



KONICA MINOLTA



March 26, 2025

To whom it may concern,

Company Name: Konica Minolta, Inc.
Representative: Toshimitsu Taiko, President and CEO
Stock Exchange Listing: Tokyo Prime Market
Local Securities Code Number: 4902
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Notice Regarding Change in a Consolidated Subsidiary (Sale of Share)

The Company announces that it has decided, on March 26, 2025, that it will sell the entire share of the U.K.-based Konica Minolta Marketing Services Holding Company Limited (Konica Minolta Marketing Services Holding), dedicated for Marketing Print Management (MPM)* services, to adm Group LIMITED (adm Group) based in the U.K. The Company also announces that, on the same day, the share purchase agreement (the Agreement) has been executed.

Closing of the share sale is expected during the first half of the fiscal year ending March 31, 2026, and subject to certain closing conditions and required regulatory approvals.

The Company defines the fiscal year ending March 31, 2025, as a year to establish a foundation for growth, positions itself for a renewed trajectory toward sustainable growth and has been breaking away from the past to drive management reform. With this transaction, the management reform related to business selection and concentration is complete.

1. Reason for Sale of Share

In the Medium-term Business Plan (Fiscal 2023-2025), the Company established three policies: strengthening business profitability; implementing structural reforms to reinforce profit foundation; and reinforcing business management system. Based on the policies, the Company is implementing business selection and concentration to strengthen business profitability. All businesses are strategically divided into four categories: strengthening business, maintaining profit business, non-focused business, and direction-changing business, and the expectations and roles of each business have been clarified. The Company is examining the non-focused businesses from a best-owner perspective, including the use of third-party capital.

MPM services (part of Marketing Services unit), which is positioned as a non-focus business, has been globally expanding, mainly in Europe, Asia Pacific and the United States. To provide high value-added services required in the marketplace and achieve further accelerated growth, the Company has been considering the use of third-party capital. Finally, the Company has decided that the best option is to sell MPM services to adm Group.

adm Group is a global marketing execution partner to some of the world’s most iconic brands. adm Group transforms marketing execution by bringing together intuitive technology, expertise in managing complex global supply chains, and a network of local experts to empower marketing, procurement, supply chain and sales teams, bringing simplicity, visibility, agility, and efficiency to drive end-to-end marketing execution and performance. With a strong affinity for MPM services, adm Group is expected to help the MPM services business grow in the future. Through the sale, adm Group will establish a system that can provide integrated support for marketing activities of global companies, such as creative work, data, technology, manufacturing, and procurement, in addition to its existing strengths.

*MPM: Services for marketing divisions of major global corporations. Specialists are stationed at the clients' offices to work on print production of promotional materials and run centralized management on the contents, process, quality, and delivery. These initiatives help the clients optimize their return on investment, and thereby contribute to revenue increase and brand enhancement of the clients.

2. Scheme of Sale

The Company directly or indirectly owns shares in the three companies which operate MPM services: the U.K.-based Konica Minolta Marketing Services EMEA Limited, Konica Minolta Marketing Services (Australia) Pty Limited (formerly known as Ergo Asia Pty Limited), and the U.S.-based Konica Minolta Marketing Services Inc. Going forward, under the Agreement, all shares of the three companies will be transferred to Konica Minolta Marketing Services Holding, a wholly owned subsidiary of the Company, and all shares of Konica Minolta Marketing Services Holding will be subsequently sold to adm Group.

The scope of the share sale in the Agreement is the three companies affiliated with Konica Minolta Marketing Services Holding and 22 overseas companies including subsidiaries of each company (total of 26 companies). After the fulfillment of the asset sale and other conditions, the share sale will be executed.

3. Overview of the Consolidated Subsidiary

Konica Minolta Marketing Services Holding is a pure holding company that oversees and manages affiliated companies that provide MPM services.

(1) Name	Konica Minolta Marketing Services Holding Company Limited
(2) Address	26-28 Bedford Row, 4th & 5th Floor, London, England, WC1R 4HE
(3) Name and title of representative	Yves Christian ROGIVUE, Global Chief Executive Officer

(4) Line of business	Oversight and management of affiliated companies that provide MPM services	
(5) Capital	GBP1	
(6) Establishment	September 27, 2021	
(7) Ownership	Konica Minolta, Inc. 100%	
(8) Relationship between the Company and Konica Minolta Marketing Services Holding	Capital relationship	The Company owns 100% of Konica Minolta Marketing Services Holding.
	Personnel relations	No material items to report.
	Business relationship	The Company has a certain business relationship with Konica Minolta Marketing Services Holding.

Note: In 2012, the Company acquired the U.K.-based Charterhouse PM Limited through Konica Minolta Business Solutions Europe GmbH, a European sales company. In 2015, the Company acquired the U.K.-based Indicia Group Limited through Charterhouse PM Limited. With these initiatives, the Company focused on expanding the MPM services as part of its efforts to strengthen the competitiveness of the Production Print business.

The combined business results and financial position including Konica Minolta Marketing Services EMEA Limited, Konica Minolta Marketing Services (Australia) Pty Limited, Konica Minolta Marketing Services Inc. and their subsidiaries (total 25 companies), which are covered by the Agreement, are as follows:

Fiscal year	Ended March 31, 2022		Ended March 31, 2023		Ended March 31, 2024	
	GBP mil.	¥ bil.	GBP mil.	¥ bil.	GBP mil.	¥ bil.
Net assets	13	2.6	17	3.3	15	2.8
Total assets	130	24.6	134	25.4	142	26.8
Revenue	160	30.1	152	28.7	163	30.8

4. Summary of the Buyer

(1) Name	adm Group LIMITED	
(2) Address	16 St. John's Lane, Farringdon, London, England, EC1M 4BS	
(3) Name and title of representative	Ed Colflesh, Group Chief Executive Officer	
(4) Line of business	Global marketing services to support branding and marketing activities of global corporations, with offices in 33 countries	
(5) Establishment	1992	
(6) Relationship between the	Capital relationship	There are no items that should be included.

Company and ADM	Personnel relationship	There are no items that should be included.
	Business relationship	There are no items that should be included.
	Status as a related company	There are no items that should be included.

5. Shares to Be Sold and Shares before and after Sale

(1) Number of shares before sale	Konica Minolta, Inc. 100%
(2) Number of shares to be sold	1 share
(3) Number of shares after sale	0 share (0%)

Sale price is not disclosed due to confidentiality obligations between the parties.

6. Timeline

(1) Date of the decision on the sale of share	March 26, 2025
(2) Signing of agreement	March 26, 2025
(3) Share sale execution (planned)	During the first half of the fiscal year ending March 31, 2026

7. Financial Outlook

An operating loss, caused by the conclusion of the share purchase agreement, of approximately 11.5 billion yen is expected to be recorded in the fourth quarter of the fiscal year ending March 31, 2025. However, due to changes in exchange rates and other reasons, the final operating loss caused by the conclusion of the share purchase agreement may fluctuate. Though this transaction was not included in the consolidated forecasts for the fiscal year ending March 31, 2025 (disclosed on February 6, 2025), the impact on the consolidated financial results for the fiscal year ending March 31, 2025, is currently being examined, including other variable factors such as gains and losses caused by other business transfer. The Company will promptly announce any matters that require disclosure in the future.

Note: The exchange rate used in these materials is based on an exchange rate of GBP1=¥191.

Reference: The Company's consolidated forecasts for the fiscal year ending March 31, 2025 (as disclosed on February 6, 2025) and consolidated financial results for the fiscal year ended March 31, 2024 (in billions of yen)

	Revenue	Business contribution profit* ¹	Operating profit: losses in ()	Profit attributable to owners of the Company
Consolidated forecasts for the fiscal year ending March 31, 2025* ²	1,134.0	42.0	(14.0)	0
Consolidated financial results for the fiscal year ended March 31, 2024, before retroactive adjustment* ²	1,159.9	26.0	26.0	4.5
Consolidated financial results for the fiscal year ended March 31, 2024, after retroactive adjustment* ²	1,107.7	33.3	27.5	4.5

*¹ `Business contribution profit' is a profit index, calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

*² The Precision Medicine business is classified as a discontinued operation for the fiscal year ending March 31, 2025. Consequently, revenue, business contribution profit and operating profit in the forecasts for consolidated financial results for fiscal year ending March 31, 2025, are from continuing operations, and profits attributable to owners of the Company is the sum of continuing operations and discontinued operation. Further, the corresponding figures for consolidated financial results for fiscal year ended March 31, 2024, are respectively shown as "before" and "after" retroactive adjustment because of the classification for discontinued operation.

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