



KONICA MINOLTA

# Daiwa Investment Conference Tokyo 2013

Konica Minolta Holdings, Inc.

March, 2013

*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.*

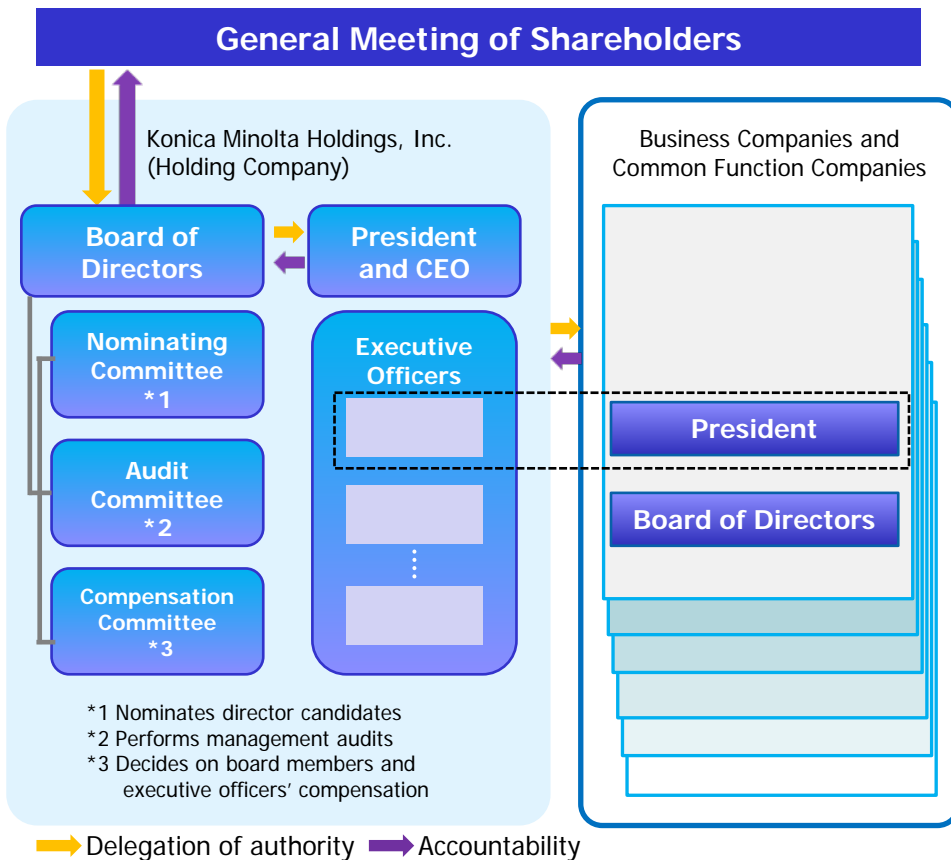
# Konica Minolta Group's Growth Strategy Medium Term Business Plan

**G PLAN 2013** 

# Corporate Governance: Company-with-Committees System



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## Board of Directors (total of 11 people)

7 Non Executive Officers

	Nominating Committee	Audit Committee	Compensation Committee
Directors (Chairman of the Board)	●		
Outside Director	●		●
Outside Director		●	●
Outside Director	●	●	
Outside Director	●	●	●
Director	●	●	●
Director		●	●

4 Executive Officers

\* Director (President & CEO)

\* 3 Directors (Managing Executive Officers)

Boarding of Directors and Three Committees (as of June 22, 2011)

●: Chairman

▶ We have adopted a company-with-committees system, which enables the management supervisory function of the directors to be separated from the business-execution function of the executive officers.

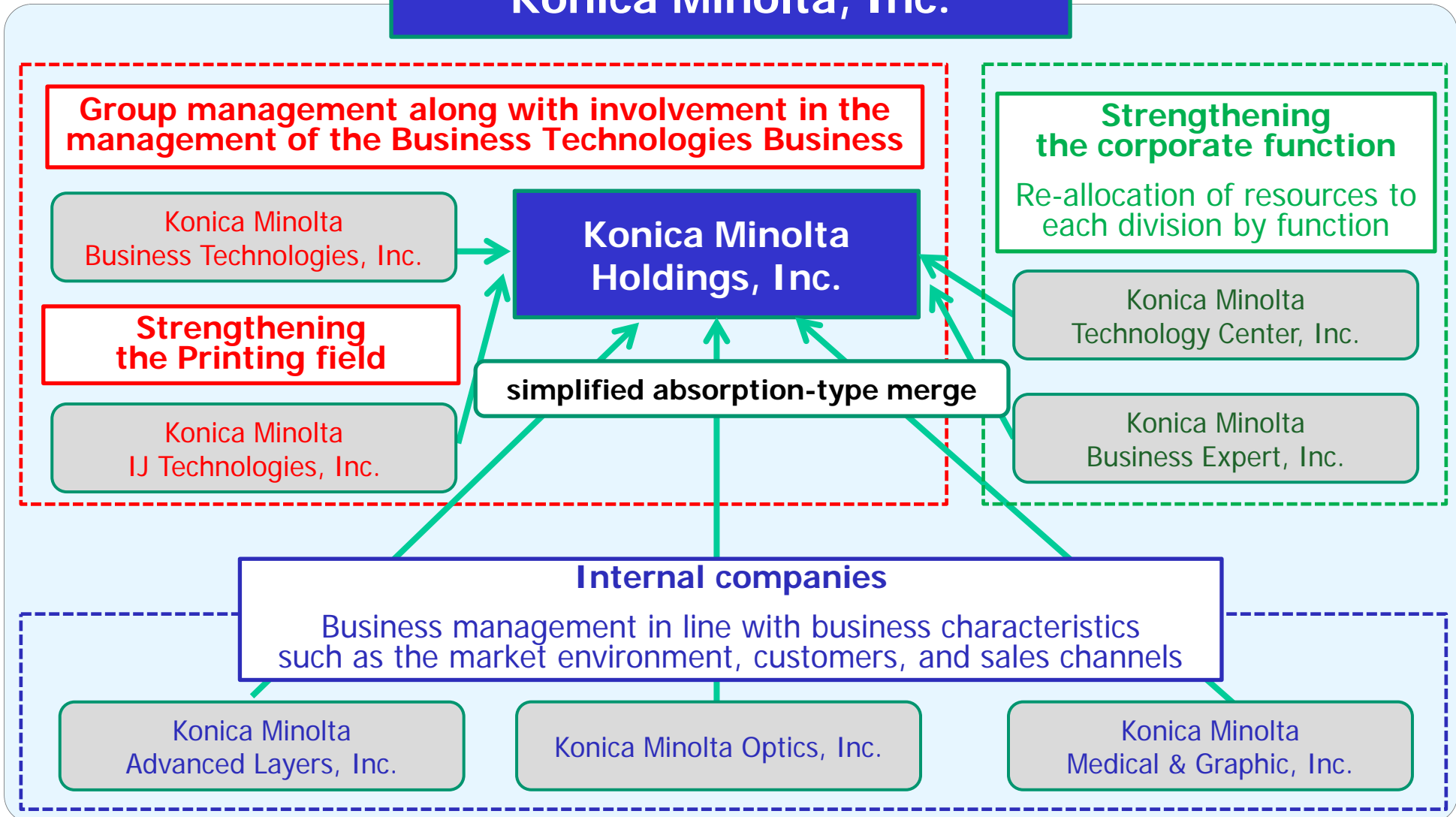
▶ Four outside directors are highly independent and have no major business relations with us. A majority of directors do not serve as executive officers. Moreover, the Chairman of the Board of Directors has no executive officer position, which reinforces the supervisory function of the Board of Directors.

# Reorganization in the management system



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## Konica Minolta, Inc.



※Transition to the new management system will be made on April 1, 2013.

Giving Shape to Ideas

# Sales Breakdown by Business Segment



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## Other businesses



Industrial Inkjet Business

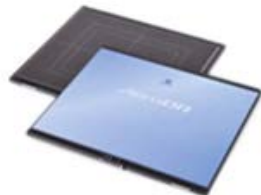


Planetary Business

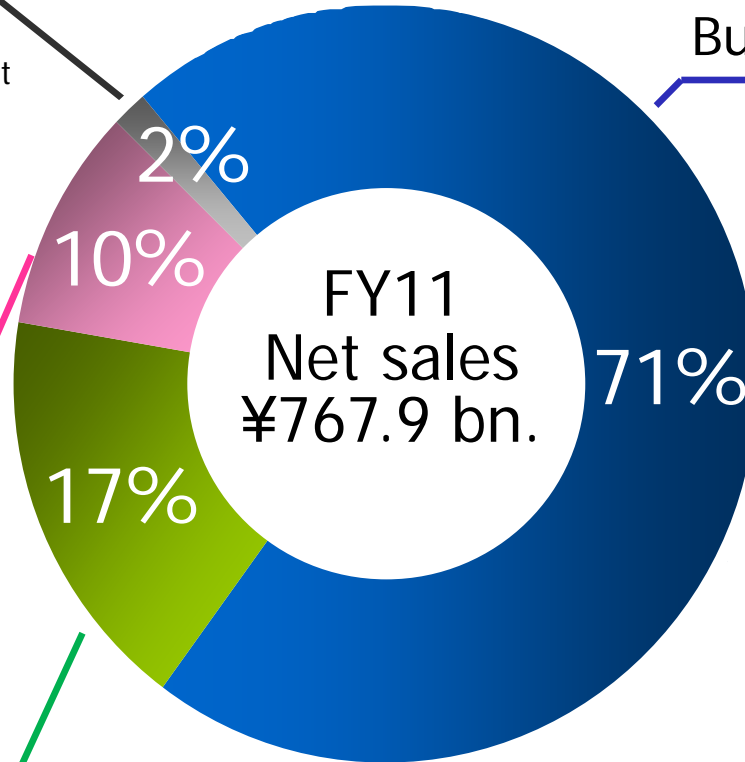
## Healthcare Business



medical imaging filing systems



digital X-ray diagnostic imaging systems



## Business Technologies Business



color MFPs



color laser printers

(Multi-functional peripherals)



production printing systems

## Industrial Business



TAC film for LCD polarizers



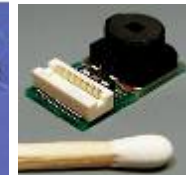
Replacement lenses for digital SLR



pickup lenses for optical disks



glass substrates for HDDs



micro-camera module

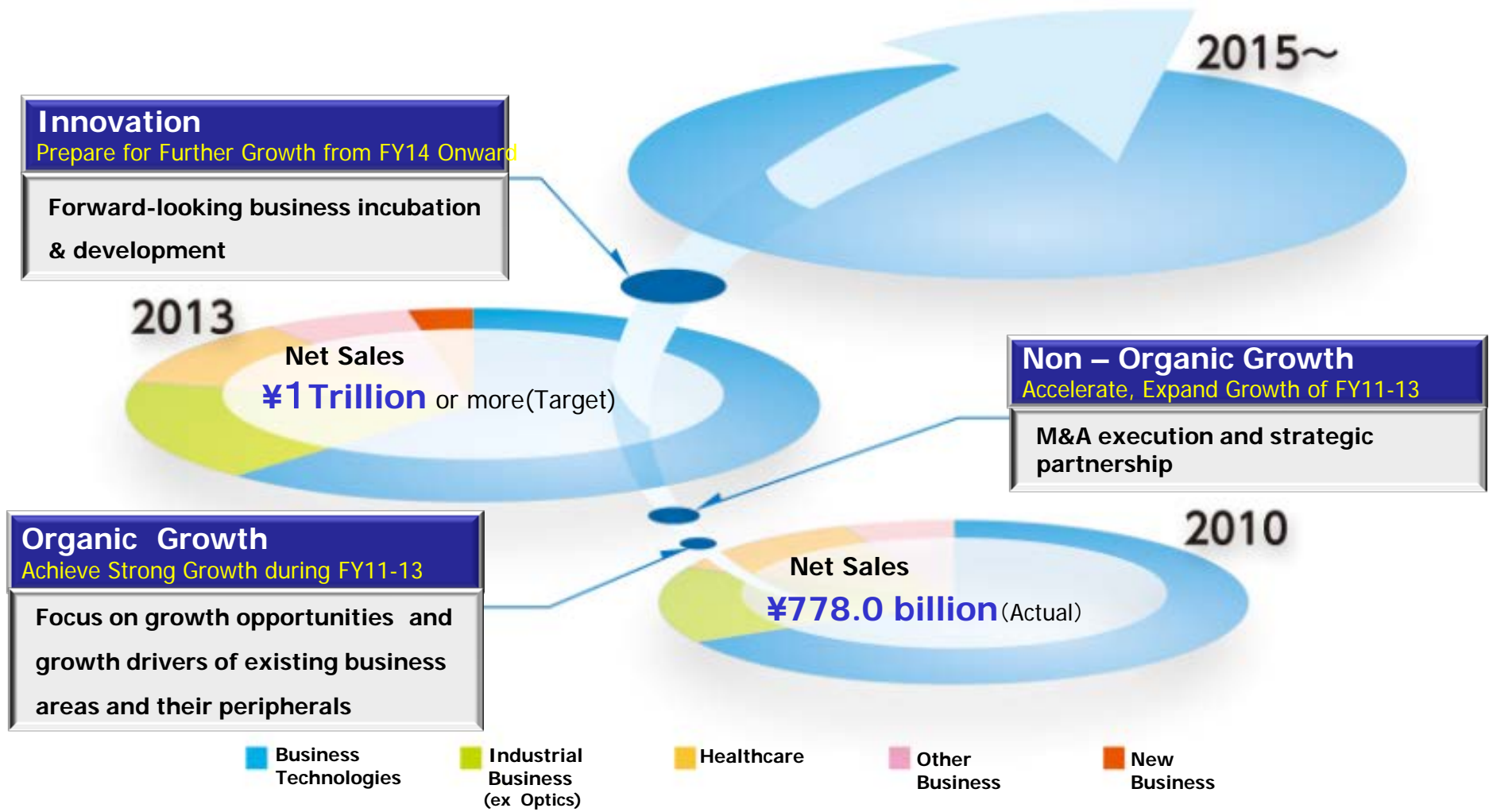


Sensing Business

Giving Shape to Ideas

- 1) Achieving growth, expanding business scale**
- 2) Changing into a “Global Company”**
- 3) Increasing the recognition of the Konica Minolta brand**

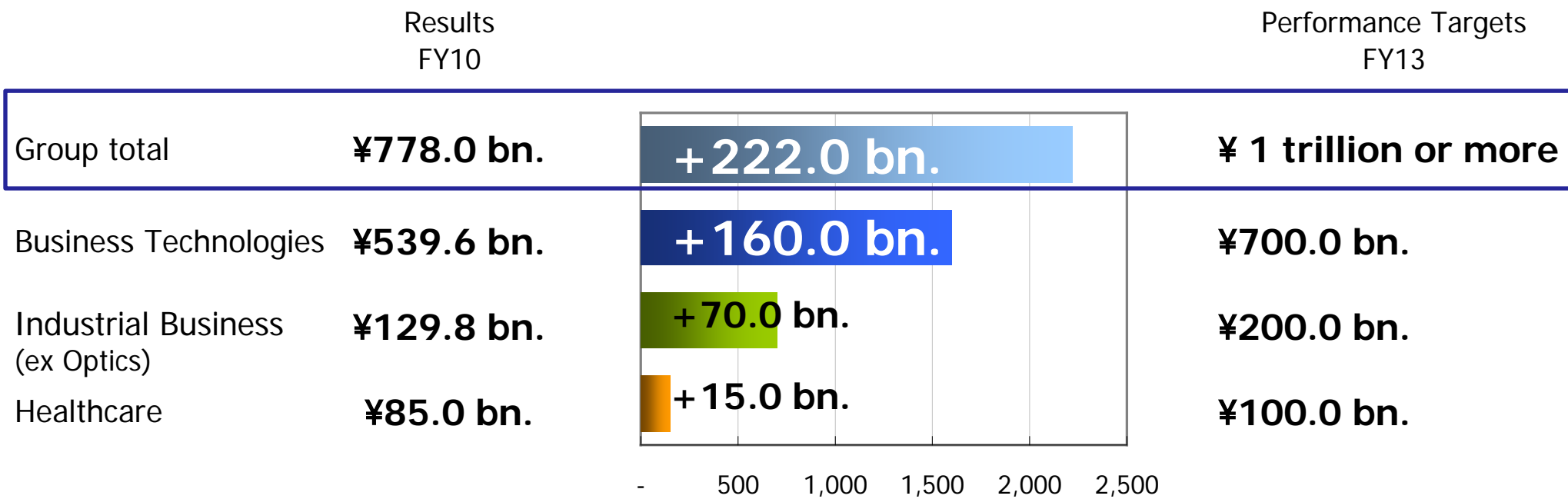
# G PLAN 2013: Growth Strategy



# Target Net Sales by Business Segment



The Business Technologies leads the growth of the overall Group.

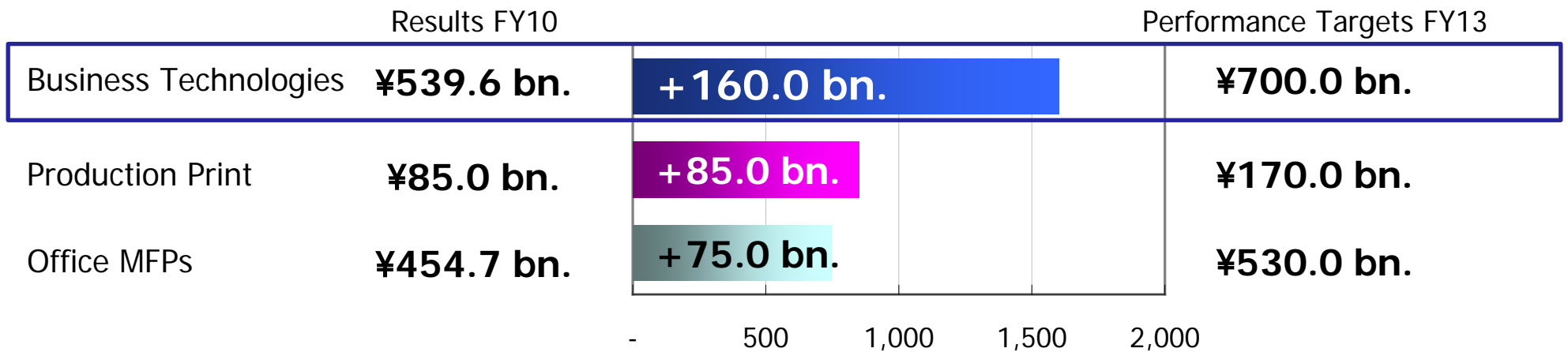




# Growth Strategy: Business Technologies



Promoting the genre-top strategy and expanding sales in growth fields



# Growth Strategy: Business Technologies

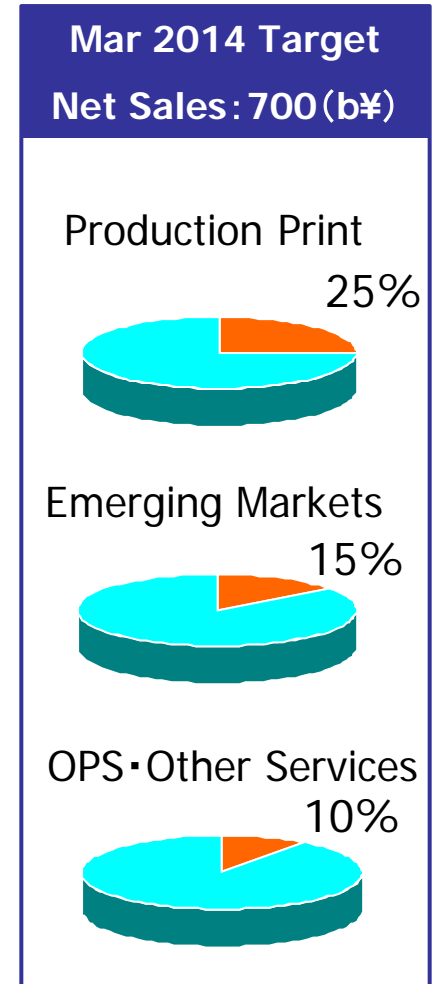
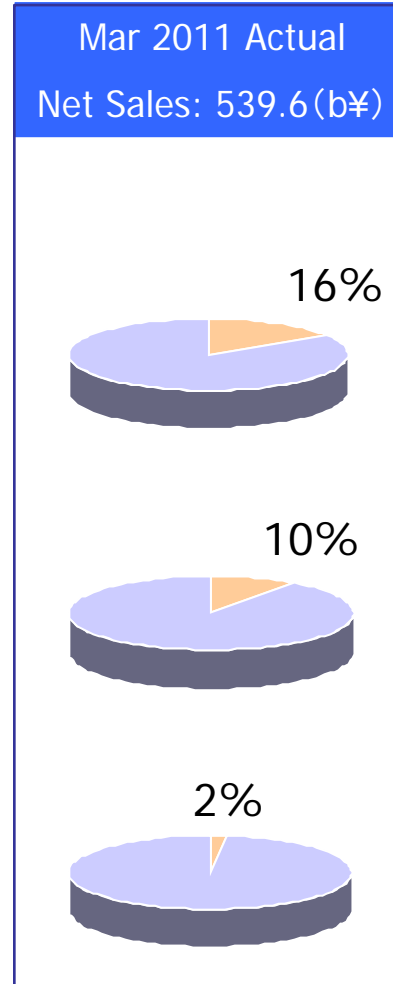
## Measures for Growth

### 【Production Print】

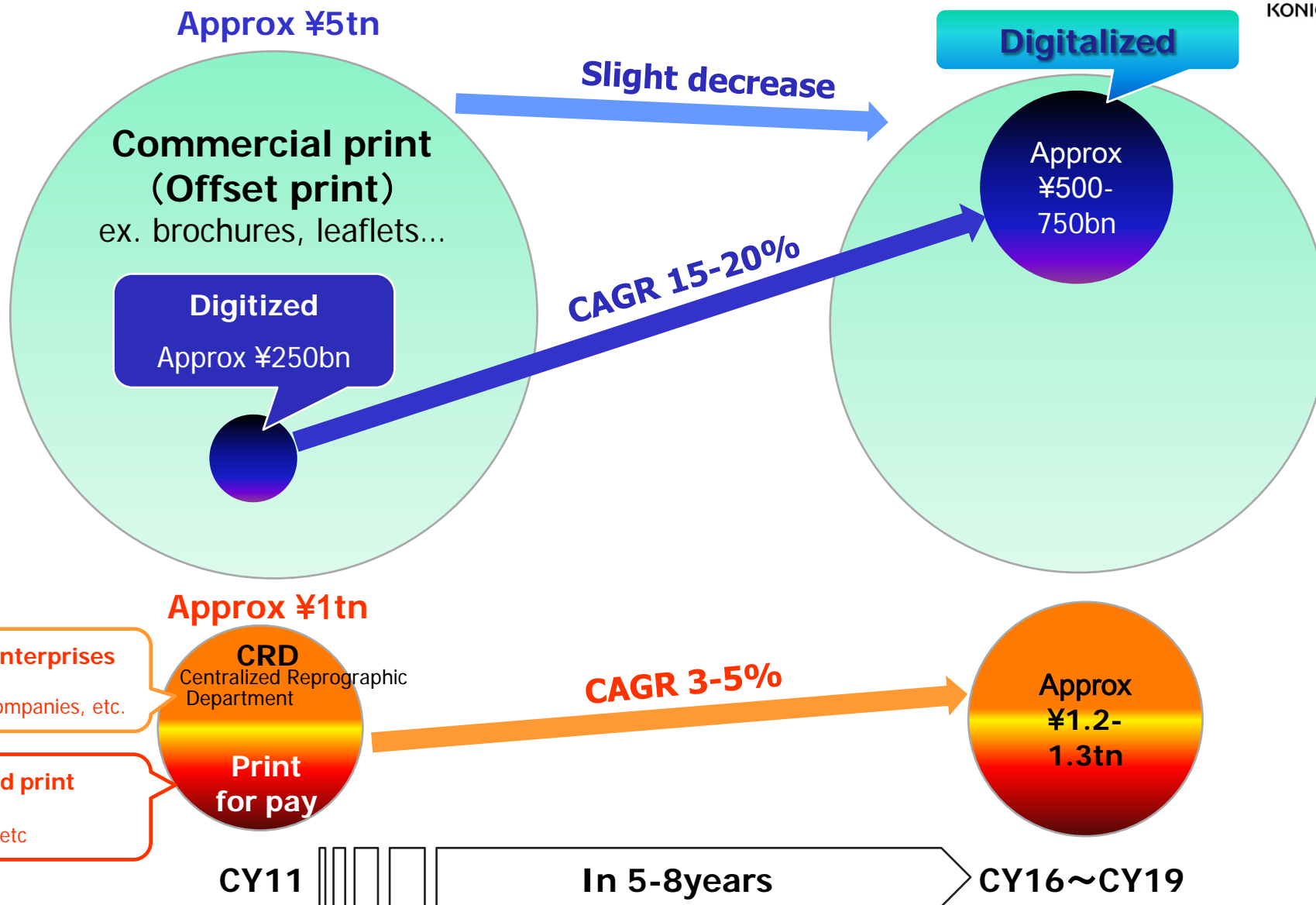
- ▶ Achieving the top position in the color PV field.  
Expanding the product line-up from lightweight systems to heavy systems.
- ▶ Strengthening our capabilities to meet the needs of customers by industry.

### 【Office MFP】

- ▶ Expanding the genre-top position by launching new series of color products.
- ▶ Expanding A4 products and expand sales in emerging markets, especially in China and other Asian markets.
- ▶ Strengthening OPS(Optimized Print Service) capability, and expanding Global Major Account business.



# Production Print: Market Growth Potential



# Production Print: Product Lineup



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## Monochrome

## Color

**bizhub PRESS 2250P** (Tentative)

\*Scheduled for release in FY2013



**bizhub PRESS C1100** (Tentative)

\*Scheduled for release in FY2013



**bizhub PRO 1250** *New*



**bizhub PRESS C8000**



**bizhub PRO 1052** *New*



*Heavy production printing*

*Medium production printing*

**bizhub PRESS C7000**



**bizhub PRESS C70hc**



**bizhub PRO 950**



*Light production printing*

**bizhub PRESS C6000**



**bizhub PRO C6501**



**bizhub PRO C6000L**



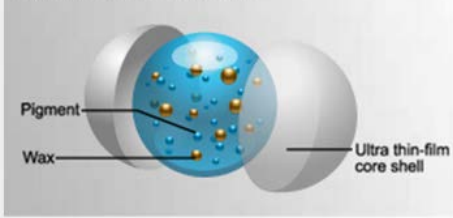
# Production Print: Color Flagship Product



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**High image quality, high definition, and high stability almost comparable to offset printing**

Structure of Simitri HD+



## The Simitri HD+ (plus) toner

newly developed for high productivity as well as pursuing higher image quality.



## S.E.A.D. II

(Screen-Enhancing Active Digital Processing)

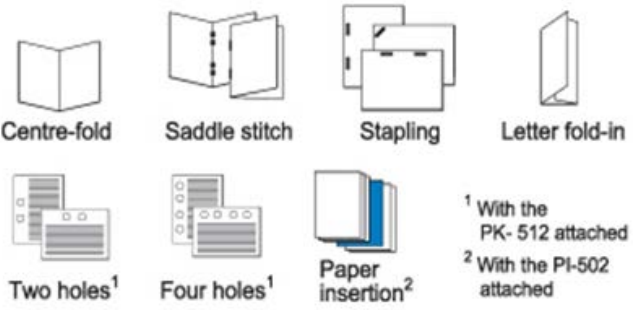
An accumulation of various advanced digital image-processing technologies condensed in a single system.

# bizhub PRESS C8000



**A group of accessories that responds to the needs of professionals and enables a range of in-line post processing options**

**A widening range of orders from customers, with the leading capability in wider range of papers in the industry**



**Perfect binding, saddle stitching, folding and more in a single system**

<sup>1</sup> With the PK-512 attached  
<sup>2</sup> With the PI-502 attached

## New potentials for the printing business for digital print professionals

- Maximum of 350g/m<sup>2</sup> thick paper compatibility
- Up to 500 types of paper profiles
- A hybrid decurling mechanism that significantly reduces paper curls
- Maximum 10,760-sheet paper capacity

# Production Print: Further expansion in scale



## Global alliance formed with Komori Corporation (February)

### Expand the digital commercial printing business on a full scale

- ▶ Affiliation with top manufacturer of sheet-fed offset printers
  - ▶ Digital printing system “bizhub PRESS” supplied on an OEM basis
- Sales to the large-scale and medium-scale customers in which Komori has a niche
- ▶ The future full-scale digital commercial printing systems are currently being jointly developed with “inkjet technology (the Group’s) + high-precision paper-feeding technology (Komori’s)”.

## Acquisition of FedEx Kinko’s Japan (April)

### Strengthen in-house printing field in domestic market

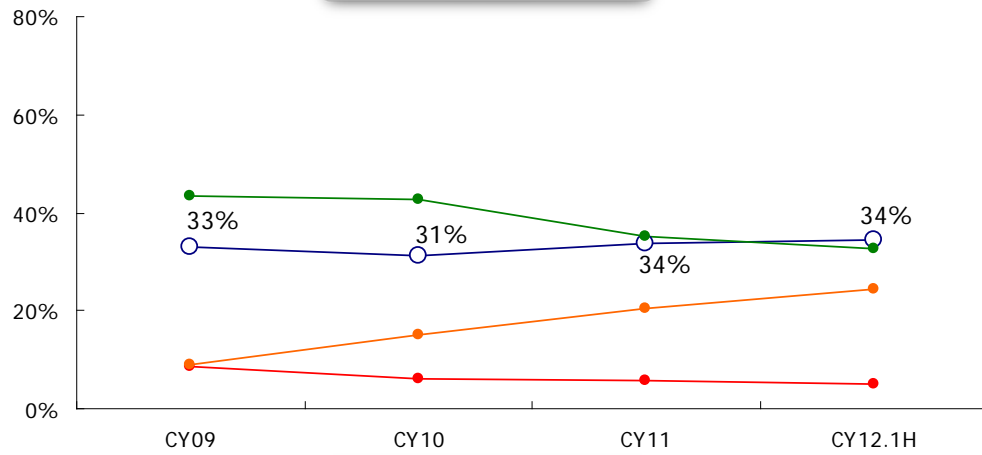
- ▶ Gain largest Japanese business\* offering on-demand printing services and top brand strength in the industry  
(49 stores with optimal locations in large metropolitan areas and six centralized printing centers in Tokyo)
- ▶ Acquire a client base focused on large companies and foreign companies and build up marketing solution skills in outsourced printing services for corporate customers
- ▶ Create a new business model with a combination of high-grade “products (hardware and toner) and services”

# Color Production Print: Market Share

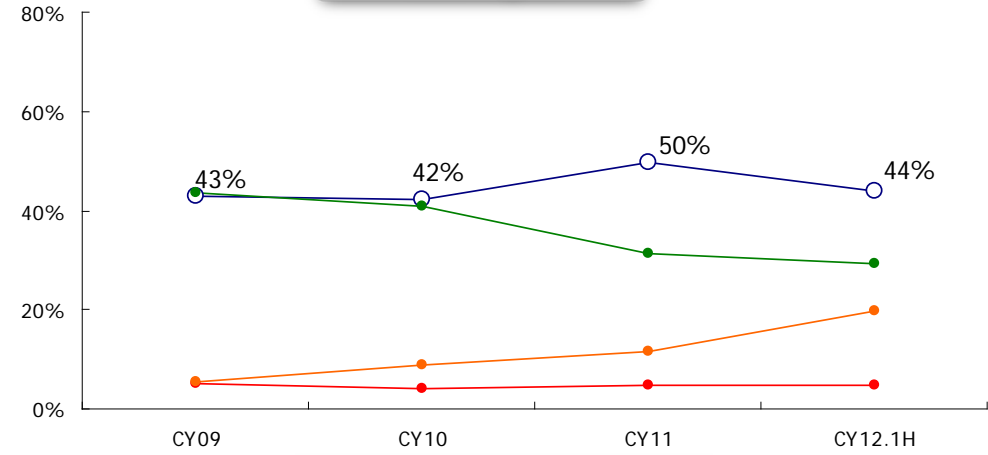


—Konica Minolta —A —B —C

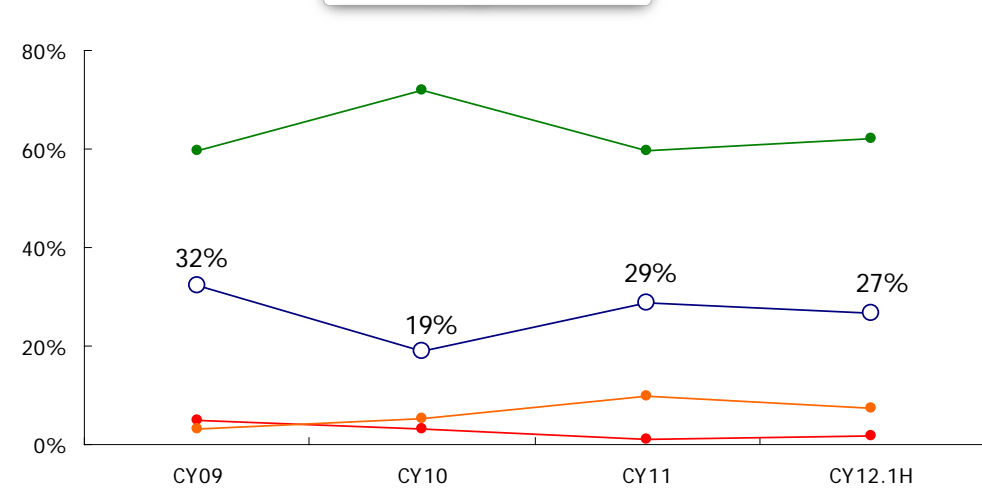
**U.S.**



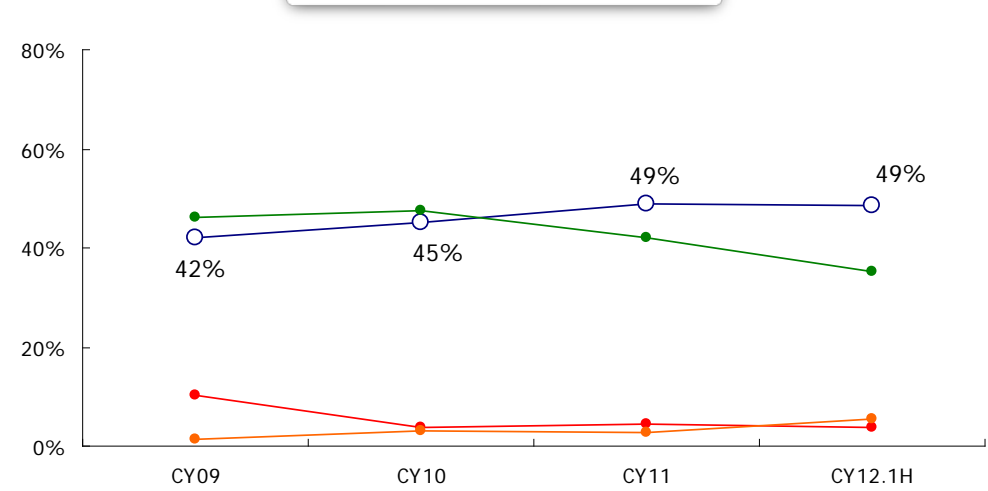
**Europe**



**Japan**



**Rest of the World**



# Production Print: Print Volume



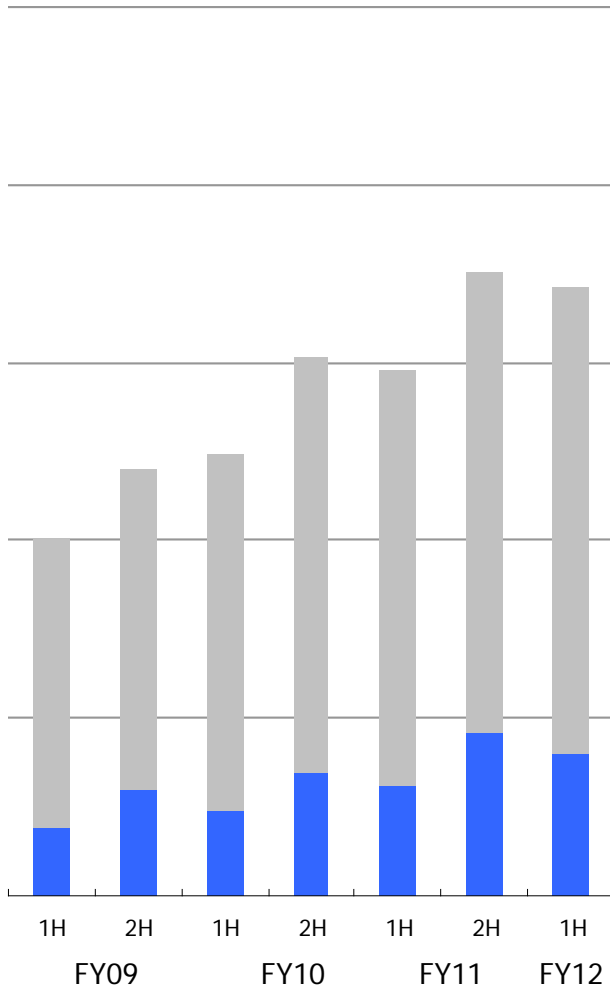
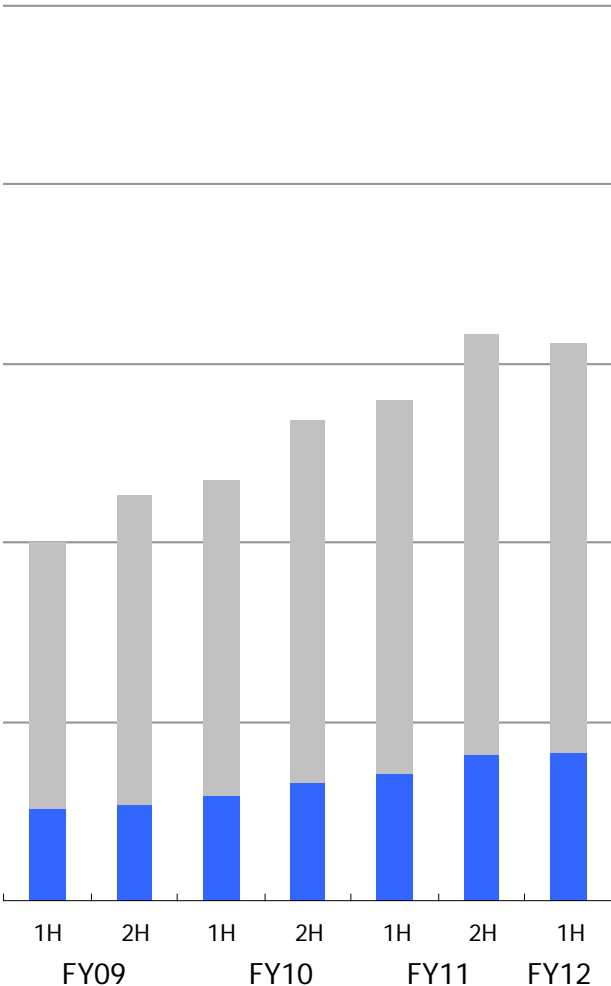
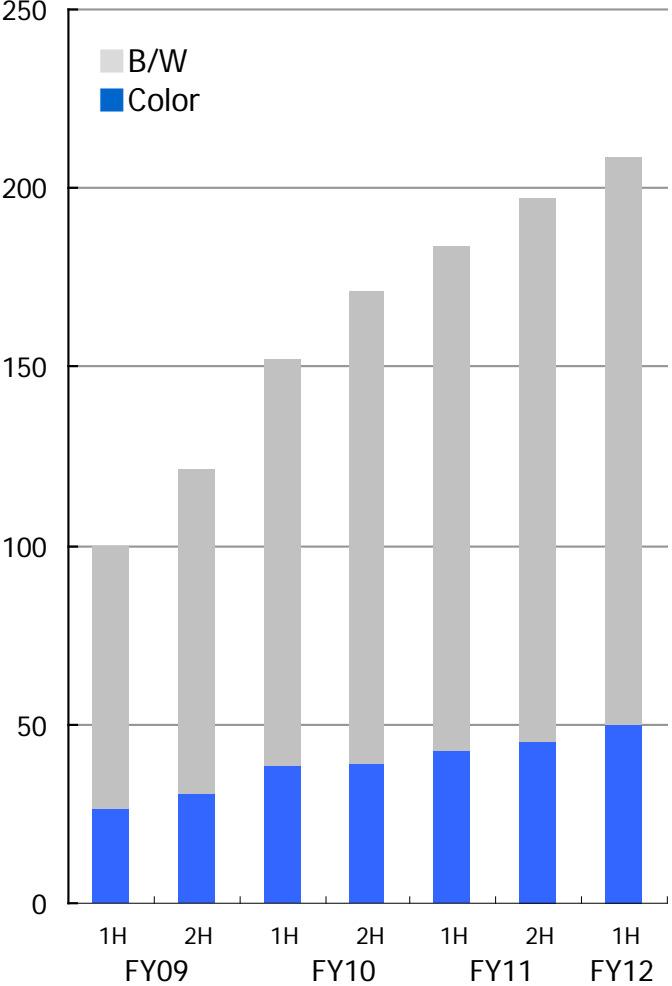
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※ actual sales through the Company's direct sales channel

**U.S.**

**Germany**

**Japan**



Giving Shape to Ideas

\*Base index : "1H/FY09" = 100

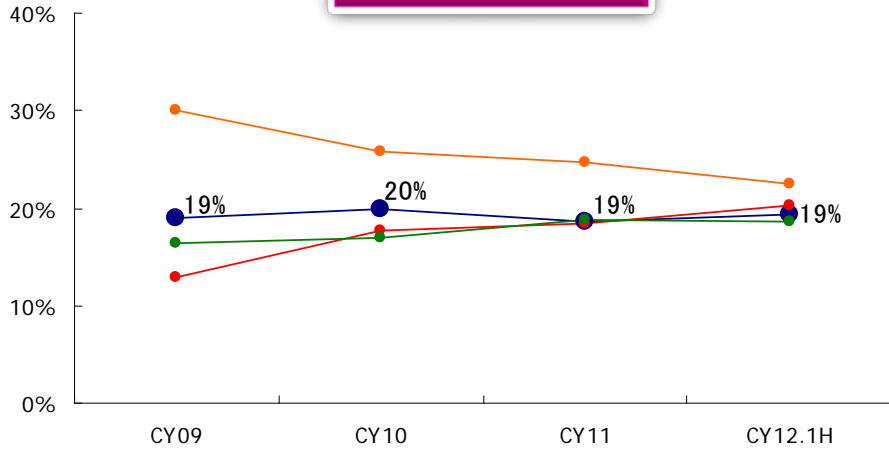


# A3 office color MFPs: Market Share

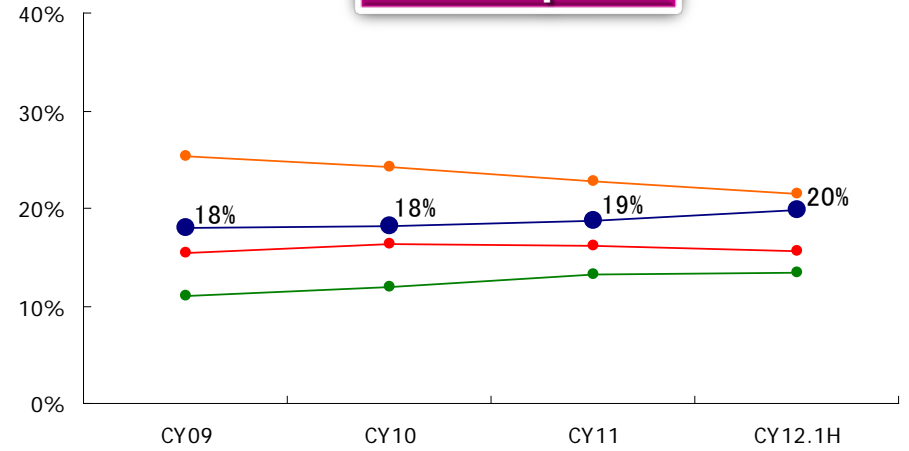


—Konica Minolta —A —B —C —D —E

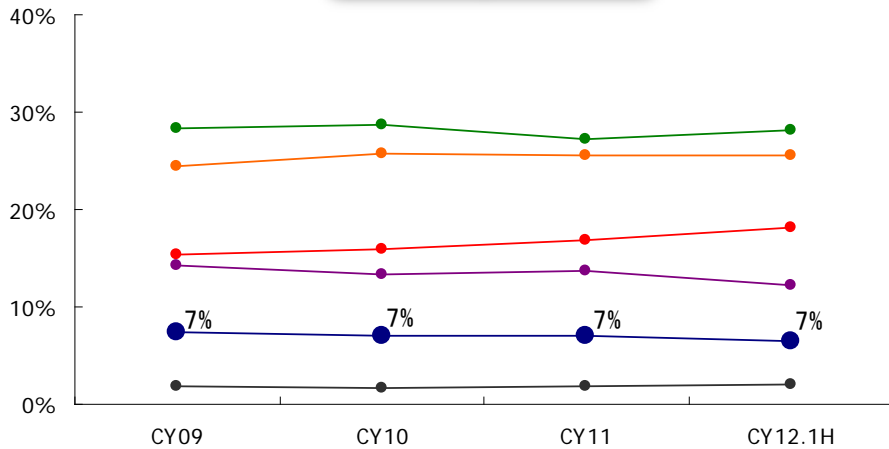
**U.S.**



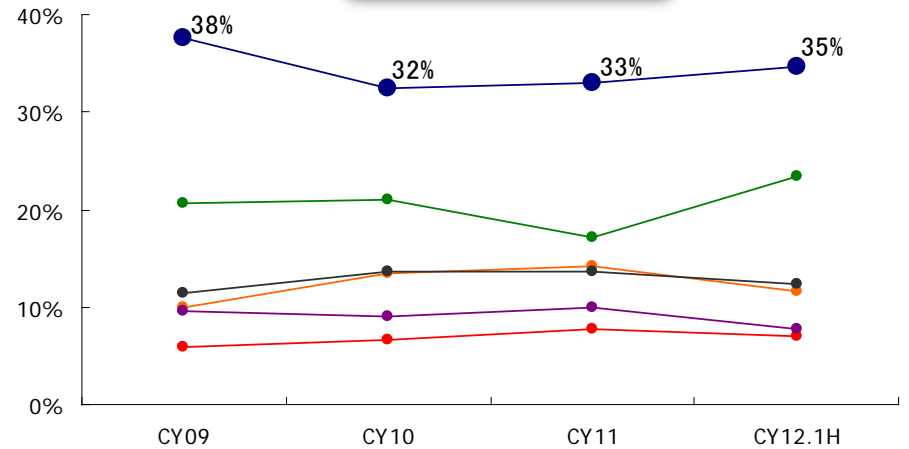
**Europe**



**Japan**



**China**



\*units, calendar base

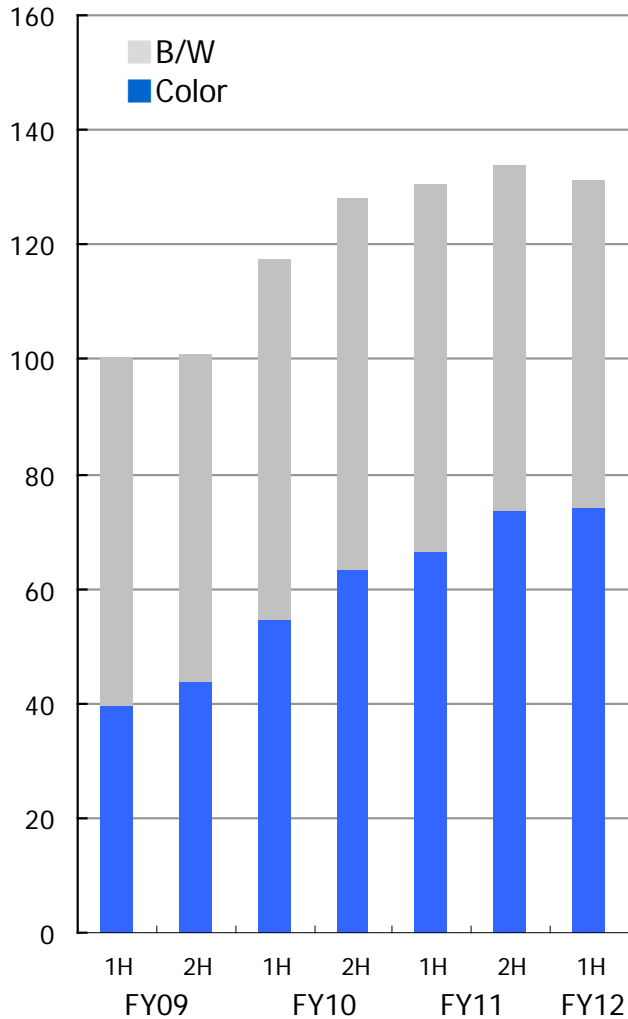
# Office: Print Volume



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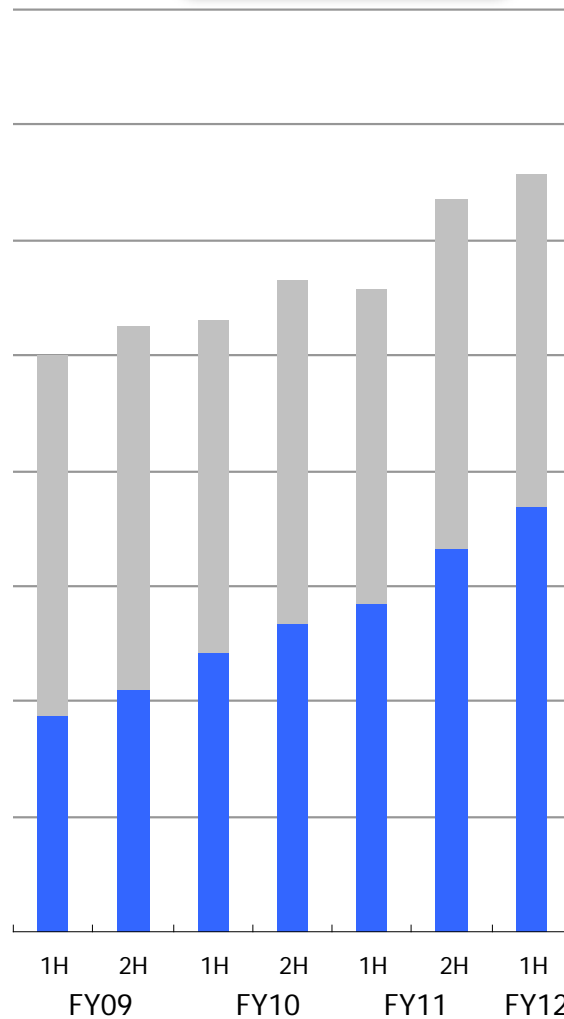
※ actual sales through the Company's direct sales channel

**U.S.**



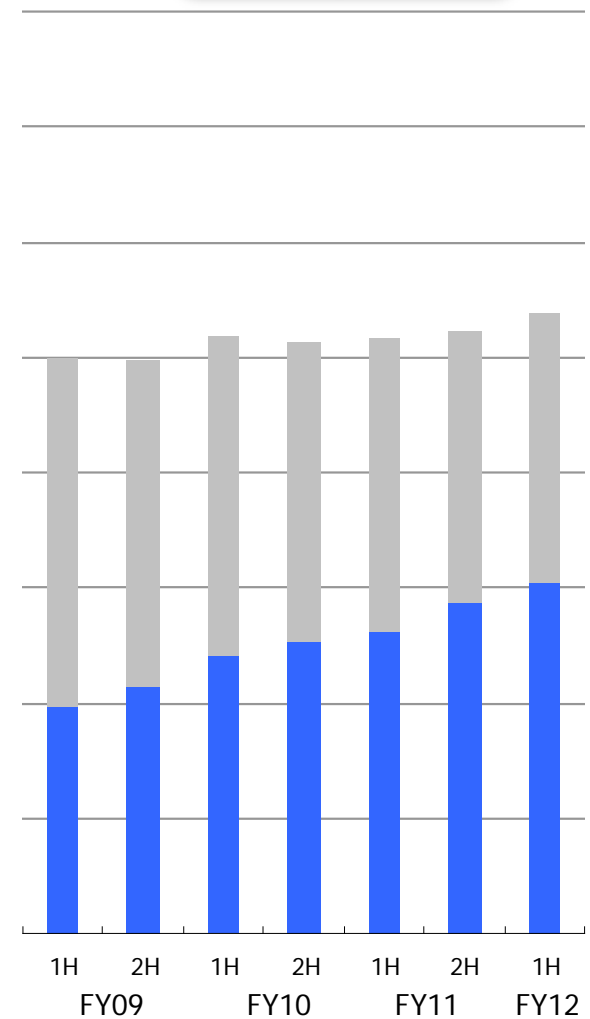
Giving Shape to Ideas

**Germany**



\*Base index : "1H/FY09" = 100

**Japan**



# Growth Strategy: Industrial Business

Creating second and third pillars of revenue in growth fields in addition to the existing revenue base of TAC films

## Measures for Growth

### 【TAC film】

- ▶ Securing growth in VA-TAC and IPS fields using the advantage of thin and extra-wide films.

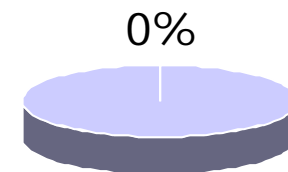
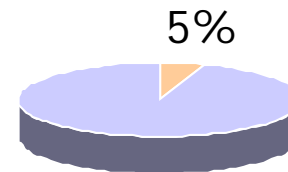
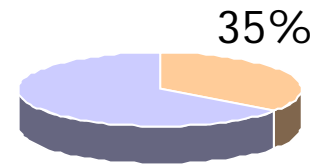
### 【Optical Units】

- ▶ Expanding sales in growth areas such as optical units for interchangeable lenses for single lens reflex cameras and smartphones.

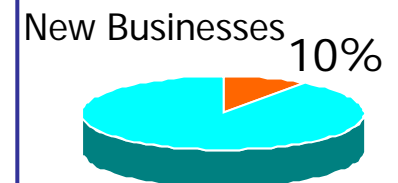
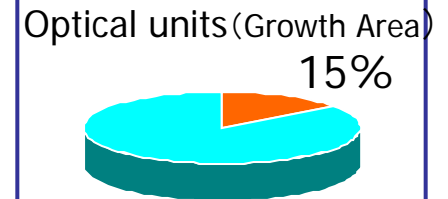
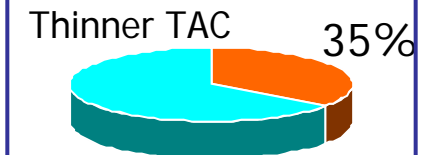
### 【New Area】

- ▶ Accelerating commercialization especially in the LED lighting field, and functional materials such as Barrier film and Window film.

Mar 2011 Actual  
Net Sales: 137.9 (b¥)



Mar 2014 Target  
Net Sales: 200 (b¥)



Changing our business structure to increase revenues from digital equipment and IT services

## Measures for Growth

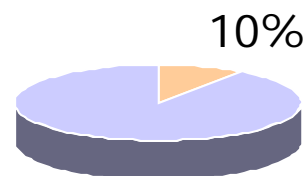
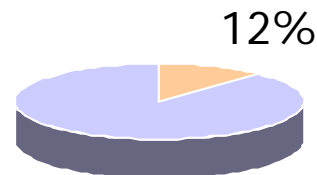
### CR•DR

- ▶ Developing new self-developed Digital Radiography products in earnest based on our genre-top position in small Computed Radiography systems in the clinical market.

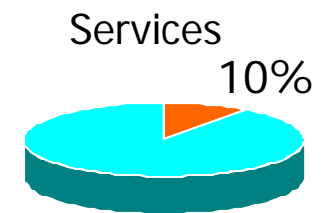
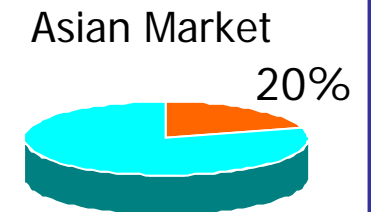
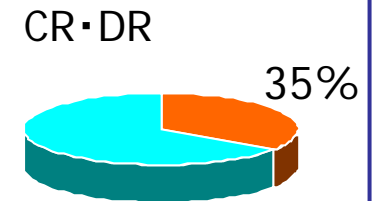
### Services

- ▶ Expanding new value-added services using the Internet in addition to revenues from services, especially maintenance, based on the customer base established in the Computed Radiography business.

Mar 2011 Actual  
Net Sales: 77.9 (b¥)



Mar 2014 Target  
Net Sales: 100 (b¥)



# Growth Strategy: Progress of New Business



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Creating next-generation business pillars in the field of energy saving and contributing widely in society

## LED Lighting



Thin flexible LED light



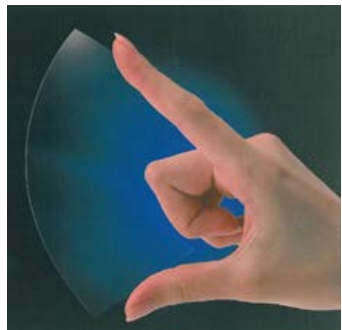
"Symfos LED-TASKLIGHT"

## OLED Lighting



Demonstration model "Sprout," using OLED lighting panels

## Barrier Film

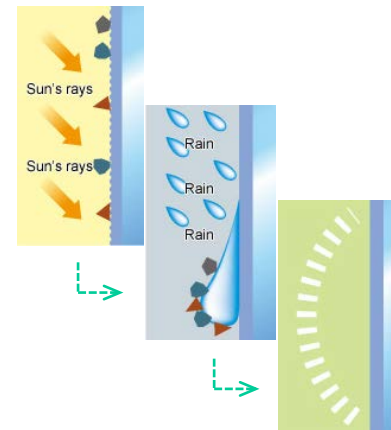


*Flexent*

Remarkably innovative barrier film

Giving Shape to Ideas

## Window Film



*ICE-μ*

Three advanced functions for Window Film:

- Heat insulation
- Dirt-resistance
- Shatter resistance

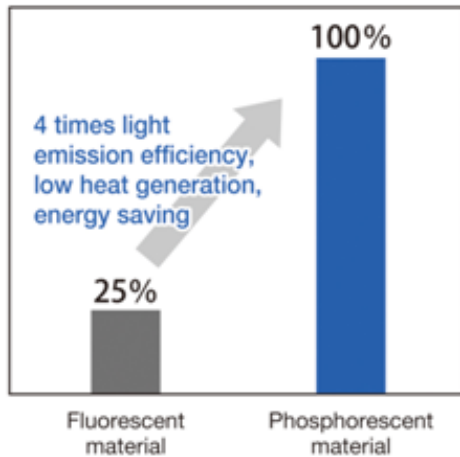
# OLED Lighting: Our Technological Strengths



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## Own Developed Blue Phosphorescent Material

Comparison of light emission efficiency of light emissive materials (Theoretical values)



Developed by various companies



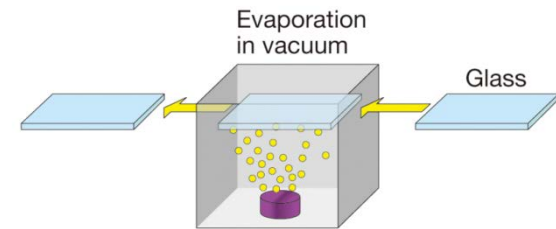
Various companies competing to develop

Giving Shape to Ideas

## Production Method

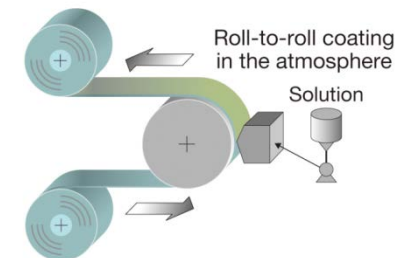
**First step:** Glass plate × Evaporation  
 = Limitation in terms of price reductions in deposition production method

Evaporation method



**Final Goal:** Film base × Coating  
 = High volume and speed film forming production enables price reductions

Roll-to-roll method



# G PLAN 2013: Performance Targets FY2013



▶ **Net Sales:     ¥1 trillion or more**

▶ **OPM:             8% or more**

▶ **ROE:            10% or more**

# G PLAN 2013: Investments for Future Growth (in three years)



- ▶ **R&D: ¥250.0 bn.**
- ▶ **Investment/Loan: ¥220.0 bn.**