

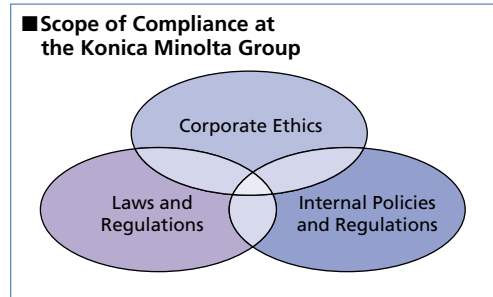
Compliance

More stringent, extensive compliance requirements established as Konica Minolta's global standards

Scope of compliance

This includes not only laws and regulations but also a broad range of corporate ethics and company regulations.

Konica Minolta views "compliance" in a broader context, covering not only the applicable Japanese and overseas laws but also corporate ethics and internal regulations. Upon the merger of Konica and Minolta in October 2003, the President and CEO of Konica Minolta Holdings declared the promotion of compliance throughout the Group and established the Konica Minolta Group Conduct Guideline. This guideline is the foundation for achieving a high level of corporate governance within the Group, and is given the highest priority in every aspect of our corporate activities.



■ Konica Minolta Group Conduct Guideline (excerpts)

Basic Stance

1. We shall comply with all applicable laws and internal policies and regulations.
2. We shall respect social standards, and act with good discretion, responsibility and due awareness of corporate ethics.
3. We shall endeavor to fully understand the contents of this Guideline and comply with them at all times.
4. We shall not act in violation of this Guideline. Pursuit of profit, service for the company, orders from superiors, precedent, prior cases in other companies, and industry or national practices provide no justification for any violation.

Products and Services

- We shall provide useful, safe, high-quality products and services to customers.

Fair Transactions

- We shall comply with anti-trust and competition laws, and conduct transactions in a manner that is fair, transparent and promotes free competition.

Export and Import Procedures

- We shall comply with all applicable export control laws as well as internal policies and regulations, in the export or provision of any item or technology.

Confidential Information and Intellectual Property

- We shall be aware of the importance of protecting the confidential information of the company or third party, and shall maintain the confidentiality of such information, in compliance with all applicable internal policies and regulations.

Communication and Information Disclosure

- We shall conduct voluntary, fair and timely disclosure of useful and reliable information when required by law, and as appropriate on other occasions.

Environmental Protection

- We shall develop and provide products and services with due consideration to the environment, health and safety at all stages—from design, manufacturing, distribution, and use, to disposal.

Contribution to Society

- We shall work for the mutual benefit of and harmonious relations between society and Group companies, whether in Japan or overseas.

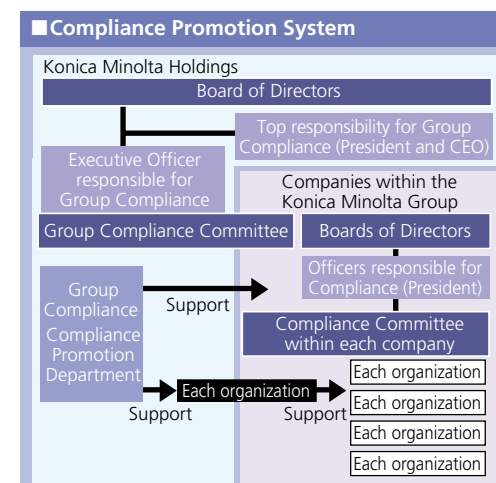
The Guideline also specifies rules related to "Antisocial Forces," "Respect for Employees" and "Internal Policies and Regulations."

System to promote compliance

Cultivating a strong sense of compliance on a global basis

The Konica Minolta Group has set up a compliance structure according to the law applicable to companies employing a board-with-committees system. Under the structure, the President and CEO of Konica Minolta Holdings maintains overall responsibility and oversight of the compliance activities within the Group, while the Board of Directors selects one of the executive officers to act as the Group's compliance officer. The officer operates an advisory board, the Group Compliance Committee, made up of the chairmen of the Compliance Committees established in our business and common function companies (usually the president of each company). A strong, top-down compliance structure reaching from Konica Minolta Holdings to each Group company is in place at the Konica Minolta Group. Under the guidance from the Group Compliance Committee, the Compliance Promotion Department of Konica Minolta Holdings assumes oversight responsibility governing the compliance activities of affiliate

companies, both in Japan and overseas, to provide direct and indirect support on a global basis.



Achieving a high level of compliance

Delivered Konica Minolta Group Charter of Corporate Behavior in nine languages

The Konica Minolta Group Charter of Corporate Behavior forms the basis of our conduct guidelines. To pervade the principle of the Charter throughout the Group, we prepared a leaflet that features the Charter in nine languages (Japanese, English, Chinese, German, French, Spanish, Portuguese, Italian and Russian) and, at the beginning of fiscal 2005, delivered it to 55,000 employees working for our Group companies around the globe.



Developed a Compliance Manual

Delivered the manual in the Chinese language

Following delivery in April 2004 of the Compliance Manual to every employee working for Group companies in Japan, we developed a Chinese version of the manual and delivered 2,000 issues in May. Since the laws and commercial practices that form the basis of our compliance activities vary according to country or region, we developed a separate version that conforms to Chinese laws and regulations. Our affiliate compa-

nies in the U.S. and Europe have also developed their own Code of Conduct, which lists the policies and guidelines that our employees must follow.



Compliance-related education

Conducted a series of compliance education and training at home and overseas

At Konica Minolta, the Group companies in Japan and overseas are required to report the progress of their compliance activities on a monthly (in Japan) and quarterly (overseas) basis to the Compliance Committee within each company and to the Group Compliance Committee in Konica Minolta Holdings.

During fiscal 2004, we expanded our global compliance training program to include Australia and Singapore, in addition to the U.S. (New Jersey and Alabama), Europe (the U.K., France, Germany and the Netherlands) and China. The executive officer responsible for Group compliance visited each region and conducted a

series of compliance-related lectures mainly for presidents and local executive staff.

In Japan, we conducted 31 sessions of compliance training (excluding the number of sessions provided by each Group company) during the period from May 2004 to January 2005 in response to the requests from our subsidiaries. Further, a total of 240 employees directly received compliance training through various training courses for new employees (April 2004), senior-level employees (July), newly appointed officers (December), and newly appointed management staff (January 2005).

Responses to the Personal Information Protection Act

Intensifying the handling of personal information through conducting activities such as special training sessions

In preparation for the Personal Information Protection Act effective as of April 2005 in Japan, the Ministry of Economy, Trade and Industry issued a related guideline in September 2004. Accordingly, we launched a project within the Group defining three top-priority actions and four managerial steps to comply with the Act. We also developed a manual for handling personal infor-

mation, executed special training sessions at 12 locations and widely disseminated the knowledge within organizations. We developed a policy for protection of personal information in September 2004, and after half a year of devising a personal information protection system, implemented the policy on March 25, 2005.

Protecting voluntary informants

Help Line offered through various means of access

In Japan, we operate a Help Line service that allows an employee to report an act of questionable conduct in view of our compliance stance directly to the Compliance Committee in each company, the President and CEO of Konica Minolta Holdings, the officer responsible for compliance, or to the head of the Legal Division

via telephone, e-mail or written correspondence. During fiscal 2004, more than 10 reports were made to Konica Minolta Holdings. In each case, we conducted inspections, while taking into account the protection of the informant, and made prompt actions to correct the situation.