

High speed, superior image quality and network compatibility make the **bizhub C450** MFP a key information processing office component.

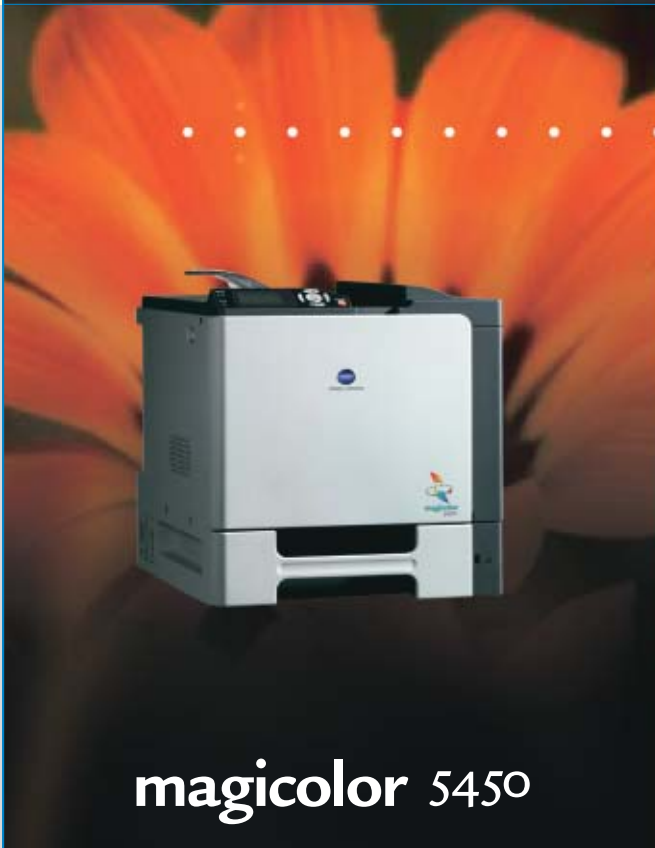
The high speed digital MFP **bizhub PRO 920** is leading the on-demand age in the light production printing market.



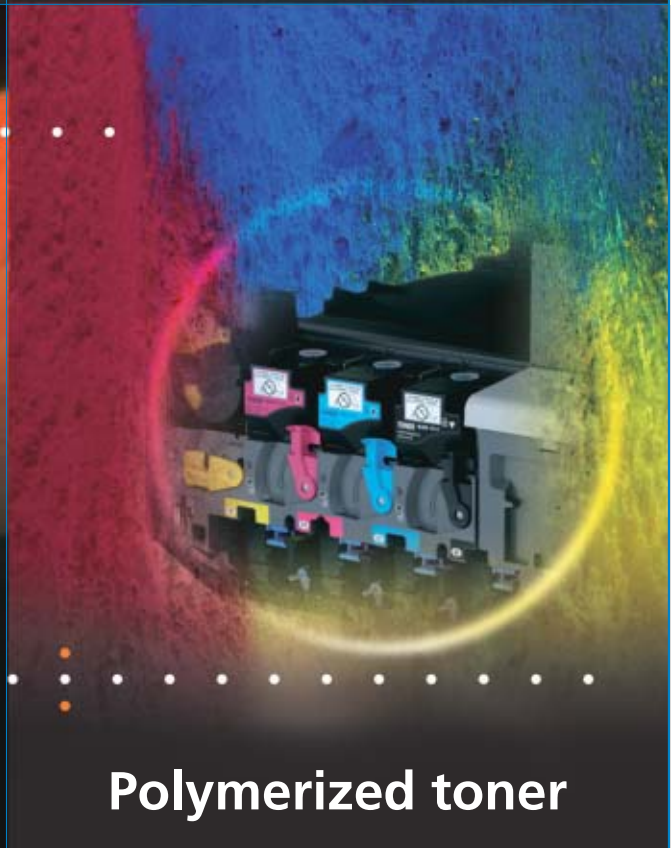
bizhub C450



bizhub PRO 920



magicolor 5450



Polymerized toner

The high performance **magicolor 5450** color laser printer combines high speed polymerized toner and proprietary image processing technology to achieve a superior level of high image quality printing.

Polymerized toner is a revolutionary toner that leads the digital age in pursuing fine, uniformly sized particles to achieve outstanding image quality as well as high environmental performance in production processes.

BUSINESS TECHNOLOGIES



Akio Kitani
President
Konica Minolta Business Technologies, Inc.

In keeping with the policies of the “genre-top” strategy, the Group endeavored to expand sales in three key areas where growth is expected. As a result, segment sales recorded growth over the previous fiscal year.

For the year ended March 2006, the Group worked to expand its share of color and high speed product sales in the MFP business, particularly in the European and U.S. markets where high growth rates are expected.

Color MFP demand is expanding in Japan, the U.S. and the European regions, and four new models targeting the office segment were introduced as the Group worked to provide optimal solutions to meet customer needs for color documents. New products saw particularly strong sales on customer support for their high performance features such as high image quality, high productivity, high reliability and ease-of-use features, which were made possible by the industry’s highest state-of-the-art polymerized toner and imaging technologies, as well as tandem engines.

As a result, color MFP unit sales recorded high growth over the previous fiscal year and resulted in a sharp increase in the ratio of color machines in segment 2 and above (products with output speeds of over 21 sheets per minute) products, which the Group has been emphasizing. In addition, market share is rising, and the Group has established a position in the top group in the U.S. and European markets, which the Group considers to be key markets.

On the other hand, the new “bizhub PRO 920” with output speed of 92 pages per minute was added to the Group’s lineup in the medium- to high-speed segment of the monochrome MFP market where competition is intensifying. Further, concerning the light production printing segment where growth is expected from in-house printing divisions of large corporations, data centers and major franchise copy shops, the Group formed a specialty sales team and promoted strategic alliances with firms outside the Group in an effort to provide products and services with high quality and reliability. Unit sales in such high speed product areas were strong and recorded significantly higher sales than in the previous fiscal year.

As competition in the LBP market is intensifying for color products, the Group’s marketing emphasis shifted from targeting sales in the SOHO segment that had been the main focus heretofore to general corporate users, and because of the shift in the target market, strengthened the product lineup in the high value-added high-speed segment as the Group’s sales efforts shifted to an emphasis on expanding print volumes in order to enhance revenue from consumables.

In the OEM business on the other hand, the Group began shipments of new products to major domestic and overseas LBP manufacturers in order to lay the groundwork for future business expansion.

In the color products area, a new equipment assembly factory built in Wuxi, China, began operating during the year. In polymerized toner, in addition to expanding capacity at existing facilities, construction began on a new specialty factory.

As a result of the above, consolidated sales for the Business Technologies business in the fiscal year ended March 2006 were ¥606.7 billion, while operating income was ¥65.1 billion.

