



KONICA MINOLTA

News Release

Konica Minolta's Sensing Business Unit Enters into Hyperspectral Imaging Business and Expand Business to Safety, Security and Environmental Science Fields as New Strategic Growth Areas

The Stock Purchase Agreement to acquire 100% shares of Specim, Finland-based leading company, has been signed.

Konica Minolta, Inc. (Konica Minolta) has been working to grow its Sensing Business by providing a diverse range of high value-added products and solutions for the growing ICT and automotive fields, based on its strengths of light, color, and appearance measurement technologies. Konica Minolta today announced its entry into the hyperspectral imaging (HSI) business by acquiring Finnish company Specim, Spectral Imaging Oy Ltd. (Specim), the leading player in HSI market.

- Konica Minolta aims to contribute to the sustainable provision of customer value and the resolution of global social issues in the areas of safety, security, and environmental science with the HSI technology which is a key technology to visualize invisibles under its Sensing Business unit's growth-strategy.
- Konica Minolta gains high precise hyperspectral imaging technology, knowhow, and customer base by acquiring Specim, the leading company in HSI market and leads the market expansion in industrial-use for such as recycle sorting, food sorting, and remote sensing.
- This acquisition plays an important role for enlarging Konica Minolta's business scale in the field of measurement, inspection, and diagnosis based on the new growth strategy and for building the next core pillar of sustainable growth and profit following office business.

Purpose of acquisition

Based on its optical technologies accumulated through the camera business, Konica Minolta provides high-precision measurement products and solutions in the fields of light, color, and visual surface measurement, thereby contributing to the realization of customers' high-quality manufacturing. In addition to expanding the foundations of its existing Sensing Business, Konica Minolta aims to transcend human eyes in the fields of security, safety, and environmental science as its growth strategy to provide sustainable new customer value and resolve global social challenge. HSI is one of key technologies for realizing the company's growth strategies.

About Specim

As a leading company in the HSI industry, Specim has a product lineup that covers a wide range of measurement wavelength, from Visible to Long-wave InfraRed, as well as specific usage scenes such as portable, in-line, and airborne. They also have customer base in a wide range of industries such as recycling, food, and pharmaceuticals, centered on sorting machine manufacturers. In addition, this year Specim announced a platform SpecimONE that will make it easier and faster to incorporate hyperspectral imaging technology into sorting machines, with the aim of further expanding their HSI business in industrial applications.

Going Forward

Konica Minolta will accelerate the expansion of applications for HSI technology and the incorporation of equipment in industrial applications by leveraging its global customer base and global network. Konica Minolta will also accelerate to expand its value proposition in the existing business domain and embedded use case for industrial purpose by making synergies with its image processing and optical technologies. In particular, Konica Minolta will expand business in collaboration with manufacturers of sorting equipment for recycling and food products, and strategically target growth markets such as pharmaceuticals. The Stock Purchase Agreement was signed on November 19, 2020 and will be closed in mid-December 2020, subject to authority approvals.

Overview of Specim

Company Name	Specim, Spectral Imaging Oy Ltd.
Founded	1995
Head Office	Oulu, Finland
Representative	Tapio Kallonen
Number of employees	68 (as of August 2020)
Business	Development, production, and sales of hyperspectral imaging cameras

About Konica Minolta's Measuring Instruments Business

Many of Konica Minolta's Measuring Instruments Business products are used as de facto standards for color measurement, and Konica Minolta have established a market-leader presence, with more than 50% of the global display image quality inspection solutions market in particular (estimate by Konica Minolta).

In addition, Konica Minolta has been aggressively investing in businesses with the aim of strengthening the competitiveness of our businesses. In 2012, the company acquired Instrument Systems, Germany, which has the ability to develop high-end optical test instruments and has a leading track record in measuring the high performance of displays and LED lighting. In 2015, Konica Minolta acquired U.S.-based Radiant Vision Systems which has strengths in high-resolution two-dimensional measuring

instruments and image processing software for displays and automated visual surface inspection systems. In 2019, the company acquired Eines Systems, Spain, which specializes in automotive manufacturing visual quality inspection automation systems.

Konica Minolta aims to grow Measuring Instruments Business by providing a diverse range of high value-added products solutions that enable high-precision measuring of light and color in the growing ICT and automotive domains, thereby driving the market.

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