

"Konica Minolta, Inc." Q&A from the 119th Ordinary General Meeting of Shareholders

Date and time: June 20, 2023, 10:00 JST

Venue: Tokyo Marriott Hotel /Online

Cautionary Statement

This material was prepared for those who were unable to attend the Ordinary General Meeting of Shareholders in person and is intended only for reference purposes. Readers are asked to acknowledge in advance that the following text is not a verbatim account of everything that was said at the meeting but a basic summary whose content was determined by Konica Minolta. Moreover, readers are asked to further acknowledge in advance that the business performance outlook and other content concerning future results in this document is based upon information that the Company has at present and upon a rational evaluation based on certain assumptions and, additionally, that actual business performance can greatly vary due to number of factors.

[FY2022 Performance]

Q. The company recorded a large impairment loss. Do you think the company disposed all of the negative legacy and the company will not record impairment loss again in the future?

A. Future plans for businesses with goodwill and intangible assets have been estimated more carefully than in the past, including rationally incorporating risks that can be estimated at the present time. In order to achieve the targets in the future, we will further strengthen monitoring of the appropriateness of future plans based on the progress and achievements of the business plans in the term.

Q. What did the company learn from the recording of the impairment loss?

A. In the precision medicine business, there was insufficient consideration to revise the plan when the business did not progress as planned after the acquisition. In addition, there were external factors, such as the impact of the COVID-19, resulting in a sharp decline in the number of patient visits to hospitals, and an increase in the present value discount rate due to the impact of interest rates in the U.S. However, We consider that there are things to reflect on, including the fact that we may have missed an opportunity to respond appropriately. We will

conduct new large-scale investments with thorough consideration under stricter judgment criteria than in the past.

Q. Regarding the large impairment loss, what do you think of management responsibility as an executive?

A. Compensation of executive officers for the previous fiscal year have already been fixed. As a matter of course, the amount of performance-based compensation paid based on the consolidated results of the previous fiscal year was very small. In addition, we decided to voluntarily return a portion of executive officers' compensation in light of the fact that we did not pay the year-end dividend for the fiscal year. We are going to return in the black and reward our shareholders with an early resumption of dividends and an increase in stock prices. I would like to ask for your understanding.

[Management Policy]

Q. The stock price has fallen since the announcement of the financial results. What will you do to improve the stock price in the future?

A. We consider that the current level of the stock price is largely due to disappointment with our earnings forecast for the current fiscal year, in addition to impairment losses in the previous fiscal year. First of all, we believe that we must achieve to return in the black. We have indicated the forecast as a level that we should achieve as minimum targets even considering any changes in the business environment. To achieve it, it is essential to eliminate the deficits of non-focused and direction-changing businesses. In FY2023 and FY2024, we will improve the profitability of unprofitable businesses as much as possible. However, if there are limitations, we will separate unprofitable businesses, and then improve our stock price by transforming the business structure with which we can aim 5% to 8% of ROE. We intend to strengthen IR activities that help investors understand the growth areas and contribute to stock price formation.

[Corporate Governance]

Q. What will the Corporate Governance Committee specifically conduct in the future?

A. The Corporate Governance Committee was established for the purpose of examining the design and operation of overall corporate governance. We will disclose the contents appropriately when the details are determined.

Q. Does Nominating Committee really perform the functions as a company with three committees?

A. Nominating Committee reviews the composition and selection criteria of Director and committees annually. Every board member feels that Board of Directors as a whole is responsible for the huge loss. But individual nomination matters have been discussed with the best possible efforts at the time, and I believe that we are playing the role as Nominating Committee.

Q. Is the Audit Committee fulfilling its function as a result of four consecutive years of deficit?

A. Audit Committee audits the execution of duties by Directors and Executive Officers in order to prevent improper conduction by Executive Officers, including the President and CEO. We recognize that the audit during this period was appropriate. Based on the lessons learned from the issue, we will reexamine the development and operation of the internal control system and continue to conduct reliable auditing of the duties of Directors and Executive Officers.

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