



Based on an underlying management philosophy "The Creation of New Value," the Konica Minolta Group aims to further increase corporate value through sustainable business activities to remain an essential participant in world society and worthy of its support. By strengthening corporate governance and CSR activities to this end, we are building a sound, transparent management structure and seeking a harmonious balance with our many stakeholders. We are also reinforcing our businesses by promoting patent filings and the acquisition of rights around intellectual property emerging from business activities.

The following is a summary of approaches, initiatives and successes pertaining to these elements of the Group's management base.



Corporate Governance

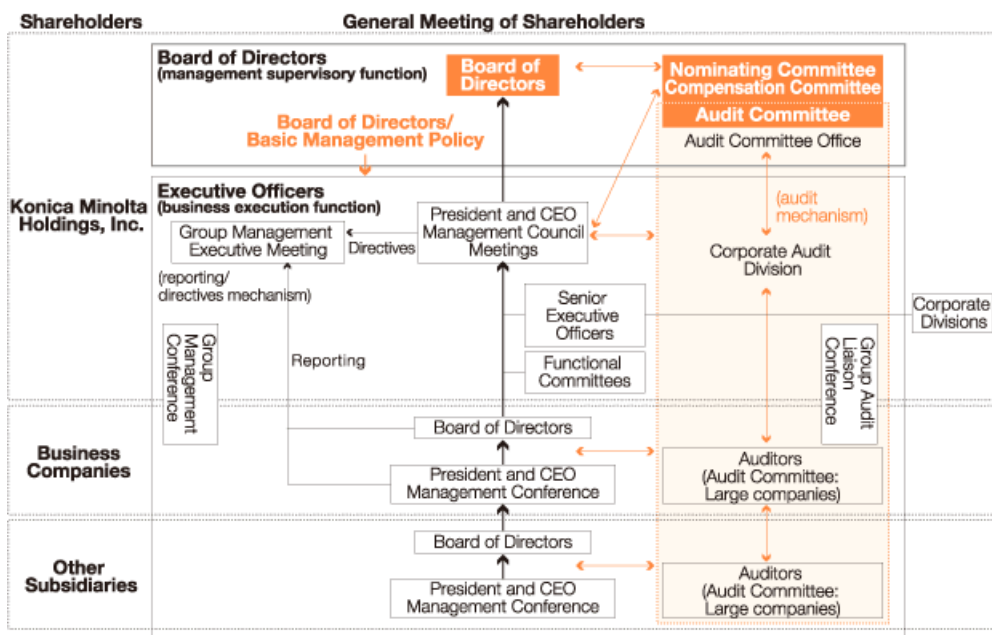
Approach to Corporate Governance

The Konica Minolta Group is continually working to strengthen its business and respond to the diverse expectations of society with the aim of increasing corporate value. The Group believes that the essence of good corporate governance lies in being accountable for its actions to all shareholders, investors, and other stakeholders. With that understanding, the Group has established a management structure that responds flexibly to changes in the market environment to allow more timely, appropriate decision-making on important matters. The Group also continues to improve its corporate governance functions to ensure greater management transparency and soundness.

Management and Governance Structure

To strengthen its management supervisory function, and expedite decision-making by transferring significant authority to the executive officers, the Konica Minolta Group has adopted a company-with-committees system. The Board of Directors includes four outside directors, who are highly independent and have no significant business relationships with the Group. The majority of directors do not serve concurrently as executive officers. Moreover, to further ensure the supervisory function of the Board of Directors, a director who is not serving concurrently as president or other executive officer is elected as Chairman of the Board of Directors. In addition, the company-with-committees system has three committees within the Board of Directors—the Nominating, Audit, and Compensation committees—each of which comprises five directors (three of whom are outside directors). In order to ensure better management transparency, none of the directors comprising the committees serve concurrently as executive officers, and outside directors are chosen to chair each committee.

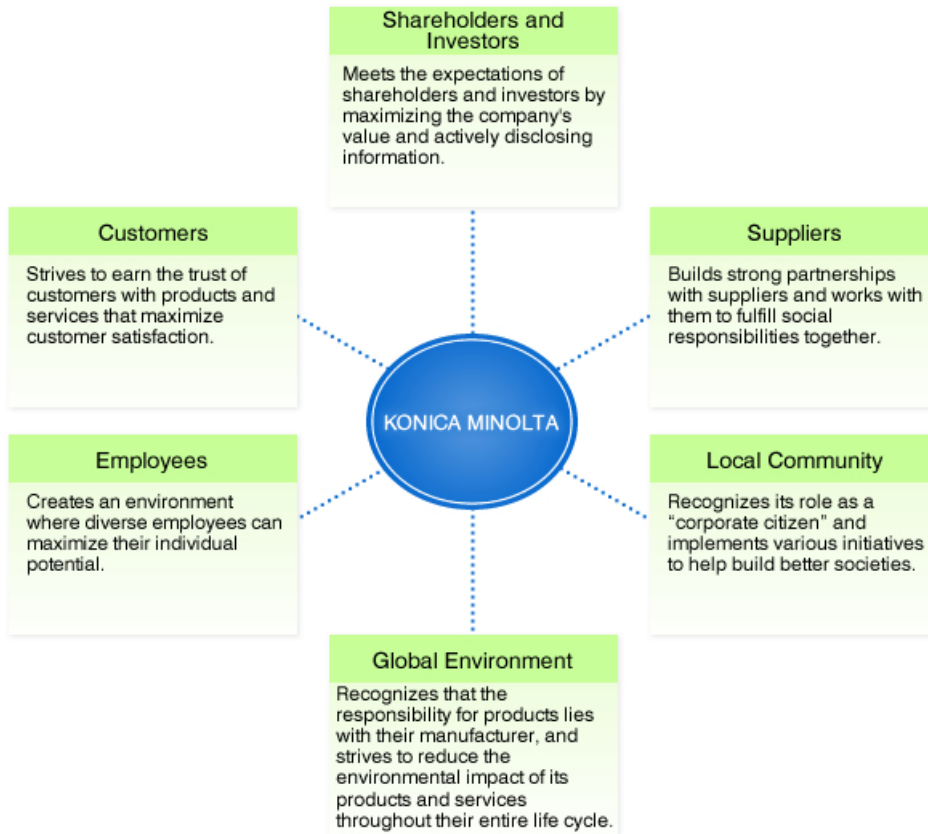
<Corporate Governance System and Management Structure>



CSR Initiatives

Approach to CSR

At the Konica Minolta Group, we view CSR initiatives as synonymous with good management, and work as a Group to promote programs for realizing sustainable growth for society. It is critical that we demonstrate a commitment to doing what we must to remain an essential participant in world society and worthy of its support. From this standpoint, we are determined to fulfill our corporate social responsibility with respect to our various stakeholders, whether customers, business partners, shareholders and investors or others. Global environmental problems, meanwhile, are the most pressing concern that the Konica Minolta Group must address today. As a company in the manufacturing sector, devising ways to leverage our own diverse technologies to contribute to the environment is an important challenge. Furthermore, we recognize that our clearest social responsibility is to help realize a sustainable world and society through technological innovation. To this end, we strive to create products and services that assist in global environmental preservation.



Intellectual Property

Basic Approach

At the Konica Minolta Group, we aggressively pursue patent filings and other steps to convert research and development results into viable property rights. In this way, we maintain our competitive edge in terms of patents, thereby enhancing corporate value.

Contribution of Intellectual Properties to Business Activities

The Konica Minolta Group possesses a host of outstanding core technologies in the materials, optical nano-fabrication, and imaging fields honed through years of business that began with optical technologies. The further refinement and amalgamation of these core technologies, meanwhile, is enabling the Group to create new value.

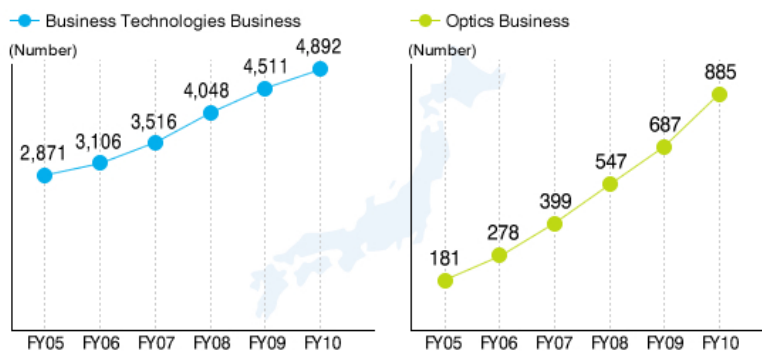
A great example of this is roll-to-roll coating-based Organic Light Emitting Diode (OLED) lighting. Konica Minolta was the first in the world to successfully develop this lighting solution, which emerged by combining functional organic material synthetic technology cultivated in photographic materials, optical design technology derived from work in lenses, and film-making and coating technology refined in film manufacturing.

In this way, we are pushing vigorously ahead with fostering OLED lighting and other new businesses in environment and energy, which we have positioned as a future growth field. At the same time, the Group is concentrating intensely on building a portfolio of related patents to maintain its dominant market presence.

In existing business domains, the Konica Minolta Group has identified priority technological fields where it is eyeing business expansion and a Genre-top presence. In those fields, we will focus closely and systematically on invention and discovery, appropriately selecting the countries in which to file patents and executing measures for swift conversion to patent rights.

The Group's superiority in terms of patents is enhanced not only from the acquisition of high-quality patents, but by possessing a large portfolio of such patents. We are particularly dedicated to building up high-quality patents in Business Technologies Business and Optics Business, our core business segments. As a result, we have steadily increased the number of Konica Minolta Group patents since FY March 2006. As of March 31, 2011, the Group possessed rights to 7,839 patents in Japan and 5,498 patents in the United States. Patents in core business fields (Business Technologies and Optics) accounted for 74% of the Group's patents in Japan, and 71% of its U.S. patents.

Japanese Patents in Key Business Fields



U. S. Patents in Key Business Fields

