

# Daiwa Investment Conference Tokyo 2013

Konica Minolta Holdings, Inc.

March, 2013



KONICA MINOLTA

*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.*

*Remarks:*

*Yen amounts are rounded to the nearest 100 million.*

# **Konica Minolta Group 3rd Quarter/March 2013 Consolidated Financial Results**

**Three months: October 1, 2012 - December 31, 2012**

**Nine months: April 1, 2012 - December 31, 2012**

**- Announced on January 31, 2013 -**

## Key Results for 3Q/March 2013



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During the first three quarters of the consolidated fiscal year under review, the Group's performance was driven by the Industrial Business, with sales and profits growing year on year despite the strong yen.

Although profits were down for 3Q due to weak performance of Business Technologies Business, the Company will aim for recovery in 4Q.

- ▶ Business Technologies Business: In the office field, while sales of color MFPs were strong as a result of strengthened IT service capabilities and the introduction of new products, sales of monochrome MFPs decreased. In the Production Print field, while there were signs of recovery for color units despite the increasingly difficult market environment characterized by a slowdown in the economy, overall performance was flat year on year.
- ▶ Industrial Business: While sales continued to be subpar for glass substrates for HDDs and pickup lenses, earnings momentum was maintained as this was compensated for with increased sales of TAC films, replacement lenses, and measuring instruments.
- ▶ Healthcare Business: Profits maintained thanks to strong sales of digital input equipment (DR).

# Results for 3Q/March 2013 – Group highlights



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	9M	9M		3Q	3Q	[Billions of yen]
	Mar 2013	Mar 2012	YoY	Mar 2013	Mar 2012	YoY
Net sales(a)	577.7	560.4	17.4	193.9	182.0	11.9
Gross income	269.8	260.0	9.7	89.8	86.4	3.4
<i>Gross income ratio</i>	46.7%	46.4%		46.3%	47.5%	
Operating income	27.1	23.3	3.8	6.8	7.7	-0.9
<i>Operating income ratio</i>	4.7%	4.2%		3.5%	4.2%	
Goodwill amortization	7.1	6.6	0.5	2.4	2.2	0.2
Operating income before amortization of Goodwill (b)	34.2	29.9	4.3	9.2	9.9	-0.7
(b)/(a)	5.9%	5.3%		4.7%	5.4%	
Ordinary income	26.1	18.9	7.2	7.9	7.3	0.6
Net income	10.3	5.4	4.9	2.7	1.6	1.1
<i>Net income ratio</i>	1.8%	1.0%		1.4%	0.9%	
EPS [Yen]	19.46	10.18	9.28	5.11	3.11	2.00
CAPEX	24.9	22.4		7.8	8.6	
Depreciation	33.3	36.0		11.5	12.4	
R&D expenses	53.4	55.5		18.8	18.7	
FCF	-13.7	17.7		-4.2	1.8	
CF from operating activities+CAPEX	4.5	24.7		7.6	2.2	
*Purchase of tangible/intangible assets						
FOREX [Yen] USD	80.00	78.99	1.01	81.17	77.38	3.79
Euro	102.17	110.61	△ 8.44	105.25	104.29	0.96

# Results for 1H/March 2013 – Segments



[Billions of yen]

## Net Sales

	9M			3Q		
	Mar 2013	Mar 2012	YoY	Mar 2013	Mar 2012	YoY
Business Technologies	405.2	400.9	4.3	140.2	131.9	8.3
Industrial Business	114.4	99.0	15.4	35.0	30.4	4.6
Healthcare	50.1	51.9	-1.8	16.2	17.3	-1.1
Eliminations and Corporate	8.1	8.6	-0.5	2.5	2.5	-0.0
<b>Group total</b>	<b>577.7</b>	<b>560.4</b>	<b>17.4</b>	<b>193.9</b>	<b>182.0</b>	<b>11.9</b>

## Operating income

	9M			3Q		
	Mar 2013	Mar 2012	YoY	Mar 2013	Mar 2012	YoY
Business Technologies	18.4 4.5%	24.6 6.1%	-6.2	5.4 3.8%	9.4 7.1%	-4.0
Industrial Business	21.5 18.8%	10.4 10.6%	11.1	5.9 16.9%	2.8 9.2%	3.1
Healthcare	1.2 2.4%	-0.6 -1.2%	1.8	0.0 0.1%	-0.2 -1.3%	0.2
Eliminations and Corporate	-14.0 -	-11.2 -	-2.8	-4.5 -	-4.2 -	-0.2
<b>Group total</b>	<b>27.1 4.7%</b>	<b>23.3 4.2%</b>	<b>3.8</b>	<b>6.8 3.5%</b>	<b>7.7 4.2%</b>	<b>-0.9</b>



- **Main points of 3Q/March 2013**

## Main factors behind the decrease in profits during 3Q/March 2013 in the Business Technologies Business



While sales of office color MFPs increased despite the sluggish global economy, sales of monochrome units declined. Production Printing systems were also slightly weak. While improvements are being made in terms of manufacturing cost reductions, progress fell short of plans. The Company will continue with prior investments aimed at future growth.

### **Sales volume decrease and product mix differences: Minus ¥1.6 billion**

- ▶ In the office MFP field, sales of monochrome MFPs plummeted.
- ▶ In the production print field, sales decreased for monochrome units and sales for color units shifted to low-end models.

### **Deterioration in manufacturing costs: Minus ¥0.6 billion**

- ▶ While improvements were made compared to the first half, still managed to fall short of plans

### **Increase in SG&A: Minus ¥2.1 billion**

- ▶ In addition to M&As, sales capabilities were strengthened for OPS, GMA, and PP sales.



# Business Technologies Business : Office field

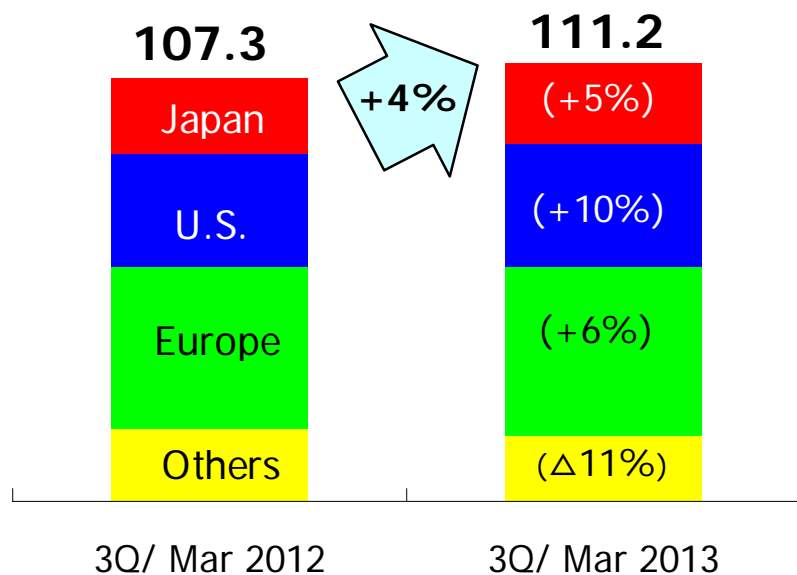
## - Sales performance



Performance for new color MFPs was strong and sales were up in major markets including Japan, the US, and Europe. Meanwhile, mid- and low-speed monochrome unit sales were down in China and for OEM. Non-hardware sales were solid.

Sales of Office MFPs (YoY)

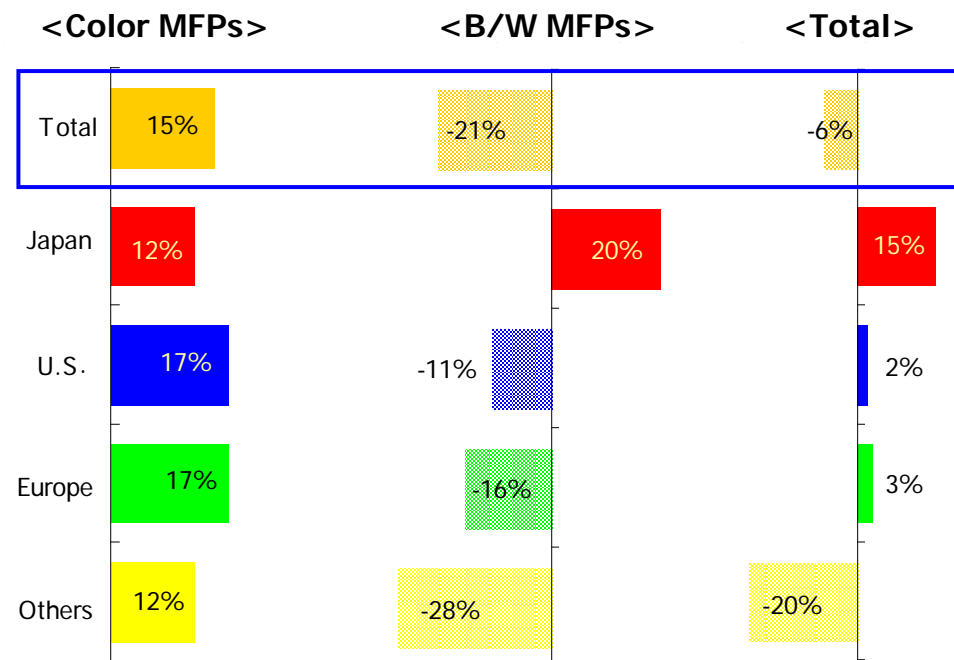
[Billions of yen]



3Q/Mar 2012 = 100

Giving Shape to Ideas

Sales volumes of Office MFPs (YoY)



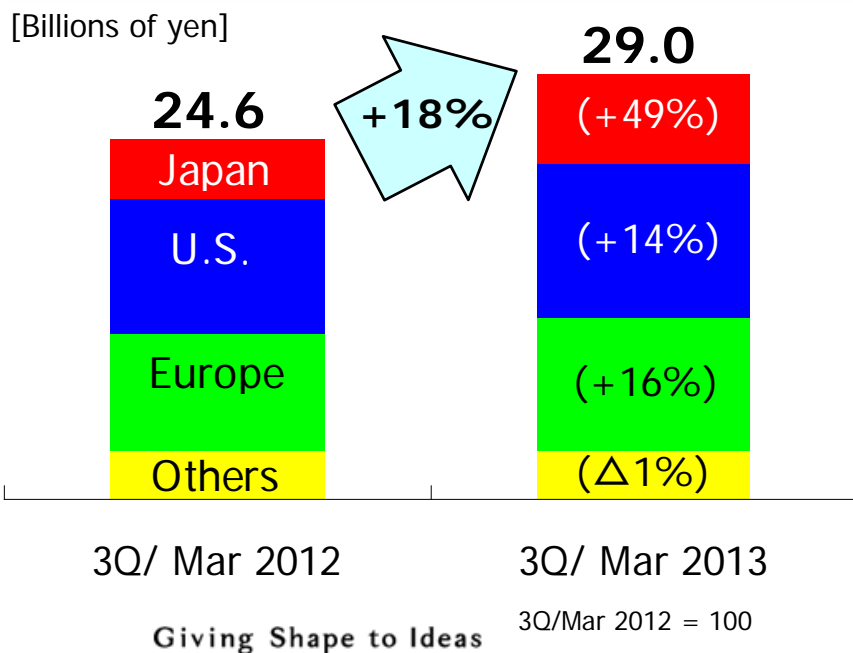
# Business Technologies Business : PP field

## – Sales performance

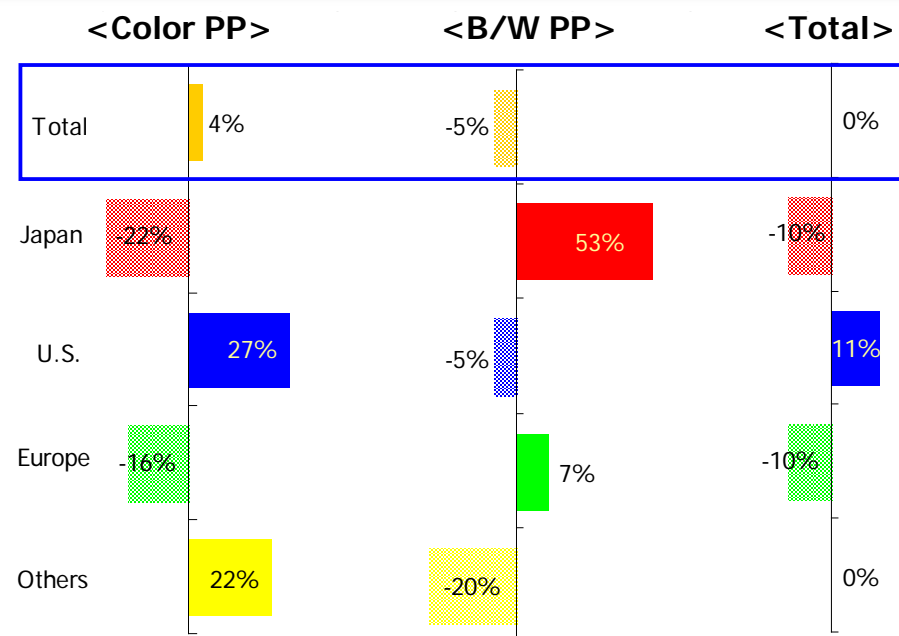


For color PP units, efforts to expand sales in the US were successful and sales momentum was recovered. While sales of monochrome units were up in Japan and Europe, performance was sluggish overall due to the state of the economy. The scale of business operations was expanded through the implementation of M&A strategy in Japan and Europe.

Sales of PP (YoY)



Sales volumes of PP Units (YoY)



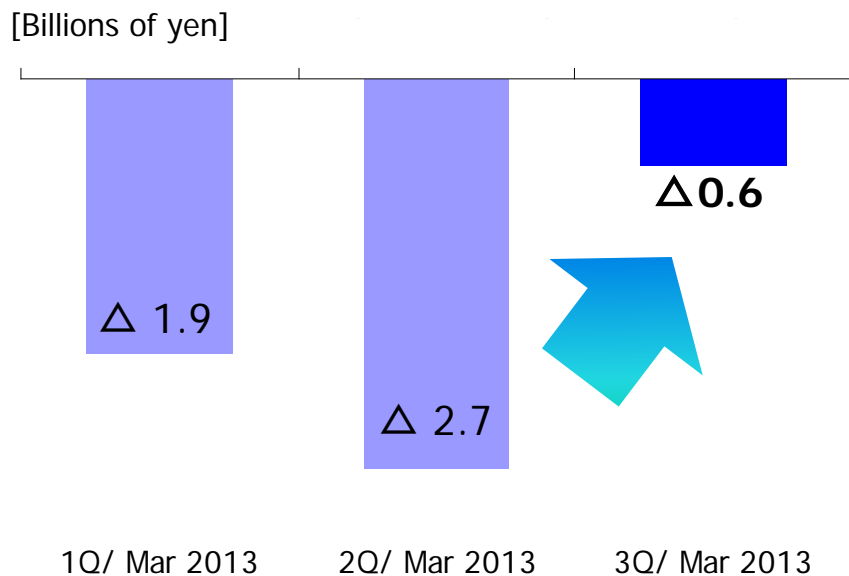
## Business Technologies Business

### – Status of manufacturing cost reductions



Accompanying the launch of new color products, the failure to achieve cost reduction plans continued. There were signs of improvement during 3Q such as skills improvements, and initiatives will be accelerated in an aim to achieve cost targets in 4Q.

Cost factors leading to the decrease in operating income



Main reasons for the failure to achieve cost reduction plan

- ▶ With the newly designed 5 models/1 platform system, time was required for the improvement of skills among suppliers and for in-house processes.
- ▶ While target costs have yet to be achieved, proficiency has been improved and production is stable.
- ▶ The Company will aim for further variable and fixed cost reductions (including the streamlining of human resources) in 4Q.

### Initiatives for the transformation of business portfolio in progress

- GMA net sales: ¥3.8 billion (+30% YoY)
- OPS net sales: ¥8.3 billion (+43% YoY)
- IT service solutions net sales: ¥9.5 billion (+69% YoY)
- M&A results: Three M&As in Europe, two in the US, and one in China
  - ▶ Italy: Acquired office/PP joint distributor (November)
  - ▶ Germany: Acquired IT service provider (December)
  - ▶ UK: Acquired marketing service production company (December)

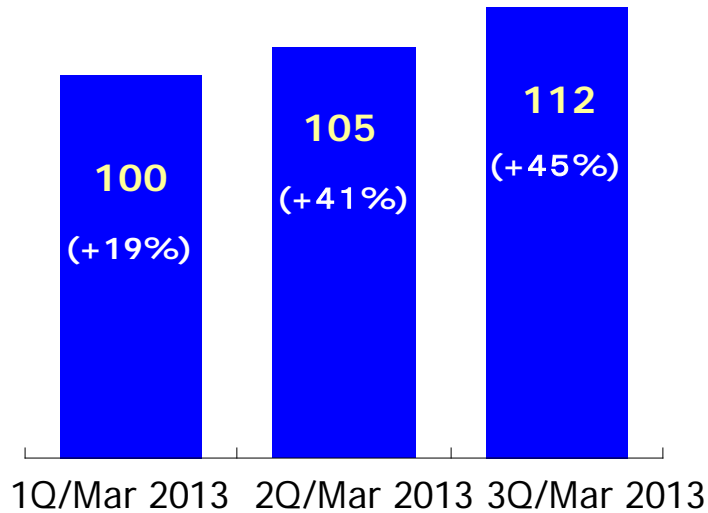
# Industrial Business – Sales performance



Sales of TAC films were strong in 3Q, supported by the thin-type VA-TAC and plain TAC films. Sales also strong for replacement lenses and light meters. Orders down significantly for glass substrates for HDDs due to deterioration in market conditions.

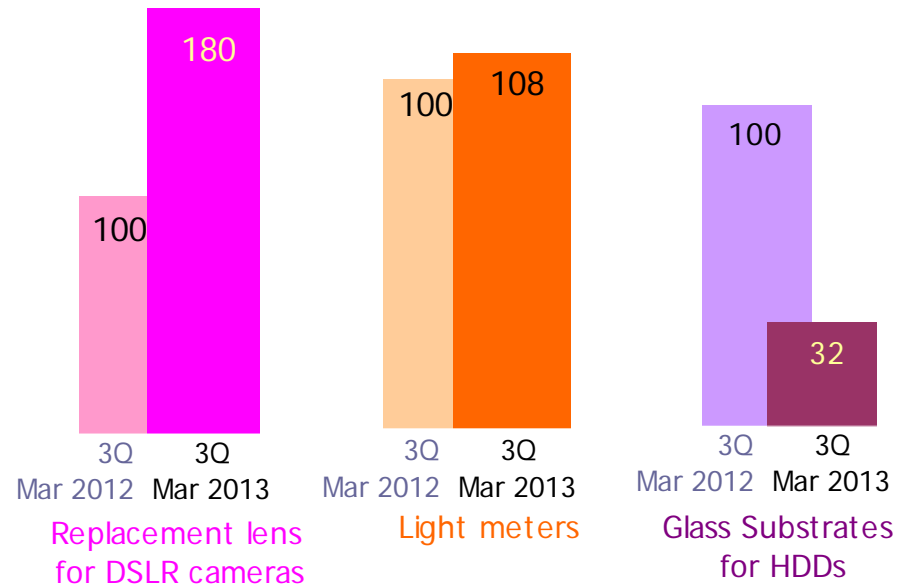
Changes in sales volumes of TAC films

1Q / Mar 2013 = 100



YoY sales growth rate for other key products

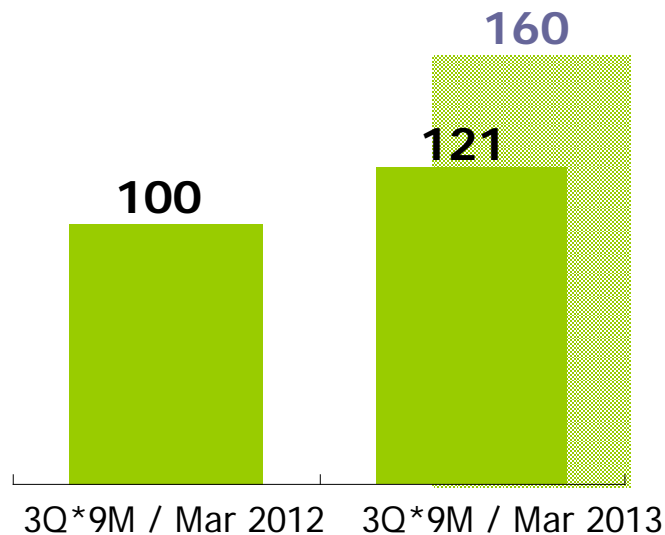
3Q / Mar 2012 = 100



Wireless cassette digital X-ray detectors for general X-ray systems and nursing carts were strong. Sales strategies supported by competitive products were successful, and as a result the number of installed units grew steadily.

### Changes in sales volumes of DR

3Q / Mar 2012 = 100



### DR strengths

- ▶ Excellent mobility and operability were highly regarded, gaining the top share of the domestic cassette digital X-ray detectors market.
- ▶ A strategy focused on national and university hospitals had ripple effects for regional and affiliated hospitals.
- ▶ BtoB business also launched overseas.
- ▶ Orders are piling up for 4Q, the period typified by peak demand.

## Major M&As conducted in 3Q/March 2013



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### ■ Charterhouse PM Limited. (December : Business Technologies Business)

- ▶ Purpose:
  - Strengthening of the PP business through the acquisition of the company's solution proposal capabilities for the mass printing needs of large corporate customers and its service network that covers 18 countries in Europe.
- ▶ Overview:
  - Annual turnover of 98 million pounds (2011 results)
  - Major European print management service that is headquartered in the UK.

### ■ Instrument Systems GmbH (November: Industrial Business)

- ▶ Purpose:
  - Implemented as part of initiatives in preparation for emerging transformation of business portfolio aimed at decreasing a dependency on digital consumer electronics.
  - Establishment of a top position in comprehensive light measurement field including LED lighting for which future growth is anticipated.
- ▶ Overview:
  - Annual turnover of 30 million euro (2011 results)
  - Manufacturer of high-end lighting-related measuring instruments that is headquartered in Germany.



- **Full-year forecasts for year ending March 2013**



## Full-year forecasts for year ending March 2013



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The 4Q exchange rate assumptions have been changed to 85 yen to the US dollar and 115 yen to the euro, and the Group will keep its initial forecast of net sales of ¥800 billion, operating income of ¥48 billion, and net income of ¥22 billion unchanged.

- ▶ While differences in plan progress have been recognized for each business, the previous forecasts will be maintained for both Group-wide and segment performance.
- ▶ Initial forecasts will also be maintained for dividends (year-end dividend of 7.5 yen per share (annual dividend of 15 yen per share))

# Full-year forecasts for year ending March 2013

## – Group highlights



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[Billions of yen]

	Current Forecast	Previous Forecast	Change	Result FY Mar/2012
Net sales(a)	800.0	800.0	0.0	767.9
Operating income	48.0	48.0	0.0	40.3
<i>Operating income ratio</i>	<i>6.0%</i>	<i>6.0%</i>		<i>5.3%</i>
Ordinary income	44.0	44.0	0.0	34.8
Net income	22.0	22.0	0.0	20.4
<i>Net income ratio</i>	<i>2.8%</i>	<i>2.8%</i>		<i>2.7%</i>

Forex sensitivity (Annual)	Net sales		OP
	US\$	2.9	0.4
	Euro	1.4	0.8

FOREX	[Yen]	USD			
		80.00	80.00	5.00	79.07
		115.00	100.00	15.00	108.96

\* for 4Q/ Mar 2013 \* for 2Q onward / Mar 2013

CAPEX	50.0	50.0	43.0
Depreciation	55.0	55.0	55.1
R&D expenses	73.0	73.0	72.6
FCF	-10.0	-10.0	29.6
CF from operating activities+CAPEX*	30.0	30.0	37.4

\* Announced on October 31, 2012

# Full-year forecasts for year ending March 2013

## – Segments



**No Change from Previous Forecast**

<b>Net Sales</b>	Previous Forecast		Result	YoY	[Billions of yen]
	Mar 2013		Mar 2012		
Business Technologies	560.0		547.6	2%	
Industrial Business	150.0		135.1	11%	
Healthcare	75.0		73.0	3%	
Eliminations and Corporate	15.0		12.1	-	
<b>Group total</b>	<b>800.0</b>		<b>767.9</b>	<b>4%</b>	

<b>Operating income</b>	Previous Forecast		Result		YoY
Business Technologies	39.0	7.0%	39.5	7.2%	-1%
Industrial Business	23.0	15.3%	15.2	11.2%	51%
Healthcare	2.5	3.3%	0.1	0.1%	-
Eliminations and Corporate	-16.5	-	-14.4	-	-
<b>Group total</b>	<b>48.0</b>	<b>6.0%</b>	<b>40.3</b>	<b>5.3%</b>	<b>19%</b>

\* Announced on October 31, 2012

# Main Initiatives to achieve forecasts for year ending March 2013



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## 4Q actions

- ▶ Business Technologies Business:
  - (1) accelerate manufacturing cost reductions,
  - (2) focus on and reinforce the sales of office monochrome MFPs and further expand sales of strong color MFPs,
  - (3) expand sales of high-end color models and new monochrome products in the production print field.
- ▶ Industrial Business: While a drop in demand for some products and intensified competition are anticipated, aim to build up profits through strengthened sales of main products.
- ▶ Healthcare Business: Build up profits through expanded sales of strongly performing DR products.
- ▶ Thoroughly control expenses throughout the Group.

## Risk factors

- ▶ Swing back to yen appreciation and sudden change in the economic environment.



- **Reorganization in the management system of the Group**

## Outline of the reorganization in the management system of the Group

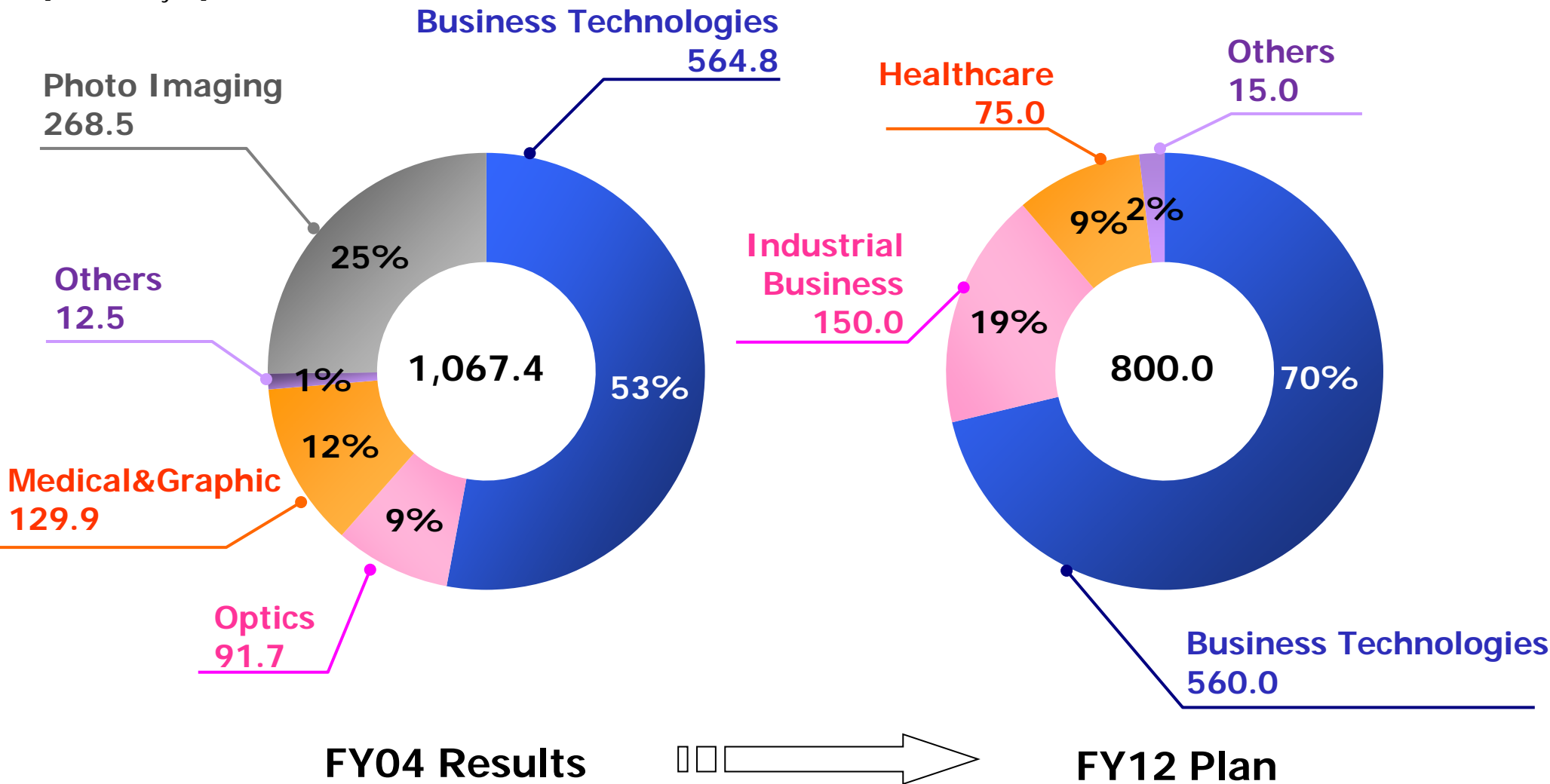


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- ▶ Seven companies in the Group will be merged with the KONICA MINOLTA HOLDINGS, INC. (“the Company”), moving from the holding company framework to an operating company framework in which the Company directly manages operations.
- ▶ Accompanying this change, the Company will change its trade name to KONICA MINOLTA, INC.
- ▶ Transition to the new management system will be made on April 1, 2013.
- ▶ The corporate governance structure based on a “company-with-committees system” will be maintained.

# Background of the reorganization in the management system of the Group

[Billions of yen]



# Purpose of the reorganization in the management system of the Group



## Improved corporate value through the early realization of strong growth.

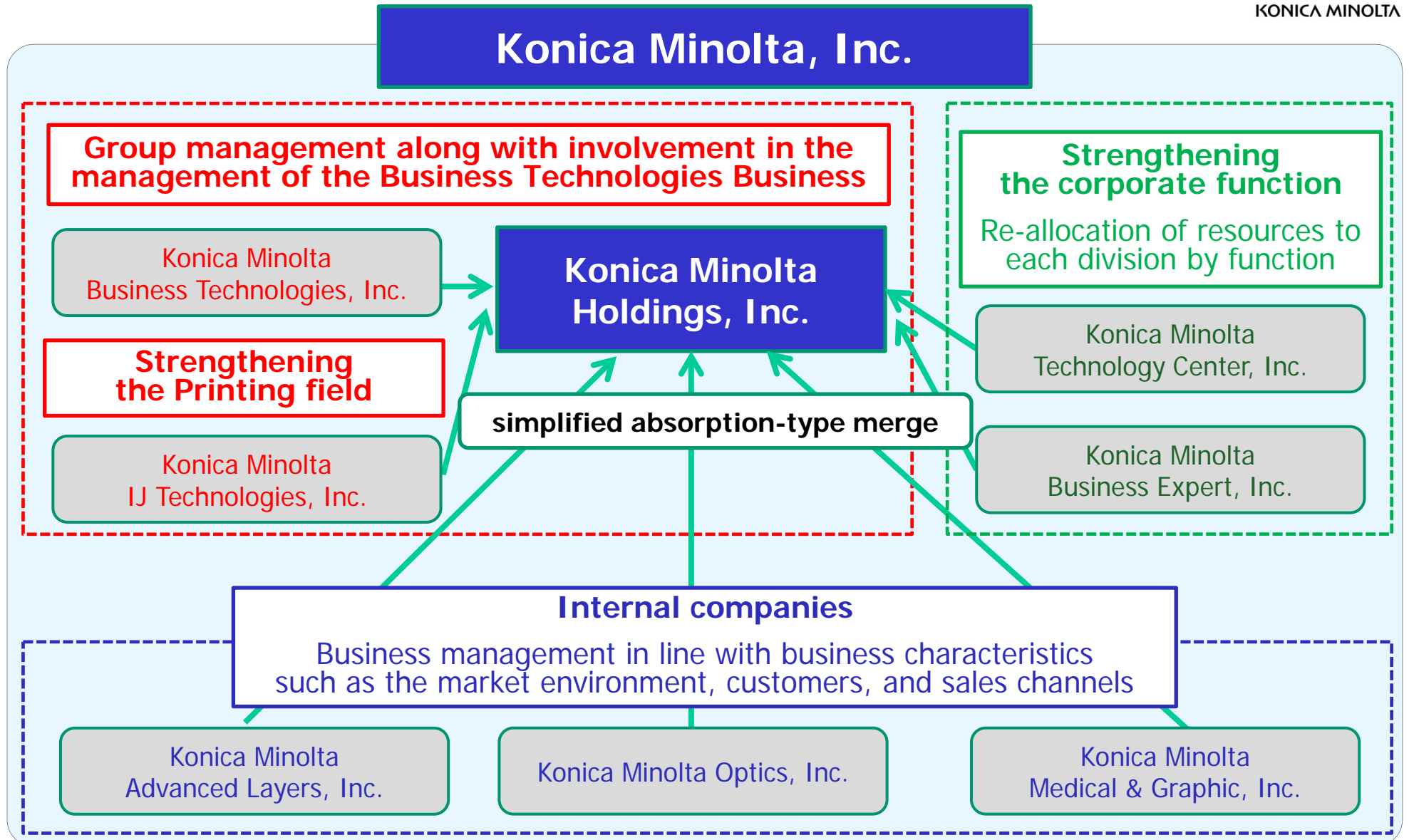
- ▶ Strengthening management capabilities in the Business Technologies Business
  - ✓ Utilizing the most qualified members of our management to increase management capability and transforming our business portfolio while achieving growth and profitability
  
- ▶ Strategic and agile utilization of management resources
  - ✓ Adopting a management system capable of accelerating growth in promising businesses and promptly improving profitability in response to environmental changes
  
- ▶ Systems to support efficient operation
  - ✓ Internal companies focused on business operations maintaining their basic functions and corporate functions aggregated in the head office



# Overview of the reorganization in the management system of the Group



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- **Supplementary Information  
3Q/March 2013 Financial Results**

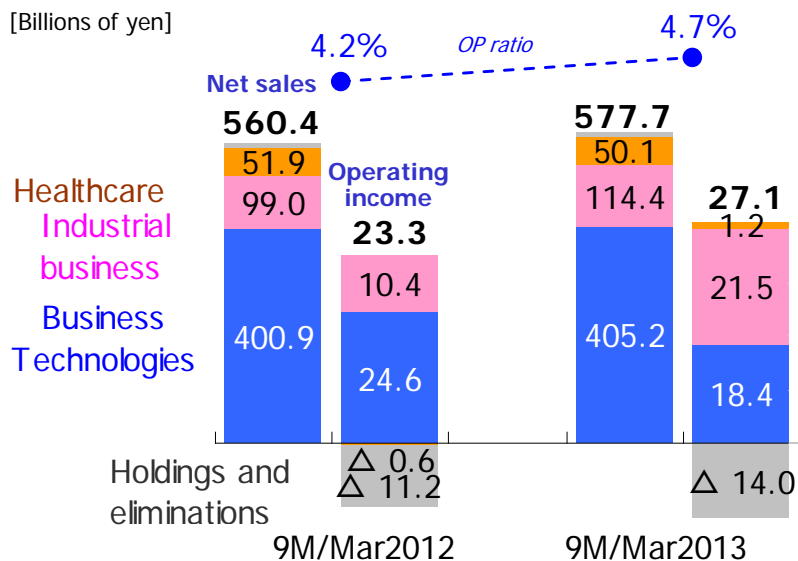
# 3Q/March 2013 – Group results (YoY)



While sales were up and profits declined in 3Q, both sales and profits continued to grow for the first three quarters of the consolidated fiscal year under review.

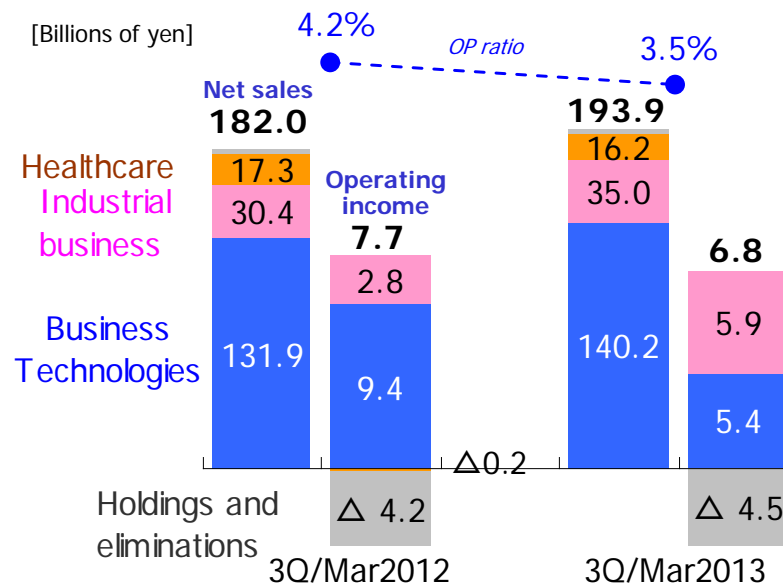
### 9M/March 2013

- Net sales (YoY): +3% (W/O FOREX :+4%)
- Operating income (YoY): +16% (W/O FOREX :+42%)



### 3Q/March 2013

- Net sales (YoY): +7% (W/O FOREX :+4%)
- Operating income (YoY):  $\Delta$ 11% (W/O FOREX : $\Delta$ 21%)



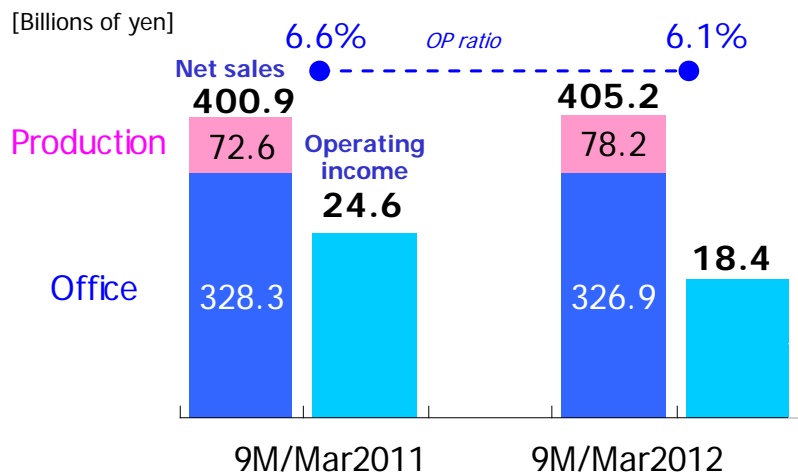
# Business Technologies Business – Performance overview



While sales were up for both office MFPs and PP products in 3Q, profits continued to decline as cost reduction plans fell short and sales costs increased.

**9M/March 2013 (YoY)**

- Net sales: +1% (W/O FOREX : +3%)
- Operating income : Δ25% (W/O FOREX : Δ2%)

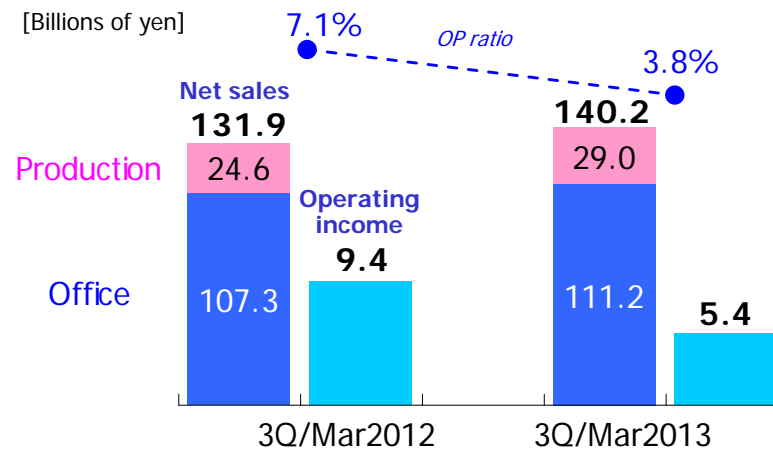


\*Growth rate of sales by regions (W/O FOREX)

	Japan	U.S.	Europe	Others	All regions
Office:	+ 4%	+7%	+2%	Δ22%	+2%
pp:	+37%	+4%	+5%	+11%	+9%
<b>Total:</b>	<b>+ 9%</b>	<b>+6%</b>	<b>+3%</b>	<b>Δ20%</b>	<b>+3%</b>

**3Q/March 2013 (YoY)**

- Net sales: +6% (W/O FOREX : +3%)
- Operating income: Δ43% (W/O FOREX : Δ50%)



\*Growth rate of sales by regions (W/O FOREX)

	Japan	U.S.	Europe	Others	All regions
Office:	+ 5%	+5%	+3%	Δ35%	+1%
PP:	+49%	+8%	+14%	Δ27%	+7%
<b>Total :</b>	<b>+12%</b>	<b>+5%</b>	<b>+5%</b>	<b>Δ34%</b>	<b>+3%</b>

# Business Technologies Business – Sales performance (Units)



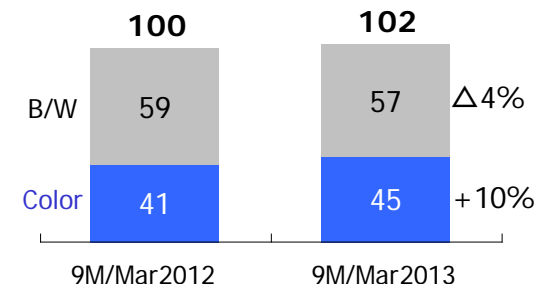
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\*Refer to page 30 for units sold and changes by quarter

## A3 Office MFPs (Units)

<Growth rate of units by regions (YoY)>

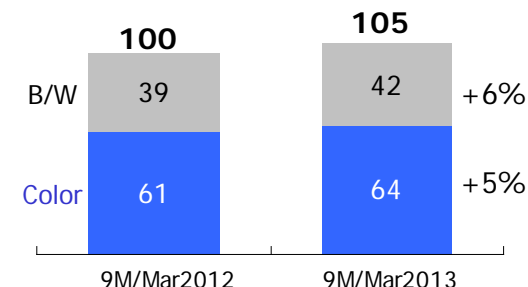
	9M/ Mar 2013(YoY)				3Q/ Mar 2013(YoY)			
	Japan	U.S.	Europe	Others	Japan	U.S.	Europe	Others
Color	+10%	+16%	+8%	+9%	+12%	+17%	+17%	+12%
B/W	+22%	Δ1%	Δ15%	Δ2%	+20%	Δ11%	Δ16%	Δ28%
Total	+14%	+7%	Δ1%	0%	+15%	+2%	+3%	Δ20%



## Production printing systems (Units)

<Growth rate of units by regions (YoY)>

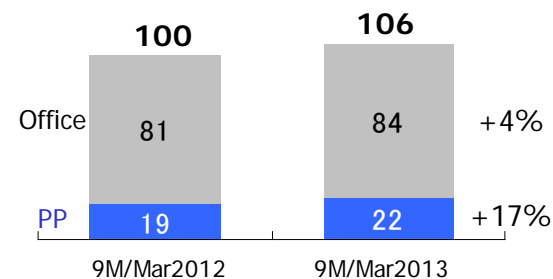
	9M/ Mar 2013(YoY)				3Q/ Mar 2013(YoY)			
	Japan	U.S.	Europe	Others	Japan	U.S.	Europe	Others
Color	+20%	+6%	+2%	+5%	Δ22%	+27%	Δ16%	+22%
B/W	+83%	+6%	+13%	Δ7%	+53%	Δ5%	+7%	Δ20%
Total	+38%	+6%	+5%	0%	Δ10%	+11%	Δ10%	0%



## Non-hardware (local currency-based, w/o FOREX) (Value)

<Growth rate of non-hard sales by regions (YoY)>

	9M/ Mar 2013(YoY)				3Q/ Mar 2013(YoY)			
	Japan	U.S.	Europe	Others	Japan	U.S.	Europe	Others
Color	Δ3%	+8%	+7%	+1%	Δ4%	+8%	+9%	+2%
B/W	+34%	+2%	+22%	+5%	+39%	+3%	+45%	+13%
Total	+3%	+6%	+9%	+2%	+4%	+7%	+14%	+4%



# Industrial Business – Performance overview

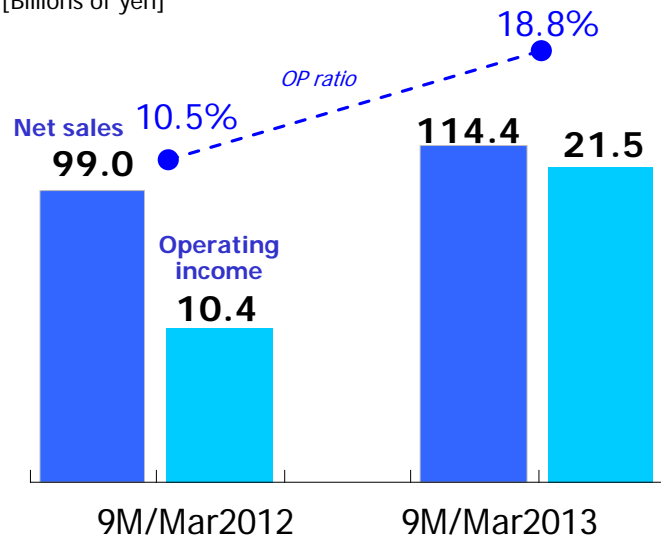


Main products performed strongly; sales and profits continued to increase throughout the term.

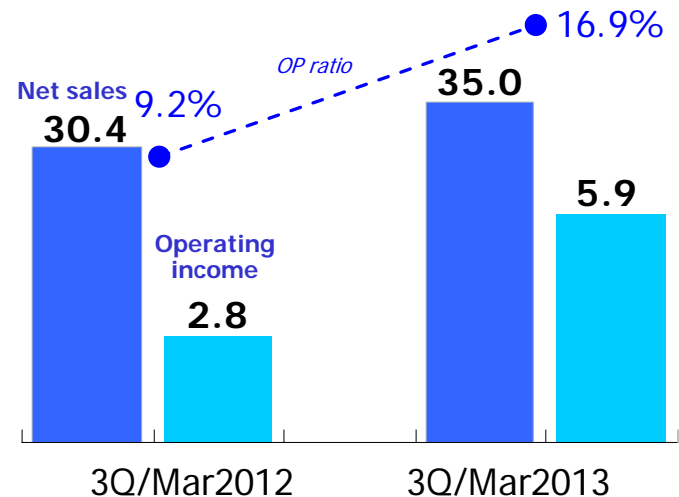
9M/March 2013 (YoY)	
● Net sales:	+16%
● Operating income :	+106%

3Q/March 2013 (YoY)	
● Net sales:	+15%
● Operating income:	+111%

[Billions of yen]



[Billions of yen]



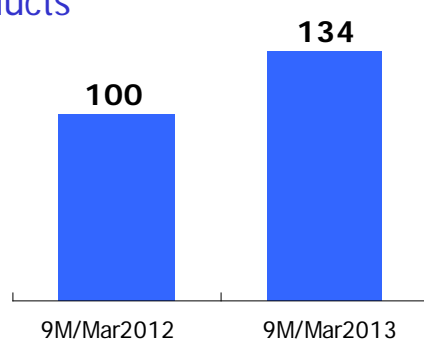
# Industrial Business – Sales performance (Units)



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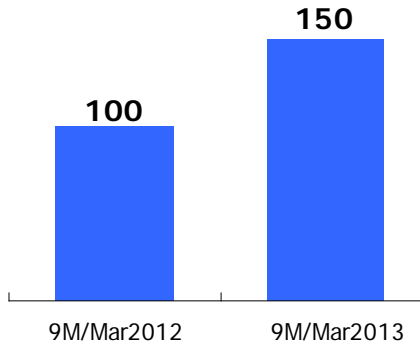
## TAC films

- Sales strong throughout the period for VA-TAC and plain TAC film products



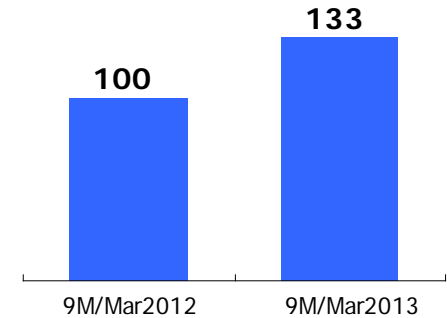
## Replacement lenses for DSLR cameras

- Sales to major customers were strong.



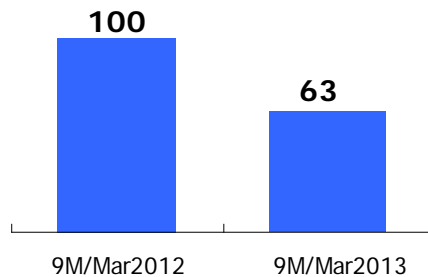
## Color meters

- Sales volumes up due to the acquisition of a major client.



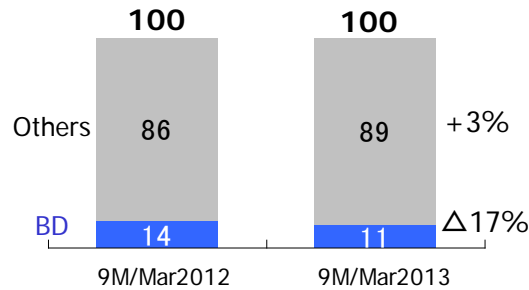
## Glass substrates for HDDs

- Sales down as adjustments by customers continued.



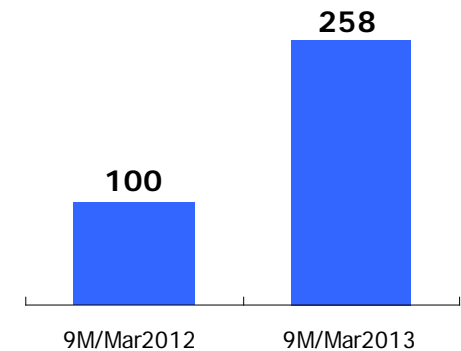
## Optical pickup lenses

- Sluggishness for both BDs and DVDs.



## Optical units for mobile phones with cameras

- Sales for smartphones grew.





# Healthcare Business – Performance overview/Sales performance



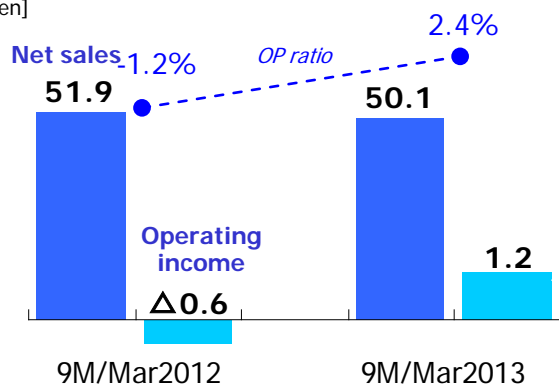
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Increased DR sales compensated for the decrease in film sales, and while sales were down, profits continued to increase.

**9M/March 2013 (YoY)**

- Net sales:  $\Delta 4\%$
- Operating income: Improve  $\text{¥}1.8\text{bill}$

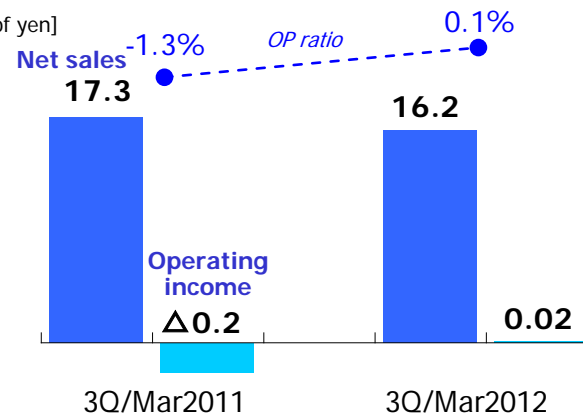
[Billions of yen]



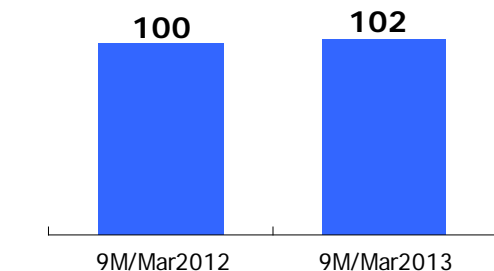
**3Q/March 2013 (YoY)**

- Net sales:  $\Delta 6\%$
- Operating income: Improve  $\text{¥}0.2\text{bill}$

[Billions of yen]



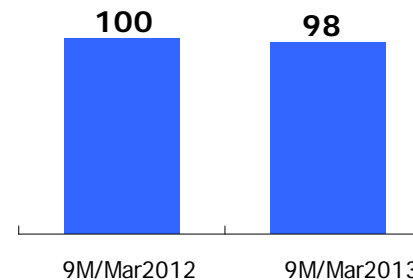
## CR ·DR (YoY) (Units)



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9M / Mar 2012 = 100

## Dry films (YoY) (Volumes)



# Operating profit analysis



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[Billions of yen]

## 9M/Mar 2013 vs. 9M/Mar 2012

### [Factors]

	Business Technologies	Industrial Business	Others	Total
Forex impact	-5.7	-0.1	-0.0	-5.9
Price change	0.0	-5.3	-0.3	-5.6
Sales volume change, and other, net	11.4	13.4	-0.9	23.9
Cost down	-5.1	4.3	0.8	-0.0
SG&A change, net	-6.8	-1.3	-0.6	-8.6

### [Operating income]

Change, YoY	-6.2	11.0	-1.0	3.8
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## 3Q/Mar 2013 vs. 3Q/Mar 2012

### [Factors]

	Business Technologies	Industrial Business	Others	Total
Forex impact	0.7	-0.0	0.2	0.8
Price change	-0.4	-2.0	0.0	-2.4
Sales volume change, and other, net	-1.6	5.2	-0.8	2.8
Cost down	-0.6	0.9	0.6	0.9
SG&A change, net	-2.1	-0.9	0.0	-2.9

### [Operating income]

Change, YoY	-4.0	3.2	-0.0	-0.9
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### Revised value for 1H/Mar 2013

	Original	
	Business Technologies	Total
Sales volume change, and other,	10.5	18.6
Cost down	-2.1	1.6
	↓	
	Revised	
	Business Technologies	Total
Sales volume change, and other,	13.0	21.1
Cost down	-4.6	-0.9

# SGA, non-operating and extraordinary income/loss



	3Q	3Q	YoY	9M	9M	[Billions of yen] YoY
	Mar 2013	Mar 2012		Mar 2013	Mar 2012	
<b>SG&amp;A:</b>						
Selling expenses - variable	9.9	10.2	-0.3	32.0	31.6	0.4
R&D expenses	18.8	18.7	0.1	53.4	55.5	-2.1
Labor costs	32.7	29.6	3.1	94.1	88.7	5.4
Other	21.6	20.3	1.3	63.1	60.9	2.2
<b>SGA total*</b>	<b>83.0</b>	<b>78.7</b>	<b>4.2</b>	<b>242.7</b>	<b>236.8</b>	<b>5.9</b>
	<i>* Forex impact: ¥1.3 bn. (Actual: ¥2.9 bn.)</i>			<i>-¥2.7 bn. (Actual: ¥8.6 bn.)</i>		
<b>Non-operating income/loss:</b>						
Interest and dividend income/loss, net	-0.2	-0.1	-0.1	-0.6	-0.6	-0.0
Foreign exchange gain, net	1.7	0.5	1.1	0.7	-2.9	3.6
Other	-0.4	-0.8	0.4	-1.0	-0.8	-0.2
<b>Non-operating income/loss, net</b>	<b>1.1</b>	<b>-0.4</b>	<b>1.4</b>	<b>-1.0</b>	<b>-4.4</b>	<b>3.4</b>
<b>Extraordinary income/loss:</b>						
Sales of noncurrent assets, net	-0.3	-0.5	0.3	-1.3	-1.2	-0.1
Sales of investment securities	0.3	-0.0	0.3	-0.0	-2.4	2.4
Imperament gain/loss	-0.0	-0.1	0.0	-1.5	-0.1	-1.4
Business structure improvement expenses	0.0	-1.2	1.2	-0.4	-1.2	0.8
Other	-0.0	0.1	-0.2	-0.0	0.1	-0.1
<b>Extraordinary income/loss, net</b>	<b>-0.1</b>	<b>-1.7</b>	<b>1.6</b>	<b>-3.2</b>	<b>-4.8</b>	<b>1.6</b>

# Cash flows



[Billions of yen]

	3Q Mar 2013	3Q Mar 2012	YoY	9M Mar 2013	9M Mar 2012	YoY
Income before income taxes and minority interests	7.8	5.6	2.2	22.9	14.1	8.9
Depreciation and amortization	11.5	12.4	-0.9	33.3	36.0	-2.8
Income taxes paid	-4.2	-3.1	-1.1	-10.3	-4.3	-6.0
Change in working capital	3.0	-4.0	7.0	-10.3	3.2	-13.5
<b>I. Net cash provided by operating activities</b>	<b>18.1</b>	<b>10.9</b>	<b>7.3</b>	<b>35.6</b>	<b>49.0</b>	<b>-13.4</b>
<b>II. Net cash used in investing activities</b>	<b>-22.3</b>	<b>-9.1</b>	<b>-13.2</b>	<b>-49.3</b>	<b>-31.3</b>	<b>-18.1</b>
<b>I. + II. Free cash flow</b>	<b>-4.2</b>	<b>1.8</b>	<b>-6.0</b>	<b>-13.7</b>	<b>17.7</b>	<b>-31.5</b>
Change in debts and bonds	-30.1	35.3	-65.3	-18.9	31.6	-50.5
Cash dividends paid	-3.8	-3.8	-0.0	-7.8	-7.8	-0.0
Other	-0.3	-0.5	0.2	-1.1	-1.3	0.2
<b>III. Net cash used in financing activities</b>	<b>-34.2</b>	<b>30.9</b>	<b>-65.1</b>	<b>-27.8</b>	<b>22.6</b>	<b>-50.4</b>

# B/S



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	Dec 2012	Mar 2012	[Billions of yen] Change
<b>Assets:</b>			
Cash and short-term investment securities	191.5	231.9	-40.5
Notes and A/R-trade	176.3	174.2	2.1
Inventories	121.6	105.1	16.6
Other	55.9	54.7	1.2
<b>Total current assets</b>	<b>545.3</b>	<b>565.9</b>	<b>-20.6</b>
Tangible assets	175.5	179.0	-3.5
Intangible assets	104.5	87.3	17.2
Investments and other assets	73.4	69.8	3.6
<b>Total noncurrent assets</b>	<b>353.4</b>	<b>336.1</b>	<b>17.3</b>
<b>Total assets</b>	<b>898.7</b>	<b>902.1</b>	<b>-3.4</b>

## Liabilities and Net Assets:

Notes and A/P-trade	80.8	88.1	-7.4
Interest bearing debts	217.7	227.9	-10.2
Other liabilities	155.6	151.0	4.6
<b>Total liabilities</b>	<b>454.0</b>	<b>467.1</b>	<b>-13.0</b>
Total shareholders' equity*	443.3	433.7	9.6
Other	1.4	1.3	0.0
<b>Total net assets</b>	<b>444.7</b>	<b>435.0</b>	<b>9.7</b>
<b>Total liabilities and net assets</b>	<b>898.7</b>	<b>902.1</b>	<b>-3.4</b>

\*Equity = Shareholders' equity +

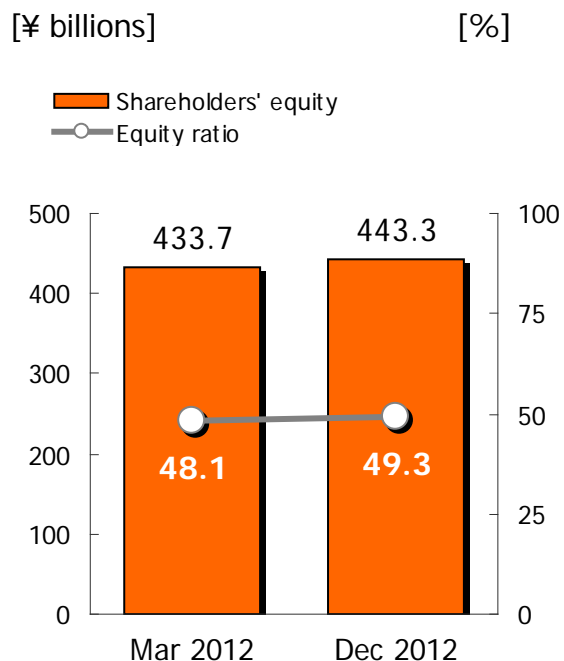
Accumulated other comprehensive income

	Dec 2012	Mar 2012	[yen] YoY
US\$	86.58	82.19	4.39
Euro	114.71	109.80	4.91

# B/S – Main indicators

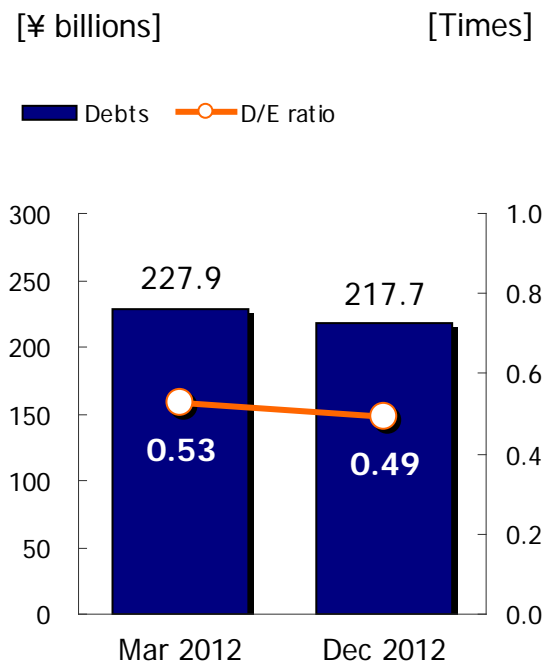


## ■ Equity & Equity ratio



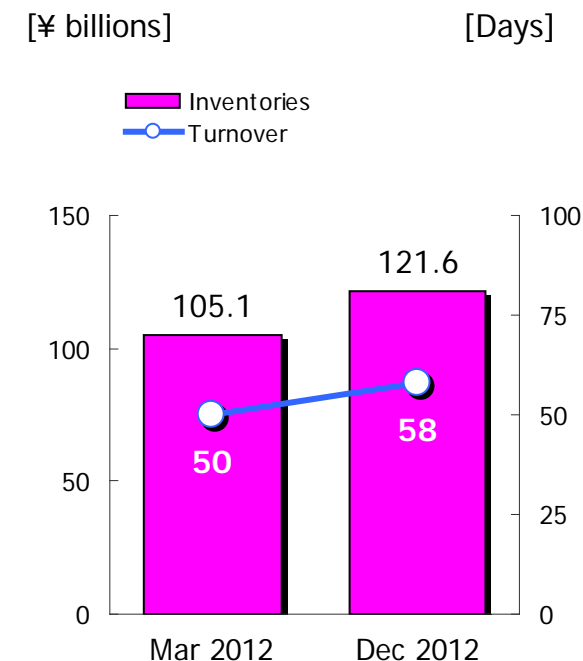
Equity ratio = Equity / Total assets

## ■ Interest-bearing debts & D/E ratio



D/E ratio =  
Interest-bearing debts at year-end /  
Shareholders' equity at year-end

## ■ Inventories & Inventory turnover



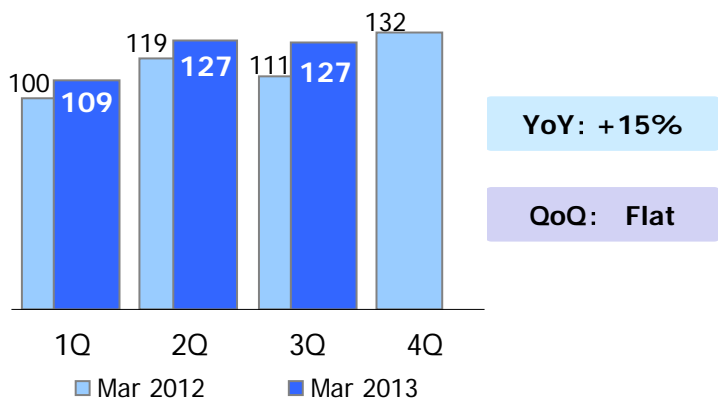
Inventory turnover (days) =  
Inventories at period-end /  
Average sales per day

\*Equity = Shareholders' equity + Accumulated other comprehensive income

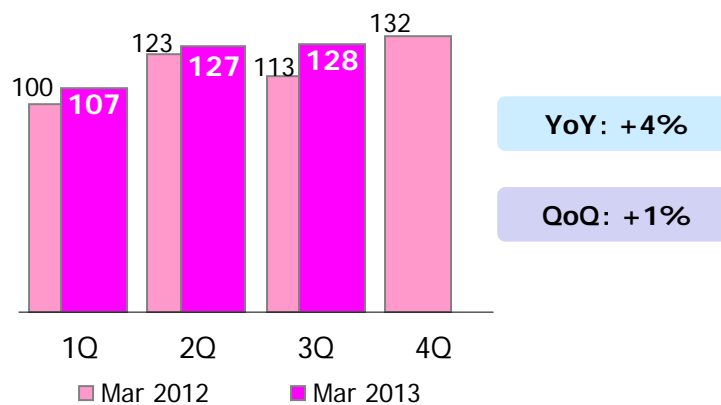
# Unit sales trend – Business Technologies Business



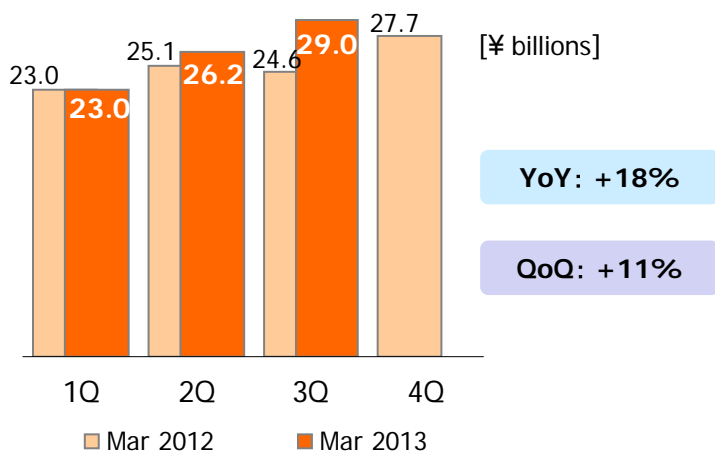
## A3 color MFP – Units\*



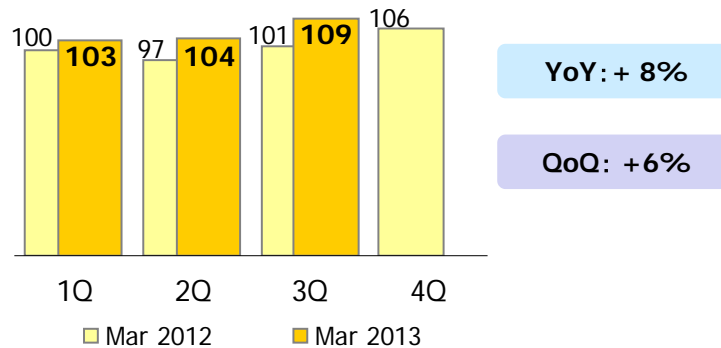
## Color Production Print – Units\*



## Production print – Value



## Non-hardware\* (w/o forex effects)



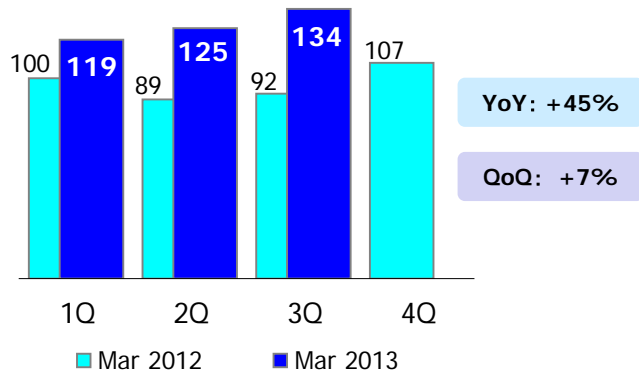
\* Base index : "1Q Mar2011" = 100

# Unit sales trend – Industrial Business

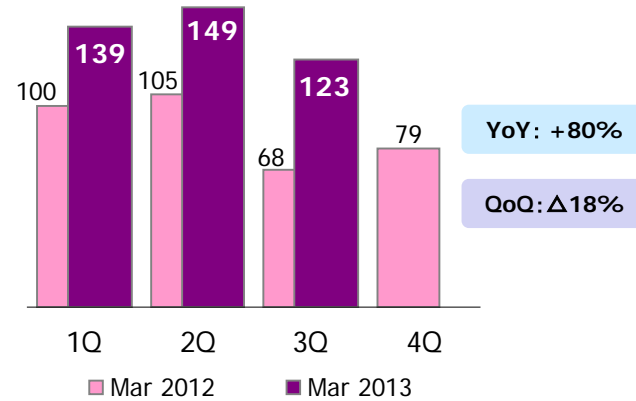


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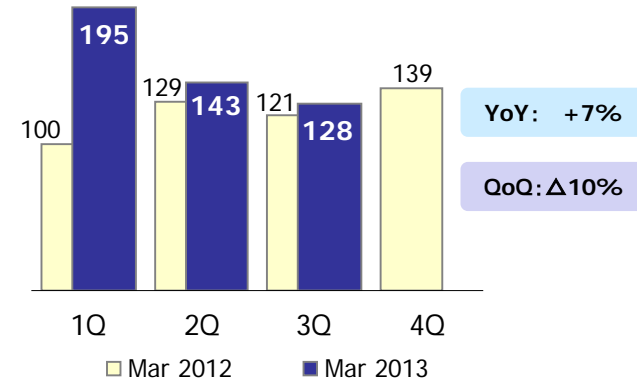
■ TAC film – Volumes



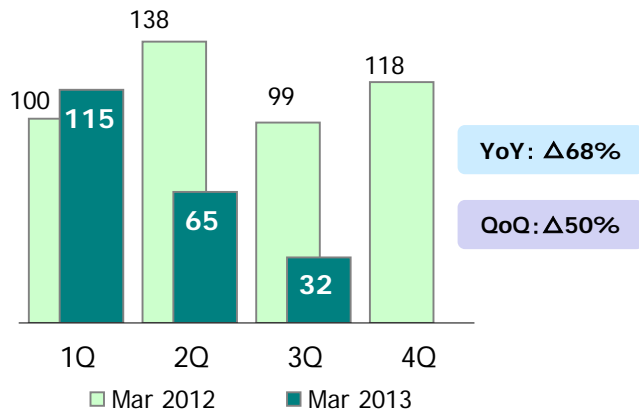
■ Replacement lenses for DSLR – Units



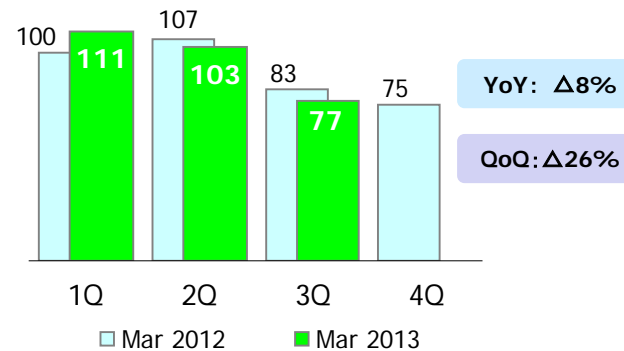
■ Color Meters – Units



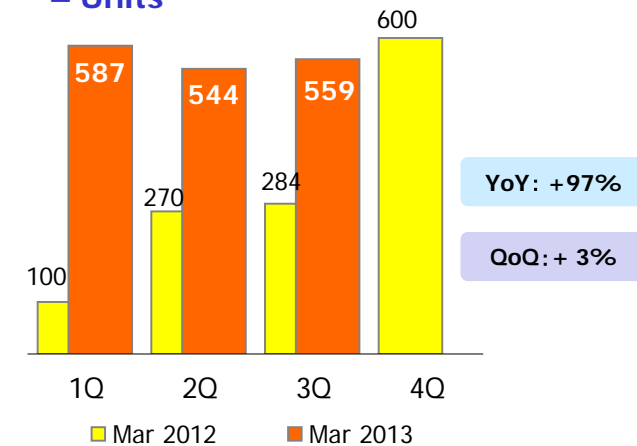
■ Glass substrates for HDDs – Units



■ Optical pickup lenses – Units



■ Mobile phone components – Units



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\* Base index : "1Q Mar2011" = 100