



Konica Minolta, Inc. 1st Quarter/FY2021 ending in March 2022 Consolidated Financial Results

Three months: April 1, 2021 – June 30, 2021
– Announced on July 29, 2021 –

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- **Q1 results:** Generally, in line with forecasts
- **FY2021 earnings forecasts and shareholder returns:** Initial forecasts in the fiscal year left unchanged
- **Progress with business portfolio transformation:** Disclosure at the right time for each business
- **Medium-term Business Plan DX2022:** After examining numerical targets, the plan was approved by Board of Directors in May

FY2021 Q1 Performance Overview | Summary

[¥ billions]

	FY2021	FY2020	YoY	
	Q1	Q1	YoY	(W/O Forex)
Revenue	229.9	173.2	+33%	+26%
Operating Profit	3.1	-22.6	-	-
Profit attributable to owners of the Company	1.0	-17.3	-	-
FOREX [Yen]				
USD	109.49	107.62	+1.87	
EUR	131.96	118.48	+13.48	

Revenue

- Company overall: Revenue recovered to 95% of FY19 level as a result of restored demand and increased revenue in growth fields.
- By business: Revenue increased year on year in all businesses. Industry recorded the highest quarterly revenue since FY12 Q3 by the contribution of record-high quarterly revenue of measuring instruments.

Operating Profit

- Operating profit: Operating profit recovered ¥25.7 billion year on year. Industry also recorded ¥8.0 billion operating profit and 22.6% operating profit ratio, which is the highest quarterly operating profit since FY12 Q2, and it contributed the company overall. SG&A was kept down and remained under ¥100 billion. The SG&A-to-revenue ratio stood at 43.2% (-10.9pt year on year), a sharp improvement of budget structure.
- Capital efficiency: Operating CFs remained in the black at high levels as Q1 due to reductions of inventory.

FY2021 Q1 Performance | Revenue and Profit by Segment



[¥ billions]

Revenue	FY2021		FY2020		YoY	
	Q1		Q1		(W/O Forex)	
Digital Workplace	121.2		94.6		+28%	
Professional Print	47.9		31.8		+51%	
Healthcare	25.2		20.5		+23%	
Industry	35.2		26.1		+35%	
Sensing	12.2		7.1		+72%	
Materials and Components	20.5		16.1		+27%	
Imaging-IoT solutions	2.6		2.9		- 11%	
Corporate, etc.	0.3		0.2		+31%	
Company overall	229.9		173.2		+33%	

Operating profit/OPM	FY2021		FY2020		YoY	
	Q1		Q1		(W/O Forex)	
Digital Workplace	1.1	+0.9%	-9.6	-	-	-
Professional Print	1.0	+2.0%	-7.1	-	-	-
Healthcare	-3.2	-	-4.7	-	-	-
Industry	8.0	22.6%	2.8	+180%	+172%	
Corporate, etc.	-3.7	-	-4.1	-	-	-
Company overall	3.1	+1.4%	-22.6	-	-	-

Progress toward targets

Company overall	49%	As expected	<p>Revenue and gross profit: Recovery in line with forecasts; gross profit ratio improved 2.7 points, in line with the 3-point forecast.</p> <p>SG&A: Maintained at level under ¥100 billion for the quarter as forecasted; the year-on-year increase was affected by foreign exchange rates.</p> <p>Operating CFs: High for Q1 due to ongoing reductions of inventory; strong progress relative to forecast for the year</p>
Digital Workplace	30%	OP: Somewhat delayed DW-DX: As expected	<p>OP hardware: Unit sales were as expected, but the gross profit ratio was slow to recover as dealer channels took precedence.</p> <p>OP non-hard: Results were 84% relative to the annual forecast of 84% compared to FY19.</p> <p>DW-DX: Revenue continues to increase as expected.</p>
Professional Print	58%	As expected	<p>PP hardware: HPP results were as expected, but LPP did not meet target, despite the effect of new products due to supply adjustments.</p> <p>PP non-hard: Results were 88% relative to the annual forecast of 90% compared to FY19, which was higher than forecast for Q1. Demand from medium- and large-scale printing companies recovered.</p> <p>IP: Hardware drove results to levels exceeded the target. Non-hard results also showed growth in line with forecasts.</p>
Healthcare	28%	HC: As expected APM: Somewhat delayed	<p>Modality: Although medical IT is delayed, Dynamic digital radiography progressed as expected, and results were in line with forecasts overall.</p> <p>Genetic testing: Although the number of tests was in line with forecasts, there were delays in insurance reimbursement and cost reduction with high-speed processors.</p> <p>Drug discovery support: The speed of the resumption of clinical trials and that of backlogs were both in line with forecasts.</p>
Industry	70%	Exceeded the target	<p>Sensing: The performance of light source color measurement instruments remained strong thanks to solid demand for smartphones. The highest quarterly revenue was posted and surpassed forecasts, due in part to the effect of the consolidation of Specim.</p> <p>Materials and components: In performance materials, phase difference film for TVs and thin film for small and medium-sized products remained solid performers. In IJ, market conditions are solid in China and recovering in Europe; results surpassed forecasts.</p>

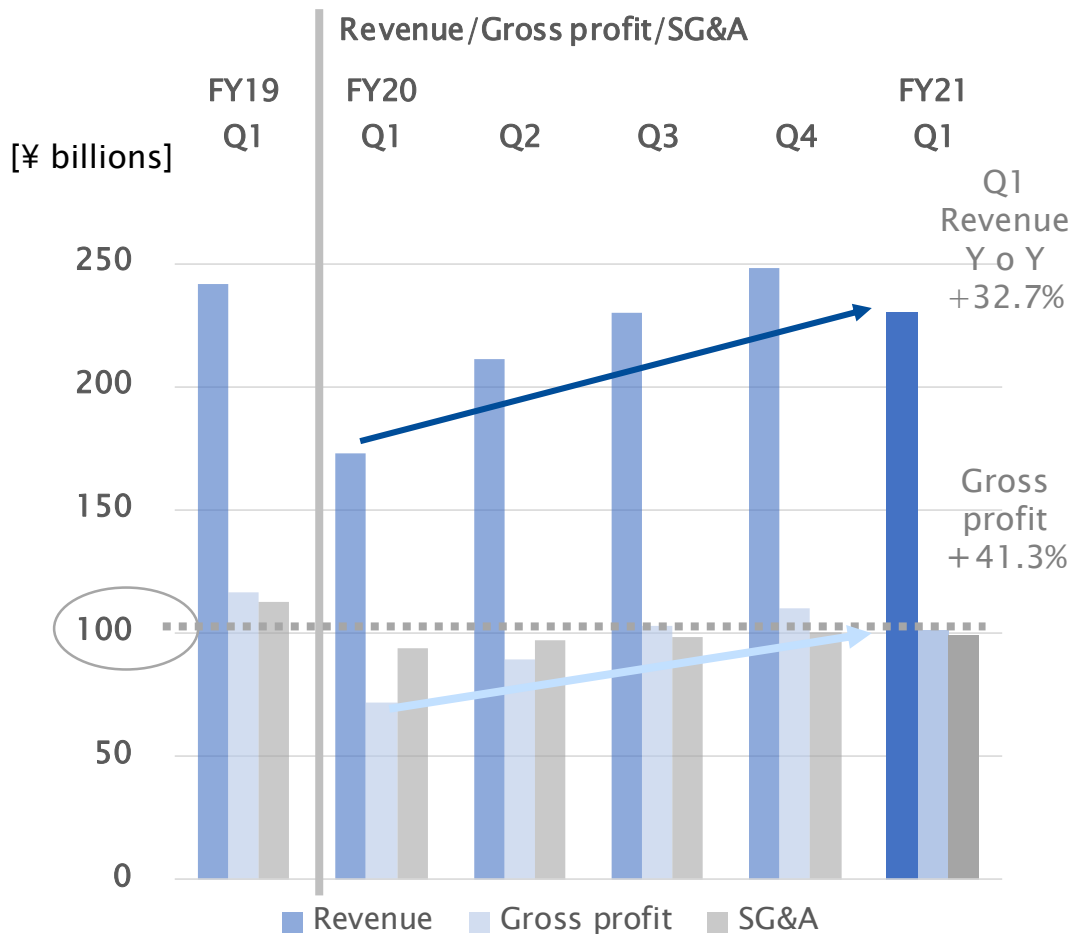
* The progress compared to the forecast of increased profit

* DW-DX: IT service solutions + Workplace Hub

FY2021 Q1 Performance |

Increase / Decrease in Sales and Gross Profit, and Changes in SG&A

Progressing initiatives to establish strong budget structure, which has a great capability to adapt environmental changes



Revenue:

- Revenue increased year on year in all business segments.
- In growth fields, revenue rose in industrial printing, precision medicine, sensing and performance materials even compared to FY19 Q1.

Gross profit:

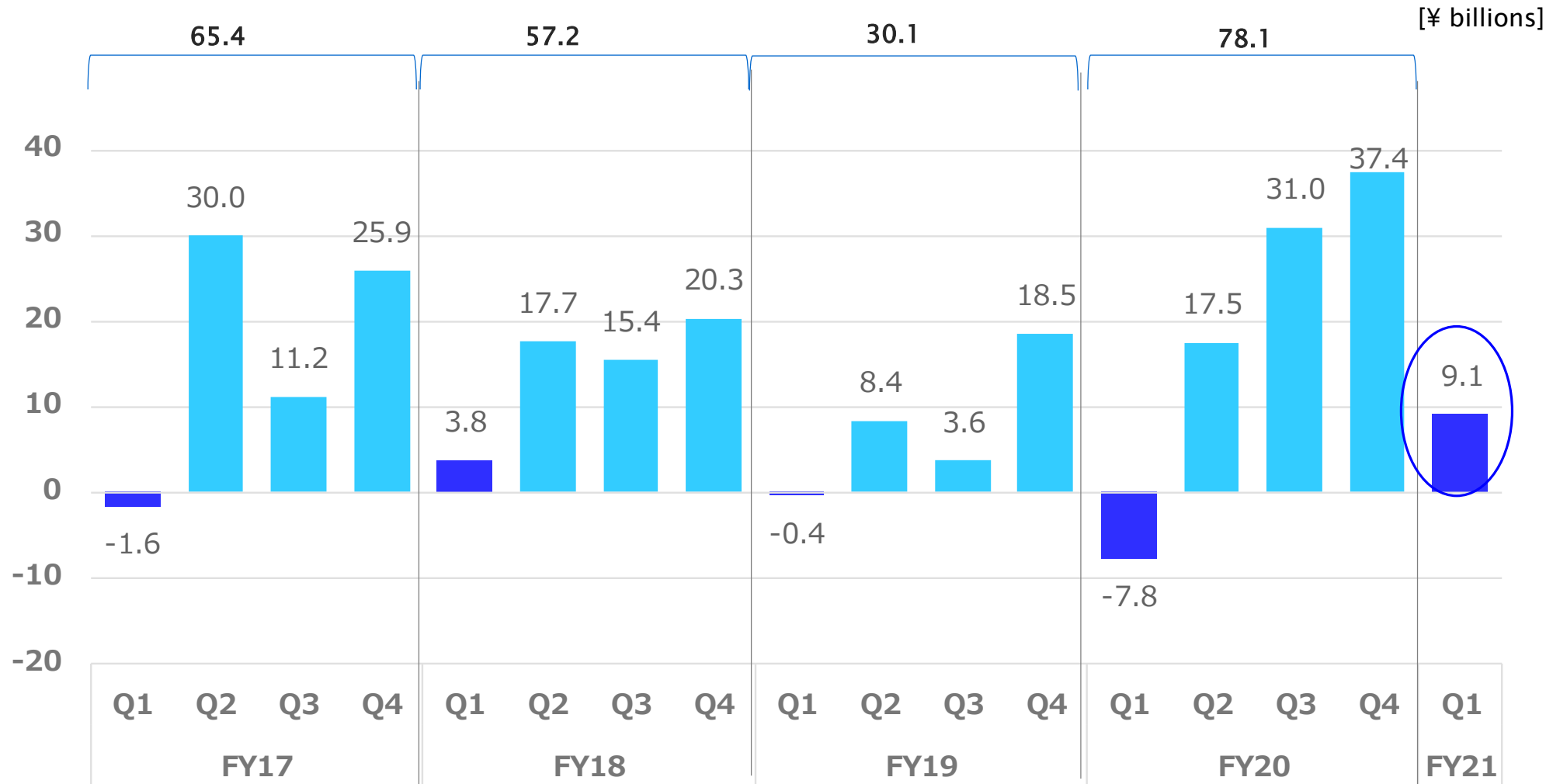
- As revenue recovered, gross profit amount also improved year on year. The gross profit ratio improved 2.7pt.

SG&A:

- SG&A remained less than ¥100 billion.
- The SG&A-to-revenue ratio was 43.2%, a significant year-on-year improvement from 54.1%.
- The increase was kept down to ¥1.6 billion over the previous period on an effective basis excluding the foreign exchange impact.

Transition of Net cash flows from operating activities

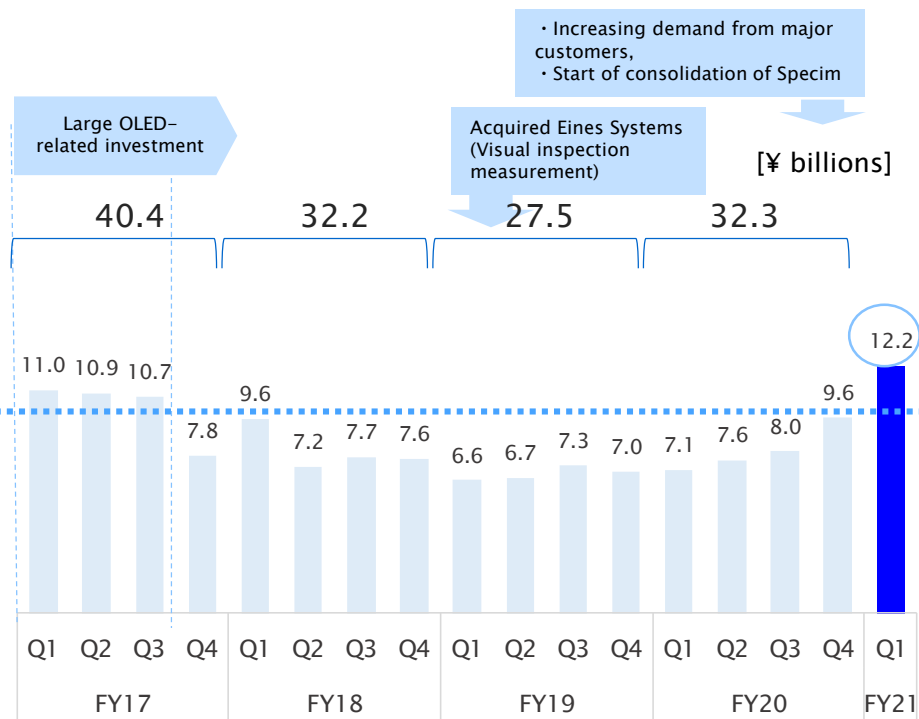
Reductions in inventory contributed and operating cash flow was in the black at high levels as Q1.





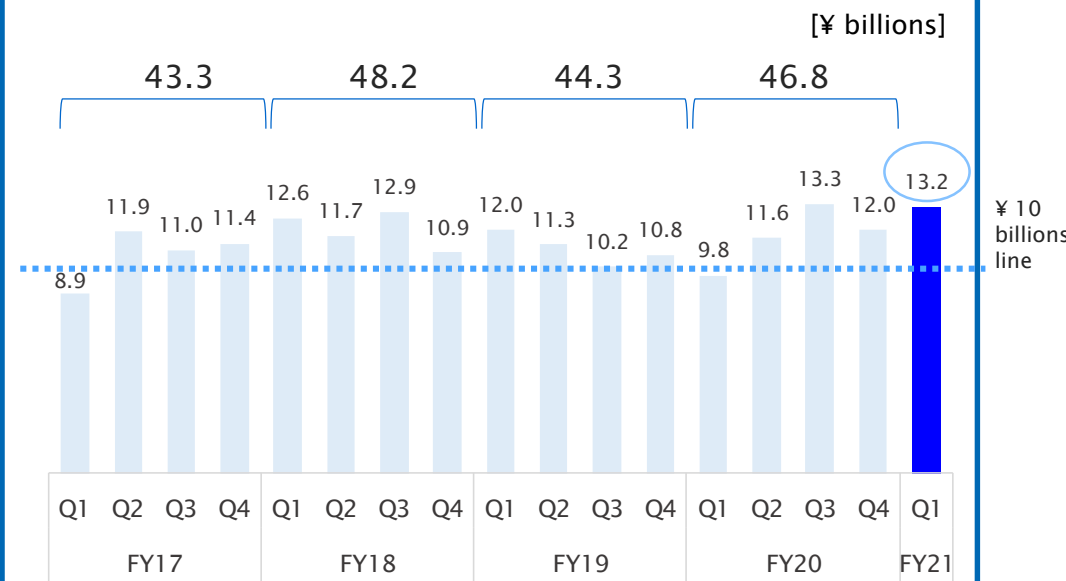
Measuring instruments

- Revenue from additional orders from major customers for light-source color measurement instruments were posted. Orders for object color measurement instruments were solid in China and Europe, and revenue also recovered in North America.
- Baseline for revenue was lifted due to the newly consolidated effect of Specim.



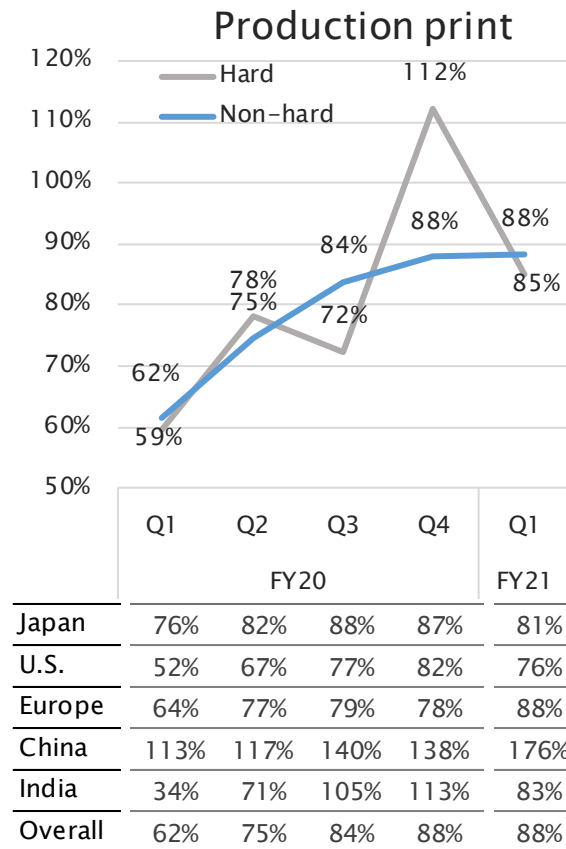
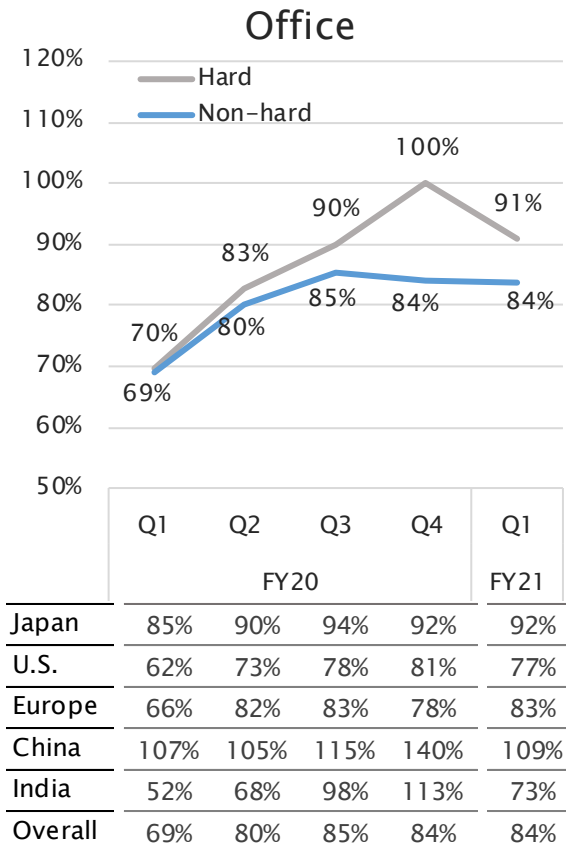
Performance materials

- Momentum remained high by strong demand for high-value added products such as phase difference film for TVs and thin film for small- and medium-sized devices.
- Sales of the new resin "SANUQI" film for large TVs accelerated.



- OP: Hardware revenue was somewhat weak as dealer channels took precedence, and non-hard was in line with forecasts.
- PP: Hardware was in line with forecasts with a favorable pipeline, and non-hard was above expected.
- There is no change to either OP/PP, which expects a full-scale recovery from September in Europe and the U.S.

Year-on-year rate of increase/decrease of hard and non-hard revenue compared to FY19



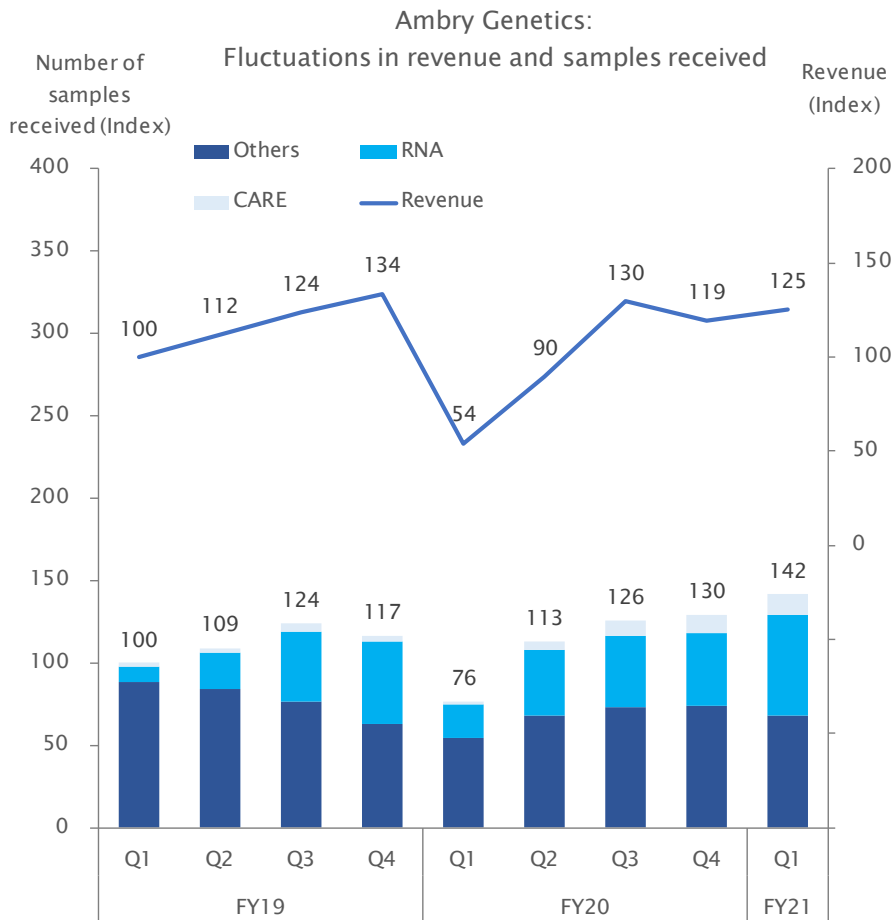
Year-on-year rate of increase/decrease of non-hard regional revenue compared to FY19

FY2021 Q1 Performance | Revenue and KPI Trends of Ambry Genetics and Invicro

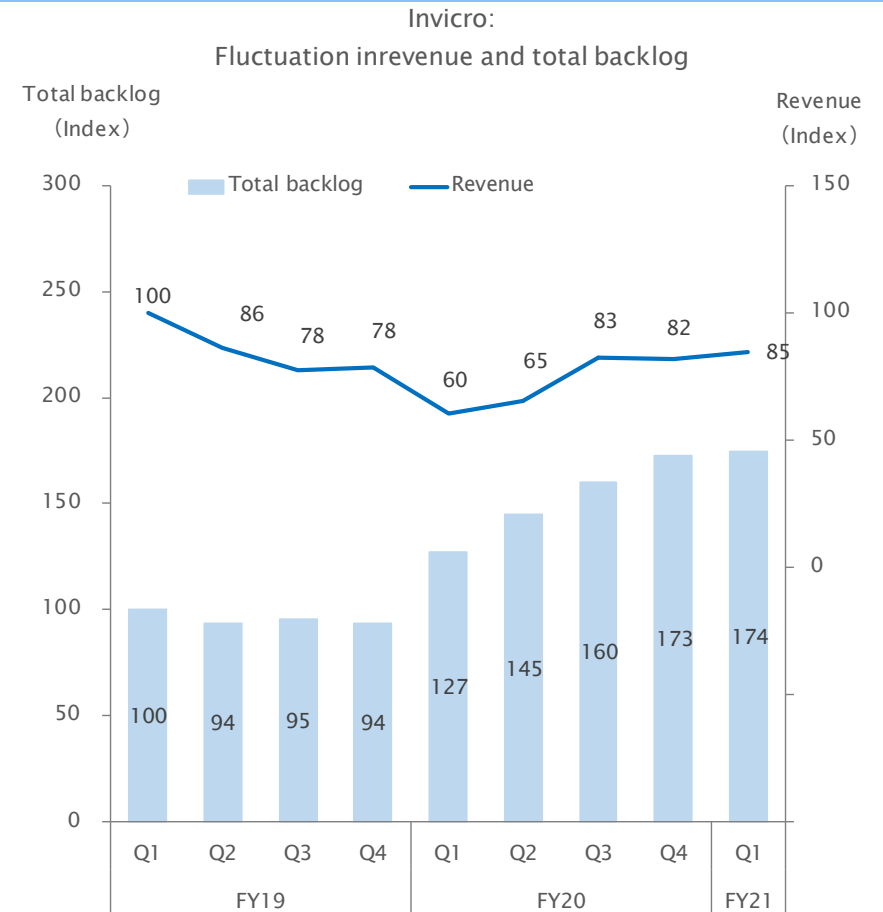


- Genetic testing: Although the number of tests was in line with forecasts, there were delays in insurance reimbursement and cost reduction with high-speed processors.
- Drug discovery support: The speed of the resumption of clinical trials and that of backlogs were both in line with forecasts.

Ambry (AG)



Invicro (IC)



*Indexed with FY2019 Q1 as 100.

[¥ billions]

Revenue · Operating Profit

FY19		Q1	Q2	Q3	Q4
Revenue	OP	116.4	120.9	119.6	116.6
	DW-DX	18.5	18.2	19.9	18.8
	total	135.0	139.1	139.5	135.4
OP		5.5	7.8	4.3	0.1
OP margin		4.0%	5.6%	3.1%	0.1%

FY20		Q1	Q2	Q3	Q4
Revenue	OP	78.3	98.2	104.2	107.9
	DW-DX	16.3	18.5	20.8	21.1
	total	94.6	116.7	125.0	128.9
OP		-9.6	0.3	3.1	3.5
OP margin		-	0.3%	2.5%	2.7%

FY21		Q1	Q2	Q3	Q4
Revenue	OP	102.9			
	DW-DX	18.2			
	total	121.2			
OP		1.1			
OP margin		0.9%			

✓ Revenue recovered to 90% of FY19 Q1 levels.

Q1 Summary

Office (OP)

- Sales of hardware recovered due to the resumption of economic activity in each country, particularly the U.S. and Europe (up 29%, down 9% vs. FY19. unit sales up 26%, down 7% vs. FY19).
- Sales for non-hard were also up with recovery of print volume as expected, as employees returned to workplace at client companies (up 20%, a 16% decline compared to FY19).
- Revenue by region showed up 25% in Europe, which was heavily impacted by lockdowns in the previous year, and up 25% in the U.S. as well. Revenue was up 11% in Japan, and down 2% in China, where the impact was relatively modest in the previous fiscal year.

DW-DX (DW-DX)

- In the U.S., large projects were acquired and MRR grew, primarily for managed IT services.
- In Europe, the sales grew, particularly sales of digital workflow solution. Large projects for Workplace Hub Smart were secured and revenue is expected in Q2.
- Revenue from solutions developed by Konica Minolta (Dispatcher series) also increased.

[¥ billions]

Revenue · Operating Profit

FY19		Q1	Q2	Q3	Q4
Revenue	PP	34.2	35.4	37.5	33.5
	IP	3.8	5.8	5.1	6.0
	MS	12.6	11.5	12.8	11.9
	total	50.6	52.7	55.4	51.4
OP		1.1	1.0	2.9	-0.7
OP margin		2.1%	2.0%	5.3%	-

FY20		Q1	Q2	Q3	Q4
Revenue	PP	20.4	27.1	29.5	32.7
	IP	2.9	4.3	4.8	6.3
	MS	8.4	10.2	11.0	11.7
	total	31.8	41.7	45.3	50.8
OP		-7.1	-1.7	0.0	0.9
OP margin		-	-	-	1.8%

FY21		Q1	Q2	Q3	Q4
Revenue	PP	30.3			
	IP	5.9			
	MS	11.7			
	total	47.9			
OP		1.0			
OP margin		2.0%			

- ✓ Revenue recovered to 95% of FY19 levels.

Q1 Summary

Production print (PP)

- In hardware, color model sales units grew in all categories, particularly in Europe and China (up 38%, a 30% decrease compared to FY19). New HPP and LPP products that launched last year also contributed. The sales of new MPP products also began. Many contracts were concluded at the China Print exhibition (23–27 June).
- Demand for non-hard recovered, particularly for medium- and large-scale printing companies (up 41%, a 12% decline compared to FY19).

Industrial print (IP)

- In hardware, sales increased significantly over the previous year for all KM-1, label printers, digital embellishment and textile printing.
- In non-hard as well, revenue increased both YoY and Q o Q for all KM-1, label printers, digital embellishment and textile printing.

Marketing services (MS)

- Sales increased in Europe due to major customers' resumption of sales promotion activities.
- In Japan, digital solution services for the creation and management of sales promotion materials were strong performers despite state of emergency declarations.

[¥ billions]

Revenue · Operating Profit

FY19		Q1	Q2	Q3	Q4
Revenue	HC	18.6	26.4	18.1	24.7
	APM	7.2	7.4	7.7	8.3
	total	25.9	33.8	25.9	33.0
OP		-2.1	-1.2	-0.4	-0.6
OP margin		-	-	-	-

FY20		Q1	Q2	Q3	Q4
Revenue	HC	16.4	19.1	20.0	27.9
	APM	4.1	5.9	8.2	7.6
	total	20.5	24.9	28.2	35.5
OP		-4.7	-1.8	-0.5	0.7
OP margin		-	-	-	1.9%

FY21		Q1	Q2	Q3	Q4
Revenue	HC	17.2			
	APM	8.0			
	total	25.2			
OP		-3.2			
OP margin		-			

- ✓ Revenue rose for both HC and APM. Revenue recovered for genetic testing while drug discovery support services are recovering.

Q1 Summary

Healthcare (HC)

- DR continued to perform well in Japan, and was solid in the Americas. In some region of Asia, COVID-19 continued to have an impact, but sales volume increased due to higher demand for mobile X-ray systems in India and Asia.
- In diagnostic ultrasound systems, sales grew, particularly for orthopedics and obstetrics in Japan.
- In medical IT, sales of infomity in Japan continue to grow, and in the U.S., sales of PACS, which were heavily impacted by curbs on investment attributable to COVID-19, began to recover.

Precision medicine (APM)

- In genetic testing, the number of tests increased due to an expansion of the number of CARE Program sites, while RNA tests also increased. As a result, the number of samples continued to rise.
- In drug discovery support services, order backlogs remain high due to projects put on hold, and negotiations for the start of clinical trials with pharmaceutical companies picked up.

[¥ billions]

Revenue · Operating Profit

FY19		Q1	Q2	Q3	Q4
Revenue	SE	6.6	6.7	7.3	7.0
	M&C	21.0	20.5	18.9	18.5
	IIS	2.5	2.7	2.3	3.4
	total	30.0	29.8	28.5	28.9
OP		3.2	3.7	4.2	3.2
OP margin		10.7%	12.5%	14.9%	11.2%

FY20		Q1	Q2	Q3	Q4
Revenue	SE	7.1	7.6	8.0	9.6
	M&C	16.1	17.6	20.5	19.6
	IIS	2.9	2.8	3.0	3.5
	total	26.1	27.9	31.5	32.8
OP		2.8	2.2	4.8	5.8
OP margin		10.9%	7.9%	15.1%	17.7%

FY21		Q1	Q2	Q3	Q4
Revenue	SE	12.2			
	M&C	20.5			
	IIS	2.6			
	total	35.2			
OP		8.0			
OP margin		22.6%			

- ✓ SE and PM drove results, and quarterly revenue record-high since FY12 Q3, and operating profit as well since FY12 Q2.

Q1 Summary

Sensing(SE): Measuring instruments(MI)

- Light source color measurement instruments remained strong performers due to the posting of sales for additional orders attributable to growing demand from major customers. Orders for object color measurement instruments were robust in China and Europe, and sales also recovered in North America. Orders of visual inspection measurement instruments secured in the previous fiscal year also contributed to sales.
- Achieved record-high revenue for a fiscal quarter in part due to the effect of the consolidation of Specim.

Materials and components (M&C): Performance materials (PM), Optical components (OC), IJ (Inkjet) components

- PM posted significantly higher revenue compared to the same period in the previous year driven by high demand for high value-added film for LCD televisions and small- and medium-sized products such as PCs. Sales of the new resin "SANUQI" film increased for large TVs.
- In IJ, market conditions in China, a key market, were solid. Sales for industrial applications, a growth field, increased, and revenue was up year on year.

Imaging-IoT solutions (IIS): imaging-IoT solutions (IIS), visual solutions (VS)

- In IIS, sales of IP camera solutions to Europe were solid, but demand for thermal cameras for non-contact body temperature measurement slowed down compared to the initial period of the COVID-19 pandemic, and revenue fell year on year.

FY2021 Q1 Business Segment | Industry Business (Detail by BU)

[¥ billions]

FY19		Q1	Q2	Q3	Q4
Revenue	SE	6.6	6.7	7.3	7.0
	M&C	21.0	20.5	18.9	18.5
	PM	12.0	11.3	10.2	10.8
	OC	4.8	5.3	5.2	4.4
	IJ	4.2	3.9	3.5	3.2
	IIS	2.5	2.7	2.3	3.4
	IIS	1.9	2.0	1.6	2.2
	VS	0.6	0.8	0.7	1.2
	total	30.0	29.8	28.5	28.9
OP	3.2	3.7	4.2	3.2	
OP margin	10.7%	12.5%	14.9%	11.2%	

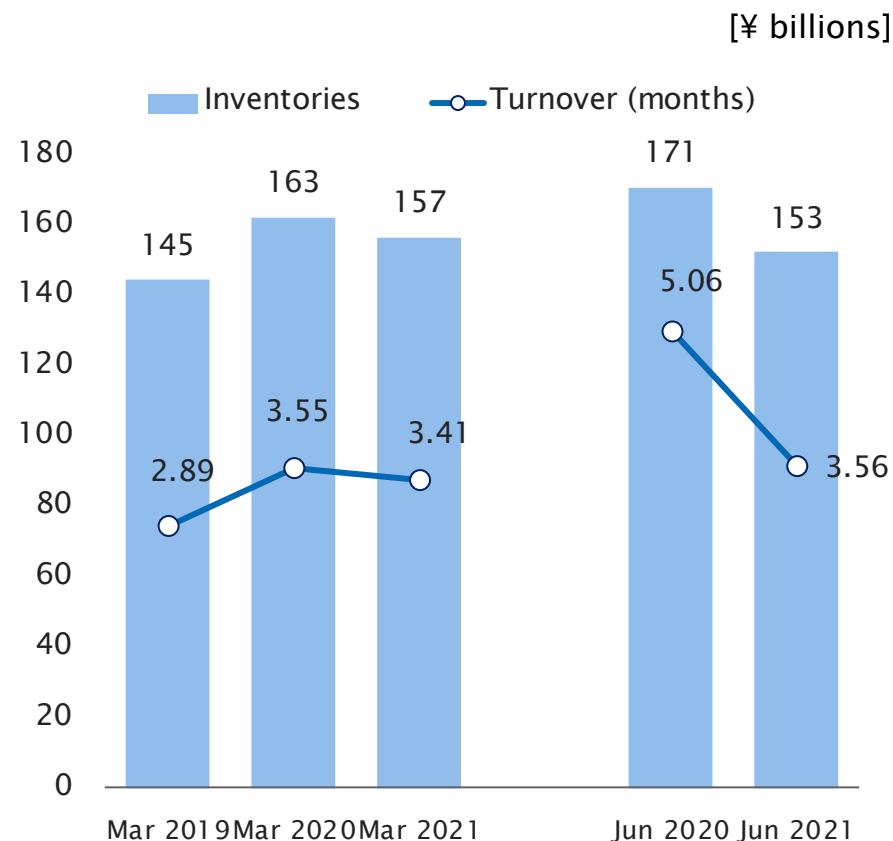
FY21		Q1
Revenue	SE	12.2
	M&C	20.5
	PM	13.2
	OC	3.8
	IJ	3.5
	IIS	2.6
	IIS	2.3
	VS	0.3
total	35.2	
OP	8.0	
OP margin	22.6%	

FY20		Q1	Q2	Q3	Q4
Revenue	SE	7.1	7.6	8.0	9.6
	M&C	16.1	17.6	20.5	19.6
	PM	9.8	11.6	13.3	12.0
	OC	3.8	3.2	4.0	3.6
	IJ	2.5	2.8	3.2	4.0
	IIS	2.9	2.8	3.0	3.5
	IIS	2.7	2.3	2.0	2.0
	VS	0.2	0.4	1.0	1.6
	total	26.1	27.9	31.5	32.8
OP	2.8	2.2	4.8	5.8	
OP margin	10.9%	7.9%	15.1%	17.7%	



Operating CFs for Q1 was high due to profit before tax in the black and ongoing decrease in inventory, among other factors. As a result, FCFs improved significantly compared to Q1 of last two previous fiscal years.

	FY19 Q1	FY20 Q1	FY21 Q1
Profit (loss) before tax	-1.4	-23.8	2.5
Depreciation and amortization expenses	18.9	19.4	19.0
(Increase) decrease in trade and other receivables	13.2	35.6	14.7
(Increase) decrease in inventories	-13.9	-8.4	5.3
Increase (decrease) in trade and other payables	-5.6	-25.5	-14.7
Othes	-11.6	-5.1	-17.8
Cash flows from operating activities	-0.4	-7.8	9.1
Purchase of property, plant and equipment	-8.3	-6.1	-9.3
Purchase of intangible assets	-3.1	-2.3	-4.4
Purchase of investments in subsidiaries	-3.3	-0.2	0.0
Others	0.1	2.5	1.8
Net cash provided by (used in) investing activities	-14.6	-6.2	-11.9
Free cash flows	-15.0	-13.9	-2.8



Inventory turnover, in months = Inventory balance / Average cost of sales for most recent three months

FY2021 Earnings Forecast

[¥ billions]

	FY2021 Forecast	FY2020 Result
Revenue	940.0	863.4
Operating Profit	36.0	-16.3
Profit attributable to owners of the Company	19.0	-15.2
FOREX [Yen]		
USD	105.0	106.1
EUR	125.0	123.7

Earnings forecast

- Initial forecasts (released on May 14, 2021) were left unchanged.
 - ✓ The impact of delays in semiconductor supplies (primarily DW) is expected to appear in Q2.
 - ✓ Due to the lifting and easing of constraints on activity in Europe and the U.S., non-hard sales in the second half could exceed forecasts.
 - ✓ About 70% of the ¥4.0 billion transitional expenses resulting from the portfolio transformation is expected to occur in Q2.

Dividend forecast

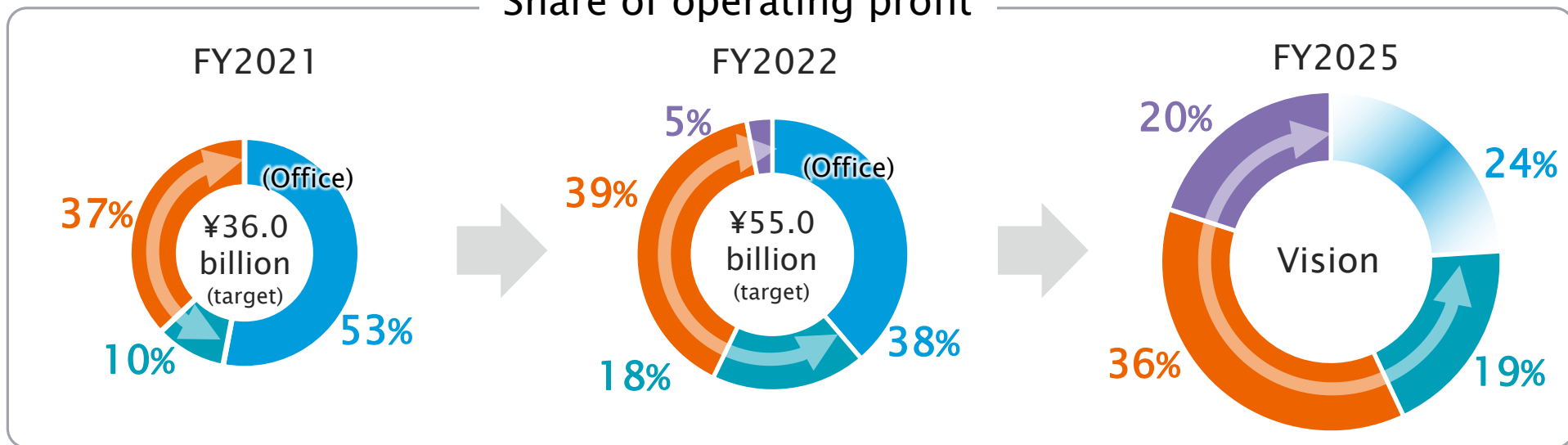
- Annual dividends are left unchanged at ¥30/1 share (interim dividends and year-end dividends: ¥15)

Medium-term Business Plan DX2022

Goal for FY2025: Complete Business Portfolio Transformations



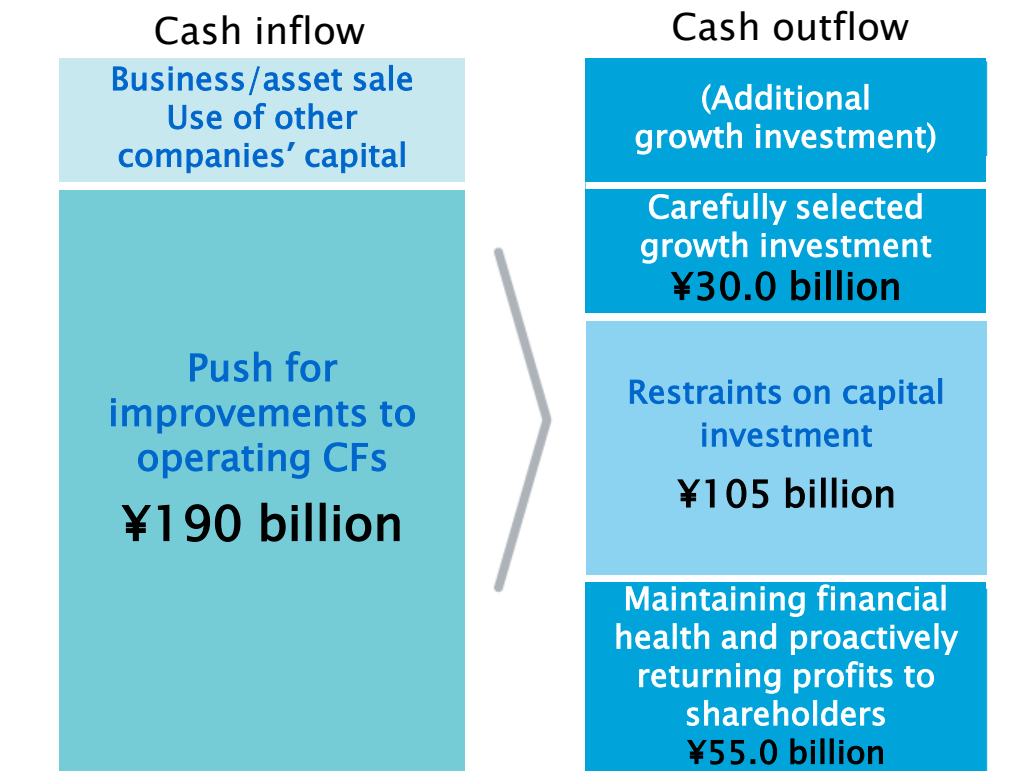
Share of operating profit



- In light of progress in cash generation capability since IR Day in November 2020, cash flow allocation has been revised with considering ¥100 billion of annual operating CFs.
- The company aims to raise and improve ROIC while making the growth investments needed for the portfolio transformation.

Main management indicators		
	FY2021 (target)	FY2022 (target)
Operating profit	¥ 36.0 billion	¥ 55.0 billion
Operating profit rate	3.8%	+1 pt or more
Operating CFs	¥ 190.0 billion	
ROIC	2.8%	+1 pt or more

Approach to cash allocation in FY2021-2022



Appendix

Appendix Financial Result – Overview

	FY2021	FY2020	
	1Q	1Q	YoY
Revenue	229.9	173.2	+ 33%
Gross Profit	101.3	71.7	+ 41%
Gross Profit ratio	44.1%	41.4%	+2.7pt
SG & A	99.2	93.7	+ 6%
Other income and costs	1.0	-0.7	
Operating Profit	3.1	△ 22.6	-
Operating Profit ratio	1.4%	-	-
Finance income and costs	-0.6	-1.2	
Profit before tax	2.5	-23.8	-
Profit before tax ratio	1.1%	-	-
Profit attributable to owners of the Company	1.0	- 17.3	-
Profit attributable to owners of the Company ratio	0.4%	-	-
EPS [Yen]	1.98	-34.96	
ROE	0.2%	-	-
CAPEX	8.9	6.3	
Depreciation and Amortization Expenses *	14.1	14.3	
R&D expenses	15.3	16.1	
FCF	-2.8	-13.9	
Investment and lending	0.0	0.2	
FOREX [Yen] USD	109.49	107.62	+1.87
EUR	131.96	118.48	+13.48

[¥ billions]

ROE: Profit attributable to owners of the Company divided by equity attributable to owners of the Company (average of beginning and ending balances)

* Depreciation and amortization expenses: IFRS16 right-of-use assets amortization expenses not included.

	FY2021 1Q	FY2020 1Q	YoY	[¥ billions]
SG&A				
Selling expenses – variable	8.7	7.1	+ 1.7	
R&D expenses	15.3	16.1	– 0.8	
Personnel expenses	48.5	45.4	+ 3.0	
Others	26.7	25.0	+ 1.7	
SG&A total	99.2	93.7	+ 5.6	
	<i>* Forex impact:</i>			<i>+4.0bn. (Actual: +1.6bn.)</i>
Other income:				
Gain on transfer of business	1.5	–	+ 1.5	
Subsidy income including compensation for sustaining businesses	0.8	2.4	– 1.6	
Other income	0.9	0.7	+ 0.2	
Other income total	3.2	3.1	+ 0.1	
Other expenses				
Business structure improvement costs	0.3	2.3	– 2.0	
Other expenses	1.9	1.5	+ 0.5	
Other expenses total	2.2	3.8	– 1.6	
Finance income/loss:				
Interest income/Dividends received/Interest expense	– 0.5	– 0.9	+ 0.3	
Foreign exchange gain/loss (net)	0.1	– 0.3	+ 0.4	
Others	– 0.1	– 0.1	– 0.0	
Finance income/loss, net	– 0.6	– 1.2	+ 0.7	

[¥ billions]

Comparison of Y on Y FY21/Q1 vs. FY20/Q1	Digital Workplace	Professional Print	Healthcare	Industry	corporate, etc.	Total
[Factors]						
Forex impact	+1.5	+0.8	+0.1	+0.2	- 0.1	+2.5
Sales volume change, and other, net	+6.7	+7.1	+3.1	+5.3	+0.1	+22.3
Price change	+0.4	- 0.2	+0.2	+0.2	-	+0.6
Cost up/down	+0.1	-	-	-	-	+0.1
SG&A change, net	+0.0	+0.6	- 2.1	- 0.3	+0.2	- 1.6
Other income and expense	+1.9	- 0.3	+0.2	- 0.3	+0.2	+1.7
[Operating Profit]						
Change, YoY	+10.7	+8.0	+1.5	+5.1	+0.4	+25.7

Appendix FY2021 Consolidated Statements of Financial Position



	Mar 2020	Mar 2021	Jun 2021		Mar 2020	Mar 2021	Jun 2021
Cash and cash equivalents	89.9	123.8	109.6	Trade and other payables	162.9	185.8	167.3
Trade and other receivables	260.9	262.8	249.8	Bonds and borrowings	289.3	315.3	315.9
Inventories	162.6	156.9	152.5	Lease liabilities	114.2	95.4	97.0
Other current assets	37.8	38.4	43.7	Othe liabilities	176.6	152.6	144.1
Total current assets	551.2	582.0	555.7	Total liabilities	743.0	749.0	724.3
Property, plant and equipment	309.5	292.5	290.1	Equity attributable to owners of the Company	523.7	539.9	536.2
Goodwill and intangible asseets	337.8	347.5	347.9	Non-controlling interests	10.0	10.8	10.9
Othe non-current assets	78.4	77.7	77.7	Total equity	533.8	550.7	547.1
Total non-current assets	725.6	717.7	715.7	Total liabilities and equity	1,276.8	1,299.8	1,271.4
Total assets	1,276.8	1,299.8	1,271.4	Equity ratio (%)	41.0	41.5	42.2
				Equity ratio for company rating (%)	44.9	45.3	46.1
				D/E ratio	0.77	0.76	0.77

Equity ratio = Equity attributable to owners of the Company / Total assets

Appendix FOREX Impact on Revenue and Operating Profit

[FOREX : ¥]

[Impact, Sensitivity : ¥ billions]

	FY20	FY21	YoY Impact		FX Sensitivity*2	
	3M	3M	Revenue	OP	Revenue	OP
USD	107.62	109.49	+1.3	+0.0	+2.9	- 0.1
EUR	118.48	131.96	+5.1	+1.7	+1.6	+0.4
GBP	133.52	153.21	+1.1	- 0.0	+0.2	+0.0
European Currency*1	-	-	+7.1	+1.7	+2.2	+0.7
CNY	15.17	16.96	+1.5	+0.6	+3.5	+1.3
Other	-	-	+1.7	+0.5	-	-
Exchange contract effect	-	-	- 0.0	- 0.3	-	-
Total	-	-	+11.6	+2.5	-	-

*1 European currency: Currencies used in Europe including EUR/GBP

*2 FOREX Sensitivity: FOREX impact at ¥1 change (annual)

■ Composition of revenue by region (in yen)

	FY19				FY20				FY21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Japan	12%	13%	13%	14%	15%	14%	14%	14%	12%
North America	34%	33%	33%	33%	33%	32%	31%	31%	32%
EU	36%	34%	37%	37%	35%	36%	36%	37%	37%
China	6%	6%	5%	4%	8%	8%	8%	7%	7%
Others	12%	13%	12%	12%	10%	11%	11%	11%	12%

■ Change in revenue by region (w/o FOREX)

	FY19				FY20				FY21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Japan	-8%	+4%	+1%	-3%	-19%	-18%	-14%	-11%	+12%
North America	-2%	-2%	-3%	-12%	-34%	-27%	-24%	-20%	+27%
EU	-2%	-1%	+6%	-7%	-31%	-23%	-19%	-17%	+28%
China	-4%	-1%	-8%	-40%	-4%	+1%	+7%	+16%	+15%
Others	-7%	+2%	+5%	-6%	-35%	-32%	-25%	-20%	+37%

■ Percentage of color in sales of hardware

	FY19				FY20				FY21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Office	72%	73%	72%	75%	69%	76%	75%	74%	74%
Professional Print	78%	82%	76%	80%	75%	80%	80%	81%	79%

Appendix Office Printing | Quarterly Trends of Unit Sales and Non-hard Revenue

[¥ billions]

■ Transition of Office MFP Unit Sales Y o Y

	FY19				FY20				FY21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
A3 Color MFP	93%	99%	102%	93%	72%	84%	92%	92%	132%
A3 Monochrome MFP	95%	95%	94%	60%	76%	89%	98%	140%	117%
A3 MFP overall	94%	97%	99%	79%	74%	86%	94%	107%	126%

■ Transition of Non-hard Revenue Y o Y

	FY19				FY20				FY21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Revenue of non-hard	62.4	60.5	62.3	60.1	42.1	48.9	53.1	51.1	53.5
Ratio of non-hard	53%	50%	52%	51%	53%	50%	51%	47%	52%

■ Transition of Regional Non-hard Revenue w/o Forex Y o Y

	FY19				FY20				FY21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Japan	97%	100%	99%	98%	85%	90%	94%	92%	108%
U.S.	99%	99%	98%	95%	62%	73%	78%	81%	124%
Europe	96%	100%	102%	97%	66%	82%	83%	78%	126%
China	105%	114%	96%	72%	107%	105%	115%	140%	102%
India	115%	117%	101%	102%	52%	68%	98%	113%	141%
Overall	98%	98%	99%	97%	69%	80%	85%	84%	120%

■ Transition of Production Print Unit Sales Y o Y

	FY19				FY20				FY21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Color	100%	97%	102%	72%	51%	73%	65%	100%	138%
Monochrome	107%	87%	89%	76%	59%	68%	71%	95%	122%
Overall	102%	93%	97%	73%	54%	71%	67%	99%	132%

■ Transition of Non-hard Revenue Y o Y

	FY19				FY20				FY21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Revenue of non-hard	20.3	19.9	21.5	19.8	12.2	14.8	17.9	17.5	18.3
Ratio of non-hard	59%	56%	57%	59%	60%	55%	60%	53%	60%

■ Transition of Regional Non-hard Revenue w/o Forex Y o Y

	FY19				FY20				FY21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Japan	97%	98%	94%	93%	76%	82%	88%	87%	107%
U.S.	96%	101%	96%	94%	52%	67%	77%	82%	146%
Europe	97%	97%	100%	100%	64%	77%	79%	78%	138%
China	112%	121%	116%	92%	113%	117%	140%	138%	156%
India	117%	121%	116%	105%	34%	71%	105%	113%	245%
Overall	102%	99%	101%	99%	62%	75%	84%	88%	141%

Appendix Quarterly Financial Results : Segments



KONICA MINOLTA

[¥ billions]

	FY19				FY20				FY21
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
【Revenue】									
Digital Workplace Business	135.0	139.1	139.5	135.4	94.6	116.7	125.0	128.9	121.2
Professional Print Business	50.6	52.7	55.4	51.4	31.8	41.7	45.3	50.8	47.9
Healthcare Business	25.9	33.8	25.9	33.0	20.5	24.9	28.2	35.5	25.2
Healthcare	18.6	26.4	18.1	24.7	16.4	19.1	20.0	27.9	17.2
Precision medicine	7.2	7.4	7.7	8.3	4.1	5.9	8.2	7.6	8.0
Industry Business	30.0	29.8	28.5	28.9	26.1	27.9	31.5	32.8	35.2
Sensing	6.6	6.7	7.3	7.0	7.1	7.6	8.0	9.6	12.2
Materials and Components	21.0	20.5	18.9	18.5	16.1	17.6	20.5	19.6	20.5
Imaging-IoT solutions	2.5	2.7	2.3	3.4	2.9	2.8	3.0	3.5	2.6
Corporate etc.	0.3	0.3	0.3	0.5	0.2	0.3	0.2	0.5	0.3
Company overall	241.7	255.7	249.5	249.1	173.2	211.5	230.2	248.5	229.9
【Operating Profit】									
Digital Workplace Business	5.5	7.8	4.3	0.1	-9.6	0.3	3.1	3.5	1.1
Professional Print Business	1.1	1.0	2.9	-0.7	-7.1	-1.7	0.0	0.9	1.0
Healthcare Business	-2.1	-1.2	-0.4	-0.6	-4.7	-1.8	-0.5	0.7	-3.2
Industry Business	3.2	3.7	4.2	3.2	2.8	2.2	4.8	5.8	8.0
Corporate etc.	-7.0	-6.5	-5.9	-4.5	-4.1	-4.2	-4.0	-2.6	-3.7
Company overall	0.6	4.9	5.1	-2.4	-22.6	-5.2	3.3	8.3	3.1

- **MFP (Multi Functional Peripheral) Speed Segment: Digital Workplace Business**
Seg. 1 to 20ppm, Seg.2 21–30ppm, Seg.3 31–40ppm, Seg.4 41–69ppm, Seg.5 70~ppm (A4 vertical, minute speed)
- **Workplace Hub (WPH): Digital Workplace Business**
Edge IoT platform provided by Konica Minolta. A server is integrated to create a solution that drives efficiencies by reducing the overall costs of IT infrastructure management, providing real-time data-driven visibility of IT usage patterns that help to improve business processes. This will link people and data and empower them to make smarter decisions and solve problems in the office.
- **Color production print Machine Segments: Professional Print Business**
ELPP (Entry Light Production Print) Monthly printing volume: 1–0.3 million sheets for low-priced products mainly for large companies' centralized printing rooms
LPP (Light Production Print) Monthly printing volume: 0.1–0.3 million sheets for commercial printers
MPP (Mid Production Print) Monthly printing volume: 30–1 million sheets for commercial printing products
HPP (Heavy Production Print) Monthly printing volume: 1 million sheets or more for commercial printing products
- **IQ-501 (Intelligent Quality Optimizer): Professional Print Business**
An optional unit that implements constant monitoring/control during printing to automate color management and front/back register control. This drastically cuts down on control times and improve production time.
- **X-ray kinetic analysis and Digital X-ray Dynamic Digital Radiography Systems: Healthcare Business**
These devices and systems enable more detailed diagnoses by using continuously captured X-ray images to observe patients in motion.
- **RNA (ribonucleic acid) Testing: Healthcare Business**
Testing to identify changes in mRNA structure in the primary transcript of DNA (deoxyribonucleic acid). Analysis of transcript mRNA can provide more detailed test results on DNA mutations that used to be considered of undetermined clinical significance in conventional DNA testing.
- **CARE Program (Comprehensive Assessment, Risk & Education): Healthcare Business**
Program to provide total support for effective pick-up and genetic diagnostics of the high-risk group of genetic breast cancer.
- **SANUQI: Industry Business: Industry Business**
Trademark of a new resin, used as a material for displays in electronic devices. The film made of the material is called "SANUQI" film.



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.