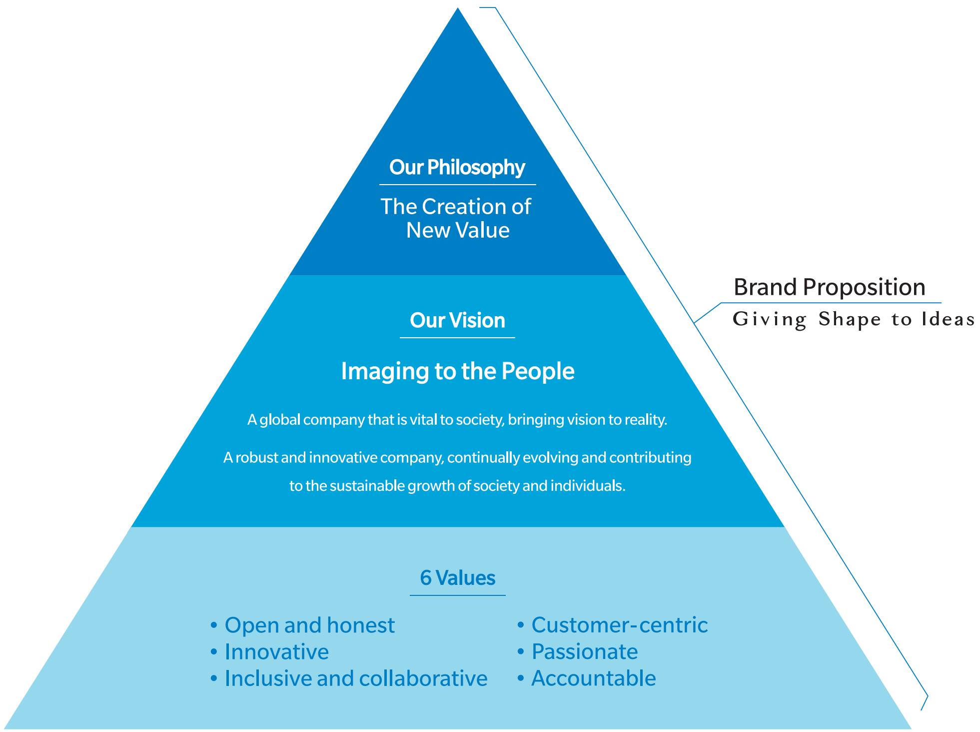
Konica Minolta Philosophy

Our Philosophy: The Creation of New Value

For over 150 years, Konica Minolta has met the hopes and desires to "see" of customers around the world, founded in imaging technologies focused on image input, output, and processing. These technologies have been built in the Company's camera and photographic film businesses that have persisted since its founding. By visualizing customer issues and integrating and evolving our core technologies, we work with our customers to solve their problems. The consistent practice of "The Creation of New Value" as stated in Our Philosophy is deeply rooted in our DNA as a way of contributing to people and society.

Konica Minolta Philosophy

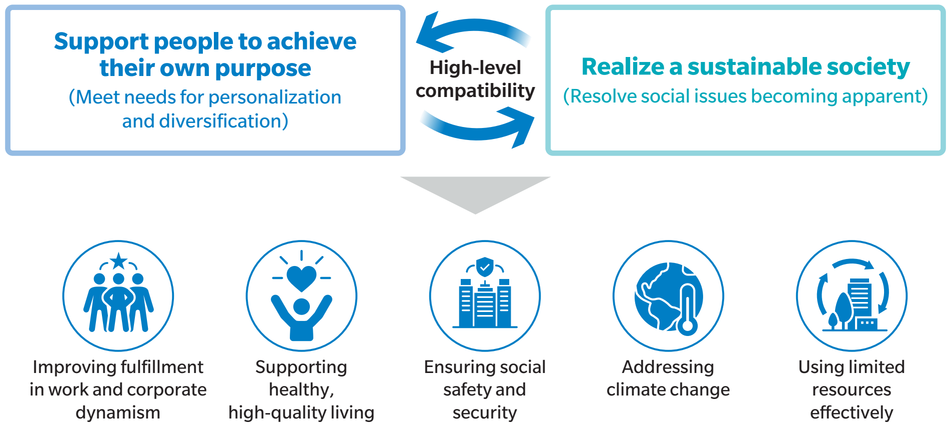


Our Position in the World and 2030 Vision: "Imaging to the People"

In formulating our long-term management vision, we discussed Konica Minolta's position in society, and based on the trends of global multipolarity, demographic change, and the spread of DX in 2020, we looked ahead to the year 2030 and envisioned "a society where people can continue to create value and grow by utilizing vast amounts of data, and each individual can work autonomously." On the other hand, meeting increasingly personalized and diverse needs will create social issues such as resource shortages, the impact of climate change, rising social security costs, and disparities in opportunities for employment and creation. These issues are to be solved and can be business opportunities for companies. Based on this belief, Konica Minolta has concluded that its position is to meet the diverse needs of people and solve social issues seamlessly, with its unique imaging technology at its core, and has incorporated this into its long-term vision, "Imaging to the People."

Material Issues

We have identified five material issues by envisioning the social issues that will arise in 2030, ten years after the formulation of the long-term management vision, and clarifying the social value that Konica Minolta should provide in order to solve these issues. These material issues represent themes that can generate particularly high social value by bringing together Konica Minolta's intangible assets. For each of these five material issues, Konica Minolta has defined its Vision for 2030 and clarified the direction of value creation over the medium to long term (see page 38 for our material issue identification process).

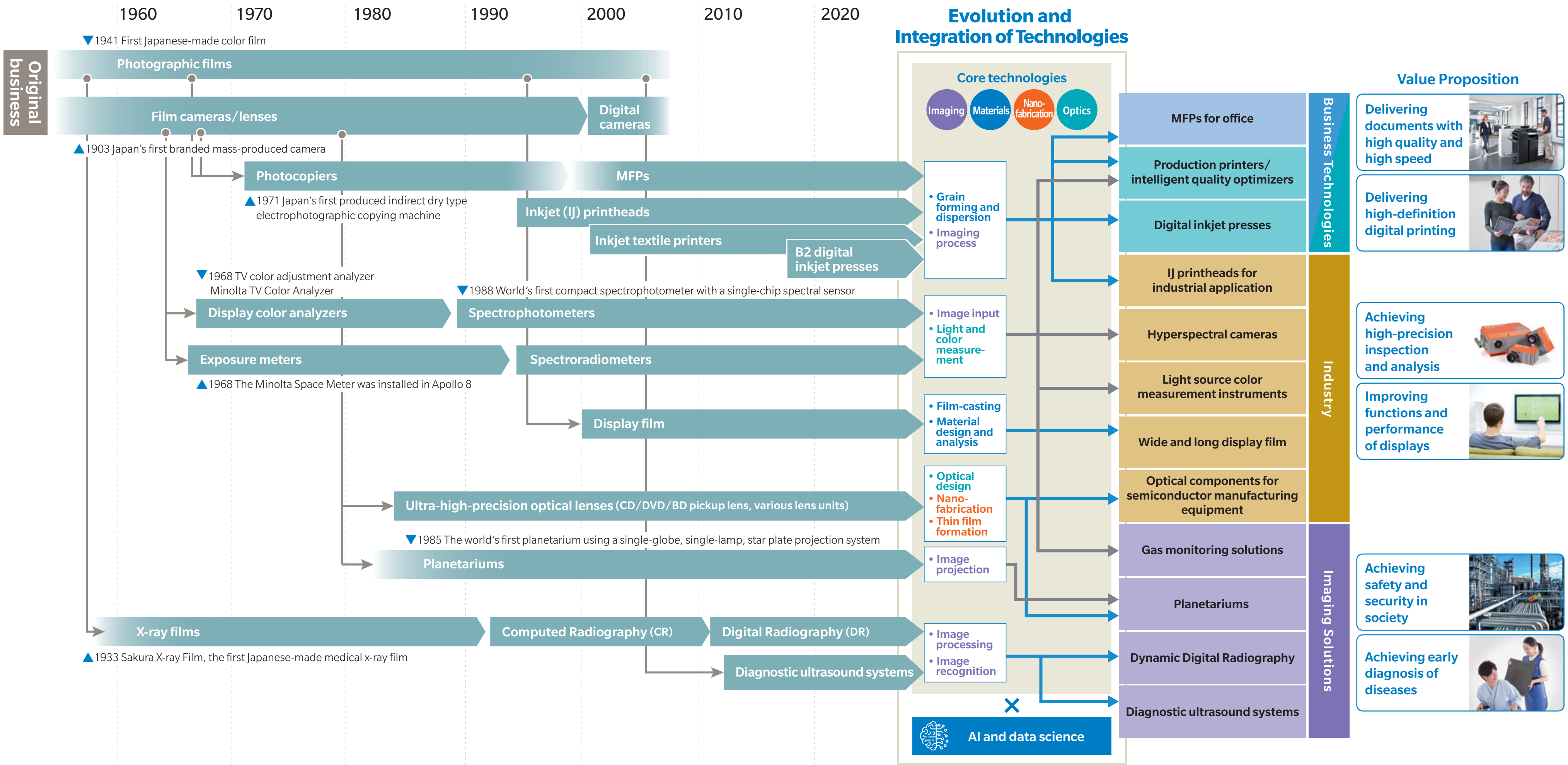


Purpose
Medium- to Long-Term Management Strategy
Business Strategy
Reinforcement of Management Foundation
Governance
Data Section

Lineage of Technologies

People's hopes and desires to "see" as a driving force for accumulating integration and evolution of technology, and for creating new value

Since its founding, Konica Minolta has continuously refined its core technologies in four areas—imaging, materials, nano-fabrication, and optics—cultivated through its original camera and film business, even as business forms have changed.
By integrating these technologies and combining them with AI and data science technologies, Konica Minolta will continue to meet people's hopes and desires to "see."



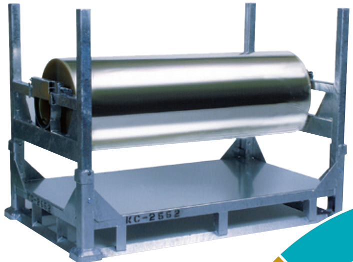
Expand business in areas with growth potential and a high likelihood of success, aiming to become the market leader in those areas

Based on core technologies, our company operates four businesses: Industry Business, Professional Print Business, Imaging Solutions Business, and Digital Workplace Business.

Industry Business

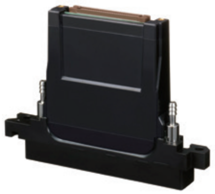
VA-TAC film for LCD TVs — Performance materials

Leading market share in the world



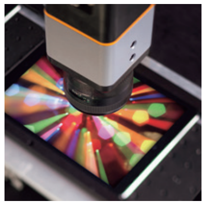
Inkjet heads — IJ components

Leading market share in industrial applications

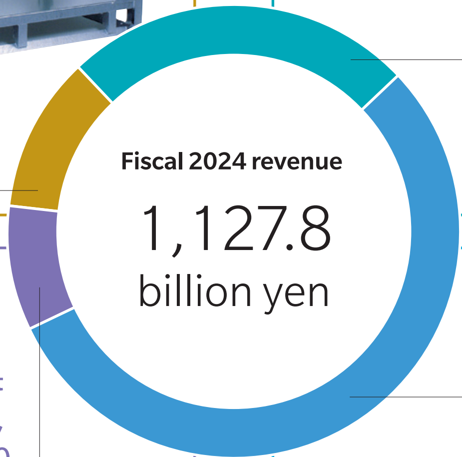


Light source color measuring instruments — Sensing

More than 50% share in global measuring instruments for display



11%



Professional Print Business

Digital color printers — Production print

Leading market share in about 40 countries around the world

Digital label press — Industrial print

Leading market share in the digital label press market

25%

Imaging Solutions Business

Diagnostic ultrasound systems — Healthcare

Leading market share in the Japanese orthopedic market

9%

Gas monitoring solutions — Imaging-IoT solutions

Cassette-type digital X-ray systems — Healthcare

Leading market share in the Japanese clinic market

Digital Workplace Business

55%

Multilingual interpretation service — DW-DX

コ ト バ ル
KOTOBAL

A3 color MFPs — Office

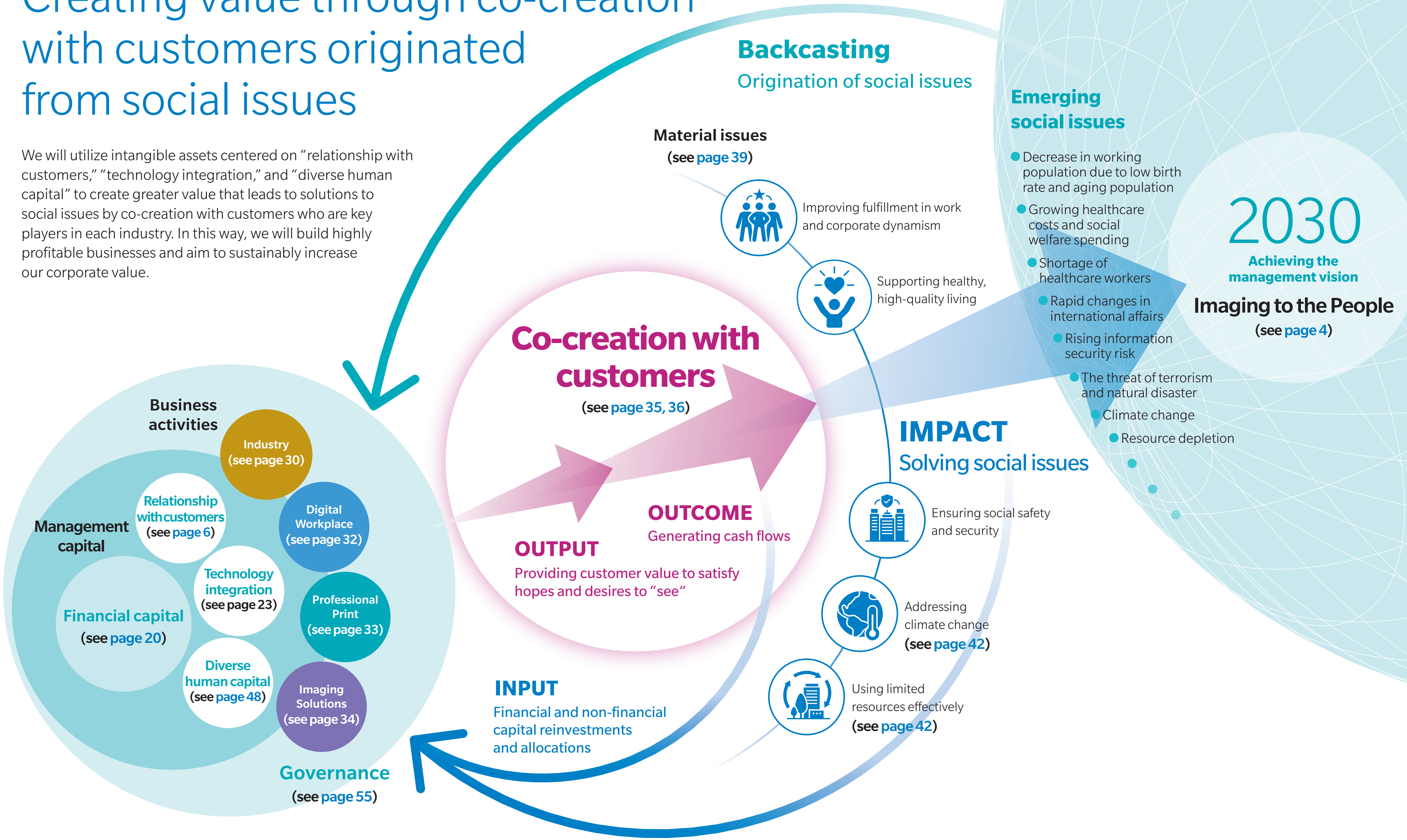
Leading market share in about 40 countries around the world

Business and Presence

Segment	Business unit	Business description / Products	Customers and industries	Main technologies
Industry Business	Sensing	Provision of various measuring devices such as for light source color and object color measurement, for visual inspections, etc.	• Display industry, automotive industry, etc.	• Image input, light and color measurement
Industry Business	Performance materials	Provision of functional films for displays	• Display industry, etc.	• Film-casting, material design and analysis
Industry Business	Inkjet (IJ) components	Provision of inkjet heads and ink	• Printing industry, electronic components, parts industry etc.	• Grain forming and dispersion, imaging process
Industry Business	Optical components	Provision of various lenses for semiconductor manufacturing equipment	• electronic components, parts industry, etc.	• Optical design, nano-fabrication
Business Technologies Business: Digital Workplace Business	Office	MFPs (Multifunction Peripherals) and workflow improvement solutions via document input, processing and output	• Private companies, government agencies, educational institutes, etc.	• Grain forming and dispersion, imaging process
Business Technologies Business: Digital Workplace Business	DW-DX	IT services, digitalization support, and AI Saas services for solving social issues (education, knowledge management, and translation) that use generative AI for companies and local governments	• Private companies, government agencies, educational institutes, etc.	• Generative AI and technology that uses AI
Business Technologies Business: Professional Print Business	Production print	Provision of digital color presses and workflow solutions for printing sites	• Printing companies	• Image input, grain forming and dispersion, imaging process
Business Technologies Business: Professional Print Business	Industrial print	Provision of B2 inkjet presses, label presses, embellishment presses, textile printing machines, and other digital printing machines	• Printing companies, label/packaging printing companies, apparel manufacturers	• Image input, grain forming and dispersion, imaging process
Imaging Solutions Business	Healthcare	Provision of digital X-ray diagnostic imaging systems, ultrasound diagnostic systems, and medical IT services such as PACS (Picture Archiving and Communication System)	• Hospitals, clinics	• Image processing, image recognition
Imaging Solutions Business	Imaging-IoT solutions business	Provision of IoT network camera solutions, Gas Monitoring Solutions, and caregiving-related solutions	• Social infrastructure (plants, etc.), care facilities, etc.	• Image input, image processing, image recognition

Creating value through co-creation with customers originated from social issues

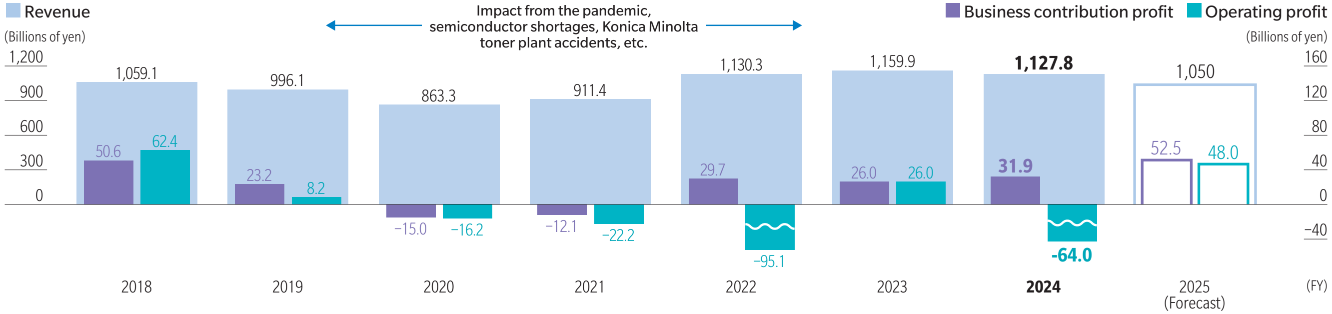
We will utilize intangible assets centered on “relationship with customers,” “technology integration,” and “diverse human capital” to create greater value that leads to solutions to social issues by co-creation with customers who are key players in each industry. In this way, we will build highly profitable businesses and aim to sustainably increase our corporate value.



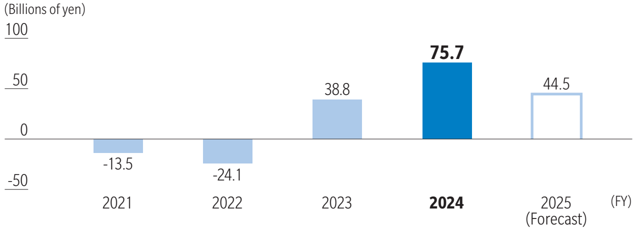
Financial and Non-financial Highlights

Outcome (Generating cash flows)

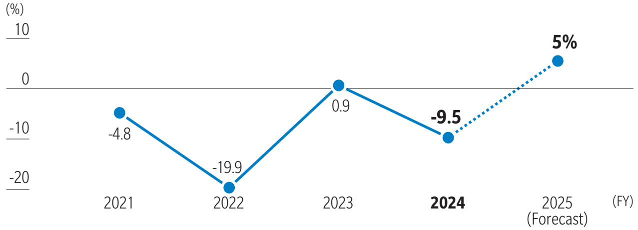
Revenue / Business contribution profit / Operating profit



Free cash flow



ROE



FY2024: Recovery in business contribution profit FY2025: Toward achieving ROE of 5%

Prior to this Medium-term Business Plan (through fiscal 2022), despite active pursuit of M&A opportunities, internal and external factors kept us from achieving our anticipated outcomes, resulting in continued low profitability in some businesses. As a result, we recorded a significant impairment loss in fiscal 2022.

In fiscal 2024, we recorded an operating loss due to one-time expenses related to global structural reforms, business selection and concentration, and revisions to future plans. However, business contribution profit has been steadily improving.

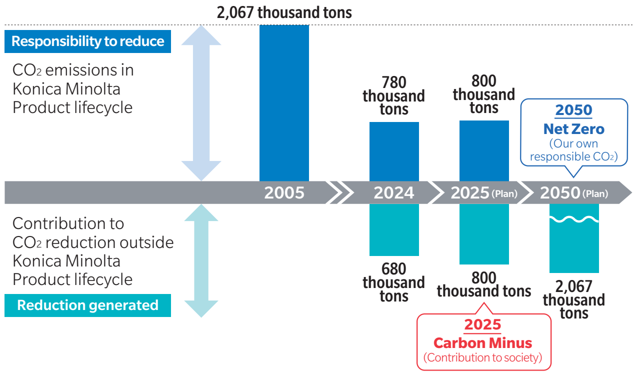
In fiscal 2025, we aim to achieve a V-shaped recovery in operating profit and an ROE of 5% through business growth and manifesting positive impact from management reform efforts to date.

About Business Contribution Profit

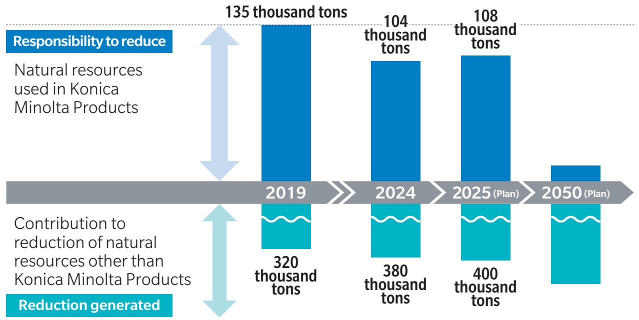
Business contribution profit is a unique profit indicator developed by Konica Minolta. It indicates profit obtained by subtracting cost of sales and SG&A expenses from revenue. Business contribution profit reflects the profit generated from normal business activities and excludes one-time revenues and expenses, making it a consistent indicator that helps to understand the trends and turning points in our businesses' core earning power.

Impact (Solving social issues)

CO_2 emissions and reduction contributions



Natural resource use and reduction contributions



Expanding solutions that contribute to reducing customers' environmental impact

Konica Minolta is committed to contributing to the reduction of CO_2 emissions generated by its customers and society, with the goal of achieving what we call Carbon Minus (contributing to CO_2 reductions that exeed our own scope of responsibility) by fiscal 2025, and Net Zero CO_2 emissions within our own scope of responsibility by 2050.

In addition, by 2050, we aim to reduce the use of natural resources in our products to near zero by replacing them with circular resources, while also contributing to the reduction of natural resource use in products made by others (see page 42).