

# Growth Strategy

Backcasting from our long-term management vision for 2030, we are forging ahead with our DX2022 three-year Medium-term Business Plan that began in fiscal 2020. By accelerating our business portfolio transformation through digital transformation (DX), we aim to leap to highly profitable business and evolve into a company clearly committed to solving social issues.

2030

Long-term Management Vision

**Imaging to the People**

Backcasting

2020-2022

Medium-term Business Plan



**DX2022**

Transforming our customers business  
by digitally transforming ours

Leap to highly  
profitable businesses  
through DX

Evolve into a company  
clearly committed to  
solving social issues

## Message from the CEO

**In addition to restoring revenue and getting the Company back on a growth trajectory, we will work to complete the two business portfolio transformations.**

**Toshimitsu Taiko**

Director, President and CEO, Representative Executive Officer



## Message from the CEO

### Regaining the trust of stakeholders is my greatest mission

Over the past couple of years, the business environment that the Company operates in has been extremely harsh, and we confront numerous management issues. For the fiscal year ended March 31, 2022, revenue rose ¥48.0 billion year on year to ¥911.4 billion, but we recorded both an operating loss of ¥22.2 billion and loss attributable to owners of the Company of ¥26.1 billion primarily because of about ¥20.0 billion of one-off factors, which included an impairment loss of about ¥11.0 billion on goodwill. This was the second consecutive year of an operating loss.

Under these harsh conditions, I took up the position of President and CEO, Representative Executive Officer in April 2022. My greatest mission is to forcefully pull the whole group forward so that Konica Minolta can once again soar as a growth company. I recognize that the greatest tasks I have been given are to restore the confidence of employees and to work to regain the trust of all stakeholders, including shareholders/investors and customers. To achieve these tasks, I will retain the good aspects of policies that the Company already has, of course, but also plan to courageously change aspects that are judged to require change.

At the financial results briefing session held in May of this year, after the performance summary I summarized what we achieved and what we did not achieve in fiscal 2021. After objectively recognizing the results of the strategy we have promoted and the remaining issues, I will link those to an explanation of our future policy of “therefore, we will do this from now.” In this way, I would like to win the understanding and trust of all stakeholders.

### Promoting management that stresses cash flows

Fiscal 2022 is the final year of the medium-term business plan DX2022, which we have promoted since fiscal 2020, but considering changes in the environment, both within and outside the Company, we have revised downward the consolidated earnings forecast for fiscal 2022 from the target



announced in DX2022. We are still planning to reach the numerical targets in DX2022 for the sensing, material & component, healthcare (medical imaging), and industrial print businesses. For other businesses, however, it appears only realistic to give up on the targets, so we do not expect to achieve the numerical targets for the Group (operating profit, operating profit ratio, operating cash flow, and ROIC).

For past medium-term business plans, there have been numerous times when we were unable to achieve targets for in-house reasons, even putting aside the impact of dramatic changes in the external environment. I think that we should once again seriously reflect on this fact. Going forward, the policy will be to calmly ascertain both opportunities and risks, separately considering what we should do, can do, and cannot do. For items that we should do, we will set realistic targets that we can truly commit to with all stakeholders, including employees, after ascertaining and acquiring the capabilities required to do them.

## Message from the CEO

In order to get the Company back on a growth trajectory, we will promote management that prioritizes cash flows even more than we have in the past. In addition to reinforcing our ability to generate cash in each business, we will optimize the allocation of resources so that we can make greater use of generated cash to boost not only business growth, but also corporate value.

Although we had to give up on achieving the numerical targets in DX2022, there has been, of course, no change in the plans to undertake the two transformations of our business portfolio—that is, “transformation into the Digital Workplace Business using the customer base of the Office Printing Business” and “business growth in the measurement, inspection, and diagnosis fields.” Initially the top priority will be a recovery in earnings, but I think that we should also steadily take the necessary steps to transform the business portfolio from a medium-term perspective with a goal of fiscal 2025.

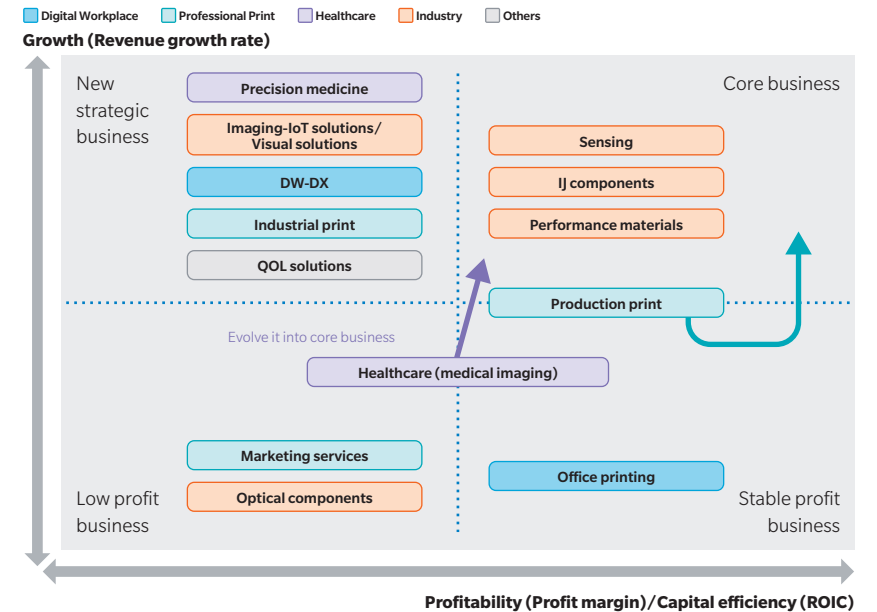
### Working to generate cash from stable profit businesses

Quickly rebuilding the office printing business and the production print business, which saw a dramatic decline in profitability in fiscal 2021, and restoring them as businesses that generate stable cash, is the most important current issue to achieve the desired business portfolio transformation.

To rebuild the office printing business, we will promote efforts related to both production and sales. While demand for hardware is recovering, following the decline in the previous fiscal year due to the COVID-19 pandemic, production has not kept up with demand. As of the end of fiscal 2021, there was an order backlog of about ¥51.5 billion. The main reasons for the delay in production are shortages of parts and materials, such as semiconductors, as an external factor, and the impact of a decline in the ability to supply toner as a result of an accident at the Tatsuno Factory of Konica Minolta Supplies Manufacturing Co., Ltd., in July 2021, as an internal factor.

Since then, the parts and material shortage has been slowly improving, and in November of last year, operations at the Tatsuno Factory were relaunched, which resulted in the production system being restored in April. In

### Business Portfolio Management



addition to quickly moving forward with production and shipments, and turning the order backlog into cash, we will restore our production system to meet market demand and tie this to greater revenue and profit. In terms of sales, we will not only conduct face-to-face sales activities, but also expand remote sales activities using phones, e-mail, Internet, and other media, and move forward with digitalization, which includes effective AI-based customer targeting and automated creation of proposals. These will increase the efficiency and further raise the quality of sales. We have also started to review structure-related issues, including the optimal assignment of human resources, by leveraging these DX activities.

On the other hand, we have confirmed that the production print business has experienced a recovery in printing demand faster than the office printing business. This was the result of the market reconsidering the advantages of



## Message from the CEO

digital printing as a consequence of the COVID-19 pandemic. A large percentage of commercial printed material consists of flyers, posters, and material for events, such as concerts and seminars, but since the start of the COVID-19 pandemic, there were a larger number of cases where it was impossible to decide whether to hold these physical events until the last moment. Under these conditions, the market once again recognized the various benefits provided by digital printing compared to analog printing, such as being able to print in a short time, no constraints on having to print a certain number of copies, no need for skilled workers to maintain stable printing quality, no need to hold unnecessary inventories even as the price of materials and paper rose, and no wastepaper. Therefore, the production print business is expected to see a rapid recovery in fiscal 2022 or after.

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### Reinforcing investment in growth fields of core businesses

For the sensing, performance materials, and inkjet component businesses, which are positioned as core businesses, we will certainly continue to invest in growth fields in each of these businesses.

For example, for the sensing business, we will promote automated, or more labor-efficient visual inspections of cars and other items, and will promote businesses in the fields of recycling, food, and pharmaceuticals that leverage hyperspectral imaging technology, which makes it possible to measure nonvisible parts of the light spectrum. We also plan to examine M&As that make use of investment and lending as a way to further accelerate growth.

Turning to performance materials, we are aiming to increase our share in the field of optical films for displays by expanding the use of not only phase difference film for polarizers used in displays, such as genre top LCD TVs, but also various other functional films that leverage our strength in production technologies. As for films for large TVs, demand for which is expected to increase, we are planning to strengthen related efforts, including capital expenditures.




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### Promoting selection and concentration for growth investments

We will proceed with what we call “selection and concentration,” by narrowing down investment fields while also making these growth investments. When optimizing the allocation of limited capital, it is important not only to add but also to subtract. I think that this should be our basic stance not only for business units, but also for every project.

Over the past five or six years, the Group has been sowing the seeds for the future in numerous fields. It is not necessarily true, however, that all the efforts have grown and borne fruit. In fact, in fiscal 2021, we posted a massive impairment loss on goodwill, and I once again deeply feel the importance of dispassionately analyzing and organizing current conditions to make effective growth investments.

When managing our business portfolio, we plot all businesses on a graph with two axes, “growth” and “profitability/capital efficiency,” and then group

## Message from the CEO

each of the businesses into one of four categories—that is, core businesses, stable profit businesses, low profit businesses, and new strategic businesses (see page 12). We properly ascertain the positioning according to each business’s category and its issues, and strengthen each business’s ability to implement measures.

For example, the precision medicine business is expected to require additional investments to leverage the market potential and improve competitiveness, therefore, we will continue to examine making use of external capital. On the other hand, the imaging-IoT solution business, in which MOBOTIX announced an impairment loss in fiscal 2021, has generated results from its development efforts. And there is expected to be new demands in several fields, for example response to natural disasters, such as earthquakes, floods, and landslides. Because of this, we have strengthened collaborations with other companies and aim to make it profitable.

In addition to the M&As discussed above, we have promoted numerous



in-house incubation projects to create new businesses. We decide whether or not to continue growth investments in the stage-gate process. To be more strict about this decision, not only the responsible party but third parties, including corporate divisions, participate in the process. Furthermore, a rule was added that the CEO, which I am, has to look over progress every two months, even for projects that were passed at the stage-gate. Through this check system, which is stricter than before, we will make balanced growth investments by determining whether we maintain investments in projects that should continue to be fostered, or terminate investments in projects that should be ended.

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### Focusing on our strengths: imaging technology, genre-top strategy, and frontline capabilities.

I think that the Company’s greatest strength is its imaging technology, which came from cameras and photographic film. We have provided value to society through products, services, and solutions in numerous fields, such as quality inspections, diagnosis, and nursing by applying and developing imaging technology, the so-called “power to make the invisible visible.” This is why our management vision is “imaging to the people.”

There has been no change in our desire to deliver value based on imaging technology that leads to solutions to various social problems. Even when transforming the business portfolio in the future, the question of “what can we do for people’s desire to ‘see’” should play a central role. We are aiming to create new value by continuing to refine our imaging technology, which includes integrating it with DX.

“Genre-top strategy,” which we have been promoting since the management integration, is another strength of the Company. Considering the size and strength of the Group, we should admit there is a limit to the goal of “being number one overall,” in which a company dominates all fields. Therefore, we have captured the top position in some fields by narrowing our target to domains primed for growth and prospects for success, focusing resources on those domains, and making use of strategic tie-ups and M&As. All

## Message from the CEO

the fields where the Company boasts top market share are the fruit of this strategy, such as A3 color multi-functional peripherals (MFPs), color digital presses, diagnostic ultrasound systems, light source color measuring instruments, and VA-TAC films. Our genre-top strategy does not mean momentarily capturing the top share by simply reinforcing sales and promotions. It is impossible to maintain the top share for a long time in this way. We need to create products that are truly competitive by integrating the functions of all divisions, from development through production, sales, and marketing, and properly communicating that value to customers. Along with these activities, we need to strive to maintain the top position while keeping an eye on the next stage. Becoming the genre top means that we lead the market, which includes strong price control capabilities, and brings greater profitability for companies. It is exactly now, when we are struggling with earnings, that we should be aware of the importance of the genre-top strategy and move forward selecting targets and concentrating management resources from the perspective of company-wide optimization.

Another strength of the Company is our frontline capabilities, the ability of the workforce to respond when faced with a crisis or difficulty. The world is facing greater uncertainty regarding the future, as we are experiencing the COVID-19 pandemic, which has been going on for more than two years, and the situation in Ukraine. But I believe our capability to respond to the various issues that arise during emergencies and bring situations under control quickly is certainly no worse than other companies. The Company has overcome various issues in the past through its frontline capabilities. The 6 Values, the Company's corporate culture, are probably the backbone for our frontline capabilities. The 6 Values are a common language for Konica Minolta's 40,000 employees throughout the world to share value, and I believe that sharing these common values and having employees throughout the world possess the same awareness of issues makes it possible to continue to overcome changes and crises.

I would like to further strengthen the unity of the corporate group and have all companies align their efforts to get the Company on a new growth trajectory by reconfirming and clarifying the strengths discussed above throughout the Group.

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### Formulating a management strategy that incorporates material issues

Sustainability is now a common issue throughout the world, and since the integration of Konica and Minolta in 2003, the Company has positioned sustainability as the core of management. In 2020, we evaluated the impact of social and environmental issues on the Company from an opportunity and risk perspective with an eye toward creating a sustainable society that we should achieve in ten years, in 2030. By back-casting from there, we identified what we should do as five material issues.

For each of the current businesses, we are striving to implement value creation that reflects the five material issues. For example, in the Industry Business, we are working to resolve the issue of passing on the skills of top workers by automating the inspection process, which relies on the skills of experienced workers at production sites, and reducing the number of required workers, and contribute to greater quality of end products, and improve fulfillment in work and corporate dynamism (material issue). In addition, services that detect signs of and prevent accidents at warehouses and factories contribute to ensuring social safety and security (material issue). Furthermore, for the Professional Print Business, reducing transportation, storage, waste, and intermediary materials by offering technologies that make production of the proper amount at the proper time and at the proper location possible contributes to addressing climate change (material issue) and using limited resources effectively (material issue). Through the Healthcare Business, we also contribute to supporting healthy high quality living (material issue) through precision medical care and early detection and diagnosis.

It is also important to clarify what type of business strategy will solve the various problems identified as material issues in the medium and long term. Therefore, I think that business divisions, too, must more seriously consider sustainability and implement related efforts. To reinforce these aspects, the planning and strategy divisions, which are responsible for formulating the medium- and long-term management strategy and other activities, will work together with the business divisions to formulate the next medium-term business plan to realize both corporate growth and a sustainable society.

## Message from the CEO

### Thoroughly embracing reality-based practice in my own management philosophy

My experience as the CEO of Konica Minolta Business Solutions U.S.A., a U.S.-based sales company for the Business Technologies Business, from 2013 through 2016, had a major impact on my basic approach as a manager. Because my predecessor was approaching retirement, I was selected at the age of 49 and took up the position. The company had just grown to have 8,000 employees through M&As with multiple IT service companies, and stronger management was required. At that time, I adopted three rules for myself. The first was “decide.” This refers to the fact that as the local CEO, I made the final decision. The second was “thoroughly listen to all that people have to say.” In particular, when I was not sure what to do, I tried to carefully listen to the view of frontline staff, particularly sales staff who often dealt directly with customers, because they had the best understanding of the situation. The third was “make meticulous preparations and keep things simple.” To steer an organization, one has to consider various things, but ultimately it is important to explain things to people in easy-to-understand terms. When I was serving as the CEO of that company, I wrote these on a piece of paper and attached it to my desk so that I would not forget and would often refer to it.

As the CEO of Konica Minolta, I plan to always try to follow these three rules. As the top of management, I am determined to take responsibility for results. Before making decisions, I will ascertain conditions by thoroughly listening to what people around me and frontline staff have to say. Then, when communicating decisions to both people in the Company and larger society, I will speak in a concise and easy-to-understand manner after making careful preparations. I will not forget this.

Another my belief is that you have to deal with people as you really are. You must not unrealistically puff yourself up. I properly communicate both good and bad things to stakeholders. I applied the same perspective when setting the fiscal 2022 budget. I talked about this to some of the people who joined the Company this year, and shared that I think an important determinant of whether work is successful or not is whether one can build



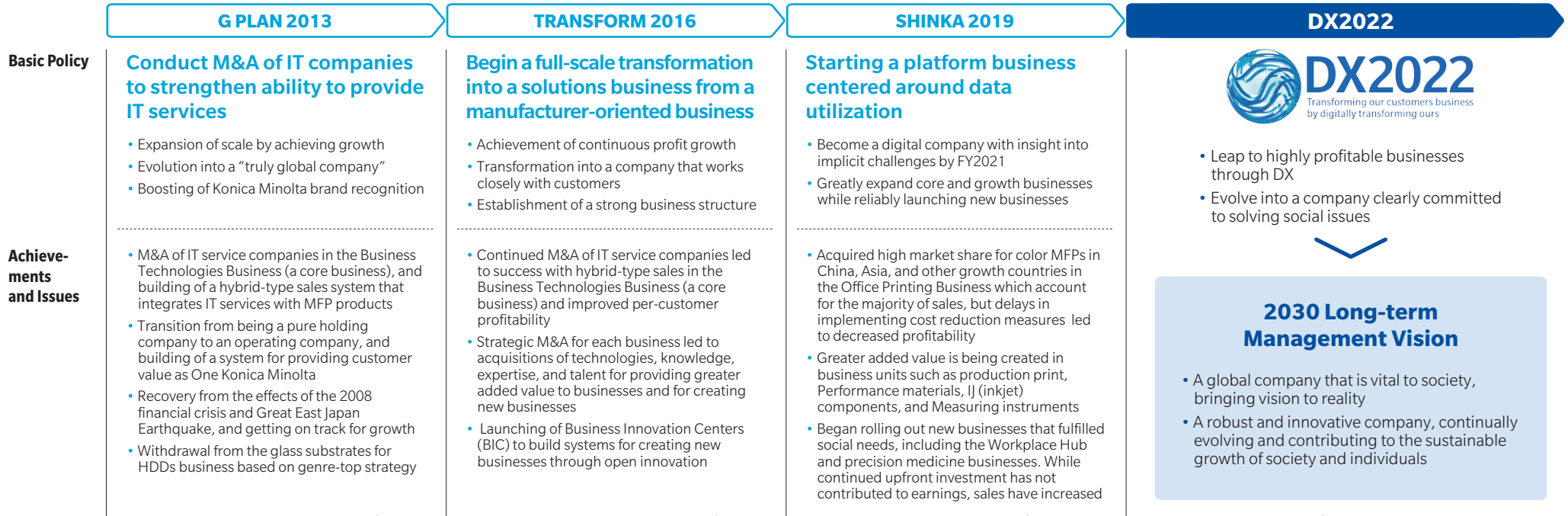
long-lasting relationships. To build such relations, it is important for people to show who they really are and win the other person's understanding.

I will deal with customers, and all stakeholders, including employees, shareholders/investors, business partners, and members of local communities, with my reality-based attitude and work to increase corporate value through dialogue with all of them. I hope for the continued understanding and support of all Group stakeholders.

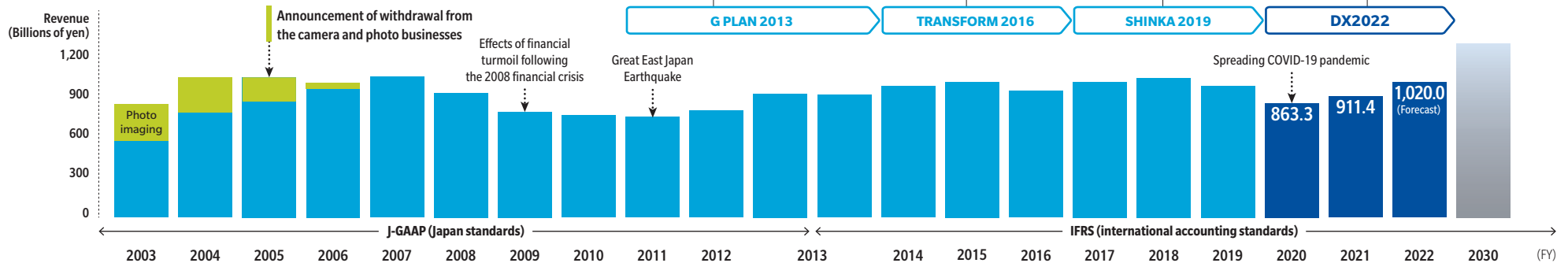
President and CEO, Representative Executive Officer  
KONICA MINOLTA, INC.



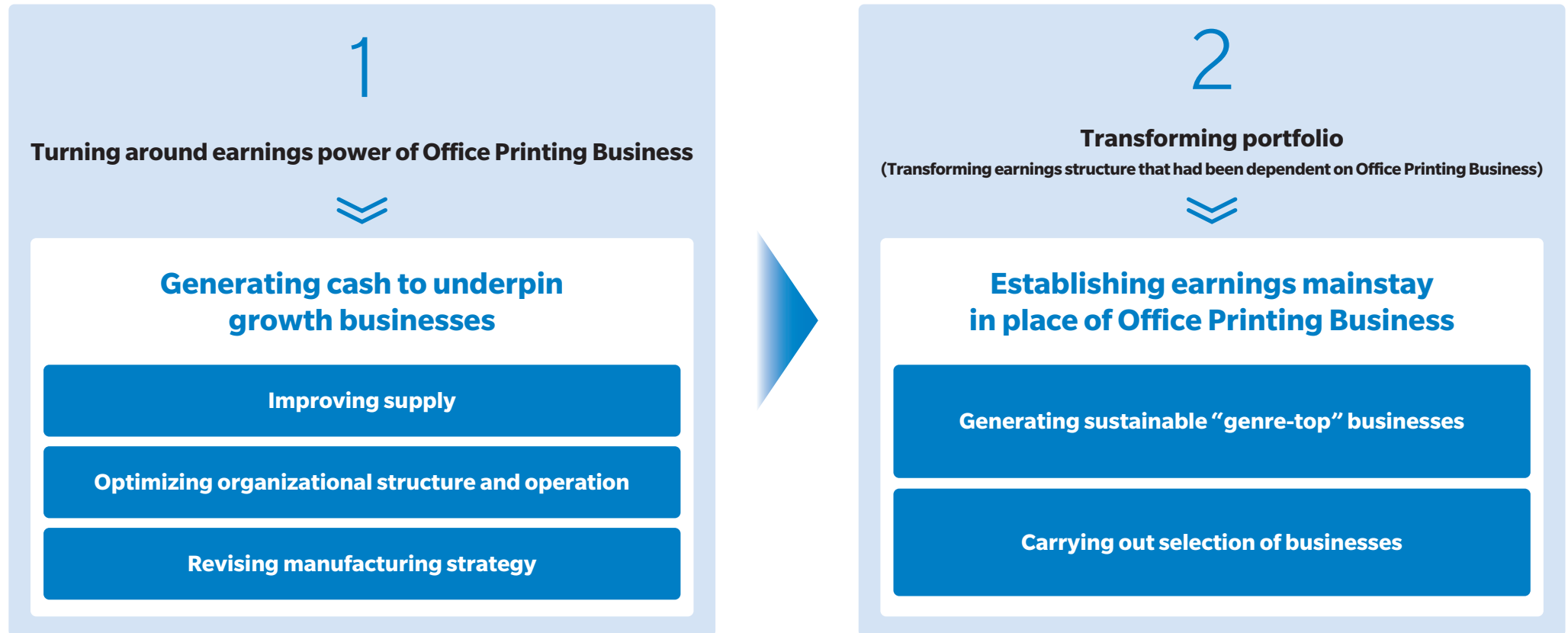
# Our Changing Medium-term Business Plan



## Sales over time



## Management Policies in Preparation for FY2025



The persistent sense of uncertainty in our operating environment is precisely why we will accelerate the execution of the two business portfolio transformations that we seek to achieve by fiscal 2025 and aim to establish a business structure that is resilient against changes in that environment and a management base that makes sustainable growth possible.

Our first policy will be to generate stable cash to underpin our growth businesses by turning around the earnings power of our

preexisting Office Printing Business. To that end, we will proceed to improve supply, optimize resources by optimizing our organizational structure and operation, and revise our manufacturing strategy by also factoring in geopolitical risk.

Our second policy will be to establish an earnings mainstay in place of our Office Printing Business and realize a portfolio transformation in order to transform our earnings structure that had been dependent on that business. We will proceed to expand our

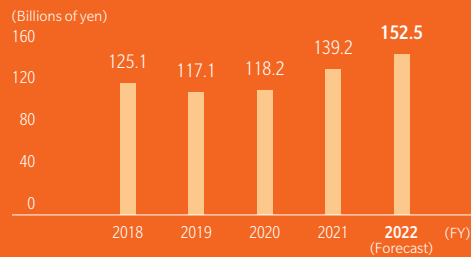
Industry Business, Healthcare Business and Professional Printing Business as our future mainstays. Under these businesses, we will set forth “domains primed for growth and domains with prospects for success” in which we will promote sustainable “genre-top” strategies that are not transient. In order to do so, we will proceed to carry out the selection of our businesses based on project units as well as business units and concentrate management resources into domains in which we can potentially realize “genre-top” businesses

# Growth Strategies in Each Business

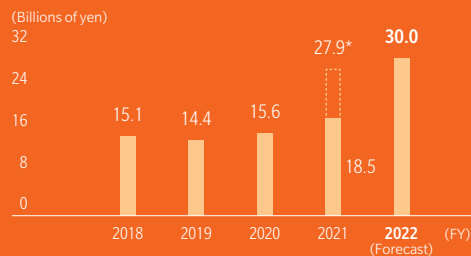


## Industry Business

### Revenue



### Operating profit



\* Excluding goodwill impairment loss of 9.4 billion yen

## Market Environment Awareness

### Opportunities

- Increasingly higher resolution and larger sized in mobile and TV displays, and expanding applications in a variety of devices.
- Increasing automation and laborsaving in manufacturing sites in the automotive, recycling, food, and pharmaceutical industries. Demands for increased stability and productivity in quality and components testing, as well as improved working conditions.
- Increasing demand for network cameras and image analysis services due to growing societal need for disaster and accident prevention, stable operation of manufacturing equipment, crime prevention and monitoring in various types of facilities, and improved efficiency in sales activities.

### Risks

- Uncertainty risk regarding tighter regulations and geopolitics in various regions.
- Substitution risk due to new technological development.



## Growth Strategies

- In the sensing field, we made measurement of light source color and object color for various displays, where we hold more than 50% market share, into a core business, and will expand the target domains of measurement through strategic acquisitions and alliances. In visual inspections, we will diversify application in domains where we can differentiate ourselves, including automobiles. Moreover, we will expand our inspection and sorting businesses in fields like recycling, food, and pharmaceuticals, where market growth is anticipated, by using hyperspectral imaging (HSI), which measures non-visible light. (→P20)
- In the materials and components field, we will provide key devices essential for advancing input and output in the digitalization of industry. We will also raise value throughout the entire supply chain and optimize workflow by providing high value-added products from upstream of the supply chain. Performance materials are to be used in displays for a wide range of products, including large TVs, small and medium-sized mobile devices, and in-vehicle displays, which are all growing. We will increase production capacity of SANUQI film and increase productivity by launching an off-line processing facility (→P21). Inkjet heads will be used for on-demand manufacturing in addition to sign graphics. We will also expand sales for industrial applications with high growth potential, such as printed circuit board manufacturing. (→P22)
- In the imaging-IoT field, we will globally deploy imaging-IoT platform "FORXAI", which brings together proprietary imaging AI technologies with a range of sensor devices that read images and video data. We plan to increase the value we provide by working with partners to develop world-class human behavior and object recognition technologies.

### CAGR by market (FY2020-2022)

Sensing	Light source color / object color	+4%
	Automotive exterior	+15%
Performance materials	Large TVs (LCD+OLED)	+15%
	Medium-sized devices(mobile devices)	+11%
Inkjet	Industrial applications	+34%
	POD	+28%

\* Our estimations

### Strategic KPI

	FY2021 Targets & Results	FY2022 Targets
Sensing	Strategic investment business (visual inspection and HSI industry applications)revenue ratio: 14% → 9.5%* (Result)	Strategic investment business revenue ratio: 17%
Performance materials	Expanding growth domains (materials for large-sized TVs and various film functions for small and medium-sized devices)	<ul style="list-style-type: none"> <li>Large-sized TVs: 30% or more of our phase difference films</li> <li>Various film functions for mobile devices: 50% or more (as percentage of sales)</li> </ul>
Inkjet	Business expansion via new head and ink products	Industrial print and POD growth rate: total 20-30%
Imaging IoT	Imaging IoT platform partners: 75 → 105 companies (Result)	Partners: 125 companies

\* Sales increased YoY, but did not achieve target of 14% due to significant expansion of core business.

## Growth Strategies in Each Business: Industry Business Sensing

### Close Up | Hyperspectral imaging that makes the invisible “visible”



**Katja Lefèvre**  
Specim Spectral Imaging Oy Ltd.

Joined Specim in 2006 while working on PhD thesis in Space Physics at university. Assigned to Offering and Solution Department, which is responsible for customer presales, etc., after working in the department in charge of airborne products and their data processing tools.

#### HSI technology expected to solve various social problems

Hyperspectral imaging (HSI), a high-performance technology that melds high precision spectroscopy and imaging technology, makes it possible to capture not only wavelengths visible to the human eye but also wavelengths invisible to the human eye, such as near infrared and far infrared light. Therefore, it

is possible to capture both information in nonvisible parts of the light spectrum, such as that related to material components and characteristics, and all decomposed light information down to the pixel.

Traditionally, HSI has been used primarily in the fields of environment science, agriculture, and geology to monitor vegetation growth, forest fire risk, water quality, and other items, and the technology has been positioned as an

important one to tackle global social issues, including natural resource drain, climate change, and natural biodiversity.

On the other hand, in recent years, the use of HSI has expanded to include various other fields, including optimization, control, and digitalization of product quality verification through inline/real-time measurements in production environments. HSI can provide not only efficient and accurate inspection in the visible range, such as object color and display color measurement in 2D, but also can be widely used in applications that exceed what the human eye can do, such as sorting by material type in recycling industry, detecting foreign objects and inspecting food package sealing in food product manufacturing, and identifying mineral kinds and measuring film thickness in 2D in industry. It is hoped that HSI will be a revolutionary solution useful for improving resource recovery rates, which is indispensable for transitioning to a circular supply chain, and undertaking food and material production with little CO<sub>2</sub> emissions throughout the lifecycle.

#### Introducing HSI technology globally as a member of the Konica Minolta Group

Although a small company with headquarters in Finland and only 80 employees, Specim is a group of highly capable professionals of various nationalities, sexes, and skills. As the Head of Offering and Customer Solutions, I am in charge of service and customer solutions and help customers solve their problems by constructing a product portfolio that meets market needs. As

for routine work, I am involved in numerous activities, such as explaining our technology and applications to customers and managing and developing products and services, which includes advice and technical support so the customers can make good use of products they purchase.

For many years, Specim has been working to develop technology that even customers with little or no scientific background can easily introduce. On the other hand, the number of potential applications for HSI is enormous, and we have scratched only the surface so far. To broadly spread this appealing technology, we have to, therefore, focus even more on education activities.

The company's visibility and global support network rapidly improved once we joined the Konica Minolta Group. As a member of the Konica Minolta Group, we will continue to focus on developing and spreading the use of HSI by leveraging this network.



Quality test of pharmaceutical products using HSI camera



**Growth Strategies in Each Business: Industry Business Performance Materials**

**Close Up | SANUQI, a high-performance film that will revolutionize the display industry**

**SANUQI, a next generation COP film that pushes the evolution of displays**

Konica Minolta is one of the few manufacturers capable of supplying polarizer protection film for LCDs, boasting the highest share in the industry for high value-added phase difference films for LCD TVs and thin films for notebook PCs and smartphones.

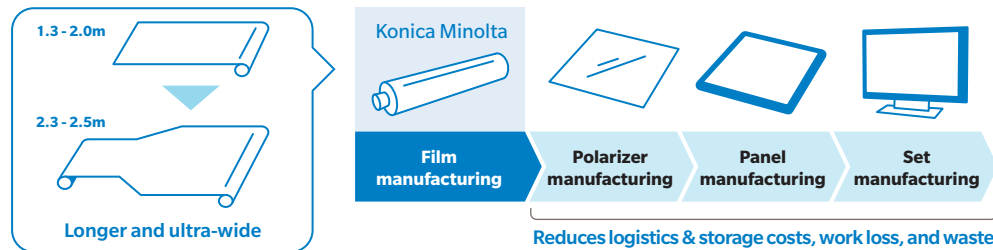
In recent years, as customer needs have diversified, the needed functions of polarizer protection films have become increasingly sophisticated in terms of anti-reflection, UV-cut, and high durability functions, and their use has expanded to include foldable and ultra-thin film smartphones. In response to this, we have developed a next-generation COP "SANUQI" film, as a replacement for the

conventional TAC film.

SANUQI film is a high-quality optical film refined from our core solution solvent casting technology and integrated with the latest DX technology. SANUQI has reduced optical loss compared to conventional TAC films due to the combination of materials and film-casting process, resulting in a high-definition finish for TV panels.

We brainstormed with our customers about commercializing SANUQI film and found that the traditional processing conditions for our previous products would not be sufficient to maximize the potential of this new material. So, we worked closely with our customers, sometimes checking their production processes directly, to create processing conditions that optimize the capabilities of SANUQI film.

**Contributing to increased productivity in the display supply chain**



And we are currently engaged in development including new applications for SANUQI film that take advantage of its high heat-resistance and high toughness, for OLED displays, in-vehicle displays, and new foldable and bendable displays.

**Longer lengths and ultra-wide widths help customers reduce costs and waste**

In polarizer protective films, the recent rise in demand for large displays has increased the need for longer and wider films.

In order to meet such needs, we have utilized our proprietary technologies and

production lines to develop an ultra-wide film that is twice as long as usual and can meet the demand for 2.3 to 2.5 m widths, ahead of our competitors. By providing longer, ultra-wide SANUQI films with long-term storage capability upstream in the display supply chain, we are helping our customers reduce logistics and storage costs, work loss due to converting, and waste.

We will continue to pursue product performance and leverage our strengths in providing products upstream in the supply chain to achieve workflow transformation and build and strengthen long-term relationships of trust with our customers.

**Growth Strategies in Each Business: Industry Business Inkjet (IJ)**

**Close Up**

**The increasing use of inkjet technology in a wide range of industries**

**Seiji Nakashima**  
**Inkjet (IJ) Components Business Unit**  
**Konica Minolta, Inc.**

Joined Konica Minolta in 2014 after working in overseas sales in the electronic component and printing industries. Established a European sales and technical support base for the "Nassenger" IJ textile printer in Italy, where he worked on expanding sales. Currently serves as Assistant Senior General Manager and General Manager of Sales in the IJ Components Business Unit.



**Doing our part to significantly shorten processes and reduce drainage**

Originally, printing processes using IJ were applied with considerable frequency to paper-centered printing and large outdoor advertisements using billboards. In recent years, with progress in the evolution of IJ heads, the use of IJ has also expanded to non-paper fields such as printed electronics (PE)\*.

A conventional process for creating and

manufacturing printed circuit boards is conducted by using photographic development-type pattern generation. This process emits Volatile Organic Compounds (VOC) and generates large volumes of liquid waste through washing, among other challenges. Additionally, the presence of an exposure process using masks serves to increase costs in low-volume production. By replacing part of the creation and manufacturing process with IJ that are capable

of printing the necessary amount of materials in the necessary location when it is necessary to do so, in addition to realizing a maskless process, we successfully made major improvements to the work environment due to making it free of VOC and liquid waste.

\* Printed electronics: Technology through which printing techniques are used to form electronic circuits, sensors, elements and so forth.

**Supporting customer manufacturing through high performance and dependability**

The record of our IJ heads as exemplified by their use in PE for more than ten years now has compelled our customers to highly recognize them for both their product performance and dependability. We support the manufacturing

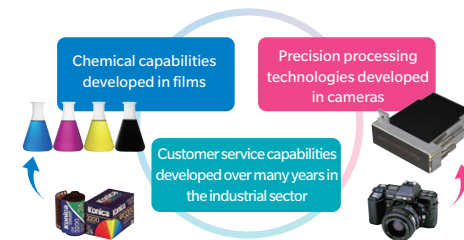
efforts of customers who should not stop their production lines.

At the same time, because the functional inks used in industrial IJ are based on strong solvents, IJ heads are prone to breaking, which presents a considerable challenge. With that in mind, we have pursued improvements in head materials in cooperation with chemical-related engineers to improve the durability of those heads. Additionally, we are also focusing on providing meticulous customer handling in order to transform the manufacturing processes of customers who are unaccustomed to IJ technology. Those efforts include assisting them with the circuit design that drives IJ heads and proposing systems that are capable of supplying ink stably.

By leveraging our "precision processing technologies" cultivated through cameras, our "chemical capabilities" that allows us to accommodate solvents and other materials with various properties and our "customer handling capabilities" that we have used to accommodate each customer on a custom basis, we are meeting a diverse array of IJ adoption needs.

Going forward, we will endeavor to expand the use of new functional inks and IJ heads to printed-circuit boards, displays, construction materials and other industrial uses to complement preexisting printing uses, and strive to expand sales of IJ heads.

**Strengths of Konica Minolta**



**Expanding inkjet uses to a multitude of manufacturing fields**

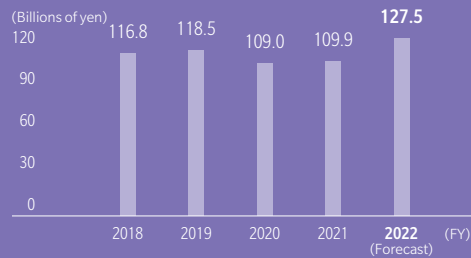
Printing uses		Industrial applications		
Sign graphics	Soft and other packaging	Printed-circuit boards	Displays	Construction materials

# Growth Strategies in Each Business

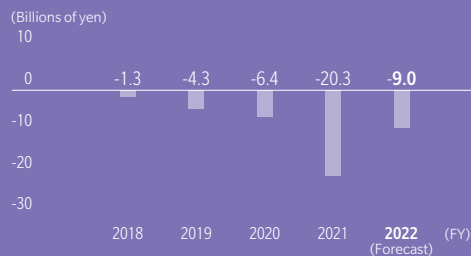


## Healthcare Business

### 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)

Healthcare (Medical imaging)	X-ray diagnostic equipment	+1%*1
Precision medicine	Biomarker market	+16.3%*2
	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

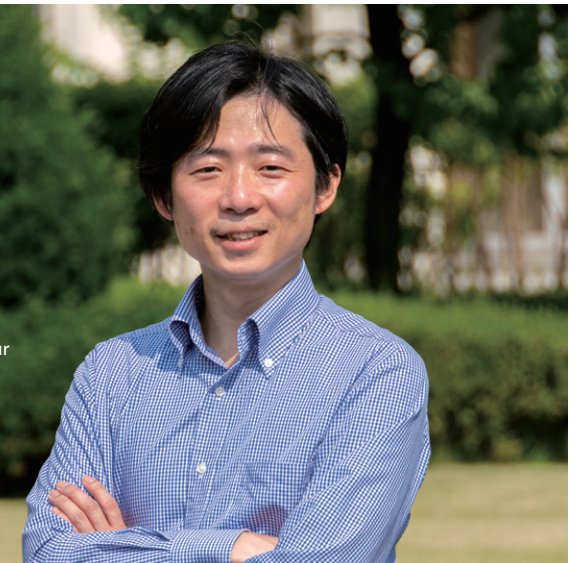
parties nearly every day, got on the same page with respect to our goals, made changes to our plans as the situation called for them, and otherwise achieved solidarity among the numerous members involved in developing this product. In doing so, we succeeded in developing a high-quality product with swiftness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

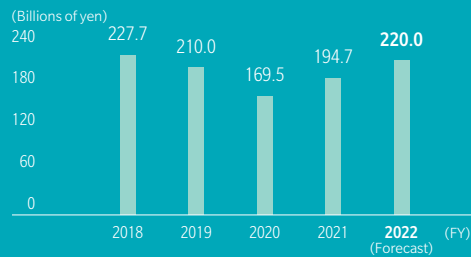




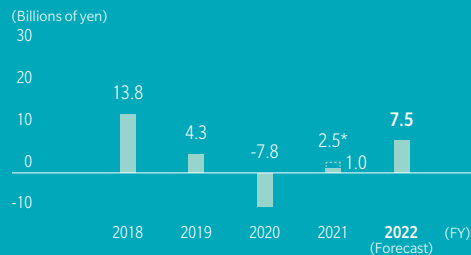
# Growth Strategies in Each Business



## Revenue



## Operating profit



\* Excluding an impairment loss on goodwill of 1.5 billion yen

## Market Environment Awareness

### Opportunities

- In commercial printing, the transition from analog to digital printing is accelerating due to individualization and shortening of product cycles in marketing methods. In industrial printing, this acceleration is happening due to a shortage of skilled workers and growing environmental concerns at printer companies, in addition to shorter product cycles.
- Demand for package and label printing is increasing due to global population growth and increase of private and local branding.

### Risks

- The spread of COVID-19, geopolitical risks, and economic volatility have reduced demand for printing and willingness for capital investment.
- Higher cost of sales and supply shortages for customers due to tight supply and price hikes of semiconductors and other components, and the COVID-19 pandemic affecting the entire supply chain and causing higher logistics costs.

### CAGR by market (FY2020-2022)

Commercial printing	+7%
Label printing	+6%
Package printing	+15%

\* Konica Minolta estimates

## Growth Strategy

- We will develop the digital printing market and reduce environmental impact, such as waste and CO<sub>2</sub> emissions during distribution, by transforming the current analog printing-centered supply chain to one that takes advantage of the benefits of digital printing which improve printing effectiveness.
- We will support DX of printing workflow by combining heavy production printers (HPP) with industrial printing equipment such as UV inkjet press and embellishment press, to expand business both for the Company and for our customers, mainly major printing companies in developed countries. (→P26)
- Intelligent Quality Optimizer function and automated inspection functions (IQ-501) previously available on HPP are now available on light production printers (LPP) and mid-production printers (MPP). We will maintain the top market share of small and medium-sized printing companies in developed countries by advertising their production efficiency and labor-saving qualities. Moreover, we will expand sales in growth markets (China, India) where we have the overwhelming top market share.
- We will mount the IQ-520, which is an IQ-501 designed for label printers, onto a high-speed label printer model and expand sales from mid-scale into large-scale suppliers in the industrial print domain, which is primed for considerable digital print volume growth. We will also grow sales by providing total solutions that bring together UV inkjet press with digital embellishment press to satisfy package printing demand. In addition, we will expand sales of single-pass type textile printers. These efforts will see us greatly increase our non-hardware sales.
- Marketing Services will improve profitability by strengthening automation of assistance to obtain existing marketing tools and expanding digital marketing services through data analysis.

### Strategic KPI

	FY2021 Targets/Results	FY2022 Targets
<b>HPP market share</b>		
Market share	35% → 33%	40%
<b>YoY sales Non-hardware</b>		
Production Print	+22% → +12%	+5%
Industrial Print	+24% → +47%	+28%

## Growth Strategies in Each Business: Professional Print Business

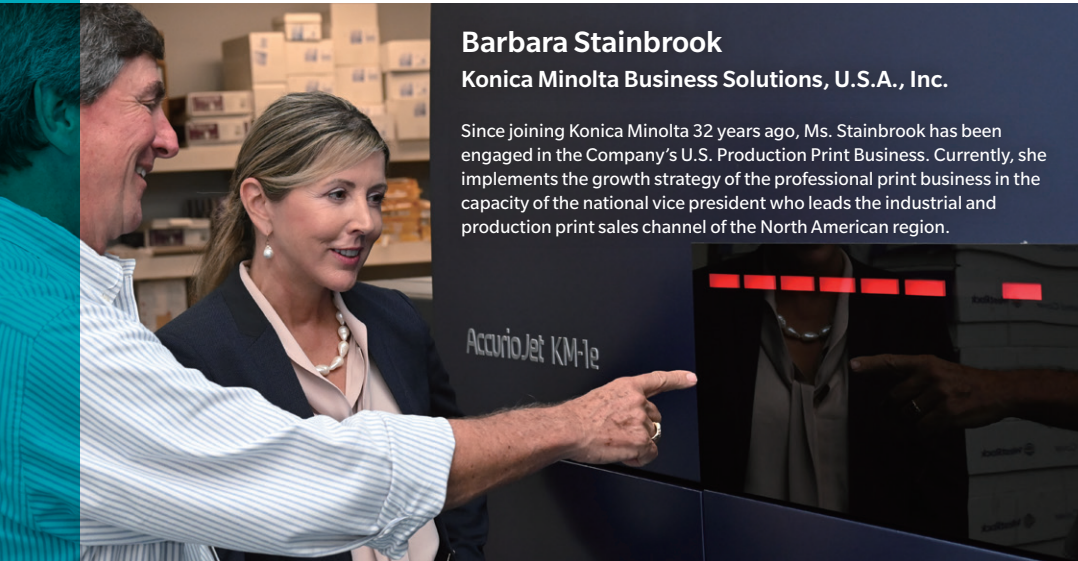
### Close Up

## Continuing to demonstrate our presence in the North American market as a top digital printing enterprise

### Barbara Stainbrook

Konica Minolta Business Solutions, U.S.A., Inc.

Since joining Konica Minolta 32 years ago, Ms. Stainbrook has been engaged in the Company's U.S. Production Print Business. Currently, she implements the growth strategy of the professional print business in the capacity of the national vice president who leads the industrial and production print sales channel of the North American region.



### Meeting diverse printing needs: the KM-1 LED UV Inkjet Press Series

We started focusing on on-demand printing that “enables output when and where it is necessary and in the necessary volume” at an early stage, and have driven forward the expansion of the digital printing market over time. The digital press that we are proposing as a replacement for conventional offset (analog) presses is the AccurioJet KM-1e LED UV Inkjet

Press, which can accommodate sheet sizes that exceed B2. In addition to achieving high print quality that stands toe-to-toe with offset printing, the KM-1e can handle printing substrates of varying types and thickness and automated double-sided printing as well as be connected to post-processors inline. Built on the success of the KM-1, the AccurioJet KM-1e, is distinguished for its ability to print on a diverse array of printing materials that include plastic substrates, transparent film, foil paper,

metallic mediums, canvas, and synthetic substrates in addition to standard offset paper stocks.

Customers are choosing the KM-1 series for several reasons. The first reason is that it addresses the shortage of personnel in the printing industry and increases productivity. Because of its superior operability, the press can be operated by staff without specialized expertise to produce high-quality printed materials. The second reason is the reduced environmental impact. Traditional offset printing requires intermediate materials such as films, plates, water and several sheets of paper to prepare for printing and reach optimum quality. Since the KM-1 series does not need these, it reduces required resources. Additionally, because it enables printing where it is necessary and in the necessary volume, the press also helps lower transport quantities of printed materials, which in turn results in transportation-related CO<sub>2</sub> emissions reductions.

In these times that call for business to be sustainable, we anticipate that need to replace offset presses with the KM-1 series will further increase going forward.

### Cultivating the commercial and industrial printing markets in the North American region

Our Industrial and Production Print team pursued sales expansion strategies for the KM-1 series with large printing companies and other entities as our target in the large-scale commercial printer sector, where Konica Minolta had no market share up to that stage.

More specifically, in addition to conducting consulting activities for marketing for customer companies and for the production of new printed materials, we provide information through portal sites for customers and training services aimed at operators. In doing so, we endeavored to elevate customer satisfaction levels.

As a result, the installed base of the KM-1 and KM-1e increased tenfold over roughly two years. Moreover, about 90% of these sites of installation were new customers. Average monthly print volumes of these customers are more than 50% greater than those of our preexisting KM-1 customers.

In addition, given that print volumes per month have increased threefold in 24 months, we believe that the KM-1 Series is successfully contributing to an increase in printing orders received by our customer companies and to their transition to digitalization. It is also our understanding that our customers are satisfied with the print quality and ease of use.

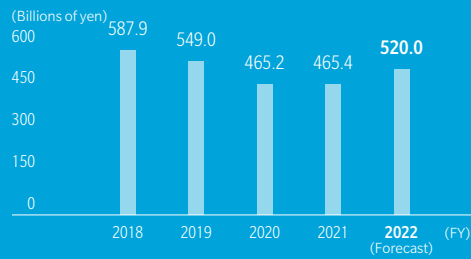
Furthermore, by combining the KM-1 with other Konica Minolta digital products such as production, label and decorative printers, we are also focusing on providing total solutions to printing companies.

In the commercial and industrial printing markets, there are still considerable opportunities for us to grow. As someone in the position of leading the sales strategy in our Professional Print Business in the North America region, I will provide our customers with the world-class technology in the inkjet, decorative and label printing sectors that Konica Minolta possesses and do my part for maintaining and improving our position as a major industry player for many years to come.

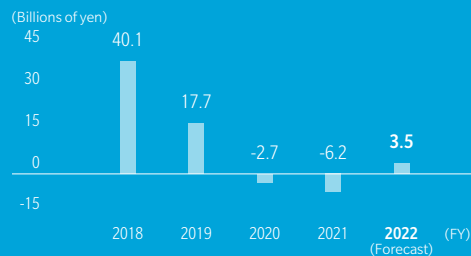
# Growth Strategies in Each Business



## Revenue



## Operating profit



## Market Environment Awareness

### Opportunities

- Increased need for IT services (including cloud) from small and medium size companies, which tend to lack IT departments and specialists.
- Increased demand for DX promotion aimed at improving operational efficiency in enterprises and local governments. Increased need for enhanced information security, workflow optimization related to office documents, and camera- and image-based solutions.

### Risks

- Maturity of Multi Function Peripheral (MFP) markets in developed countries and establishment of office workstyles that do not involve printing.
- Higher cost of sales and supply delays to customers due to tight supply and price hikes of semiconductors and other components, and the COVID-19 pandemic affecting the entire supply chain and causing higher logistics costs.

### CAGR by market (FY2020-2022)

Market	Category	CAGR
MFP	Hardware	+2%
	Non-hardware	+3%
IT services		+8%

\* Konica Minolta estimates

## Growth Strategy

- Our DW-DX is to maintain the customer base we have developed in the office printing business, while also providing additional high value-added services in the form of digital workflow services tailored to different business types, as well as managed IT services and cyber security services, which also utilize cloud services, targeting all business types. We will also transform into the digital workplace business by offering further lifetime value to customers. Furthermore, we are expanding our camera and imaging technologies-based video solutions business. (→P28)
- In Europe and North America, we will expand business by establishing a stable revenue base through expansion of monthly recurring revenue model products, and by enhancing our service delivery system. We will improve profitability by adding high value through in-house developed products, standardizing operations, and narrowing down new themes. In Japan, we support DX promotion of local governments\*.
- Our Office Business will maximize supply volume through integrated efforts by development, production, and procurement departments, to procure semiconductors and other parts on schedule, thereby duplicating suppliers and updating designs, building mutually complementary relationships with production bases, etc. We will secure gross profit by raising retail prices in response to increased cost of raw materials and reducing cost of sales by switching to remote work for product services and outsourcing back office operations.
- We will improve sales productivity through the use of AI in customer targeting and proposal making, by continuing to expand inside sales and remote sales, which have seen success during the COVID-19 pandemic, and reduce R&D costs by narrowing development projects to improve operating profit. We will also increase customer satisfaction by improving customer experience.

### Strategic KPI

	FY2021 Targets/Results	FY2022 Targets
MRR* growth rate	+15% or more/yr → +16 or more/yr (Result)	+15% or more/yr
Customer retention	+1pt/yr → +4.9%/yr (Result)	+2pt/yr
Service factory countries	10 → 2 (Result)	25
Sales growth rate of products/ services developed by Konica Minolta	+15% or more/yr → +10% or more/yr (Result)	+15% or more/yr

\* MRR: Monthly Recurring Revenue

## Growth Strategies in Each Business: Digital Workplace Business

### Close Up | Expanding Managed IT services driven by DX acceleration

#### Improving MRR by providing integrated support for our clients' IT management operations

We provide an extensive suite of Managed IT (MIT) Services to help customers achieve greater productivity, efficiency, and security from technology investments. Our MIT services are uniquely flexible to accommodate our customer's industry and scale of business and include a wide range of services such as cloud, security, unified communications, infrastructure management, application development, and remote support. With an expansive presence across North America, our customers can easily access technology expertise whenever and wherever they need it, which no other MIT service provider can promise.

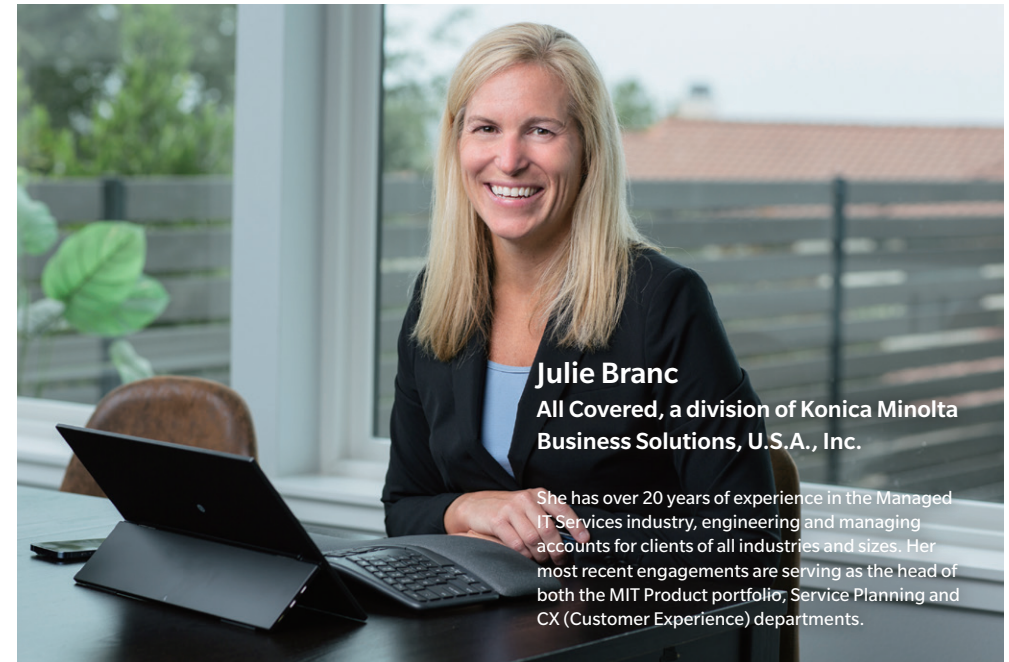
For example, some small to mid-size companies have difficulty carrying out IT administrative tasks due to a lack of specialists on their team. We recommend they take advantage of our unique all-in-one MIT Service package, which provides all necessary IT operational management without the high cost to hire internally. Additionally, as demand for remote work increases due to COVID-19,

more customers are needing to securely access data, collaboration tools, and applications from a cloud environment. Our MIT services help businesses migrate their IT infrastructure to the cloud and then optimize workflows. This includes supporting a hybrid workforce and providing services such as workstation management, device security, and user help desk services. Our Managed IT services enable customers to make a smooth and quick transition for this new hybrid workforce that may be working part time in an office or at home.

Providing MIT services to multi-function printer customers increases MRR (monthly recurring revenue) and more predictable revenues.

#### Becoming the leading MIT Service Provider in North America

In a rapidly changing digital market, we aim to be a leader in the MIT Services industry in North America by focusing on a high-quality Client Experience (CX). In May 2022 this focus helped us achieve an award from Cloudfango, a



**Julie Branc**  
All Covered, a division of Konica Minolta Business Solutions, U.S.A., Inc.

She has over 20 years of experience in the Managed IT Services industry, engineering and managing accounts for clients of all industries and sizes. Her most recent engagements are serving as the head of both the MIT Product portfolio, Service Planning and CX (Customer Experience) departments.

managed service provider search service, which named us the "Top Managed Service Provider" in the U.S.

Our department promotes a customer-first strategy to improve CX. This means building persona-based customer success teams, streamlining delivery, and simplifying the customer's buying process journey through service packages, and focusing on strategic

services that meet the individual needs of our customers. These strategic efforts have resulted in improved customer retention, Client Satisfaction, increased project profitability and up-selling cross-selling growth.

With a "customer-first" mindset, our focus remains on world-class service throughout the customer journey.



## Message from the CFO

**Amid our grim business environment, we will thoroughly engage in the recovery of our performance and the reinforcement of our ability to generate cash.**

### FY2021 in Review

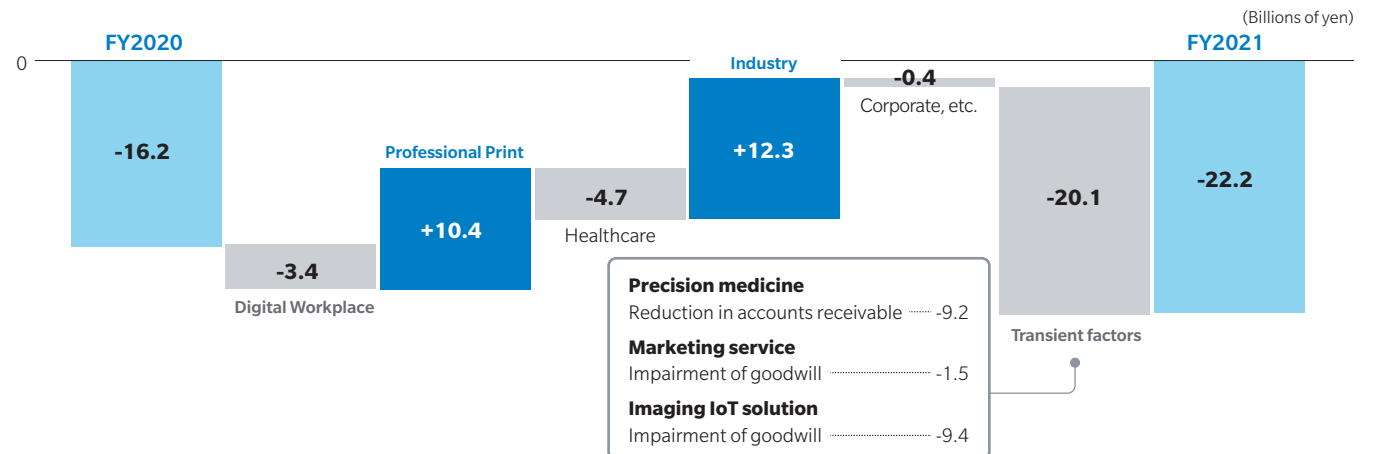
**While the effects of transient factors caused us to become unprofitable, our Professional Print and Industry Businesses performed strongly.**

In our financial results for fiscal 2021, consolidated revenue came to ¥911.4 billion, operating losses to ¥22.2 billion and net losses to ¥26.1 billion. Relative to fiscal 2020, revenue was an increase of

¥48.0 billion (+6%), but profit declined with decreases in operating profit and profit of ¥6.0 billion and ¥10.9 billion, respectively. Presented in the below graph are the causes of the variance in operating profit compared to fiscal 2020 on a per-business basis.

The Industry Business experienced a significant increase in profit, driving forward our businesses as a whole. Simultaneously, the Professional Print Business recovered its profit in fiscal 2021 despite being impacted by the spread of COVID-19 in fiscal 2020.

### FY2021 Performance: Causes of Variance in Operating Profit Compared to Previous Year



**Seiji Hatano**  
Senior Executive Vice President and Executive Officer

## Message from the CFO

Conversely, profit under our Digital Workplace Business declined due to the impact of soaring logistics, parts and materials costs and the prolonging of transport periods. In our Healthcare Business, while the healthcare field related to digital X-ray imaging systems and diagnostic ultrasound systems performed favorably, we posted ¥2.5 billion in preparation expenses for the U.S. listing of REALM, a subsidiary in the precision medicine field. Due to this and other factors, profit under that business declined.

Additionally, due to Ambry, a subsidiary of REALM, performing a careful revision of accounts receivable estimated for recovery in the process of preparing for its listing in the U.S. based on its latest actual recovery rate, accounts receivable and net revenues decreased by ¥9.2 billion as of the end of fiscal 2021. In addition, due to the Company's policy of not postponing latent risk until the future, we posted "impairment of goodwill" related to past acquisitions in the amount of approx. ¥1.5 billion for the marketing service Unit under our Professional Print Business and approx. ¥9.4 billion for the imaging IoT solutions unit under our Industry Business.

Note that as a result of posting operating losses for two straight fiscal years in our financial results for fiscal 2021, the Group infringed on financial covenants included in certain syndicate loan agreements, etc. that it entered with multiple financial institutions. However, the Group has received acknowledgement from all of the relevant institutions that they will not request the acceleration of payment due to that infringement.

### Promoting companywide initiatives with the aim of generating cash flow

The state of consolidated cash flow in fiscal 2021 was ¥37.4 billion of revenue from cash flow provided by operating activities and ¥50.9 billion of expenditure from cash flow provided by investing activities, with free cash flow of negative ¥13.5 billion. The ¥37.4 billion of revenue from cash flow provided by operating activities was attributable to losses before taxes of ¥23.6 billion and an increase of ¥17.3 billion in inventory assets due to an increase of shipboard and other inventory resulting from prolonged transport

periods and strategic purchase buildups of parts and materials, which partially offset an increase in cash flow largely resulting from ¥10.9 billion in impairment losses and gains on the reversal of those losses and ¥75.7 billion in depreciation. While we found ourselves in a grim operating environment, we continued to monitor our cash conversion cycles through narrowing down sales receivables and focused on the generation of cash while keeping a close eye on inventory trends.

Going forward, we will continue to tackle the below measures while simultaneously carving out non-core businesses and assets and taking advantage of capital tie-ups and other means aimed at accelerating upscaling as we endeavor to maximize cash inflows.

- (1) Generate cash flow provided by operating activities centered on the reduction of working capital. Realize a transformation of our business portfolio through hurdle rates for each business. Improve the content of investment and business assessments and the quality of management processes.
- (2) Design target values for business-specific cash conversion cycles that target the enhanced efficiency of working capital and maximize cash flow provided by operating activities across the entire company.
- (3) Address cash flow provided by investing activities by conducting operation that links to the careful selection of investments and the maximization of returns through newly introducing KM-ROIC hurdle rates upon performing investment assessments and adopting judgment criteria for investment feasibility.
- (4) Set new cash flow provided by operating activities as performance evaluation indicators for employees in management positions and revise evaluation systems into those that can be tied into the entrenchment and acceleration of business operation that takes into consideration the ability to generate cash as well as earnings.
- (5) Conduct training and enlightenment activities aimed at employees, including those at domestic sales companies, and focus on the dissemination of an approach that emphasizes cash flow on the frontlines with a view to enhancing "earning ability" through implanting awareness that emphasizes cash flow.

## Management Policies for FY2022

### Aiming to transition to profitability by recovering our performance and shedding transient factors

In fiscal 2022, while a grim operating environment consisting of the ongoing impact of the semiconductor shortage and prolonging of transport periods couple with rising energy prices stemming from the Ukraine situation, high inflationary pressure in the West, zero-COVID-19 policies in China and other factors is foreseen, we will push forward with actions such as those below as we aim to recover our business performance.

Firstly, in our Digital Workplace Business, in addition to solid orders for MFP hardware, a recovery in non-hardware demand due to the progressive return of people to offices is also anticipated. Given this, we will pursue the enhanced efficiency of this business while also factoring in structural reforms centered on the West.

Meanwhile, we will lower the degree of our dependence on the Digital Workplace Business and proceed to carry out a portfolio transformation that accelerates the reinforcement of our business development in growth domains. For the sensing field under the Industry Business, we will pursue M&As for expanding measurement targets. For the imaging IoT platform solutions field, we will pursue the improvement of earnings. For the materials and components field we will push forward with capital expenditure for expanding sales in large display and mobile display domains. In our Healthcare Business, we will move forward with the expansion of imaging products and services with high added value and the expansion of positive outcomes yielded by strategic collaborations in the healthcare field, and will continue to push forward with capital policies for the purpose of personally outfitting ourselves with the ability to procure investment funds aimed at future growth in the precision medicine field. In our Professional Printing Business, alongside continuing to grow our industry print unit, we will expand the provision of customer value through new, highly competitive product lines under our production print unit.

Based on these measures and the shedding of transitional factors in fiscal 2021 (that caused losses of ¥20.1 billion), for our earnings forecast for fiscal 2022, we anticipate consolidated

revenues of ¥1,020.0 billion, operating profit of ¥15.0 billion, and profit of ¥5.5 billion.

Additionally, we project ¥20.0 billion in positive free cash flow due to improved profit in value and the normalization of inventory through the resolution of our balance of orders received.

Regarding ROIC, which had worsened due to widening operating losses after taxes and an increase in interest-bearing debt, we will transition into positive territory and focus on improving capital efficiency in fiscal 2022.

### Portfolio transformation with a target date of FY2025

#### Keeping up our carefully-selected investments in growth domains while considering balance with financial soundness

There has been no change in our basic goal of completing the transformation of our business portfolio by fiscal 2025. By applying “business-unit specific KM-ROIC” and “companywide capital costs,” which serve as key judgment criteria upon examining acquisition investments and strategic capital expenditures aimed at the future acceleration of our growth, we will aim to enhance our capital efficiency and maximize our corporate value.

We will also proceed to conduct acquisition investments and strategic capital expenditures as necessary with the aim of furthering our growth in our Sensing, Material and Component, Healthcare and Industrial Print Businesses. Meanwhile, we will pursue the enhancement of efficiency and prop up companywide growth through the generation of cash for our Office Print Business and continue to promote measures with the utilization of external capital also in mind for certain strategic new businesses and low-earnings businesses.

Additionally, we will also work towards curtailing liabilities after taking the balance between growth investment and financial soundness into consideration. Note that there is also no change in our approach of, further solidifying our financial foundation by reinforcing fiscal governance, minimizing financial risk, boosting

capital efficiency and enhancing shareholders’ equity and supporting aggressive growth investment from behind within the timeframe leading to fiscal 2025.

### Returns of profits to shareholders

#### Revising our dividend policy into one that emphasizes cash more

In fiscal 2021, we distributed dividends of ¥30 per share (consisting of an interim dividend of ¥15 and a year-end dividend of ¥15) in line with our original forecast. As for returns of profits to our shareholders in fiscal 2022, we recently conducted a partial revision of our dividend policy and clarified a stance that emphasizes cash more. Based on this policy, we have set forth an annual dividend forecast of ¥20 per share (consisting of an interim dividend of ¥10 and a year-end dividend of ¥10) after also factoring in projected free cash flow of ¥20.0 billion.

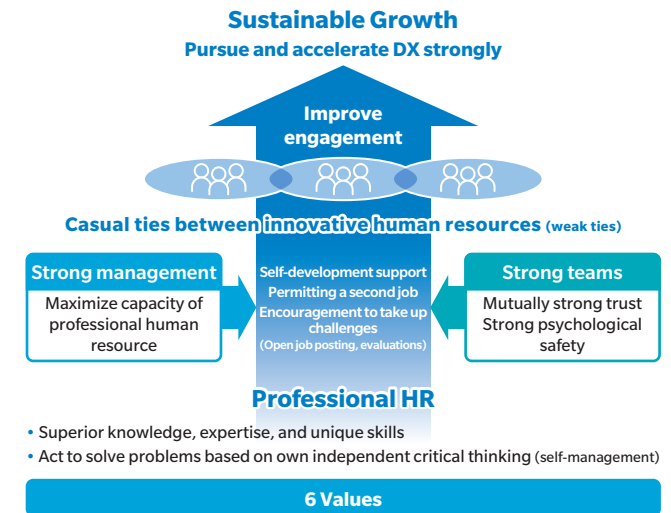
Under our new management framework, in addition to thoroughly addressing a recovery in our business performance as a top-priority issue, we will transform our business portfolio by our target date of fiscal 2025. In doing so, we will push vigorously forward in our aim to further enhance our corporate value and return profits to our shareholders.

#### Dividend Policy of the Company

Our basic policy on determining distributions of surplus, etc. is to endeavor towards enhancing dividend-based shareholder returns after comprehensively considering factors that include consolidated business performance, investment in growth areas and cash flow.

We will continue to make appropriate judgments on the acquisition of treasury shares as a shareholder returns policy while taking elements such as the financial status of the Company and movements in its share price into consideration as well.

## Message from the Human Resource Officer



### Basic Approach to Our Human Capital Strategy

In the midst of the digital transformation (DX) that is accelerating at the global level, in order to continue to grow sustainably as a company that can contribute to society, we need to shift our portfolio from product-oriented businesses to service-oriented businesses that analyze images and data to help customers and society solve problems, while maintaining the system that is generating cash reliably in our mainstay office printing business.

Our most important asset is our “human capital,” and without effective utilization of our human capital, we will not be able to enhance our business and complete the transformation of our portfolio. In other words, in order to develop service-oriented businesses that leverage the power of digital, it is necessary to have a system that maximizes the potential of each “professional human resource” by cultivating them and assigning them to their best roles. A system in which each employee possesses superior knowledge, expertise, and unique skills to understand the customer’s individual issues and derive solutions based on their own independent critical thinking, even in unprecedented situations.

To this end, we will acquire excellent human resources with high potential and accelerate the speed of their development by effectively imposing tough missions and educational programs. We also aim to foster an organizational climate in which psychological safety is guaranteed for individual human resources to speak and act with confidence under highly empowered management.

By implementing these measures, I am convinced that the “differences of individual professionals” will be organically connected, and “our differences will become our strength,” enabling us to overcome fierce competition on a global scale.

### From Optimization by Country and Region to Borderless Maximization of Human Capital

Our Group’s advantage in human resources lies in the fact that approximately three-quarters of our 40,000 employees are located outside of Japan. In addition, through aggressive mergers and acquisitions over the past decade, we have acquired a diverse

group of people with identities, knowledge, and experience not previously seen in our company. In order to take advantage of this diversity, we will develop a group-wide personnel and compensation system and promote human resource mobility measures to provide opportunities for high-potential human resources to take on challenges anywhere in the world.

Specifically, we are working on a project to produce “leader human resources who orchestrate digital experts right up to the customer’s door,” which is essential for us to become a DX company. First, 500 candidates were selected from around the globe and given assessments and training programs in cooperation with IMD, a top-class European educational institution, to narrow them down to 23 people. Based on that 23-person development plan, we have begun implementing cross-country rotations and appointments to key global roles.



## Message from the Human Resource Officer

It is also important to raise the “quality” of management by involving diverse human resources in management decision-making. Therefore, we are opening up opportunities to promote exceptional human resources to executive positions, regardless of length of service, age, or nationality. Furthermore, we are working on a long-term solution to the issue of promoting female advancement on a global level by, for example, setting the ratio of women at the managerial level as a KPI. Since fiscal 2016, we have positioned the women’s advancement as a key management issue, creating Diversity, Equality and Inclusion Office, a specialized office under the direct supervision of the president. We have also focused on fostering an organizational climate in which women play an active role, providing education and training, and strengthening the individual development of our female employees who show potential. As a result, the ratio of female managers, which was around 3% at the beginning of our activities, now exceeds 9%.

### Numerical Targets for Promoting Women’s Career Advancement (Konica Minolta, Inc.)

	Results		Targets
	FY2020	FY2021	FY2022
Female managers	7.2%	9.1%	≥10%
Female graduates hired	23%	35%	Maintain ≥30%

### Strengthening Leadership and Management Skills

Even with a large number of professional human resources, it is impossible to produce significant results if each individual acts in a disjointed manner. This is why it is so important to determine how we can bolster our management leaders who steer our human capital. To solve this problem, first it is important to systematically and expeditiously build up the human resources who will be in charge of top management going forward. To this end, we have established annual one-on-one meetings between

the CEO and each Director to discuss succession plans for division heads and key leadership positions, to share potential successor human resources throughout the Company and to set the direction for their training. This is the starting point for systematic efforts to select the next generation of young leader human resources, implement strategic rotations, and dispatch them to external educational programs to grow into the next generation of management.

In addition, in April 2022, management positions were redefined at Konica Minolta’s headquarters, the command post of the entire company, and the existing single-track management system was revised to a double-track system. This revision provides two routes: “Empowerment Leaders - organizational leaders who energize human resources and organizations and elevate their ability to implement measures” and “Experts - human resources who create innovation beyond existing boundaries and lead with their expertise” to strengthen leadership and management skills as well as to respond to the recent diversification of career aspirations among young human resources. In addition to asking individual employees to work on their self-improvement toward their chosen path, we will continue to actively support them through business producer training and education, ICT human resource development education and certification programs, and Konica Minolta College, where employees can acquire various business and professional skills.

### Enhancing Engagement

In 2014, we established “6 Values” as a guideline for all employees to make decisions and act autonomously as professional human resources. This guideline has steadily permeated our Group and is used as a standard for evaluating employee performance.

We also conduct an annual, groupwide employee satisfaction survey, “Your Voice,” at the global level to check the degree of penetration of our management policies and to identify and resolve issues faced by the organizations and individuals on the frontlines of implementing our strategies, thereby fostering a sense of unity as a company.

Above all, an important base for human resources to demonstrate their abilities is the health of each and every employee. We are planning and implementing various health promotion measures with the concept of promoting health management by fostering a “health-first” corporate culture based on the understanding that “employees’ health is the key to everything.” In recognition of these efforts, we were selected for five years in a row, seven times in total, for the “Health & Productivity Stock Selection 2022,” a joint program organized by the Ministry of Economy, Trade and Industry of Japan and Tokyo Stock Exchange.

We believe that we cannot achieve our goal of portfolio transformation and sustainable growth without maximizing the capabilities and potential of our approximately 40,000 diverse and multifaceted human resources. We will continue our efforts to create an environment where each and every employee feels pride in being a member of our team, wishes to fulfill his or her career plan in the Company, and which draws in many talented human resources from outside.

### Engagement Score for 2021

	2017	2021 <sup>*2</sup>
Engagement: The brilliance of individual employees and environment that makes them thrive <sup>*1</sup>	6.1	6.4
Response rate	88.8%	90.8%

<sup>\*1</sup> “Engagement” questions are rated on a scale of 1 to 10.

<sup>\*2</sup> The 2021 survey differs slightly from the 2017 survey.

## Message from Officer in Charge of Technological Development

**We will realize the new creation of value through the evolution and fusion of core technologies and achieve the resolution of social issues.**

**Toshiya Eguchi**

Executive Vice President and Executive Officer



**We will aim to further improve our corporate value with the core technologies that we have continued to refine over 150 years as our foundation**

Society at present is experiencing a major transformation said to be the fourth industrial revolution due to developments in digitalization. Technologies such as AI, IoT and robots are playing a big role in transforming social systems and onsite workflows of working individuals.

Amid such rapid change, we recognize that in order for us to continue being a company that is needed by greater society, it will become increasingly important for us to leverage the core technologies in our possession to the fullest, further evolve upon those technologies, create value that contributes to our society to come and enhance our corporate value.

The strengths that we hold at our foundation are the four core technologies pertaining to “images” (materials, optics, imaging and nanofabrication) that we have continued to highly emphasize over nearly 150 years and the “organizational capability” to pursue, research and develop those technologies until we make

them “unique technologies in the world.”

We will make full use of these strengths and continue our initiatives that strongly emphasize those technologies going forward so that we can continue to be a company that is chosen by our customers and partners for our “value creation that only Konica Minolta is capable of” and for our “trusted technological prowess.”

**We will evolve upon our imaging-IoT technology under the “FORXAI” brand and accelerate new business creation through co-creation with our partners**

Over time, we have focused on the development of “imaging-IoT technology” that combine the core technologies that we have continued to refine for years together with the latest IoT and AI technology. From fiscal 2014, we have been tackling new business creation and the development and acquisition of imaging-IoT human capital on a full-fledged basis. Imaging IoT technology is a comprehensive technology for swiftly providing services to accommodate customers’ desire to “see” by using unique AI

algorithms to apply image recognition to image-centric data gathered using network cameras and other sensing devices with high precision and speed.

Our first endeavor to use this technology was with nursing support services. With these services, we used sensors and AI to detect actions by tenants of nursing facilities, including whether they have fallen down, and provided a system to nursing staff to notify them of those actions. In doing so, we contributed to the improvement of workflows at those facilities. By continuing to refine the world-class “human behavior recognition” technology that we acquired through these development efforts, we achieved the simultaneous recognition of multiple individuals, the simultaneous recognition of individuals and objects, 3D pose recognition for individuals, understanding of the meaning of human actions and their verbalization, among other achievements. Moreover, in addition to its use at nursing facilities, we have also evolved this technology into that which can be applied to the resolution of various social issues, such as onsite safety and security measures through monitoring the operation status of manufacturing equipment, the promotion of sales through analyzing the flow of people at commercial facilities and the development of smart systems for hospital operations.

In these development efforts, we have developed a genuine sense of how more than anything else, technology that we have built up while directly engaging our customers and partner companies based on a deep understanding of the challenges that should be addressed on those customers’ respective frontlines leads to true value creation. At the same time, when we developed technologies while confronting those individual challenges, the challenge posed by how long it takes until businesses grow came into focus.

Given that, as a system for shortening that time, we developed “FORXAI,” a technology platform for accelerating service development conducted with partner companies through co-creation and swiftly providing the developed services to customers. Since we began supplying the FORXAI in November 2020, it has resonated with a large number of companies, and we are currently pursuing the provision of services to resolve various social issues with our worldwide partners, which already number over 100.

## Message from Officer in Charge of Technological Development

### Evolving manufacturing and the creation of new value through the fusion of core technologies and data-driven development

In manufacturing, which makes up our business foundation, we have linked the advancement of four core technologies to the evolution of products and services in each of our businesses. Moreover, in recent years, initiatives to create new value have also commenced through “fusions” of those technologies.

An example of such is the equipping of digital printers in our Professional Print Business with an intelligent quality optimizer (IQ-501). This combination of spectrophotometry based on “optics” and “nanofabrication” under our sensing business and color correction algorithms and other elements based on our “imaging” technology cultivated over years through our MFP products has realized a transformation in workflows that only Konica Minolta can offer through the automation of printing work.

Additionally, in our performance materials business as well, in order to accommodate antireflection, UV blocking, high durability and other needs with increasingly higher requirements in the display industry in particular, through a combination of “optics,” “materials” and “nanofabrication” technologies, we utilized a proprietary solvent-casting method to conduct the timely development of a new resin film sought by the market.

For materials development, we have been pursuing the transformation of our development efforts from a trial-and-error model based on repeated experiments to data-driven development through which we utilize data to develop target properties in a short timeframe (the utilization of material informatics and process informatics). Going forward, as we continue to promote the revision of our development methods and the enhancement of efficiency, we simultaneously intend to accelerate the evolution of our manufacturing efforts into “manufacturing that brings forth new value.”

### We will shift research and development investment to growth domains in order to realize portfolio transformations

Our policy for research and development investment during the period of our “DX2022” Medium-term Business Plan is to continue investing approx. 6% to 7% of revenue based on our emphasis on investment efficiency and consideration of continued growth, simultaneously pursue the shift of our investments to domains anticipated to grow and, in doing so, realize two business portfolio transformations towards 2025.

As the first of those transformations, we will aim to make the

“shift from office printing to digital workplace,” and are boosting our development investment ratio for new service development for digital workplaces over that for MFP development in the office printing domain. In preparation for the second of those transformations, the “shift to growth in the measurement, inspection and diagnosis domains (Industry, Healthcare and Professional Print Businesses), we are planning on elevating our research and development investment in these growth businesses to 65% of the total for fiscal 2022.

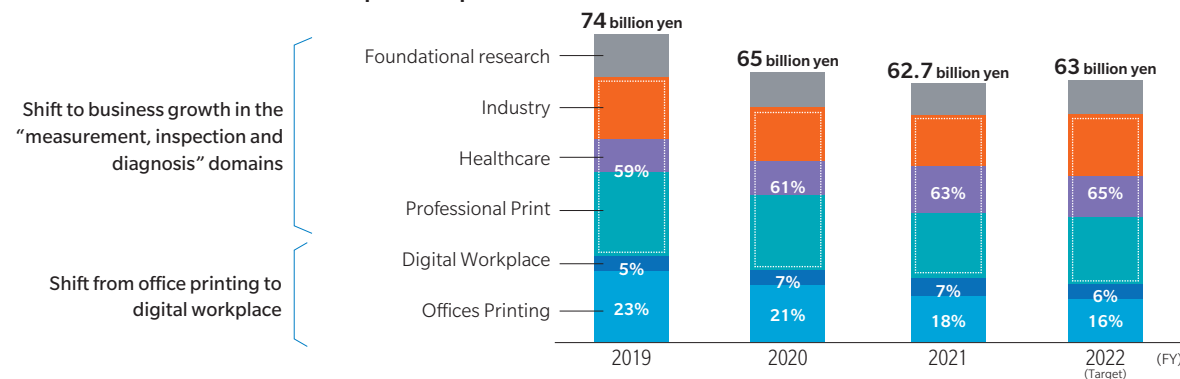
Going forward, while also ascertaining growth phases in each business and changes in industry conditions, we will continue to flexibly and speedily shift our research and development investment to growth sectors and steadily push forward with our portfolio transformations.

### We will rebuild the DNA of 150 years of technology as we aim to contribute to society through new value creation

With our “imaging” technology centered in image input, output and processing that we have cultivated largely through cameras and MFP products since our founding, we at Konica Minolta have answered the desire of customers around the world to “see,” and have helped realize people’s purpose in life. Today, I see my mission as pursuing fusions of our core technologies with AI and IoT technologies, which continue to rapidly evolve; rebuilding the DNA of the technologies that we have passed down over 150 years; and tying them into the further improvement of our corporate value.

In recent years, demographic shifts, greater social security costs, climate change, the depletion of resources and the like have been pressing social issues around the world. Based on such social and environmental circumstances, we at Konica Minolta will continue to tackle the challenge of resolving those issues by accommodating our customers’ need to “see” using technology that only we are capable while focusing on the five material issues that we set forth as “the things that we seek to address” with a view to the year 2030. We will continue to create new value “that has never been seen” and provide it to people around the world and greater society. That is what we aspire to with our technological development efforts here at Konica Minolta.

### Breakdown of Research and Development Expenses



## Intellectual Property Strategy

### Creating a business strategy-linked intellectual property strategy

By formulating and implementing an intellectual property strategy that is closely linked to each business's business strategy as called for in the medium-term business plan "DX2022", Konica Minolta provides strong intellectual property-related support for efforts to grow businesses and increase the revenue they generate. Specifically, for technologies, products, and services that are critical for implementing each business's growth strategy, the Company makes concentrated investments in intellectual property to accumulate and leverage intellectual property linked to the business scenario.

For example, the Healthcare Business has a role to play in expanding business in the fields of measurement, inspection, and diagnosis, which are fields of focus in the Company's business portfolio transformation, and the core of the growth strategy for this business is Dynamic Digital Radiography (DDR), a solution that offers new "dynamic diagnosis." With Konica Minolta's DDR system, users can easily take images in general x-ray rooms. Because it is possible to take dynamic images using a device similar to that used for traditional general x-rays, there is no need for a special x-ray room. It is also possible to make blood flow and tissue movement visible by using the Company's proprietary image processing technology to analyze the x-ray dynamic images taken, which is an evolution of x-ray diagnosis from "morphological diagnosis," in which it is possible to see the shape of interior tissue, to "functional diagnosis," which shows function, and provides completely new value to clinical diagnosis.

With DDR, we applied for numerous patents, mainly related to dynamic analysis technology, the Company's proprietary field, from the start of development. Therefore, as shown in the figure to the right, we have captured a commanding position in terms of both quality and volume and created a patent barrier that will maintain the Company's competitive advantage related to DDR.

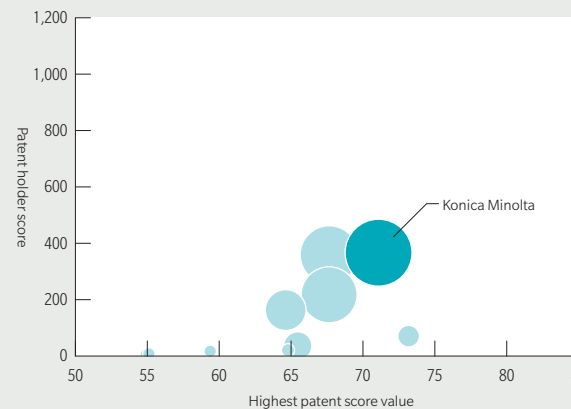
### Ascertaining inflection points and protecting new value

Furthermore, at the inflection point for value provided, we are undertaking flexible intellectual property activities and using intellectual property to protect this new value. For DDR, managing the conditions of patients in intensive care units (ICUs) has grown more important because of the COVID-19 pandemic, creating an inflection point for value provided. In other words, for seriously ill patients, for whom it is difficult to administer precise tests, such as CT and MRI, there are growing calls for DDR, which can be used at the bedside. In

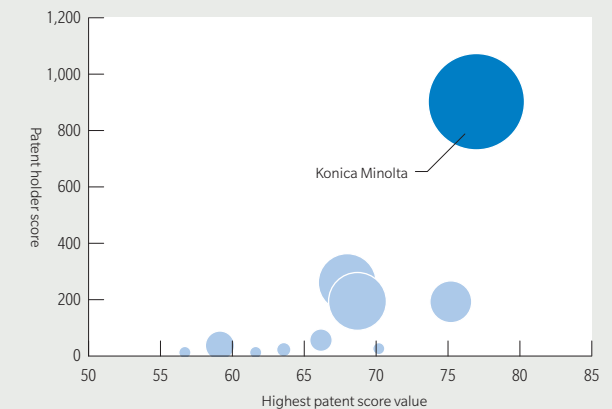
March 2022, the Company introduced the mobile x-ray system "AeroDR TX m01" that makes bedside DDR possible. For the mobile x-ray system, we made use of the Japan Patent Office's collective examinations for IP portfolio supporting business strategy, and when the product went on sale, we obtained the rights to the technology that is key for realizing its value. In this way, we will continue to maintain Konica Minolta's competitive advantage and ensure business growth by formulating and implementing an intellectual property strategy linked to business.

### Score Map for Japanese Patents related to the DDR field (patent applications + granted patents)

As of December 2017



As of April 2022



\* Provided by Konica Minolta using "Biz Cruncher" patent analysis tool from Patent Result Co., Ltd.

The size of the circles indicates the number of each company's patents. The horizontal axis indicates the score of the patent with the highest score. The vertical axis shows the overall score for the group of patents.



## Message from the Sustainability Officer

### Achieving Both Business and Environmental Value Leads to Corporate Value

#### Takenori Takahashi

Corporate Vice President  
General Manager, Corporate Environmental Operations  
Konica Minolta, Inc.



#### Environmental Management Is Corporate Management

Climate change and other global environmental issues have become urgent concerns that the international society must address, and companies have a great responsibility to curb their environmental impact and help achieve a sustainable world.

Konica Minolta aims to become a company vital to the world by helping to protect the environment, with its concept of environmental management focused on growing by solving environmental issues and creating new businesses. In other words, for Konica Minolta, environmental management equals corporate management. By strengthening our environmental activities, we will achieve both business value and environmental value, thereby enhancing our corporate value and sharing the results with our customers, suppliers and other stakeholders.

Konica Minolta's environmental management is characterized by the concept of Carbon Minus. There is a limit to what individual companies can do on their own to solve the increasingly serious global climate change problems. It is important to be actively involved in reducing CO<sub>2</sub> emissions

through cooperation with stakeholders, especially customers and suppliers. Carbon Minus refers to not only reducing CO<sub>2</sub> emissions within the scope of our own corporate responsibility over the product lifecycle from manufacturing processes to final products, but also sharing expertise on how to achieve both decarbonization and cost reduction with customers and suppliers. Achieving Carbon Minus status means that the reduction of emissions outside our own responsibility exceeds the amount generated by Konica Minolta itself. The aim is to not only fulfill our own social responsibilities, but support stakeholders in their social responsibility activities, as well, thereby accelerating decarbonization, strengthening ties with our stakeholders, and together growing our business.

Konica Minolta will be actively involved in the reduction of CO<sub>2</sub> emissions through activities that transcend the scope of our own responsibility. Furthermore, by visualizing the effects of these activities and making achievements known to as many stakeholders as possible, we hope to provide opportunities for customers and stakeholders to participate in CO<sub>2</sub> reduction activities.

#### Decarbonization initiatives based on long-term environmental vision

Konica Minolta has set a target in its long-term environmental vision, Eco Vision 2050, which it launched in 2009, to reduce CO<sub>2</sub> emissions throughout the product lifecycle (procurement, production, distribution, sales and service, and product use) by 80% from fiscal 2005 levels (2.067 million tons) by 2050, to 400,000 tons. This reduction target was necessary to bring global CO<sub>2</sub> emissions in line with natural absorption and was a very aggressive goal back in 2009, when there was not as much pressure for decarbonization as there is today. As a milestone for this 2050 target, Konica Minolta has set a 2030 medium-term target of 60% reduction in CO<sub>2</sub> emission. The target was approved by the Science Based Targets Initiative as a science-based goal.

#### Dramatic CO<sub>2</sub> Reduction through DX

To meet the challenging target of achieving Carbon Minus status, Konica Minolta will accelerate the development and delivery of technologies and solutions that contribute to CO<sub>2</sub> reduction for its customers, and will build an environmental ecosystem that leverages digital technologies in collaboration with many companies.

One of our key measures is the Carbon Neutral Partner Certification System, which was launched in October 2021. This system is based on the DX Green Supplier Certification System, which utilizes digital tools for certification. In the past, environmental and energy specialists had to visit procurement sites to provide support, which limited the number of companies that could be served to three or four per year. However, Konica Minolta has developed a system that automatically performs energy conservation diagnosis, which previously could only be done by experts. This system allows suppliers to diagnose energy conservation, identify and implement measures to improve issues, and then confirm the results on their own, using digital tools that consolidate environmental management expertise in a single database. It also allows Konica Minolta to work with 10 to 30 companies per year. We help suppliers decarbonize using digital

## Message from the Sustainability Officer

tools to achieve manufacturing that consumes as little energy as possible, and then shifting the remaining energy to renewable sources. The aim of this system is for both Konica Minolta and its suppliers to be companies selected above all others by customers and investors. We are not the sole customer of our suppliers, and by working toward decarbonization, these suppliers are more likely to be chosen by other customers, as well.

Efforts to reduce CO<sub>2</sub> at suppliers has already been successful: from fiscal 2014 to fiscal 2021, these activities have reduced CO<sub>2</sub> emissions by 17,000 tons and effectively utilized 3,000 tons of resources, realizing a cost reduction equivalent to 600 million yen. Of the 17,000 tons in CO<sub>2</sub> reductions, 3,000 tons are related to the manufacturing of parts procured by Konica

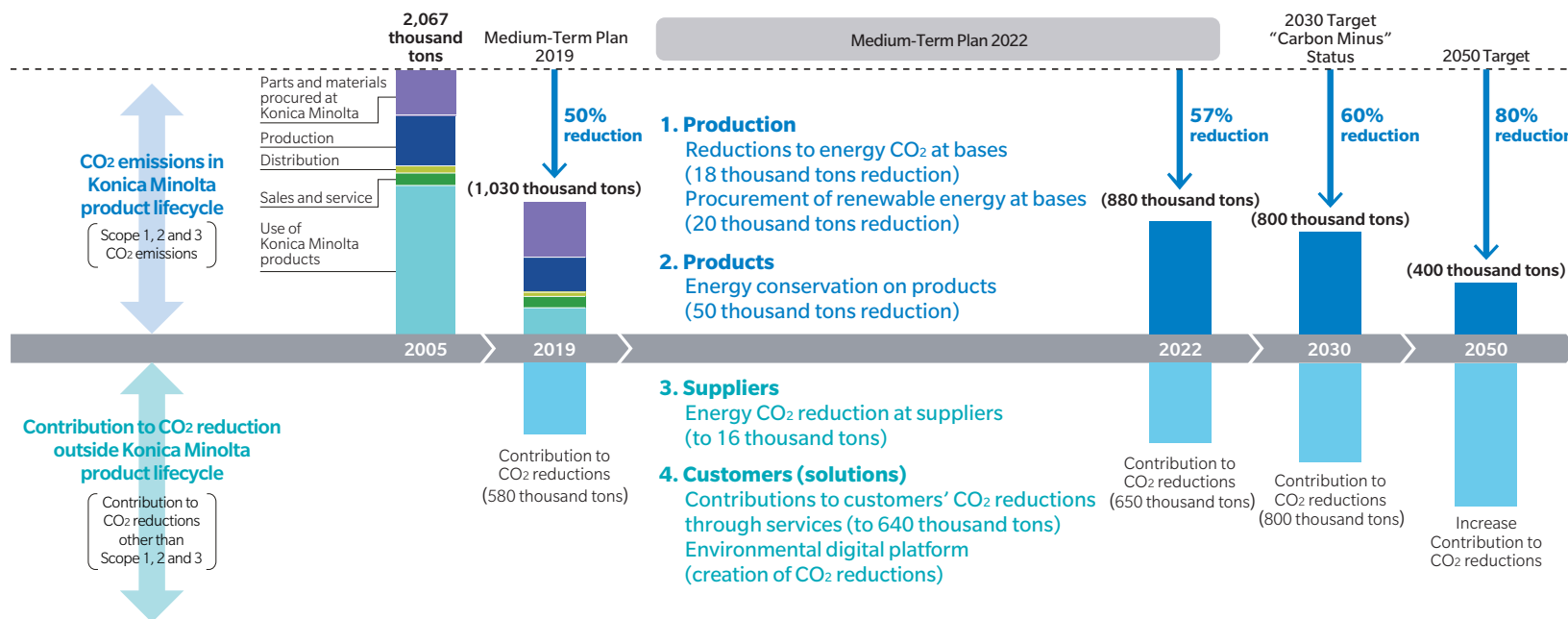
Minolta, while 14,000 tons are related to the manufacturing of parts procured by other manufacturers. The idea behind these activities is that by supporting decarbonization at suppliers, which is beyond the scope of our own responsibility, we can more proactively contribute to the reduction of CO<sub>2</sub> emissions.

Another key measure is the Environmental Digital Platform, which was launched as a system for reducing environmental impact. This measure began in June 2020 with 16 companies, a figure that had increased to 72 by July 2022. There are two information distribution platforms involved. One platform is where companies wanting to improve their environmental management can bring information, discuss it and take information for use in environmental management. Workshops are held to share

environmental issues and co-create solutions under the four main themes of environmental strategy, renewable energy-derived electricity, energy conservation, and effective use of resources. It also provides a navigation map that accumulates environmental management expertise in the form of accessible knowledge. The second platform is a place for sharing and promoting the effective use of information among companies by providing immediate environmental solutions.

My hope is that Konica Minolta will contribute to solving environmental issues on a global scale by promoting innovation through collaboration and co-creation among companies, as well as by increasing operational efficiency through the sharing of knowledge and ideas across different industries.

### CO<sub>2</sub> emission reduction goal milestone



## List of Executive Officers As of June 17, 2022



### Toshimitsu Taiko

Director, President & CEO,  
Representative Executive Officer

Mr. Toshimitsu Taiko joined Minolta Co., Ltd. in 1986. He worked in legal affairs and printer sales and later marketing and business planning operations at a printer sales company. Following the business integration between Konica and Minolta, he was involved in all aspects of the Business Technologies Business, where he worked in strategic business planning and served as president for a sales company in the U.S. Since 2020, he has been Director, Senior Executive Vice President and Executive Officer responsible for the Business Technologies Business, as well as Corporate Planning, Investor Relations, and Corporate Communications. He assumed the post of Director, President & CEO, Representative Executive Officer in April 2022.



### Shohei Yamana

Director, Executive Chairman and Executive Officer

Mr. Shohei Yamana joined Minolta Co., Ltd. in 1977. After working on the development of markets in emerging countries, international sales while being stationed in the U.K and companywide management planning, he served as CEO of a printer company in the U.S. acquired by Minolta. He played a role in integrating the businesses of Konica and Minolta, and since the integration in 2003 has served as Senior Executive Officer in charge of corporate strategy. He has served as Director, President & CEO, Representative Executive Officer since April 2014 and Director, Executive Chairman and Executive Officer since April 2022.



### Kiyotaka Fujii

Senior Executive Vice President and Executive Officer

#### Areas of Responsibility

Responsible for Precision Medicine Business  
Chairman of REALM IDx, Inc.

Mr. Kiyotaka Fujii joined McKinsey & Company, Inc. in 1981 and worked in the M&A Advisory department at the New York headquarters of a U.S.-based investment bank. After acquiring extensive business management experience serving in CEO positions for top global companies in Japan, including SAP and the Louis Vuitton Group, he joined the Company in 2016 as the Executive Officer in charge of the global healthcare business. He has served as Senior Executive Vice President and Executive Officer since 2018.



### Seiji Hatano

Director,  
Senior Executive Vice President and Executive Officer

#### Areas of Responsibility

Assistant to the CEO, and Lead officer for Accounting,  
Finance and Risk Management

Mr. Seiji Hatano joined Mitsubishi Bank in 1982 and gained experience in general global corporate financing services for major companies, while engaging in M&A, project financing, and treasury management in a broad range of industries. He joined the Company in 2011 and became Director, Senior Executive Officer in 2014. Subsequently, he successively assumed the posts of lead officer for corporate planning, CSR, corporate communications, brand promotion, risk management, accounting and finance. He has assumed the post of Director, Senior Executive Vice President and Executive Officer since April 2022.



### Noriyasu Kuzuhara

Executive Vice President and Executive Officer

#### Areas of Responsibility

Responsible for Corporate Planning and  
Lead Officer for Material & Component Business

Mr. Noriyasu Kuzuhara joined Konica Corporation in 1990, after which he was involved in new business development projects such as the development of LCD films. He became Senior Executive Officer in 2016. He has also been the Division President of Material & Component Business Headquarters since 2017 and doubled as General Manager of Corporate R&D Headquarters since 2018. He has led the formulation of corporate planning for the entirety of the Konica Minolta Group as the officer responsible for corporate planning and has also continued to manage the Material & Component Business since 2022.



### Toshiya Eguchi

Executive Vice President and Executive Officer

#### Areas of Responsibility

Responsible for Technologies, Imaging-IoT Solution Business  
and Visual Solutions Business

Mr. Toshiya Eguchi joined Konica Corporation in 1989. He developed system LSIs for photo printing equipment and office equipment such as facsimiles and printers, and engaged in system design for digital cameras and medical devices. He served as General Manager of IoT Service Platform Development Operations before becoming Executive Vice President and Executive Officer in 2021.



### Shinichiro Oka

Executive Vice President and Executive Officer

#### Areas of Responsibility

Responsible for Human Resources and Diversity Enhancement

Mr. Shinichiro Oka joined Toshiba Corporation in 1991, working in human resources. He then served as an HR director for companies such as United Technologies and the IBM Corporation, as well as an Executive Officer and Global CHRO for Macromill, Inc. He joined the Company in June 2020 and became an Executive Vice President and Executive Officer in 2021.