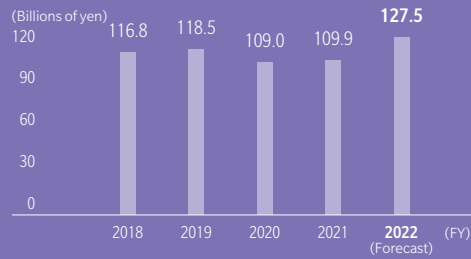


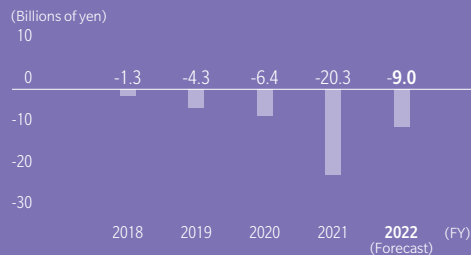
Growth Strategies in Each Business



Revenue



Operating profit



Market Environment Awareness

Opportunities

- Developments in the utilization of high value-added imaging and AI and other IT technology. Growth in needs of telemedicine and minimally invasive medicine.
- Increase in medical needs in emerging countries in Asia region due to economic development and longer lives.
- Growth in companion diagnostics and genetic testing needs with pharmaceuticals in addition to risk diagnostics and definitive diagnostics.
- Requests to reduce total medical expenses, which run counter to longer lives in developed countries and the advancement and increasingly high prices of medical technology.

Risks

- Intensified competition due to factors such as new market entry by major global enterprises with tremendous capital and growth of enterprises based in emerging countries.
- Commodification of and lower pricing for in-house technology due to competition in technological development.

CAGR by market (FY2020-2022)

Market	Sub-market	CAGR
Healthcare (Medical imaging)	X-ray diagnostic equipment	+1%*1
	Biomarker market	+16.3%*2
Precision medicine	Next-generation sequencing market	+31.4%*2

*1 2020-2022 Konica Minolta estimates.

*2 2020-2025 BCC Research (2021)

Growth strategies

- In the diagnostic equipment domain, we will expand high value-added x-ray systems with Dynamic Digital Radiography from Japan, the US and China to Europe and Asia. We will be the first in the world to expand mobile x-ray systems equipped with wireless Dynamic Digital Radiography functions, and will succeed in mitigating burdens at emergency medical sites and improving medical quality. (→P24) For ultrasound diagnostic devices, we will take advantage of high image quality through signal processing technology and probes with applied film technology as well as auxiliary functions such as “Simple Needle Visualization” to expand those devices to the domains of dialysis and anesthesiology in addition to those of orthopedics and obstetrics. We will evolve ultrasound “diagnostics” into ultrasound “treatment” to create new value. In the medical IT domain, with a focus on “infirmity,” for which we built a customer base in Japan spanning approx. 20,000 facilities, we will expand the likes of telemedicine services and inter-facility cooperation. Additionally, we will widen the domains to which we expand the Picture Archive and Communication System (PACS) from Japan and the US to ASEAN. We will endeavor to maximize the provision of value to our customers through cooperation with other parties in both domains.
- In the genetic diagnostics domain, we will do our part for the advancement of diagnostics through expanding RNA testing, a high-precision proprietary technology. We will expand the number of tests under “CARE Program” for genetic diagnostics for medical examination purposes in Japan and the US to contribute to preventive medicine. We will strive to contribute to personalized medicine through the market release of new panel testing based on joint development efforts between The University of Tokyo and National Cancer Center Japan. In the pharmaceutical development support domain, we will expand the contract of clinical trials for central nerves and cancer. Additionally, we will establish “Lattice,” a proprietary integrated diagnosis platform based on the integration of genetics, pathology and image data to contribute to the early detection of disease. Simultaneously, we will expand our data business for pharmaceuticals and help enhance the efficiency of pharmaceutical processes.

Strategic KPI

	FY2021 Targets/Results	FY2022 Targets
DR integrated X-ray system, dynamic analysis, and Asia business revenue growth rate	+8% or more → +20% (Result)	+15% or more
Medical IT service revenue growth	+5% or more → +9% (Result)	+8% or more

Growth Strategies in Each Business: Healthcare Business

Close Up

Released a mobile x-ray system that makes Dynamic Digital Radiography at the bedside possible

Accommodating needs for mobile diagnostics that have grown in the COVID-19 pandemic

The spread of COVID-19 has caused medical provision systems around the world to become strained and the importance of intensive care units (ICUs) to be reaffirmed. Amid such circumstances, in order to manage the condition of patients who are hospitalized in ICUs or isolation wards, the importance of mobile x-ray systems is rising. In ICUs in particular, because the condition of patients changes by the moment, diagnostics that are swift and accurate are constantly required. However, the challenge posed by the need for both effort and time in conducting advanced examinations, such as the difficulty in transporting patients in severe condition to examination rooms, has become apparent.

The "AeroDR TX m01" that we released in March 2022 is a mobile x-ray system that is the first in the world to realize wireless Dynamic Digital Radiography. The features of this product are that it can perform Dynamic Digital Radiography that was not possible with conventional mobile x-ray systems and that it succeeded in doing so wirelessly. By using the system in combination with our dynamic radiography analysis workstation, it is possible to provide doctors with information that could not be obtained through preexisting static radiography. This is enabled through means such as quantifying the movement

of the diaphragm and visualizing changes in the movement of blood vessels and tissue known as alveoli in the lung field by using advanced image processing to display them in color.

For seriously ill patients who cannot be easily transferred, such as those hospitalized in ICUs or isolation wards, it is difficult to undergo detailed testing such as CTs or MRIs. For that reason, patients' conditions are managed using the limited information obtained from instruments that measure vital signs such as blood pressure, body temperature, pulse and breathing rate. With the AeroDR TX m01, dynamic images of breathing condition can be taken with ease even for patients who are placed on ventilators. Combining dynamic image data with biomonitored data holds the promise of realizing the high-precision management of patients' conditions without



The "AeroDR TX m01," which made it possible to perform Dynamic Digital Radiography at the bedside

missing the presence of complications or signs that their condition is worsening.

Spreading the value of this product, a world-first, to greater society

The development of the AeroDR TX m01 took place right during the COVID-19 pandemic. While this was a strategic project in that it was the first mobile x-ray system under the Konica Minolta brand, it was a substantially difficult project to carry out in the pandemic due to factors such as ICUs where people with severe COVID-19 symptoms are treated being the target and cooperation with overseas partner companies serving as OEM suppliers and US sales companies being indispensable. Nonetheless, we held meetings with involved

parties nearly every day, got on the same page with respect to our goals, made changes to our plans as the situation called for them, and otherwise achieved solidarity among the numerous members involved in developing this product. In doing so, we succeeded in developing a high-quality product with swiftness and efficiency.

A mobile x-ray system that enables Dynamic Digital Radiography did not exist until now. In order for us to expand this product to the rest of the world, I believe that we need the help of Key Opinion Leaders (KOLs) who strongly empathize with the possibilities of the system. In the future, we intend to acquire more positive evaluations from KOLs both in Japan and overseas and pursue the kind of systems that enable us to communicate the usefulness and value of the AeroDR TX m01 from a customer's point of view.

Ikki Nakamura

Modality Business Unit
Healthcare Business Headquarters
KONICA MINOLTA, INC.

Since joining Konica Minolta, Mr. Nakamura has been engaged in the Company's Healthcare Business. He also oversaw the sales launch of "AeroDR," the digital radiography system that constitutes our leading product. Currently, he serves as the Group Leader of the department in charge of business planning and marketing for our x-ray business in general.

