(IJ)
	Imaging-IoT solutions
	<ul style="list-style-type: none"> Imaging-IoT solutions(IIS) Visual solutions(VS)
Corporate, etc., QOL	

■ Core	■ Growth	■ New
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FY2020 12M Performance Overview | Revenue & Operating Profit by Old Segment



[¥ billions]

Revenue	FY2020		YoY	YoY (W/O Forex)	FY2020		YoY	YoY (W/O Forex)	FY2020	
	12M	12M			3Q	3Q			2Q	QoQ
Office	461.8	546.5	-15%	-15%	127.9	134.3	- 5%	-6%	124.0	+3%
Professional Print	169.6	210.1	-19%	-19%	50.8	51.4	- 1%	-3%	45.3	+12%
Healthcare	83.4	87.9	-5%	-4%	27.9	24.7	+13%	+14%	20.0	+39%
Industrial Business	109.2	109.6	-0%	+0%	30.8	26.7	+15%	+16%	29.5	+4%
Optical systems for industrial	35.5	30.8	+15%	+16%	11.2	8.2	+36%	+35%	9.0	+24%
Materials and Components	73.7	78.8	-7%	-6%	19.6	18.5	+6%	+7%	20.5	-4%
New business	38.9	41.2	-6%	-4%	11.0	11.8	- 7%	-6%	11.3	-2%
Bio-healthcare	25.7	30.6	-16%	-14%	7.6	8.3	- 8%	-5%	8.2	-6%
Others	13.2	10.6	+24%	+23%	3.4	3.6	- 6%	-9%	3.1	+8%
Corporate, etc.	0.6	0.8	-30%	-30%	0.2	0.2	- 27%	-21%	0.1	+31%
Company overall	863.4	996.1	-13%	-13%	248.5	249.1	- 0%	-1%	230.2	+8%

Operating profit/OPM	FY2020		YoY	YoY (W/O Forex)	FY2020		YoY	YoY (W/O Forex)	FY2020			
	12M	12M			3Q	3Q			3Q	QoQ		
Office	4.7	1.0%	23.9	-80%	-81%	4.7	3.7%	1.3	+259%	+259%	5.3	-10%
Professional Print	-7.9	-	4.4	-	-	0.9	1.8%	-0.7	-	-	0.0	-
Healthcare	2.6	3.1%	0.6	+298%	+332%	2.1	7.7%	0.1	+3655%	+3655%	1.0	+122%
Industry	18.9	17.3%	19.2	-2%	+2%	6.8	22.0%	3.8	+77%	+77%	5.6	+20%
New business	-21.2	-	-17.7	-	-	-4.0	-	-2.9	-	-	-4.9	-
Corporate, etc.	-13.4	-	-22.2	-	-	-2.3	-	-4.1	-	-	-3.7	-
Company overall	-16.3	-	8.2	-	-	8.3	+3.4%	-2.4	-	-	3.3	+154%

- **MFP (Multi Functional Peripheral) Speed Segment: Digital Workplace Business**
Seg. 1 to 20ppm, Seg.2 21–30ppm, Seg.3 31–40ppm, Seg.4 41–69ppm, Seg.5 70~ppm (A4 vertical, minute speed)
- **Workplace Hub (WPH): Digital Workplace Business**
IoT platform provided by Konica Minolta. In addition to multi functional peripheral, 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.
- **Color production print Machine Segments: Professional Print Business**
ELPP (Entry Light Production Print, Monthly printing volume: 1–0.3 million sheets for low-priced products mainly for large companies' centralized printing rooms)
LPP (Light Production Print, Monthly printing volume: 0.1–0.3 million sheets for commercial printers)
MPP (Mid Production Print, Monthly printing volume: 30–1 million sheets for commercial printing products)
HPP (Heavy Production Print, Monthly printing volume: 1 million sheets or more for commercial printing products)
- **Dynamic Digital Radiography: Healthcare Business**
These devices and systems enable more detailed diagnoses by using continuously captured X-ray images to observe patients in motion.
- **informatics: Healthcare Business**
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.
- **CARE Program: Healthcare Business**
Program to provide total support for effective pick-up and genetic diagnostics of the high-risk group of genetic breast cancer.
- **CARE for COVID: Healthcare Business**
Healthcare program which is aimed to prevent the infection of COVID-19. It offers safety and security to employees and citizens through counselling with AI technology, PCR testing, and telemedicine.
- **SANUQI: Industry Business**
Trademark of a new resin film, used as a material in electronic devices for displays.



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.