(Note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Independent Auditors' Reports contained in this document have also been translated by the Company. KPMG AZSA LLC, the Accounting Auditor, has never been involved in this translation and therefore assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

NOTICE OF CONVOCATION OF THE 120TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Konica Minolta, Inc.

Message from the President

I would like to express my sincere gratitude to all our shareholders for their exceptional support.
I would like to present the financial results for the Company in the fiscal year ended March 31, 2024 (hereinafter, “the current fiscal year”). Consolidated revenue increased, and although business contribution profit* decreased, there were significant improvements in operating profit and profit attributable to owners of the Company for the current fiscal year (hereinafter, “profit for the current fiscal year”). This marked an increase in profit for the current fiscal for the first time since the fiscal year ended March 31, 2019, while our cash-generating ability also improved. We also saw balance sheet improvements with the reduction of inventories and interest-bearing debt.
Aiming to return to being a highly profitable company, we believe we were able to make a steady start in the first year of our Medium-term Business Plan, which we started in April 2023.
In the selection and concentration of businesses, we transferred a portion of the equity of the precision medicine business, and signed a contract for the transfer of equity in the optical components business excluding the areas to be strengthened. Although we took a significant step forward, we will further accelerate efforts in the fiscal year ending March 31, 2025.
Elsewhere, to improve individual productivity among the Group’s employees, in addition to measures to strengthen human resources and enhance labor productivity, in the fiscal year ending March 31, 2025, we will work to optimize our human capital and implement structural reforms on a global scale.
Although the selection and concentration of businesses and the implementation of structural reforms will lead to some transient discomfort, such as temporary expenses, it is our intention to work as a company to ensure achievement of the management targets we have set for the final year of our Medium-term Business Plan, the fiscal year ending March 31, 2026, such as ROE of 5% or more.
Giving comprehensive consideration to our performance in the current fiscal year, as shown above, as well as our future management policies, this fiscal year, we will pay a year-end dividend of ¥5 as per our initial announcement.
I ask for your continued and further support and encouragement going forward.

* Business contribution profit: an original indicator used by the Company, representing profit calculated by subtracting sales cost and SG&A expenses from revenue.

Toshimitsu Taiko
President and CEO
Representative Executive Officer
Konica Minolta, Inc.

Konica Minolta Philosophy

Konica Minolta has formulated “Imaging to the People,” a long-term management vision that looks forward to 2030. In concert with these initiatives, we redeveloped our philosophy. Now, Konica Minolta Philosophy comprises Our Philosophy, unchanged since its formulation in 2003, Our Vision, which defines our aspirations for 2030, and 6 Values that guide the development of Konica Minolta’s corporate culture as the wellspring of our value creation.

Our Philosophy

The Creation of New Value

Our Vision

Imaging to the People
A global company that is vital to society, bringing vision to reality.

A robust and innovative company, continually evolving and contributing to the sustainable growth of the society and individuals.

6 Values

Open and honest
Customer-centric
Innovative
Passionate
Inclusive and collaborative
Accountable

Brand Proposition

Giving Shape to Ideas

Securities Code: 4902
May 28, 2024

To Our Shareholders

Toshimitsu Taiko
Director, President and CEO
Representative Executive Officer
Konica Minolta, Inc.
2-7-2 Marunouchi, Chiyoda-ku, Tokyo

NOTICE OF CONVOCATION OF THE 120TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

KONICA MINOLTA, INC. ("the Company") hereby announces that the 120th Ordinary General Meeting of Shareholders ("the Meeting") will be held as detailed below.

If you are unable to attend the Meeting, **you may exercise your voting rights in writing or online. The exercise of voting rights is an important shareholder right. After reading the Reference Documents for the General Meeting of Shareholders, please refer to the "Guide to the Exercise of Voting Rights, etc.," and exercise your voting rights by 5:40 p.m., Monday, June 17, 2024. The proceedings of the Meeting will be live-streamed on the Internet, and shareholders who do not attend in person are encouraged to watch the broadcast of the Meeting.**

1. Date and Time: Tuesday, June 18, 2024 at 10.00 a.m.

2. Place: Tokyo International Forum, B Block 5F, Hall B5
3-5-1 Marunouchi, Chiyoda-ku, Tokyo, Japan
(Please note that the venue is different from last year)

3. Objectives:

Matters to be Reported:
1. Reports on the Business Report, the Consolidated Financial Statements for the 120th Fiscal Year (from April 1, 2023 to March 31, 2024); and Audit Reports by the Accounting Auditor and the Audit Committee on the Consolidated Financial Statements
2. Reports on the Non-consolidated Financial Statements for the 120th Fiscal Year (from April 1, 2023 to March 31, 2024)

Matters to be Resolved:

Agenda Item: Election of Nine (9) Directors

4. Guide to the Exercise of Voting Rights, etc.

Please refer to "Guide to the Exercise of Voting Rights, etc."

- Measures for Providing Information in Electronic Format and Omission of Certain Information from this Notice of Convocation

In convening this General Meeting, the Company has taken measures to provide information in electronic format. The Company posts these matters for electronic provision on the Company's website as the "Notice of Convocation of the 120th Ordinary General Meeting of Shareholders". For paper-based documents, **shareholders who have requested their delivery are sent the "Notice of Convocation of the 120th Ordinary General Meeting of Shareholders" in full, while shareholders who have not requested their delivery are sent the Reference Documents for the General Meeting of Shareholders and a section of the Business Report from the "Notice of Convocation of the 120th Ordinary General Meeting of Shareholders."**

[The Company's Website "Shareholders' Meeting" page]
Please access the "The 120th Ordinary General Meeting of Shareholders <June 18, 2024>" page at the following URL.
https://www.konicaminolta.com/jp-ja/investors/event/stock/meeting.html (in Japanese)

[Tokyo Stock Exchange Website (Listed Company Search)]
Enter "Konica Minolta" or "4902" in the issue name (company name) or securities code, and click "Search." The documents can be found by selecting "Basic information," followed by "Documents for public inspection/PR information," followed by "Notice of General Shareholders Meeting / Informational Materials for a General Shareholders Meeting."
https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show (in Japanese)

Guide to the Exercise of Voting Rights, etc.

Attending Meeting to exercise voting rights

Please bring the enclosed voting form and submit at the reception desk. Meeting will be held at 10:00 a.m., Tuesday, June 18, 2024.

Using mail to exercise voting rights

Please indicate your approval or disapproval of the proposals on the enclosed voting form and return it so it reaches us by 5:40 p.m., Monday, June 17, 2024.

Using the Internet to exercise voting rights

Please use the Company's designated voting website (https://evote.tr.mufg.jp/) to submit votes concerning the proposals. Votes can be submitted until 5:40 p.m., Monday, June 17, 2024.

About the exercise of voting rights

1. Any voting right exercised without indicating approval or disapproval for a particular proposal will be counted as a vote for approval of the proposal.
2. If any voting right is exercised more than once by mail, the latest exercise will be upheld as a valid exercise of the voting right.
3. Shareholders are respectfully requested to notify the Company of any diverse exercising of voting rights and the reason therefore not later than three days before the Meeting.
4. If any voting right is exercised both by mail and by the Internet, the exercise via the Internet will be upheld as valid exercise of the voting right.
5. If any voting right is exercised more than once via the Internet, the latest exercise will be upheld as a valid exercise of the voting right.

To Institutional Investors

As an additional method for exercising your voting rights via the Internet described above, institutional investors may use the "electronic voting platform for institutional investors" operated by ICJ, Inc.

Note in exercising voting rights via the Internet:

- Any costs arising from access to the website for exercising voting rights (the Internet connection fees, communication fees, etc.) shall be paid by you.
- In some network environments (including, but not limited to, the case in which you use firewall, etc. antivirus programs or a Proxy Server for Internet access), you may not be able to exercise voting rights.

How to exercise your voting rights via the Internet
(Voting rights cannot be exercised between 2:30 a.m. and 4:30 a.m. every day)

Exercise of voting rights by scanning QR Code:
You can log in the voting website without entering your "Login ID" and "Temporary Password" described on the side slip of the voting form.

1 Please scan the QR Code on the side slip (right side) of the voting form.
  * "QR Code" is a registered trademark of DENSO WAVE INCORPORATED.
2 Please follow the instructions on the screen thereafter and enter approval or disapproval.

Exercise of voting rights by entering Login ID and Temporary Password:
Voting website: https://evote.tr.mufg.jp/

1 Please access the voting website.
2 Please enter your "Login ID" and "Temporary Password" described on the voting form and click "Log in."
3 Please follow the instructions on the screen thereafter, and enter approval or disapproval.

For enquiries with respect to the system, including how to use the devices, please call: Mitsubishi UFJ Trust and Banking Corporation Stock Transfer Agency Department **(helpdesk)** Telephone: 0120-173-027 (Operating Hours: 9.00 to 21.00, toll-free number) (Japanese language only)

REFERENCE DOCUMENTS
FOR
THE GENERAL MEETING OF SHAREHOLDERS

AGENDA ITEM
Election of Nine (9) Directors

Upon the close of this Ordinary General Meeting of Shareholders (“the Meeting”) of Konica Minolta, Inc. (“the Company”), the terms of office of all the nine (9) Directors will expire.

Accordingly, shareholders are requested to elect nine (9) Directors based on the nominations of the Nominating Committee.

If this proposal is approved as originally proposed, the majority of the Board of Directors will be Outside Directors (5 out of 9). In addition, an Outside Director is expected to be elected as the Chairperson of the Board of Directors. We will continue to pursue a highly transparent corporate governance system based on the same approach as in the previous fiscal year.

At the same time, Independent Outside Directors with diverse management experience will play a central role in the Board of Directors and three committees and supervise the development of important measures to ensure the Company’s sustainable growth and increase its corporate value over the medium to long term.

The candidates for the position of Director are as follows.

No.	Name	Current Position and Responsibilities at the Company		Board of Directors meeting attendance	Term of office	Committee the candidate is scheduled to join (◎ to serve as committee chairperson) Nominating Committee Audit Committee Compensation Committee
1	Toshimitsu Taiko	Director, President and CEO, Representative Executive Officer	Male Re-election	16/16 (100%)	6 years	– – –
2	Chikatomo Kenneth Hodo	Director Chairperson of Board of Directors Member of Nominating Committee	Male Re-election Outside Independent	16/16 (100%)	6 years	○ – –
3	Soichiro Sakuma	Director Chairperson of Audit Committee Member of Compensation Committee	Male Re-election Outside Independent	16/16 (100%)	4 years	– ◎ ○
4	Akira Ichikawa	Director Chairperson of Nominating Committee Member of Audit Committee	Male Re-election Outside Independent	16/16 (100%)	3 years	◎ ○ ○
5	Masumi Minegishi	Director Chairperson of Compensation Committee Member of Nominating Committee	Male Re-election Outside Independent	16/16 (100%)	2 years	○ – ◎
6	Takuko Sawada	Director Member of Nominating Committee, Audit Committee and Compensation Committee	Female Re-election Outside Independent	11/11 (100%)	1 year	○ ○ –
7	Hiroyuki Suzuki	Director Member of Nominating Committee, Audit Committee and Compensation Committee	Male Re-election Non-executive	16/16 (100%)	5 years	○ ○ ○
8	Noriyasu Kuzuhara	Director Executive Vice President and Executive Officer	Male Re-election	11/11 (100%)	1 year	– – –
9	Yoshihiro Hirai	Director Executive Vice President and Executive Officer	Male Re-election	11/11 (100%)	1 year	– – –

No.	Name	Expertise and experience expected of candidates for Directors							
		Corporate executive experience in listed company	Global executive management experience (Note 3)	R&D and manufacturing	Sales and marketing	Finance and accounting, and understanding of investor perspective	HR management	Governance, internal control, legal affairs	Business transformations and new business development (DX)
1	Toshimitsu Taiko	●	●		●				●
2	Chikatomo Kenneth Hodo		●			●			●
3	Soichiro Sakuma		●				●	●	●
4	Akira Ichikawa	●	●		●				
5	Masumi Minegishi	●	●		●		●		●
6	Takuko Sawada		●	●	●				●
7	Hiroyuki Suzuki				●			●	
8	Noriyasu Kuzuhara			●	●				●
9	Yoshihiro Hirai		●		●	●			

Notes: 1. “Re-election” means a candidate for Director to be reelected, “Outside” means a candidate for Outside Director, “Non-executive” means a candidate for (Inside) Director who does not concurrently serve as Executive Officer, and “Independent” refers to a candidate reported to the stock exchange as Independent Director.
2. As Ms. Takuko Sawada, Mr. Noriyasu Kuzuhara and Mr. Yoshihiro Hirai were newly elected as Directors at the previous Ordinary General Meeting of Shareholders (held on June 20, 2023), the numbers of their Board of Directors meeting attendance and committee meeting attendance are different.
3. “Global executive management experience” includes both actual experience at a global business and experience relating to overseas business operation.

Reason for Selection of Expected Expertise and Experience

Expected Expertise and Experience	Reason for selection
Corporate executive experience in listed company	To demonstrate supervisory and advisory functions in the improvement of management strategies and management quality utilizing experience and insight, including in terms of confrontations with shareholders and investors, as chief executive officer.
Global executive management experience	To demonstrate supervisory and advisory functions in global business expansion and group governance using understanding of complex management environments and diverse cultures, as well as frontline experience, etc.
R&D and manufacturing	To demonstrate supervisory and advisory functions in the provision of high-added-value products and services as a manufacturer, the continuous offering of differentiated technology-based value, and the formulation and implementation of production strategies.
Sales and marketing	To demonstrate supervisory and advisory functions in the formulation and implementation of sales and marketing strategies in line with changing business environments and diversifying customer needs.
Finance and accounting, and understanding of investor perspective	To demonstrate supervisory and advisory functions in the creation of a sound financial base, strategic investments from a medium- to long-term perspective, and the realization of shareholder returns.
HR management	To demonstrate supervisory and advisory functions in the maximization of human capital and the implementation of corporate culture reforms toward the company’s sustainable growth.
Governance, internal control, legal affairs	To demonstrate supervisory and advisory functions in ensuring transparency, adequacy, and effectiveness in management through compliance with laws and regulations and corporate ethics, offensive and defensive governance, and the creation and operation of internal control systems.
Business transformations and new business development (DX)	To demonstrate supervisory and advisory functions in the company’s own reforms and business transformations using data and digital technologies, and the acceleration of new business development.

Policies and Procedures for the Nomination of Director Candidates

The basic concept for the Company’s corporate governance is outlined on pages 78 through 80. The Nominating Committee has formulated Director election standards and independence standards for Outside Directors, which are shown on pages 12.

The Nominating Committee makes it its policy to enhance the selection of Director candidates by considering the Corporate Governance Committee’s review of the composition and election standards of the Board of Directors and committees and examining them from the standpoints of balance of knowledge, experience and capabilities, and diversity. The following process is used to make selections.

<Overview of the Board of Directors>

a. Directors who will retire due to standards for the number of years as a Director or age shall be confirmed and the number of new Outside Director and Inside Director candidates shall be assumed.

<Selection of Outside Director Candidates>

b. To select Outside Director candidates, after the Nominating Committee confirms the selection process, the knowledge, experience, and capabilities that will be required of new Outside Directors is determined in order to enable them to be a good match with Outside Directors to be reelected. The purpose is to receive useful supervision and advice concerning management issues at the Company.
c. The Chairperson of the Nominating Committee asks for a broad range of recommendations for candidates, based on information from the Nominating Committee members, other Outside Directors, and the President & CEO, Representative Executive Officer. To provide reference information, the Secretariat creates a database of candidates centered on the chairperson of excellent enterprises, containing information such as independence, age, and the status of concurrent positions, and this is distributed to the Nominating Committee members, etc.
d. The Nominating Committee takes into consideration the items listed below in order to narrow down the candidates from the recommended individuals gathered from the preceding process in order to determine an order of priority.
   - Director election standards
   - Independence standards for Outside Directors
   - Balance of knowledge, experience, and capabilities required for Outside Directors and diversity (skills matrix)
e. Using the order of priority for candidates, the Chairperson of the Nominating Committee and Committee members appointed by the Chairperson as necessary interview with and approach the candidates to serve as an Outside Director.

<Selection of Inside Director Candidates>

f. Candidates for Inside Director are jointly proposed with the Nominating Committee following discussions between the President & CEO, Representative Executive Officer and the internal Nominating Committee members concerning proposed candidates for Directors who do not concurrently serve as Executive Officers and Directors who concurrently serve as Executive Officers based on the President & CEO, Representative Executive Officer sharing his plan on the executive system for the next fiscal year with the internal Nominating Committee members, with emphasis placed on the following points.
   - Director election standards
   - Roles of Directors who do and do not concurrently serve as Executive Officers
   - Policies on required capabilities, experience, and other characteristics of Directors who do and do not concurrently serve as Executive Officers (skills matrix)
g. The Nominating Committee uses the draft proposals to examine the candidates.

The Corporate Governance Committee’s approach to the review of the composition, etc. of the Board of Directors, and the results, are as follows.

<Review approach>

- In consideration of the Company’s medium- to long-term management challenges and strategies, the Board of Directors shall be of an appropriate total number and composition to aim for sustainable growth and improvement in corporate value.

<Review results>

- There shall be a total of nine (9) Directors, of which five (5) are Independent Outside Directors and four (4) are Inside Directors.
- The Chairperson of the Board of Directors shall be selected from among the Independent Outside Directors.
- One (1) Inside Director shall not concurrently serve as an Executive Officer, and instead be a full-time Audit Committee Member.
- In line with management strategies, etc., Inside Directors who concurrently serve as Executive Officers shall be selected in consideration of the role they should fulfill on the Board of Directors.

Following discussions by the Nominating Committee based on the above, it was confirmed that the following conditions shall apply.

<Selection of Directors>

- All nine (9) Directors will reach the end of their term of office and again be selected as Director candidates. The Committee deemed it appropriate to continue discussions from a medium- to long-term perspective through the current Board members.

<Chairperson of the Board of Directors>

- The current Chairperson of the Board of Directors shall again be selected as a candidate. In addition to his thorough fulfillment of the requirements of the Chairperson of the Board of Directors, the Committee looks forward to him accurately leading the operation of the Board of Directors toward achieving the goals of our Medium-term Business Plan that began in fiscal 2023.

<Directors not concurrently serving as Executive Officers>

- The current Directors not concurrently serving as Executive Officers shall again be selected as candidates. With a wealth of experience in internal auditing, the Committee expects them to improve the effectiveness of the Audit Committee as full-time Audit Committee Members.

<Inside Directors concurrently serving as Executive Officers>

- The current Inside Directors concurrently serving as Executive Officers shall again be selected as candidates. Alongside the President and CEO, Representative Executive Officer, the Committee deems that having the Executive Officer in charge of accounting and finance and the Executive Officer in charge of the Industry Business as members would lead to fulfilling their accountability in making important management decisions, while at the same time, contributing to effective discussions.

The expertise and experience expected of each candidate for Director is described on page 9.

[Director election standards]

The Nominating Committee has selected candidates who satisfy the following standards as being suitable Directors for achieving good corporate governance i.e. ensuring the transparency, soundness and efficiency of the Company's operations.

(1) Good physical and mental health
(2) A person that is well liked, dignified, and ethical
(3) Completely law-abiding
(4) In addition to having objective decision-making abilities for management, the person must have good foresight and insight
(5) Someone with no possible conflict of interest or outside business relations that may affect management decisions in the Company's main business areas, and who has organizational management experience in the business, academic, or governmental sectors. Otherwise, someone with specialized knowledge in technology, accounting, law, or other fields
(6) For Outside Directors, a candidate with a history of performance and insight in that person's field, someone with sufficient time to fulfill the duties of a Director, and who has the ability to execute required duties as a member of the three relevant committees
(7) The Nominating Committee has separately set forth points for consideration in the re-election of Directors and requirements concerning the number of terms of office, age and other factors. Especially, existing terms of office for Outside Directors are up to six years. Specifically, the term of office is four years, in principle, and it may be extended up to one time for a further two years based on a resolution of the Nominating Committee.
(8) Gender, nationality, country of origin, cultural background, race, ethnicity, etc., shall not be the reasoning for excluding the candidates for Directors from the candidacy.
(9) In addition, the candidate must have the abilities necessary for a Director running and building a public corporation that is transparent, sound, and efficient

[Independence standards for Outside Directors]

Regarding standards for the independence of Outside Directors, the Company's Nominating Committee selects Outside Director candidates, provided that none of the following criteria apply.

(1) Person affiliated with Konica Minolta
- Former employee of the Group
- Having a family member (spouse, child, or any blood or marital relative twice removed or less) that has served as a Director, executive officer, auditor or top manager in the Group during the past five years

(2) Person affiliated with a major supplier/client
- Currently serving as a managing director, executive officer, or employee of a major supplier/client company/group that receives 2% or more of its consolidated sales from the Group or vice versa

(3) Specialized service provider (lawyer, accountant, consultant, etc.)
- Specialized service provider that received annual compensation of ¥5 million or more from the Group for the past two years

(4) Other
- A shareholder holding 10% or more of the voting rights in the Company (executive director, executive officer, or employee in the case of a corporate body)
- A director taking part in a director exchange
- A director, executive officer, auditor or equivalent position-holder of a company that competes with the Group, or a person holding 3% or more of the shares of a competing company
- Having some other significant conflict of interest with the Group

No. 1

Toshimitsu Taiko

(November 30,1962)

Re-election

・Number of shares of the Company held:
151,775 shares
(of which 93,059 shares are expected to be acquired or distributed based on the stock bonus plan)
・Board of Directors meeting attendance:
16 / 16 times (100%)
・Term of office:
six years

Career history, position and responsibilities at the Company

April 1986	Joined Minolta Camera Co., Ltd.
June 2012	Director, General Manager, Corporate Planning Division, General Manager, Business Innovation Division of Konica Minolta Business Technologies, Inc.
April 2013	Group Executive of the Company, CEO of Konica Minolta Business Solutions U.S.A., Inc.
April 2015	Executive Officer of the Company, CEO of Konica Minolta Business Solutions U.S.A., Inc.
April 2017	Executive Officer, General Manager, Professional Printing Business Headquarters of the Company
June 2018	Director and Executive Vice President and Executive Officer, Lead Officer responsible for Business Technologies Business, General Manager, Office Business Headquarters of the Company
April 2020	Director and Senior Vice President and Executive Officer, Lead Officer responsible for Business Technologies, and responsible for Corporate Planning, Investor Relations, Corporate Communications and DX Branding of the Company
April 2022	Director, President and CEO, Representative Executive Officer of the Company (position which he continues to hold)

Important position concurrently held

None

- Reasons for selecting the candidate for Director
  Mr. Toshimitsu Taiko took charge of the Business Technologies Business, the mainstay business of the Company, with the positions of CEO of the US sales subsidiaries, General Manager of each business headquarters, and the Lead Officer responsible for Business Technologies Business, followed by an Executive Officer responsible for Corporate Planning, Investor Relations, etc., to strive to enhance the corporate value of the Group.
  Since assuming the position of President and CEO, Representative Executive Officer in April 2022, he has united the executive team and worked towards sustainable growth. At the same time, he has established a new Mid-term Business Plan, with the core policies of “business selection and concentration,” “thorough cost reduction,” and “optimizing management assets.” He aims to convert the Group into a structure that displays high corporate value by fiscal 2025 by fulfilling the integrated efforts of all executives toward the optimal solution for the Group.
  Aiming to complete the selection and concentration of our business portfolio in fiscal 2024, Mr. Taiko is currently leading the Company as a whole to achieve the goals of our Medium-term Business Plan, boldly addressing challenging management issues to “strengthen business profitability,” “reinforce profit foundation,” and “reinforce business management system.” Moving on from the past, he has taken a significant step toward reform and results are beginning to show. Therefore, given that this will be his third year

as President and CEO, Representative Executive Officer, the Nominating Committee has nominated Mr. Taiko as a candidate for Director.
The Company expects that Mr. Taiko can contribute to effective discussions on important management decisions while fulfilling his accountability as the Director, President and CEO, Representative Executive Officer at the Board of Directors' meetings, and requests that shareholders elect him as a Director.

No. 2 **Chikatomo Kenneth Hodo**

(July 31,1960)

Re-election

Outside

Independent

・Number of shares of the Company held: **0 shares**

・Board of Directors meeting attendance: **16 / 16 times (100%)**

・Nominating Committee attendance: **7 / 7 times (100%)**

・Term of office: **six years**

Career history, position and responsibilities at the Company

September 1982	Joined Accenture Japan Ltd
September 2005	Representative Director of Accenture Japan Ltd
April 2006	Representative Director and President of Accenture Japan Ltd
September 2015	Director and Chairman of Accenture Japan Ltd
September 2017	Director and Senior Corporate Advisor of Accenture Japan Ltd
July 2018	Senior Corporate Advisor of Accenture Japan Ltd
June 2021	Retired from Senior Corporate Advisor of Accenture Japan Ltd
July 2021	Representative Director of Bayhills Co., Ltd. (position which he continues to hold)
June 2018	Director of the Company (position which he continues to hold)
June 2022	Director, Chairperson of the Board of Directors of the Company (position which he continues to hold)

Important position concurrently held

*Officer of a listed company under the Companies Act

Representative Director of Bayhills Co., Ltd.
Outside Director of Mynavi Corporation
*Outside Director of Mitsubishi Chemical Group Corporation
*Outside Director of ORIX Corporation
Outside Director of Sumitomo Mitsui Banking Corporation

- Reasons for selecting the candidate for Outside Director and expected roles

  Mr. Chikatomo Kenneth Hodo has been in management of a company providing business consulting and IT services for years at Accenture Japan Ltd. He has extensive experience and a broad range of knowledge on digital business as a corporate executive. In addition, Mr. Hodo has a high degree of independence from the Company as stated below.

  Following his election as a Director in June 2018, Mr. Hodo has performed well as a member of the Board of Directors and other committees, and was selected to become the Company's first Outside Director to serve as Chairperson of the Board of Directors in June 2022. Since then, he has clarified the Board of Directors' important monitoring items in the management policies and led their implementation. Under Mr. Hodo's direction as Chairperson of the Board of Directors, the fiscal 2023 evaluation of the effectiveness of the Board of Directors confirmed that board discussions are being reflected into business execution based on lively communication stemming from a sense of both trust and tension between supervisory and execution roles.

  Fiscal 2023 activities are listed in "Primary activities of Outside Directors and a summary of the tasks performed on the expected roles" in the business report of P.66. Mr. Hodo has been in charge of the duty, securing sufficient time.

  The Company expects that Mr. Hodo can continue contributing to the maintenance and upgrading of its corporate governance as before, and requests that shareholders elect him as an Outside Director.

- Information concerning independence

  Bayhills Co., Ltd. and the Company are not major customers of each other because these sales accounted for less than 1% of the consolidated net sales

of each company. Furthermore, the two companies are not major shareholders of each other.
Mr. Hodo meets the independence standards for Outside Directors established by the Company's Nominating Committee as well as the standards for independence of Tokyo Stock Exchange, Inc. and is an eligible candidate of Independent Director as defined in Rule 436-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc.

No. 3 **Soichiro Sakuma**
(February 15, 1956)

Re-election

Outside

Independent

Career history, position and responsibilities at the Company

April 1978	Joined Nippon Steel Corporation
April 2009	Director (under the Executive Management System) of Nippon Steel Corporation
April 2012	Managing Director (under the Executive Management System) of Nippon Steel Corporation
June 2012	Managing Director (Member of the Board) of Nippon Steel Corporation
October 2012	Managing Director, Member of the Board of Nippon Steel & Sumitomo Metal Corporation
April 2014	Representative Director and Executive Vice President (in charge of General Administration, Legal, Internal Control & Audit, Business Process Innovation, Human Resources, Environment, and Overseas Offices) of Nippon Steel & Sumitomo Metal Corporation
April 2018	Director of Nippon Steel & Sumitomo Metal Corporation
June 2018	Senior Advisor of Nippon Steel & Sumitomo Metal Corporation
April 2019	Senior Advisor of Nippon Steel Corporation
July 2020	Advisor of Nippon Steel Corporation
July 2020	Senior Advisor of NS Solutions Corporation (position which he continues to hold)
June 2020	Director of the Company (position which he continues to hold)

Important position concurrently held

*Officer of a listed company under the Companies Act

*Advisor of NS Solutions Corporation
Outside Director of JX Nippon Mining & Metals Corporation
President of Japan International Dispute Resolution Center

- Reasons for selecting the candidate for Outside Director and expected roles
  At Nippon Steel Corporation and Nippon Steel & Sumitomo Metal Corporation (currently Nippon Steel Corporation), Mr. Soichiro Sakuma was involved for many years in management in the manufacturing sector and was in charge of main head office functions, including general administration, human resources, environment and IT, mainly in legal and internal control & audit. He has extensive experience and a broad range of knowledge as a corporate executive. In addition, Mr. Sakuma has a high degree of independence from the Company as stated below.
  Following his election as a Director in June 2020, Mr. Sakuma has performed well as a member of the Board of Directors and other committees.
  Fiscal 2023 activities are listed in "Primary activities of Outside Directors and a summary of the tasks performed on the expected roles" in the business report of P.67. Mr. Sakuma has been in charge of the duty, securing sufficient time.
  Therefore, the Company expects that Mr. Sakuma can continue contributing to the maintenance and upgrading of its corporate governance as before, and requests that shareholders elect him as an Outside Director.

・Number of shares of the Company held:
13,500 shares
(of which 0 shares are expected to be acquired or distributed based on the stock bonus plan)
・Board of Directors meeting attendance:
16 / 16 times (100%)
・Audit Committee attendance:
13 / 13 times (100%)
・Compensation Committee attendance:
5 / 5 times (100%)
・Term of office:
four years

- Information concerning independence
  The Company's business relationships with Nippon Steel Corporation and NS Solutions Corporation account for less than 1% of consolidated net sales, and the two companies fall under neither the category of major business partners nor the category of major shareholders.
  Mr. Sakuma meets the independence standards for Outside Directors established by the Company's Nominating Committee as well as the standards for independence of Tokyo Stock Exchange, Inc. and is an eligible candidate of Independent Director as defined in Rule 436-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc.

No. 4 **Akira Ichikawa**
(November 12, 1954)

Re-election
Outside
Independent

Career history, position and responsibilities at the Company

April 1978	Joined Sumitomo Forestry Co., Ltd.
June 2007	Executive Officer, General Manager of Corporate Planning Division of Sumitomo Forestry Co., Ltd.
June 2008	Director, Managing Executive Officer of Sumitomo Forestry Co., Ltd.
April 2010	President and Representative Director of Sumitomo Forestry Co., Ltd.
April 2020	Chairman of the Board and Representative Director of Sumitomo Forestry Co., Ltd. (position which he continues to hold)
June 2021	Director of the Company (position which he continues to hold)

・Number of shares of the Company held:
6,200 shares
(of which 0 shares are expected to be acquired or distributed based on the stock bonus plan)
・Board of Directors meeting attendance:
16 / 16 times (100%)
・Nominating Committee attendance:
7 / 7 times (100%)
・Audit Committee attendance:
13 / 13 times (100%)
・Term of office:
three years

Important position concurrently held

*Officer of a listed company under the Companies Act

*Chairman of the Board and Representative Director of Sumitomo Forestry Co., Ltd.
*Outside Director of SUMITOMO CHEMICAL COMPANY, LIMITED
Representative Supervisory Officer and Chairman of Wooden Home Builders Association of Japan
Chairman and Representative Director of Organization for Landscape and Urban Green Infrastructure

- Reasons for selecting the candidate for Outside Director and expected roles
  Mr. Akira Ichikawa has been a senior executive at Sumitomo Forestry Co., Ltd., which operates various businesses, including those related to lumber and building materials, housing and construction, and overseas housing and real estate, where he promoted sustainability management, and raised that company's corporate value over the medium- to long-term. In addition to such extensive management experience and broad-ranging insight as a corporate executive, he has a high degree of independence with respect to the Company as described below.
  Following his election as a Director in June 2021, Mr. Ichikawa has performed well as a member of the Board of Directors and other committees. Fiscal 2023 activities are listed in "Primary activities of Outside Directors and a summary of the tasks performed on the expected roles" in the business report of P.67. Mr. Ichikawa has been in charge of the duty, securing sufficient time.
  Therefore, the Company expects that Mr. Ichikawa can continue contributing to the maintenance and upgrading of its corporate governance as before, and requests that shareholders elect him as an Outside Director.
- Information concerning independence
  Sumitomo Forestry Co., Ltd. and the Company are not major customers of each other because these sales accounted for less than 1% of the consolidated

net sales of each company. Furthermore, the two companies are not major shareholders of each other.

Mr. Ichikawa meets the independence standards for Outside Directors established by the Company's Nominating Committee as well as the standards for independence of Tokyo Stock Exchange, Inc. and is an eligible candidate of Independent Director as defined in Rule 436-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc.

- Other

  Mr. Akira Ichikawa is primarily tasked with overseeing management as the Chairman of the Board at Sumitomo Forestry Co., Ltd. He has no area of responsibility, and his involvement in decision-making on day-to-day business operations is limited.

No. 5

Masumi Minegishi

(January 24,1964)

Re-election

Outside

Independent

・Number of shares of the Company held:
0 shares

・Board of Directors meeting attendance:
16 / 16 times (100%)

・Nominating Committee attendance:
7 / 7 times (100%)

・Audit Committee attendance:
3 / 3 times (100%)

・Compensation Committee attendance:
5 / 5 times (100%)

・Term of office:
two years

Career history, position and responsibilities at the Company

April 1987	Joined Recruit Co., Ltd.
April 2003	Corporate Executive Officer of Recruit Co., Ltd.
April 2004	Managing Corporate Executive Officer of Recruit Co., Ltd.
June 2009	Managing Corporate Executive Officer, and Director of the Board of Recruit Co., Ltd.
April 2011	Senior Managing Corporate Executive Officer, and Director of the Board of Recruit Co., Ltd.
April 2012	President, CEO, and Representative Director of the Board of Recruit Co., Ltd.
October 2012	President, CEO, and Representative Director of the Board of Recruit Holdings Co., Ltd.
April 2021	Chairperson and Representative Director of the Board of Recruit Holdings Co., Ltd. (position which he continues to hold)
June 2022	Director of the Company (position which he continues to hold)

Important position concurrently held

*Officer of a listed company under the Companies Act

*Chairperson and Representative Director of the Board of Recruit Holdings Co., Ltd.

*Independent Outside Director of ANA HOLDINGS INC.

- Reasons for selecting the candidate for Outside Director and expected roles
  Mr. Masumi Minegishi has led the transformation of Recruit Holdings Co., Ltd. into a global tech company through the expansion of the human resources business into the information business and digitalization and globalization. In addition to his wealth of management experience and broad insights as a top leader of companies with DNA related to the commercialization of IT services and business development capabilities, he has a high degree of independence, as follows, for the Company.
  Following his election as a Director in June 2022, Mr. Minegishi has performed well as a member of the Board of Directors and other committees. Fiscal 2023 activities are listed in “Primary activities of Outside Directors and a summary of the tasks performed on the expected roles” in the business report of P.68. Mr. Minegishi has been in charge of the duty, securing sufficient time. Therefore, the Company expects that Mr. Minegishi can continue contributing to the maintenance and upgrading of its corporate governance as before, and requests that shareholders elect him as an Outside Director.
- Information concerning independence
  Recruit Holdings Co., Ltd. and the Company are not major customers of each other because these sales accounted for less than 1% of the consolidated net sales of each company. Furthermore, the two companies are not major shareholders of each other.
  Mr. Minegishi meets the independence standards for Outside Directors established by the Company’s Nominating Committee as well as the standards for independence of Tokyo Stock Exchange, Inc. and is an eligible candidate of Independent Director as defined in Rule 436-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc.
- Other

Mr. Masumi Minegishi is primarily tasked with overseeing management as the Chairperson at Recruit Holdings Co., Ltd. He has no area of responsibility, and his involvement in decision-making on day-to-day business operations is limited.

No. 6

Takuko Sawada

(March 11, 1955)

Re-election

Outside

Independent

・Number of shares of the Company held:
0 shares

・Board of Directors meeting attendance:
11 / 11 times (100%)

・Nominating Committee attendance:
7 / 7 times (100%)

・Audit Committee attendance:
10 / 10 times (100%)

・Compensation Committee attendance:
3 / 3 times (100%)

・Term of office:
one year

Career history, position and responsibilities at the Company

April 1977	Joined Shionogi & Co., Ltd.
April 2007	Officer, Executive General Manager, Pharmaceutical Development Division of Shionogi & Co., Ltd.
April 2010	Executive Officer, Executive General Manager, Pharmaceutical Development Division of Shionogi & Co., Ltd.
April 2011	Senior Executive Officer, Executive General Manager, Global Development Office of Shionogi & Co., Ltd.
June 2015	Director of the Board, Senior Executive Officer, Senior Vice President, Corporate Strategy Division of Shionogi & Co., Ltd.
April 2017	Director of the Board, Senior Executive Officer, Senior Vice President, Corporate Strategy Division of Shionogi & Co., Ltd.
April 2018	Director of the Board, Executive Vice President of Shionogi & Co., Ltd.
July 2022	Director and Vice Chairperson of the Board of Shionogi & Co., Ltd. (position which she continues to hold)
June 2023	Director of the Company (position which she continues to hold)

Important position concurrently held

*Officer of a listed company under the Companies Act

*Director and Vice Chairperson of the Board of Shionogi & Co., Ltd.
Outside Director of Arsaga Partners, Inc.

- Reasons for selecting the candidate for Outside Director and expected roles
  Ms. Takuko Sawada has played a central role in promoting the previous and current medium-term business plans at Shionogi & Co., Ltd., and has also focused on establishing global functions and collaborating with industry, government, and academia in Japan and overseas. In addition to her extensive global experience and insight in R&D, management strategy formulation, new business development DX promotion, and more, she has a high degree of independence, as follows, for the Company.
  Following her election as a Director in June 2023, Ms. Sawada has performed well as a member of the Board of Directors and other committees.
  Activities from June 2023 onward are listed in "Primary activities of Outside Directors and a summary of the tasks performed on the expected roles" in the business report of P.68. Ms. Sawada has been in charge of the duty, securing sufficient time.
  Therefore, the Company expects that Ms. Sawada can continue contributing to the maintenance and upgrading of its corporate governance as before, and requests that shareholders elect her as an Outside Director.
- Information concerning independence
  Shionogi & Co., Ltd. and the Company are not major customers of each other because these sales accounted for less than 1% of the consolidated net sales

of each company. Furthermore, the two companies are not major shareholders of each other.
Ms. Sawada meets the independence standards for Outside Directors established by the Company's Nominating Committee as well as the standards for independence of Tokyo Stock Exchange, Inc. and is an eligible candidate of Independent Director as defined in Rule 436-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc.

No. 7

Hiroyuki Suzuki

(March 16, 1957)

Re-election

Non-executive

・Number of shares of the Company held:
141,943 shares
(of which 61,301 shares are expected to be acquired or distributed based on the stock bonus plan)

・Board of Directors meeting attendance:
16 / 16 times (100%)

・Nominating Committee attendance:
7 / 7 times (100%)

・Audit Committee attendance:
13 / 13 times (100%)

・Compensation Committee attendance:
5 / 5 times (100%)

・Term of office:
five years

Career history, position and responsibilities at the Company

April 1979	Joined Minolta Camera Co., Ltd.
July 1997	Senior Managing Director, Minolta MBK Digital Studio, Inc.
April 2004	General Manager, China Sales Promotion Office, MFP Overseas Sales Department, Konica Minolta Business Technologies, Inc.
June 2006	General Manager in charge of Audit Committee Office of the Company
June 2009	General Manager, Corporate Audit Division of the Company
April 2012	Executive Officer, General Manager, Corporate Audit Division of the Company
June 2019	Director of the Company (position which he continues to hold)

Important position concurrently held

None

- Reasons for selecting the candidate for Director
  The Company believes that it is important for the Audit Committee to include a full-time Inside Director who has extensive business management experience and expertise involving the collection of information.
  Mr. Hiroyuki Suzuki will attend management meetings of Executive Officers as a Member of the Audit Committee. He will work to optimize the quality and quantity of information for the audit by the Committee as he will grasp and confirm validity of the determination process about operations, which are commissioned to the Executive Officers by the Board of Directors, as well as the operational status of the internal control system and will provide the Audit Committee with feedback on such information.
  After engaging in the secretariat duties to support the Audit Committee at the Audit Committee Office of the Company, Mr. Suzuki has also overseen internal audit as the General Manager of the Company’s Corporate Audit Division. Mr. Suzuki has extensive experience and considerable expertise related to internal control. Since 2019, Mr. Suzuki has engaged in supervising management as an Inside Director at the Company not concurrently serving as Executive Officer and properly fulfilled his duties at the Audit Committee and the Compensation Committee as an Inside Member.
  Therefore, the Company believes that Mr. Suzuki can continue enhancing corporate value by securing the effective operation of its corporate governance, and requests that shareholders elect for him to continue.

No.
8

Noriyasu Kuzuhara

(January 6, 1966)

Re-election

・Number of shares of the Company held:
89,515 shares
(of which 46,843 shares are expected to be acquired or distributed based on the stock bonus plan)

・Board of Directors meeting attendance:
11 / 11 times (100%)

・Term of office:
one year

Career history, position and responsibilities at the Company

April 1990	Joined Konica Corporation
April 2009	General Manager, R&D Department, Performance Materials Headquarters of KONICA MINOLTA OPTO, INC.
October 2012	Deputy General Manager, Performance Materials Headquarters of KONICA MINOLTA ADVANCED LAYERS, INC.
April 2014	General Manager, Performance Materials Business Unit, Advanced Layers Company of the Company
April 2015	Executive Officer, General Manager, Performance Materials Headquarters of the Company
April 2016	Executive Vice President and Executive Officer, General Manager, Performance Materials Headquarters, responsible for OLED Business of the Company
April 2017	Executive Vice President and Executive Officer, Division President, Material & Component Business Headquarters of the Company
April 2018	Executive Vice President and Executive Officer, Division President, Material & Component Business Headquarters, General Manager, Corporate R&D Headquarters of the Company
April 2022	Executive Vice President and Executive Officer, responsible for Corporate Planning, Lead Officer for Material & Component Business of the Company
April 2023	Executive Vice President and Executive Officer, General Manager, Corporate Planning Headquarters of the Company
June 2023	Director, Executive Vice President and Executive Officer, General Manager, Corporate Planning Headquarters of the Company
April 2024	Director, Executive Vice President and Executive Officer, Lead Officer for Industry Business of the Company (position which he continues to hold)

Important position concurrently held

None

- Reasons for selecting the candidate for Director
  The Company believes that it is important to select Executive Officers in title who are in charge of primary duties so that they can engage in active and essential discussions at meetings of the Board of Directors.
  Mr. Noriyasu Kuzuhara has realized continuous business growth as the officer responsible for technology development and business in the Company’s core performance materials business, and as Division President of the Material & Component Business Headquarters.
  As Executive Vice President and Executive Officer responsible for corporate planning, in fiscal 2023, he has led the formulation of global structural reform measures, aiming to reform the Company into an organization with high individual productivity by streamlining various operations and strengthening human resources.

In fiscal 2024, utilizing his extensive knowledge of technology, R&D, and manufacturing, as well as his experience of starting up businesses, he has been working to accelerate implementing strategies in the Industry Business, which is an area to be strengthened for the Company, and enhance the Group's corporate value as Lead Officer of the Business.

The Company believes Mr. Kuzuhara can demonstrate accountability to the Board of Directors and participate in important management decisions. Therefore, the Company requests that shareholders elect for him as a Director.

No. 9

Yoshihiro Hirai

(December 5, 1967)

Re-election

・Number of shares of the Company held:
33,227 shares
(of which 23,427 shares are expected to be acquired or distributed based on the stock bonus plan)

・Board of Directors meeting attendance:
11 / 11 times (100%)

・Term of office:
one year

Career history, position and responsibilities at the Company

April 1991	Joined the Mitsubishi Bank, Ltd.
June 2019	Resigned MUFG Bank, Ltd.
July 2019	Joined the Company, General Manager, Corporate Finance Division of the Company
April 2021	Corporate Senior Vice President, General Manager, Corporate Finance Division, responsible for managing Business Technologies Business of the Company
April 2022	Corporate Senior Vice President, General Manager, Corporate Finance Division, responsible for Corporate Accounting of the Company
April 2023	Executive Vice President and Executive Officer, responsible for Corporate Accounting, Corporate Finance and Risk Management of the Company
June 2023	Director, Executive Vice President and Executive Officer, responsible for Corporate Accounting, Corporate Finance and Risk Management of the Company
April 2024	Director, Executive Vice President and Executive Officer, responsible for Corporate Accounting, Corporate Finance, Risk Management and Compliance of the Company (position which he continues to hold)

Important position concurrently held

None

- Reasons for selecting the candidate for Director

  The Company believes that it is important to select Executive Officers in title who are in charge of primary duties so that they can engage in active and essential discussions at meetings of the Board of Directors.

  Mr. Yoshihiro Hirai has a high level of expertise and extensive experience in finance and accounting, as well as knowledge of financial strategy from a global perspective. Moreover, as Executive Vice President and Executive Officer, he has been responsible for accounting, finance, and risk management since April 2023, and for legal affairs and compliance since April of this year. Confronting business challenges from a corporate finance perspective, he is working to enhance the corporate value of the Group by promoting the Medium-term Business Plan.

  The Company believes Mr. Hirai can demonstrate accountability to the Board of Directors and participate in important management decisions. Therefore, the Company requests that shareholders elect for him as a Director.

Notes: 1. No conflicts of interest exist between the Company and the Director candidates.

2. The number of shares of the Company held for each candidate are the total of ordinary shares of the Company held as of March 31, 2024 and the number of shares that are expected to be acquired or distributed based on the stock bonus plan after their retirement.

   [Description of the number of shares expected to be acquired or distributed based on the stock bonus plan]

   The total number of shares expected to be acquired through the exercise of share acquisition rights based on the compensation-type stock option plan (abolished in fiscal 2016) and the number of shares expected to be distributed based on the stock bonus plan (long-term stock bonus; introduced in fiscal 2020).

   Share acquisition rights can be exercised after one year has passed from the day after the Director or Executive Officer's retirement date. Shares equivalent to 50% of the shares expected to be distributed after retirement will be sold on the market to secure funding for the payment of taxes. The proceeds from the sale of these shares will be paid to the Director or Executive Officer.

3. The Company has entered into liability limitation agreements with Outside Directors Mr. Chikatomo Kenneth Hodo, Mr. Soichiro Sakuma, Mr. Akira Ichikawa, Mr. Masumi Minegishi and Ms. Takuko Sawada, the content of which is summarized in "Liability limitation agreements" on page 68 thorough 69 of the Business Report. The Company will enter into similar agreements with them if they are re-elected.

4. The Company has entered into an indemnity agreement, with each of the Directors who currently holds office, as provided for in Article 430-2, Paragraph 1 of the Companies Act. The outline of the content is as stated in "Matters related to indemnity agreement" (page 57) under the Business Report.

5. The Company has entered into a directors and officers liability insurance contract, in which the Directors of the Company are the insured, with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. The outline of its content is as stated in "Matters related to directors and officers liability insurance contract" (page 58) under the Business Report. Upon their election, all of the candidates for Director will be included as insured persons under this directors and officers liability insurance contract. Furthermore, the insurance contract is scheduled to be renewed in October 2024, which is during the terms of office of the candidates for Director.

[The members of each of the committees (planned)]

If the nine (9) Directors are elected at the Meeting, the members of each of the committees under the company with three committees provided for in Article 2, Item 12 of the Companies Act will be appointed from among five (5) Outside Directors and Inside Director, Mr. Hiroyuki Suzuki.

The Company appoints the Chairperson of committees from among Outside Directors. The Representative Executive Officer and President serves as neither member of the committees. Thus, the Company continues to strive to ensure the transparency of the administration of three committees. In addition, each committee is composed of three to four Outside Directors and one Inside Director to effectively operate the committee, and consideration is given to cooperation among the committees and between the individual committees and the senior management.

Nominating Committee	Akira Ichikawa (Chairperson), Chikatomo Kenneth Hodo, Masumi Minegishi, Takuko Sawada, Hiroyuki Suzuki
Audit Committee	Soichiro Sakuma (Chairperson), Akira Ichikawa, Takuko Sawada, Hiroyuki Suzuki
Compensation Committee	Masumi Minegishi (Chairperson), Soichiro Sakuma, Akira Ichikawa, Hiroyuki Suzuki

[Frequently Asked Questions]

Q: What do you think about opinions on the importance of diversity, including gender, internationality, work experience and age which should be needed for the Board of Directors?
A: While the Company fully recognizes the importance of diversity, including gender, internationality, work experience and age in selecting candidates, in order to composing a Board of Directors of an appropriate size, the Company places the highest priority on matching requirements for the overall balance of knowledge, experience and capabilities, and appropriate supervisors for the Company's management issues.

Q: Isn't there any problem that an Inside Director becomes a Member of the Audit Committee?
A: The Company does not believe that the Audit Committee comprised of only Outside Directors can secure the quality of audits. In order to secure the auditing quality, Inside Directors become full-time members of the Audit Committee and are in charge of investigation under the Companies Act. Due to collection of information by the Inside Members, the committee not only fulfills its own auditing function, but also enhances information brought to the committee, where Outside Directors account for a majority, and secures the quality of its auditing function.

Q: Is there any impact of concurrent positions served by Directors on their duties as the Company's Directors?
A: In selecting candidates for Directors, the Company makes deliberate consideration from the standpoint of whether they are able to secure sufficient time for the duties at the Board of Directors and each committee. They make sufficient contribution to the Company's governance as we showed attendance and comments at Board of Directors meetings and each committee meetings of the Outside Directors in fiscal 2022 on pages 66 through 68 of the business report and attendance at Board of Directors meetings and each committee meetings of 6 candidates for re-election on the page of each candidate in this proposal.

[Provided Documents]

BUSINESS REPORT

From April 1, 2023 to March 31, 2024

1. Overview of Konica Minolta Group business activities

(1) Developments and results of business activities

Looking back on the economic situation during the fiscal year ended March 31, 2024 (“the current fiscal year”), the growth of the global economic activities has been in a slowing trend, particularly in Europe; this is mainly due to increased uncertainty caused by events such as the situation in Ukraine, the global rising costs of living and monetary tightening policies in various countries. In the United States, despite a tightening financial environment, solid consumer spending supported by strong employment and income conditions has kept the economy on a steady growth path. In China, the ongoing economic growth has slowed down due to effects of a real estate downturn and subdued consumer spending. In Japan, consumer spending faced stagnation due to rising prices, but the economy has been experiencing a gradual recovery, partly attributed to the rise in inbound demand. Meanwhile, India, as one of the emerging economies, sustains a favorable economic outlook driven by both domestic and foreign investments and domestic demand.

Under such a business environment, the Group recorded consolidated revenue of ¥1,159.9 billion for the current fiscal year partially contributed by the continuing depreciation of the yen, an increase of 2.6% year-on-year, the highest ever since the management integration of Konica and Minolta in 2003. By regions, Europe, North America, and Asia (excluding China) recorded increases in revenue of approximately 5%, 3%, and 8% of the year-before levels, respectively, meanwhile, Japan and China encountered decreases of approximately 2% and 1%, respectively, in revenue compared to the previous fiscal year. All businesses, including the Digital Workplace Business, the Professional Print Business, the Healthcare Business, and the Industry Business experienced increases in revenue.

Revenue and gross profit increased year-on-year, thanks to the effect of foreign exchange rate, despite the rebound to a temporary increase in sales in the previous fiscal year due to the elimination of backlog orders caused by semiconductor shortages. In addition, by striving to suppress selling, general and administrative expenses, expenses substantially decreased without consideration of the effect of foreign exchange rate; though the business contribution profit decreased by ¥3.7 billion to ¥26.0 billion (down by 12.5% compared to the previous fiscal year). Operating profit, on the other hand, rose significantly to ¥26.0 billion compared to the previous fiscal year which had recorded a substantial impairment loss (and which also had recorded an operating loss of ¥95.1 billion).

During the current fiscal year, an impairment loss totaling ¥2.1 billion was recognized in the industrial print unit of the Professional Print Business, primarily attributed to MGI Digital Technology, a French printing equipment manufacturer. Additionally, an impairment loss of ¥1.7 billion was recorded in the visual solutions unit of the Industry Business, stemming from factors such as a decline in the number of visitors of the directly managed planetariums. Also, an impairment loss of ¥0.2 billion was recorded at MOBOTIX AG in Germany in the imaging-IoT solutions unit of the Industry Business.

Meanwhile, the Company recorded ¥3.6 billion as gain on reversal of impairment losses regarding assets held for sale due to evaluation of the fair value of assets held for sale, from the transfer of equity capital of Invicro, LLC and gain on reversal of impairment losses of ¥3.4 billion relating Ambry Genetics Corporation in the precision medicine unit.

Due to effects such as rising interest rates and foreign exchange rate fluctuation, the financial costs exceeded the financial income by minus ¥12.2 billion and a profit before tax was recorded at ¥13.5 billion (compared to a loss before tax of ¥101.8 billion in the previous fiscal year). The increased effective tax rate due to the failure to recognize deferred tax assets on the losses of overseas subsidiaries resulted in a profit attributable to the owners of the Company of ¥4.5 billion for the current fiscal year. Comparing to the previous fiscal year (a loss attributable to the owners of the Company of ¥103.1 billion), the profit attributable to the owners of the Company for the current fiscal year significantly increased, and the Group moved into the black ever since the fiscal year ended March 31, 2019.

In consideration of the strategic alignment of our business operations, alongside the need for continued growth investment in the future, during the current fiscal year, the precision medicine unit, positioned as a non-focused business in the Medium-term Business Plan, entered into an agreement in March 2024 to transfer all equity capital of Invicro, LLC to Calyx Services Inc., a drug discovery support services provider; and the transfer was completed in April 2024. The Group also plans to actively pursue third-party capital utilization for the remaining precision medicine unit (genetic testing services). Additionally, in the optical components unit, the Group entered into an agreement in October 2023 to transfer 80% of its equity capital in two Chinese manufacturing subsidiaries to Luxvisions Innovation Technology Limited, with the closing process currently being underway.

Moreover, the reporting segment has been reclassified from the current fiscal year. For year-on-year comparisons, the figures for the previous fiscal year have been rearranged based on the revised reporting segment classification.

Business conditions in each segment during the current fiscal year are as follows.

(Hundred millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2023	Increase (Decrease)	
Digital Workplace Business				
Revenue	6,149	6,002	146	2.4%
Business contribution profit	327	306	20	6.6%
Operating profit	329	214	114	53.5%
Professional Print Business				
Revenue	2,633	2,526	107	4.3%
Business contribution profit	138	150	(12)	(8.3)%
Operating profit	116	135	(19)	(14.3)%
Healthcare Business				
Revenue	1,389	1,378	11	0.8%
Business contribution profit	(65)	(70)	4	—
Operating profit	(12)	(1,115)	1,102	—
Industry Business				
Revenue	1,395	1,370	25	1.8%
Business contribution profit	123	217	(93)	(43.0)%
Operating profit	93	134	(41)	(30.5)%
Subtotal				
Revenue	11,568	11,277	290	2.6%
Business contribution profit	522	604	(81)	(13.4)%
Operating profit	527	(629)	1,157	—
Others and adjustments				
Revenue	31	26	5	19.4%
Business contribution profit	(262)	(306)	44	—
Operating profit	(266)	(321)	55	—
Total				
Revenue	11,599	11,303	296	2.6%
Business contribution profit	260	297	(37)	(12.5)%
Operating profit	260	(951)	1,212	—

Notes:

1. For year-on-year comparisons, the figures for the fiscal year ended March 31, 2023 have been rearranged based on the revised reporting segment classification.
2. Business conditions have been prepared on the basis of International Financial Reporting Standards (“IFRS”).
3. “Revenue” refers to revenue from external customers.

Regarding the dividend at the end of the current fiscal year, we will pay ¥5 per share as initially planned. The full-year dividend will be ¥5 per share as we suspended the payment of a dividend to shareholders as of record date, September 30, 2023.

i. Digital Workplace Business

Business Details

<Office unit> Development, manufacture, and sale of multifunctional peripherals and related supplies; and provision of related services and solutions

<DW-DX unit> Provision of IT services and solutions

Business report for the current fiscal year

In the office unit, the sales volume of A3 multi-functional peripherals (MFPs) decreased, with color models, monochrome models, and all models turned out to be at 87%, 80%, and 84% year-on-year, respectively. The decrease was mainly due to the worsening business conditions in China and a rebound to a temporary increase in sales in the previous fiscal year due to the elimination of backlog orders caused by semiconductor shortages in major regions such as Europe and the United States. The non-hardware revenue, such as consumables and services, saw an overall increase, led by the easing of the decline in color printing volume, the growth in the MFP connected applications and services, as well as the impact of foreign exchange rates, despite the impact of a rebound caused by the elimination of backlog orders in the previous fiscal year. As a result of these factors, the overall revenue in the office unit improved year-on-year. In addition, gross profit and business contribution profit have increased as a result of strengthening direct sales business, cost reductions mainly by reduction of fixed costs through optimization of personnel and expenses for hardware production and reduction of material costs, and lower logistics costs due to the freight normalization and decrease in the Group’s use of air transport.

In the DW-DX unit, which focuses on offering IT services, the sales of the operation process management services in Europe as well as the sales of the in-house developed services utilizing cloud-based products and AI in Japan grew, resulting in a year-on-year increase in revenue. In addition, restraining selling, general and administrative expenses reduced business contribution loss.

Based on the above, the Digital Workplace Business segment saw an increase in revenue and profit and recorded a revenue of ¥614.9 billion (an increase of 2.4% year-on-year), a business contribution profit of ¥32.7 billion (an increase of 6.6% year-on-year), and an operating profit of ¥32.9 billion (an increase of 53.5% year-on-year, given the impairment loss and others recorded in the previous fiscal year).

ii. Professional Print Business

Business Details

<Production print unit> Development, manufacture, and sale of digital printing systems and related supplies for the commercial printing market

<Industrial print unit> Development, manufacture, and sale of digital printing systems and related supplies for the industrial printing market

<Marketing services unit> Provision of various printing services and solutions

Business report for the current fiscal year

In the production print unit, the impact of restrained investment caused by the economic slowdown in Europe and China and a rebound to a temporary increase in sales due to the elimination of backlog orders in the previous fiscal year, along with the office unit, resulted in a decrease in sales volume of digital printing presses. The sales volumes of digital printing presses for color models, monochrome models, and all models in the current fiscal year were at 96%, 84%, and 92% year-on-year, respectively. On the other hand, overall sales of digital printing presses were upward due to the growth in the sales volumes of the Heavy Production Print (HPP) with the fastest print speeds, which the Group focuses on, by 131% year-on-year as well as the impact of foreign exchange rates. The revenue of non-hardware, such as consumables and services, saw an increase due to the increased printing demands in some regions, such as China and India, and the impact of foreign exchange rates. As a result of these factors, the production print unit posted a year-on-year increase in revenue.

In the industrial print unit, the sales volume of inkjet press (AccurioJET KM-1e), label press, and embellishment* press increased. The non-hardware revenue went up by the expanded number of presses in operation in the market and the increased proportion of digital printing among customers. As a result, the industrial print unit saw an increase in revenue year-on-year.

In the marketing services unit, gross profit increased year-on-year although revenue decreased year-on-year due to the deconsolidation of domestic sales subsidiary Konica Minolta Marketing Service Pty Limited.

Based on the above, the Professional Print Business segment recorded a revenue of ¥263.3 billion (an increase of 4.3% year-on-year) and a business contribution profit of ¥13.8 billion (a decrease of 8.3% year-on-year) due to an increase in selling, general and administrative expenses affected by soaring labor costs. An impairment loss of MGI Digital Technology, a France based manufacturer of printing equipment during the three months ended March 31, 2024 (the fourth quarter) and other factors led to an operating profit of ¥11.6 billion (a decrease of 14.3% year-on-year), resulting in an increase in revenue and a decrease in profit in the segment as a whole.

(Company-business related glossary)

* Embellishment

This refers to a type of printing that adds values to printed materials, such as creating a 3D effect by partially varying the thickness of varnish or creating a sense of luxury by using gold or silver foil stamping.

iii. Healthcare Business

Business Details

<Healthcare unit> Development, manufacture, and sale of diagnostic imaging systems for medical use; provision of related services; and provision of digitalization, networking, diagnostic services, and solutions in medical practices
<Precision medicine unit> Genetic testing; and provision of drug discovery support services

Business report for the current fiscal year

In the healthcare unit, the sales of digital radiography (DR)[*1], used for X-ray diagnosis, declined significantly from the previous fiscal year because of a slowdown in the growth of the hospital market due to a rebound to an increase in orders received in the previous fiscal year as a result of the government's supplementary budget in Japan and restraints in capital investments against the backdrop of soaring interest rates and labor costs in the United States. In addition, sales of purchased products for the hospital market decreased in Japan as well. On the other hand, the sales of the Dynamic Digital Radiography system, which the Company is focusing on, have steadily expanded primarily in the hospital market in the United States. As a result of the above, revenue from the healthcare unit as a whole declined significantly year-on-year. In addition to the decreased gross profit due to the decline in the sales of DR, the impact of the deterioration in the utilization rate led by the decrease in production volume resulted in a significant decrease in the business contribution profit of the healthcare unit from the previous fiscal year.

In the precision medicine unit, genetic testing services saw an uplift in the number of genetic tests year-on-year, mainly in ribonucleic acid (RNA) testing[*2], an assessment of germline mutations, supported by the market recovery in the United States. Ambry Genetics Corporation, which provides genetic testing services in the United States, continued to stay profitable on a quarterly basis, thanks to an increase in gross profit as a result of an increase in revenue, an improved collection rate of accounts receivable, and higher laboratory utilization. The revenue from the Company's drug discovery support services saw an increase year-on-year for both clinical studies and preclinical studies, because of the improvement in the implementation status of clinical trials in the United States. As mentioned above, the transfer of all equity capital of Invicro, LLC, which provides drug discovery support services in the United States, to Calyx Services Inc. was completed in April 2024. Due to the evaluation of the fair value of assets held for sale, from the transfer of equity capital of Invicro, LLC, gain on reversal of impairment losses regarding assets held for sale of ¥3.6 billion was recorded. Furthermore, gain on reversal of impairment losses of ¥3.4 billion was recorded due to the steady growth of Ambry Genetics Corporation's business.

As a result, the Healthcare Business segment recorded a revenue of ¥138. 9 billion, an increase of 0.8% year-on-year. Though the precision medicine unit narrowed its loss, the decrease in gross profit resulting from decline in revenue in the healthcare unit led to a business contribution loss of ¥6.5 billion (business contribution loss of ¥7.0 billion for the previous fiscal year) and an operating loss of ¥1.2 billion (operating loss of ¥111.5 billion for the previous fiscal year due to the impact of an impairment loss of ¥103.5 billion on goodwill and others), resulting in an increase in revenue and a reduction in losses.

(Company-business related glossary)

*1 DR (Digital Radiography)
A technique that detects the intensity distribution of the X-rays that pass through the body when an X-ray is taken, and then converts the data to a digital signal, which is processed by computer. Also refers to systems that perform this function.

*2 RNA testing
In genetic diagnosis, this test captures changes in messenger RNA (mRNA) structure, the primary transcript of DNA (deoxyribonucleic acid). For DNA variants that have been classified as unknown clinical significance by conventional DNA testing, analysis of mRNA transcripts can provide more accurate test results.

iv. Industry Business

Business Details
<Sensing unit> Development, manufacture, and sale of measuring instruments and others; and provision of related solutions and services
<Optical components unit> Development, manufacture, and sale of lenses for industrial and professional use and others
<Inkjet (IJ) components unit> Development, manufacture, and sale of industrial inkjet printheads and others
<Performance materials unit> Development, manufacture, and sale of functional films for displays and others

and others

Business report for the current fiscal year

In the sensing unit, the revenue from object color measurement instruments and testing equipment for automotive visual inspections increased steadily. On the other hand, the demand for light source color measurement instruments continued to decline, due to the impact of restrained capital investments in displays mainly by major customers. As such, the whole sensing unit marked a decline in revenue year-on-year.

In the performance materials unit, the sales volume of phase difference films for TV Vertical Alignment (VA) panels, which are one of the Company's main products, remained steady, partly due to an increase in the demand for panels by set manufacturers on an area basis. In particular, the unit expanded sales of "SANUQI" films for large TVs due to increased demand. Stock in supply chains of thin films for IT devices and smartphones is reducing, and the demand showed a recovery trend. Especially, sales of thin films for smartphones remained resulting in an increase in revenue from the previous fiscal year. In addition to starting sales of new high-performance films for smartphones, the Company approached ICT brand owners across the Industry Business and received orders for and started mass production of functional films for next generation displays other than those for polarizing plates.

In the inkjet (IJ) components unit, sales of printheads for printers for sign graphics were strong and sales increased especially due to the boom of the world's largest sign graphics exhibition held in Shanghai, China. In growth areas, the sales increased year-on-year due to an increase in the number of cases adopted for new markets.

In the optical components unit, sales of products for semiconductor manufacturing equipment as industrial application remained steady; however, sales of lenses for projectors were sluggish due to market conditions in China and Europe; as a result, the revenue decreased year-on-year.

The revenue in the imaging-IoT solutions unit improved year-on-year as sales of the monitoring camera solution progressed steadily in Europe and the United States, and sales of the Automated License Plate Recognition solution of VAXTOR Technologies, S.L. (headquartered in Spain), which the Company acquired in the previous fiscal year, continued to remain strong.

The visual solutions unit saw an increase in revenue year-on-year as the number of visitors at the directly managed planetariums was lower than planned, but it was at the same level as the previous fiscal year, and sales were strong, mainly in RSA Cosmos S.A. (headquartered in France), a global leading manufacturer of digital planetariums, which the Company acquired in 2019.

As a result, the Industry Business segment saw an increase in revenue and a decrease in profit: a revenue of ¥139.5 billion (an increase of 1.8% year-on-year), a business contribution profit of ¥12.3 billion (a decrease of 43.0% year-on-year) due to a decrease in gross profit resulting from a decrease in revenue in the sensing unit. The operating profit was ¥9.3 billion (a decrease of 30.5% year-on-year) due to an impairment loss in the imaging-IoT solutions unit and the visual solutions unit and an increase in one-time expenses related to the transfer of equity capital in manufacturing subsidiaries in China in the optical components unit

(2) Financing, etc.

a. Financing

In the current fiscal year, the Company issued a total of ¥40.0 billion of unsecured bonds in March, 2024, in order to redeem bonds and repay borrowings.

The Company did not procure new funds by issuing new shares.

b. Capital expenditure

The capital expenditure of the Group during the current fiscal year totaled ¥44.4 billion, with the emphasis on expenditure for the development and manufacture of new products mainly in the Digital Workplace Business and the Professional Print Business.

(3) Business results

		117th Term Fiscal Year Ended March 31, 2021	118th Term Fiscal Year Ended March 31, 2022	119th Term Fiscal Year Ended March 31, 2023	120th Term Fiscal Year Ended March 31, 2024 (current fiscal year)
Revenue	(Hundred millions of yen)	8,633	9,114	11,303	11,599
Operating profit (loss)	(Hundred millions of yen)	(162)	(222)	(951)	260
Profit (loss) for the year attributable to owners of the Company	(Hundred millions of yen)	(152)	(261)	(1,031)	45
Basic earnings (loss) per share (Note 2)	(yen)	(30.75)	(52.93)	(208.89)	9.15
Equity attributable to owners of the Company	(Hundred millions of yen)	5,398	5,498	4,874	5,398
Total assets	(Hundred millions of yen)	12,997	13,381	14,137	13,880
Equity per share attributable to owners of the Company (Note 2)	(yen)	1,093.98	1,113.71	986.87	1,091.68
Dividend per share [of which, interim dividend per share]	(yen)	25 [10]	30 [15]	10 [10]	5 [0]
ROE (Note 3)	(%)	(2.9)	(4.8)	(19.9)	0.9

Notes: 1. Business results have been prepared on the basis of International Financial Reporting Standards (“IFRS”).
2. Treasury shares, on which basic earnings per share and equity per share attributable to owners of the Company are based, include the Company’s shares held by trust accounts related to the BIP (Board Incentive Plan) trust for compensation for Directors.
3. The following methods are used to calculate the return on equity.
Profit attributable to owners of the Company divided by equity attributable to owners of the Company (average of equities at beginning and end of fiscal year)

(4) Issues to be addressed

The Company has set a corporate vision, Imaging to the People, and aimed to become a company that is supported and needed by global society by realizing the hopes and desires to "see" of customers.

In a three-year Medium-term Business Plan started from the fiscal year ended March 31, 2024, the Company has comprehensively evaluated the measures that it has implemented and recognized that it is essential to inherit those that contribute to the enhancement of corporate value and make prompt decisions on areas that need to be changed. Aiming to return to a highly profitable company, the Company has worked to get out of the red and strengthen its earnings foundation and cash generation capabilities. As a result, in the current fiscal year, even profit attributable to owners of the Company moved into the black, and the operating cash flow recorded an inflow of ¥83.3 billion, which also shows the improvement in cash generation capabilities. In addition, figures on the balance sheet were improved because of reductions in working capital and other assets through shrink of inventory and other measures, and decrease in interest-bearing debt. The Company has worked on business selection and concentration based on whether these will lead to its future, including the time axis, rather than being bound by history. During the current fiscal year, the Company took a major step towards rebuilding its earnings foundation by transferring all equity capital of Invicro, LLC, which is responsible for drug discovery support services, in the precision medicine unit, previously classified as a non-focused business, and by concluding strategic alliance agreement to transfer 80% of its equity capital in two Chinese manufacturing subsidiaries for the purpose of shifting to high-value-added areas in industrial applications in the optical components unit.

The Company will pursue further growth by focusing on allocating management resources to the Industry Business, Professional Print Business, and healthcare unit in the Healthcare Business, which have been positioned as strengthening businesses for the purpose of improving profit margins. In the Industry Business in particular, the target areas were defined as display, mobility, semiconductor manufacturing, and others. The Company will strengthen its "Core Technologies," such as materials, optics, microfabrication, and imaging, which are its strength, by utilizing AI and integrating technologies across businesses, to further enhance existing businesses with high market shares and promote new business development through "co-creation with customers."

The office unit, which is positioned as a maintaining profit business, focuses on making a profit and cash contribution. Currently, although the print volume has declined before the spread of COVID-19, gross profit levels have been maintained partially due to the results of the Company's unique One Rate (Our unique billing model that charges a fixed amount, rather than the traditional multifunction device billing method that charges a variable amount monthly) and other initiatives. In addition, during the current fiscal year, the Company generated more business contribution profit than originally planned through a thorough reduction of production costs. At this point, print volumes remain within the assumptions of the Medium-term Business Plan, and the Company does not see any new factors that would accelerate the decline; however, since the market is expected to shrink in the long term, the Company has determined that it is necessary to improve investment efficiency and will actively execute alliances with other companies in the office and production print units. We are also aware of geopolitical risks and will work to address these issues.

In non-focused and direction-changing businesses, the Company will accelerate actions and aim to complete the business selection and concentration in the fiscal year ending March 31, 2025.

In order to achieve sustainable growth of its business, the Company will also transform itself into an organization with high productivity by pursuing company-wide improvements in productivity and operational efficiency. To this end, the Company will identify obstacles to productivity and efficiency, improve productivity and efficiency by reviewing business processes and introducing tools such as generative AI, and strengthen the system that enables the appropriate employees in the right places to focus on solving on-site issues. Although business contribution profit will continue to increase as the business grows, the reliable execution of the business selection and concentration and the global structural reforms involve pain; the Company expects to record one-time expenses in the fiscal year ending March 31, 2025. Through these efforts, the Company will establish a business structure that is resilient to changes in the business environment and a management foundation capable of sustainable profit growth in the fiscal year ending March 31, 2026, the final year of the current Medium-term Business Plan, and achieve the management target of ROE of 5% or more.

For the time being, the Company's priority is to strengthen our financial foundation, but we intend to return to a dividend level acceptable to shareholders and strengthen shareholder returns in conjunction with profit growth, taking into consideration our business performance and cash flow.

The Company will continue to place sustainability at the center of its management. The sustainability the Company aims for is "to create value through its business activities that solve issues faced by customers and society, thereby contributing to the realization of a sustainable society and the growth of the Company." This is made possible by the Company's intangible assets including its diverse human capital, the integration of imaging technologies, and its relationship with customers.

Among the five material issues that the Company has set forth in anticipation of the challenges that society will face in 2030, especially in "using limited resources effectively" and "addressing climate change," the Company believes that it can leverage its core technologies in sensing, materials/forming, AI, etc. that it has developed and possessed in its existing businesses. The Company will also invest in realizing businesses that are rooted in the environment and decarbonization.

By embodying value creation through its businesses and transforming the Company into a company that grows sustainably with society, the Company will provide long-term returns to its various stakeholders.

Business selection and concentration — business positioning

<table>
<tr><th></th><th>Industry Business</th><th>Healthcare Business</th><th>Professional Print Business</th><th>Digital Workplace Business</th></tr>
<tr><td rowspan="4">Strengthening business
Drive our growth through business expansion</td><td>Sensing</td><td rowspan="4">Healthcare (medical imaging)</td><td rowspan="2">Production print</td><td rowspan="4"></td></tr>
<tr><td>Performance materials</td></tr>
<tr><td>IJ (inkjet) components</td><td rowspan="2">Industrial print</td></tr>
<tr><td>Optical components (for industrial use)</td></tr>
<tr><td>Maintaining profit business
Stable generation of cash</td><td></td><td></td><td></td><td>Office</td></tr>
<tr><td>Non-focused business
Use of third party capital, etc.</td><td>Optical components (for non-industrial use)</td><td>Precision medicine</td><td>Marketing services</td><td></td></tr>
<tr><td>Direction-changing business
Redesignation of strategic direction for growth</td><td>Imaging-IoT solutions</td><td></td><td></td><td>DW-DX</td></tr>
</table>

(5) Network of the Group (as of the fiscal year end)

a. Main business offices, plants, etc.

The Group is comprised of the Company, 170 consolidated subsidiaries, and two affiliated companies accounted for by the equity method. The Group has product and technology development, manufacturing, and sales bases worldwide.

Main business offices in Japan

The Company

(1) Head Office (Chiyoda-ku, Tokyo)
(2) Kansai Branch (Osaka City, Osaka)

Other domestic offices

a) Minato-ku(Tokyo), Hino City (Tokyo), Hachioji City (Tokyo), b) Chuo City (Yamanashi Prefecture),
c) Toyokawa City (Aichi Prefecture), d) Sakai City (Osaka), Osakasayama City (Osaka),
e) Kobe City (Hyogo Prefecture)

Subsidiaries

(1) Konica Minolta Japan, Inc. (Minato-ku, Tokyo)
(2) Konica Minolta Supplies Manufacturing Co., Ltd. (Kofu City, Yamanashi Prefecture)
(3) Konica Minolta Mechatronics Co., Ltd. (Toyokawa City, Aichi Prefecture)

Main business offices overseas

Subsidiaries

U.S.A.

(1) Konica Minolta Business Solutions U.S.A., Inc.
Konica Minolta Healthcare Americas, Inc.
(2) Ambry Genetics Corporation

Europe

(3) Konica Minolta Business Solutions Europe GmbH (Germany)
Konica Minolta Business Solutions Deutschland GmbH (Germany)
Instrument Systems GmbH (Germany)
(4) Konica Minolta Business Solutions France S.A.S. (France)
(5) Konica Minolta Business Solutions (UK) Limited (U.K.)
Konica Minolta Marketing Services EMEA Limited (U.K.)
(6) Konica Minolta Sensing Europe B.V. (Netherlands)

Asia, etc.

(7) Konica Minolta Business Solutions (CHINA) Co., Ltd. (China)
(8) Konica Minolta Business Technologies Manufacturing (HK) Ltd. (Hong Kong)
(9) Konica Minolta Business Technologies (WUXI) Co., Ltd. (China)
(10) Konica Minolta Business Technologies (DONGGUAN) Co., Ltd. (China)
(11) Konica Minolta Business Solutions Asia Pte. Ltd. (Singapore)
(12) Konica Minolta Business Technologies (Malaysia) Sdn. Bhd. (Malaysia)
(13) Konica Minolta Business Solutions India Private Ltd. (India）
(14) Konica Minolta Business Solutions Australia Pty. Ltd. (Australia)

(Reference)

External revenue by Region (the fiscal year under review)

External revenue of the fiscal year by geographical area is as follows.

Region	Revenue (Hundred millions of yen)	Sales proportion of each region
Japan	1,754	15.1%
U.S.A.	3,435	29.6%
Europe	3,463	29.9%
China	1,070	9.2%
Asia	1,071	9.2%
Other	804	6.9%
Total	11,599	100%

Note: Revenue classifications are based on customers' countries. When there are no key countries for customers in any of the regions above, they are classified into the respective region40,015s.

b. Employees of the Group

Number of employees	Compared with end of previous fiscal year
40,015	Increase of 240

Note: The number of employees indicates the number of employees currently on duty.

(6) Significant subsidiaries (as of the fiscal year end)

Company name	Capital	Ratio of voting rights held by the Company	Description of principal businesses
Konica Minolta Japan, Inc.	Millions of yen 397	100%	Sale of multi-functional peripherals, digital printing systems, healthcare equipment, industrial measuring equipment and related supplies in Japan, and providing related service solutions and IT service solutions
Konica Minolta Supplies Manufacturing Co., Ltd.	Millions of yen 200	100%	Manufacturing and sale of supplies for multi-functional peripherals and digital printing systems
Konica Minolta Mechatronics Co., Ltd.	Millions of yen 90	100%	Manufacturing and sale of supplies for multi-functional peripherals and optical devices (Pickup-lens and lens-unit etc.)
Konica Minolta Business Solutions U.S.A., Inc.	Thousand US dollar 40,000	*100%	Sale of multi-functional peripherals, digital printing systems and related supplies in the U.S., and providing related service solutions and IT service solutions
Konica Minolta Business Solutions Europe GmbH	Thousand euro 88,121	100%	Sale of multi-functional peripherals, digital printing systems, medical imaging systems and related supplies in Europe and others, and providing related service solutions and IT service solutions
Konica Minolta Business Solutions Deutschland GmbH	Thousand euro 10,055	*100%	Sale of multi-functional peripherals, digital printing systems and related supplies in Germany, and providing related service solutions and IT service solutions
Konica Minolta Business Solutions France S.A.S.	Thousand euro 46,290	*100%	Sale of multi-functional peripherals, digital printing systems and related supplies in France, and providing related service solutions and IT service solutions
Konica Minolta Business Solutions (UK) Limited	Thousand British pound 21,000	100%	Sale of multi-functional peripherals, digital printing systems and related supplies in the U.K., and providing related service solutions and IT service solutions
Konica Minolta Marketing Services EMEA Limited	Thousand British pound 440	*100%	Print management service providers in Europe, supporting sales promotion activities and providing consulting services

Note: The ratio of voting rights marked with * include those held by subsidiaries.

Company name	Capital	Ratio of voting rights held by the Company	Description of principal businesses
Konica Minolta Business Solutions (CHINA) Co., Ltd.	Thousand RMB 96,958	100%	Sale of multi-functional peripherals, digital printing systems and related supplies in China, and providing related service solutions and IT service solutions
Konica Minolta Business Technologies Manufacturing (HK) Limited	Thousand HK dollar 195,800	100%	Manufacturing and sale of multi-functional peripherals and related supplies
Konica Minolta Business Technologies (WUXI) Co., Ltd.	Thousand RMB 289,678	*100%	Manufacturing and sale of multi-functional peripherals, digital printing systems and related supplies
Konica Minolta Business Technologies (DONGGUAN) Co., Ltd.	Thousand RMB 141,201	*100%	Manufacturing and sale of multi-functional peripherals, digital printing systems and related supplies
Konica Minolta Business Solutions Asia Pte. Ltd.	Thousand US dollar 56,064	100%	Sale of multi-functional peripherals, digital printing systems and related supplies in Southeast Asia, and providing related service solutions and IT service solutions
Konica Minolta Business Technologies (Malaysia) Sdn. Bhd.	Thousand Malaysian ringgit 135,000	*100%	Manufacturing and sale of multi-functional peripherals, digital printing systems and related supplies
Konica Minolta Business Solutions India Private Ltd	Thousand Indian rupees 1,686,000	*100%	Sale of multi-functional peripherals, digital printing systems and related supplies in India, and providing related service solutions and IT service solutions
Konica Minolta Business Solutions Australia Pty Ltd	Thousand Australian dollar 58,950	100%	Sale of multi-functional peripherals, digital printing systems and related supplies in Australia, and providing related service solutions and IT service solutions
Konica Minolta Healthcare Americas, Inc.	Thousand US dollar 5,300	*100%	Sale of medical imaging systems and other products in the United States and other countries
Konica Minolta Sensing Europe B.V.	Thousand euro 41,960	100%	Sale of industrial measuring instruments and other products in Europe
Instrument Systems GmbH	Thousand euro 600	100%	Manufacturing of LED light sources, light measurement systems and other products, and sale of these products in Europe and Asia
Ambry Genetics Corporation	US dollar 102	*98.6%	Providing genetic testing service centering on cancer area

Notes: 1. The ratio of voting rights marked with * includes those held by subsidiaries.
Notes: 2. On April 3, 2023, Konica Minolta Mechatronics Co., Ltd. carried out an incorporation-type company split that was succeeded to by Konica Minolta IJ Products Co., Ltd. and Konica Minolta Advanced Optics Co., Ltd. Konica Minolta IJ Products Co., Ltd. succeeded to businesses related to plastic lens processing and ultraprecision metal processing. Konica Minolta Advanced Optics Co., Ltd. succeeded to businesses related to glass lens processing, optical system assembly, and precision mold processing.
Notes: 3. On January 10, 2024, because all of the shares held by INCJ, Ltd. of the Company's consolidated subsidiary REALM IDx, Inc.("Realm"), was acquired by the Company, ratio of voting rights held by the Company of Ambry Genetics Corporation which is the subsidiary of the Realm increased.

(5) Principal lenders and the amount of loans of the Group (as of the fiscal year end)

(Hundred millions of yen)

Lender	Outstanding amount of loan
MUFG Bank, Ltd.	1,129
Sumitomo Mitsui Banking Corporation	584
Resona Bank, Limited.	439
The Norinchukin Bank	204
Nippon Life Insurance Company	187

(6) Policy on exercise of authority if Articles of Incorporation allow distribution of dividends from retained earnings by the resolution of the Board of Directors (Article 459, Paragraph 1 of the Companies Act)

The policy regarding the payment of dividends from retained earnings, etc. calls for the basic approach of making a comprehensive evaluation of consolidated performance, investments in growth fields and cash flows while striving to enhance shareholder returns based on the payment of dividends. With regard to acquisition of the treasury shares, the Company will make an appropriate decision as one of the measures to return profit to shareholders, taking into consideration the Company’s financial condition, stock price trends and other factors.

(7) Other significant matters of the Group

Not applicable.

2. State of shares (as of the fiscal year end)

(1) Total number of shares authorized to be issued ······· 1,200,000,000 shares

(2) Total number of shares issued ····························· 502,664,337 shares
(of which, treasury shares 6,185,006 shares)

(3) Number of shareholders ···································· 130,821

(4) Major shareholders (the top ten shareholders)

Name of shareholder	Number of shares held (thousand shares)	Ratio of shares held (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	87,357	17.59
Custody Bank of Japan, Ltd. (Trust account)	39,586	7.97
SMBC Trust Bank Ltd. (Sumitomo Mitsui Banking Corporation Pension Trust Account)	11,875	2.39
Nippon Life Insurance Company	10,809	2.18
NORTHERN GLOBAL SERVICES SE, LIXEMBURG RE LUDU RE: UCITS CLIENTS 15.315 PCT NON TREATY ACCOUNT	10,280	2.07
MUFG Bank, Ltd.	9,519	1.92
BNYM AS AGT/CLTS 10 PERCENT	8.741	1.76
The Nomura Trust and Banking Co., Ltd. (Holder in Retirement Benefit Trust for MUFG Bank, Ltd.)	8,569	1.73
Konica Minolta Employee Shareholding Association	6,750	1.36
GOLDMAN SACHS INTERNATIONAL	6,396	1.29

Note: While the Company has 5,956,544 shares of treasury share in its possession, it is excluded from the shareholders in the above list. Ratio of shares held is calculated by deducting treasury shares. Treasury shares do not include the Company's shares held by trust accounts related to the BIP (Board Incentive Plan) trust for compensation for Directors (2,223,585 shares).

(5) Status of the shares distributed to Directors and Executive Officers of the Company as compensation for the execution of duties during the fiscal year under review

Name of shareholder	Number of shares distributed (shares)	Number of persons to whom shares are distributed
Directors (excluding Outside Directors) and Executive Officers	189,929	9
Outside Directors	0	0

(6) Other significant matters regarding shares

With regard to the "Matters regarding the determination policy for amount of Director or Executive Officer compensation or for method of calculating them," the Company has adopted a system called the BIP (Board Incentive Plan) trust for compensation for Directors in distributing shares to Directors as a "medium-term stock bonus (non-performance-based)" as well as "long-term stock bonus" and to Executive Officers as a "medium-term stock bonus (performance-based) as well as "long-term stock bonus." As of March 31, 2024, the trust accounts related to the BIP trust for compensation for Directors held 2,223,585 shares of the Company.

3. Share acquisition rights, etc. of the Company

Summary of share acquisition rights, etc., issued to/held by Directors and Executive Officers of the Company as compensation for the execution of duties (as of the fiscal year end)

Starting in fiscal 2005, the Company began issuing share acquisition rights to Directors (excludes Outside Directors) and Executive Officers in the form of a compensation-type stock option plan, in accordance with its compensation determination policy.

Upon the exercise of share acquisition rights, treasury shares owned by the Company will be transferred.

<table>
<tr><th colspan="2"></th><th>First Series
Fiscal Year Ended March 31, 2006</th><th>Second Series
Fiscal Year Ended March 31, 2007</th><th>Third Series
Fiscal Year Ended March 31, 2008</th></tr>
<tr><td colspan="2">Number of share acquisition rights</td><td>389</td><td>211</td><td>226</td></tr>
<tr><td colspan="2">Type and number of shares under share acquisition rights</td><td>Ordinary shares 194,500 shares</td><td>Ordinary shares 105,500 shares</td><td>Ordinary shares 113,000 shares</td></tr>
<tr><td colspan="2">Amount to be paid upon exercise of the share acquisition rights</td><td>One (1) yen per share</td><td>One (1) yen per share</td><td>One (1) yen per share</td></tr>
<tr><td colspan="2">Exercise period of share acquisition rights</td><td>August 23, 2005 - June 30, 2025</td><td>September 2, 2006 - June 30, 2026</td><td>August 23, 2007 - June 30, 2027</td></tr>
<tr><td colspan="2">Primary condition for exercise of share acquisition rights</td><td colspan="3">The Optionee shall exercise share acquisition rights during the period from one (1) year after the date of retirement from the post of Director, Executive Officer and Corporate Vice President of the Company up until five (5) years from that starting date.</td></tr>
<tr><td colspan="2">Primary events and conditions for acquisition of share acquisition rights</td><td colspan="3">The Company may acquire share acquisition rights without any compensation if the General Meeting of Shareholders approves merger agreement in which the Company becomes the dissolving company, etc.</td></tr>
<tr><td rowspan="3">Holdings of Directors and Executive Officers</td><td>Number of holders</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Number of rights</td><td>-</td><td>-</td><td>-</td></tr>
<tr><td>Number of shares</td><td>-</td><td>-</td><td>-</td></tr>
</table>

		Fourth Series Fiscal Year Ended March 31, 2009	Fifth Series Fiscal Year Ended March 31, 2010	Sixth Series Fiscal Year Ended March 31, 2011
Number of share acquisition rights		256	399	376
Type and number of shares under share acquisition rights		Ordinary shares 128,000 shares	Ordinary shares 199,500 shares	Ordinary shares 188,000 shares
Amount to be paid upon exercise of the share acquisition rights		One (1) yen per share	One (1) yen per share	One (1) yen per share
Exercise period of share acquisition rights		August 19, 2008 - June 30, 2028	August 20, 2009 - June 30, 2029	August 28, 2010 - June 30, 2030
Primary condition for exercise of share acquisition rights		The Optionee shall exercise share acquisition rights during the period from one (1) year after the date of retirement from the post of Director, Executive Officer and Corporate Vice President of the Company up until five (5) years from that starting date.		
Primary events and conditions for acquisition of share acquisition rights		The Company may acquire share acquisition rights without any compensation if the General Meeting of Shareholders approves merger agreement in which the Company becomes the dissolving company, etc.		
Holdings of Directors and Executive Officers	Number of holders	-	-	-
	Number of rights	-	-	-
	Number of shares	-	-	-

<table>
<tr><th colspan="2"></th><th>Seventh Series
Fiscal Year Ended
March 31, 2012</th><th>Eighth Series
Fiscal Year Ended
March 31, 2013</th></tr>
<tr><td colspan="2">Number of share acquisition rights</td><td>479</td><td>571</td></tr>
<tr><td colspan="2">Type and number of shares under share acquisition rights</td><td>Ordinary shares
239,500 shares</td><td>Ordinary shares
285,500 shares</td></tr>
<tr><td colspan="2">Amount to be paid upon exercise of the share acquisition rights</td><td>One (1) yen per share</td><td>One (1) yen per share</td></tr>
<tr><td colspan="2">Exercise period of share acquisition rights</td><td>August 24, 2011 -
June 30, 2031</td><td>August 23, 2012 -
June 30, 2032</td></tr>
<tr><td colspan="2">Primary condition for exercise of share acquisition rights</td><td colspan="2">The Optionee shall exercise share acquisition rights during the period from one (1) year after the date of retirement from the post of Director, Executive Officer and Corporate Vice President of the Company up until five (5) years from that starting date.</td></tr>
<tr><td colspan="2">Primary events and conditions for acquisition of share acquisition rights</td><td colspan="2">The Company may acquire share acquisition rights without any compensation if the General Meeting of Shareholders approves merger agreement in which the Company becomes the dissolving company, etc.</td></tr>
<tr><td rowspan="3">Holdings of Directors and Executive Officers</td><td>Number of holders</td><td>-</td><td>1</td></tr>
<tr><td>Number of rights</td><td>-</td><td>20</td></tr>
<tr><td>Number of shares</td><td>-</td><td>10,000 shares</td></tr>
</table>

<table>
<tr><td colspan="2"></td><td>Ninth Series
Fiscal Year Ended
March 31, 2014</td><td>Tenth Series
Fiscal Year Ended
March 31, 2015</td></tr>
<tr><td colspan="2">Number of share acquisition rights</td><td>515</td><td>1,596</td></tr>
<tr><td colspan="2">Type and number of shares under share acquisition rights</td><td>Ordinary shares
257,500 shares</td><td>Ordinary shares
159,600 shares</td></tr>
<tr><td colspan="2">Amount to be paid upon exercise of the share acquisition rights</td><td>One (1) yen per share</td><td>One (1) yen per share</td></tr>
<tr><td colspan="2">Exercise period of share acquisition rights</td><td>August 23, 2013 -
June 30, 2043</td><td>September 12, 2014 -
June 30, 2044</td></tr>
<tr><td colspan="2">Primary condition for exercise of share acquisition rights</td><td colspan="2">The Optionee shall exercise share acquisition rights during the period from one (1) year after the date of retirement from the post of Director, Executive Officer and Corporate Vice President of the Company up until ten (10) years from that starting date.</td></tr>
<tr><td colspan="2">Primary events and conditions for acquisition of share acquisition rights</td><td colspan="2">The Company may acquire share acquisition rights without any compensation if the General Meeting of Shareholders approves merger agreement in which the Company becomes the dissolving company, etc.</td></tr>
<tr><td rowspan="3">Holdings of Directors and Executive Officers</td><td>Number of holders</td><td>2</td><td>2</td></tr>
<tr><td>Number of rights</td><td>31</td><td>129</td></tr>
<tr><td>Number of shares</td><td>15,500 shares</td><td>12,900 shares</td></tr>
</table>

	11th Series Fiscal Year Ended March 31, 2016		12th Series Fiscal Year Ended March 31, 2017
Number of share acquisition rights		1,101	1,714
Type and number of shares under share acquisition rights		Ordinary shares 110,100 shares	Ordinary shares 171,400 shares
Amount to be paid upon exercise of the share acquisition rights		One (1) yen per share	One (1) yen per share
Exercise period of share acquisition rights		August 19, 2015 - June 30, 2045	September 1, 2016 - June 30, 2046
Primary condition for exercise of share acquisition rights		The Optionee shall exercise share acquisition rights during the period from one (1) year after the date of retirement from the post of Director, Executive Officer and Corporate Vice President of the Company up until ten (10) years from that starting date.	
Primary events and conditions for acquisition of share acquisition rights		The Company may acquire share acquisition rights without any compensation if the General Meeting of Shareholders approves merger agreement in which the Company becomes the dissolving company, etc.	
Holdings of Directors and Executive Officers	Number of holders	3	5
	Number of rights	126	340
	Number of shares	12,600 shares	34,000 shares

Notes: 1 The number of shares issued upon the exercise of each share acquisition right was 500 from the first to the ninth series and is 100 from the tenth series.
2. The stock compensation-type stock option plan was abolished with the twelfth issue.

(2) Summary of share acquisition rights, etc., issued to/held by Directors and Executive Officers of the Company during the term of office as Group Executive ("the Group Executives") as compensation for the execution of duties (as of the fiscal year end)

In fiscal 2016, the Company began issuing share acquisition rights to the Group Executives in the form of a compensation-type stock option plan, based on a decision by the President, CEO and Representative Executive Officer.

Upon the exercise of share acquisition rights, treasury shares held by the Company will be transferred.

	12th Series Fiscal Year Ended March 31, 2017
Number of share acquisition rights	200 (100 shares per right)
Type and number of shares under share acquisition rights	Ordinary shares 20,000 shares
Amount to be paid upon exercise of the share acquisition rights	One (1) yen per share
Exercise period of share acquisition rights	September 1, 2016 - June 30, 2046

Primary condition for exercise of share acquisition rights		The Optionee shall exercise share acquisition rights during the period from one (1) year after the date of retirement from the post of Director, Executive Officer and Corporate Vice President of the Company up until ten (10) years from that starting date.
Primary events and conditions for acquisition of share acquisition rights		The Company may acquire share acquisition rights without any compensation if the General Meeting of Shareholders approves merger agreement in which the Company becomes the dissolving company, etc.
Holdings of the Group Executives	Number of holders	1
	Number of rights	40 (100 shares per right)
	Number of shares	4,000 shares

Note: The stock compensation-type stock option plan was abolished with the twelfth issue.

4. Status of the Company's management members

(1) Names, etc. of Directors and Executive Officers
a. Directors (as of the fiscal year end)

Position	Name	Responsibilities	Important positions concurrently held
Director	Toshimitsu Taiko	(President & CEO, Representative Executive Officer)	
Outside Director	Chikatomo Kenneth Hodo	Chairperson of the Board Member of Nominating Committee	Representative Director of Bayhills Co., Ltd. Outside Director of Mynavi Corporation Outside Director of Mitsubishi Chemical Group Corporation. Outside Director of ORIX Corporation
Outside Director	Soichiro Sakuma	Member of Audit Committee (Chairperson) Member of Compensation Committee	Senior Advisor of Nippon Steel Corporation Outside Director of JX Nippon Mining & Metals Corporation President of Japan International Dispute Resolution Center
Outside Director	Akira Ichikawa	Member of Nominating Committee (Chairperson) Member of Audit Committee	Chairman of the Board and Representative Director of Sumitomo Forestry Co., Ltd Chairman of Wooden Home Builders Association of Japan
Outside Director	Masumi Minegishi	Member of Compensation Committee (Chairperson) Member of Nominating Committee	Chairperson and Representative Director of the Board of Recruit Holdings Co., Ltd. Independent Outside Director of ANA HOLDINGS INC.
Outside Director	Takuko Sawada	Member of Nominating Committee Member of Audit Committee Member of Compensation Committee	Director and Vice Chairperson of the Board of Shionogi & Co., Ltd. Outside Director of Arsaga Partners, Inc.
Director	Hiroyuki Suzuki	Member of Nominating Committee Member of Audit Committee Member of Compensation Committee	
Director	Noriyasu Kuzuhara	(Executive Vice President & Executive Officer)	
Director	Yoshihiro Hirai	(Executive Vice President & Executive Officer)	

Notes: 1. The five Directors Mr. Chikatomo Kenneth Hodo, Mr. Soichiro Sakuma, Mr. Akira Ichikawa, Mr. Masumi Minegishi and Ms. Takuko Sawada are Outside Directors, as provided for in Article 2, Item 15 of the Companies Act and Independent Directors, as provided for under Rule 436-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc.

2. At the 119th Ordinary General Meeting of Shareholders held on June 20, 2023, the terms of office of all 9 Directors expired. The following 6 Directors were reelected: Mr. Toshimitsu Taiko, Mr. Chikatomo Kenneth Hodo, Mr. Soichiro Sakuma, Mr. Akira Ichikawa, Mr. Masumi Minegishi, and Mr. Hiroyuki Suzuki and three Director: Ms. Takuko Sawada, Mr. Noriyasu Kuzuhara and Mr. Yoshihiro Hirai was newly elected and assumed office the same day.

3. Upon the close of the 119th Ordinary General Meeting of Shareholders held on June 17, 2022, the terms of office of Ms. Sakie Tachibana Fukushima, Mr. Shoei Yamana and Mr. Seiji Hatano expired and they retired from the office of Director.

4. Mr. Hiroyuki Suzuki is full-time member of the Audit Committee. In this role, he constantly collects information, receives periodic reports from business units, visits business sites to perform inspections, and conducts other activities. Sharing information acquired from these activities with all members of the Audit Committee allows this committee to perform effective examinations of various subjects and issues.

b. Executive Officers (as of the fiscal year end)

Position	Name	Responsibilities and important positions concurrently held
* President & CEO, Representative Executive Officer	Toshimitsu Taiko	
Senior Executive Vice President & Executive Officer	Kiyotaka Fujii	Responsible for Precision Medicine Business and Chairman of REALM IDx, Inc.
* Senior Executive Vice President and Executive Officer	Seiji Hatano	Assistant to the CEO Lead officer for Accounting, Finance and Risk Management
Executive Vice President & Executive Officer	Noriyasu Kuzuhara	Responsible for Corporate Planning Lead Officer for Material & Component Business
Executive Vice President & Executive Officer	Toshiya Eguchi	Responsible for Technologies, Imaging-IoT Solution Business and Visual Solutions Business
Executive Vice President & Executive Officer	Shinichiro Oka	Responsible for Human Resources and Diversity Enhancement
Executive Vice President & Executive Officer	Hitoshi Kamezawa	Responsible for Industrial Business Development, Sensing Business, Optical Component Business, IJ Component Business and Performance Materials Business
Executive Vice President & Executive Officer	Yoshihiro Hirai	Responsible for Corporate Accounting, Corporate Finance and Risk Management

Notes: 1. Executive officers marked with * hold concurrent Director positions.
2. The above Executive Officers were, after the close of the 119th Ordinary General Meeting of Shareholders held on June 20, 2023, elected at the meeting of the board of Directors held on the same day.
3. Mr. Kiyotaka Fujii and Mr. Seiji Hatano resigned Senior Executive Vice President & Executive Officer as of March 31, 2024.
4. Mr. Keisuke Ichijo, Mr. Hiroyuki Uemura, Mr. Ken Osuga, Ms. Miwa Okamura, Mr. Norihisa Takayama, Ms.Akiko Murayama and Mr. Yusuke Yoshimura took office of Senior Vice President & Executive Officer as of April 1, 2024. Executive Officers and their responsibilities changed as of April 1, 2024 as follows.

Executive Officer as of April 1, 2023

Position	Name	Responsibilities and important positions concurrently held
President & CEO, Representative Executive Officer	Toshimitsu Taiko	Corporate Planning
Executive Vice President & Executive Officer	Noriyasu Kuzuhara	Industrial Business
Executive Vice President & Executive Officer	Toshiya Eguchi	Technology
Executive Vice President & Executive Officer	Shinichiro Oka	Corporate Human Resources, Corporate General Affairs, Corporate Secretarial, Precision Medicine and Crisis Management
Executive Vice President & Executive Officer	Hitoshi Kamezawa	Industrial Business Development, Sensing and Optical Components
Executive Vice President & Executive Officer	Yoshihiro Hirai	Responsible for Corporate Accounting, Corporate Finance and Risk Management
Senior Vice President & Executive Officer	Keisuke Ichijo,	Representative Director and President,Konica Minolta Japan, Inc.
Senior Vice President & Executive Officer	Hiroyuki Uemur	Corporate Quality Management
Senior Vice President & Executive Officer	Ken Osuga,	Business Development for Business Technologies
Senior Vice President & Executive Officer	Miwa Okamura,	Corporate Communications and IR
Senior Vice President & Executive Officer	Norihisa Takayama	Business Technologies Business
Senior Vice President & Executive Officer	Akiko Murayama	Board of Directors Office and Corporate Audit
Senior Vice President & Executive Officer	Yusuke Yoshimura	Imaging Solution Business

Notes: Ms. Akiko Murayama's name on her family register is Akiko Okada.

(2) Matters related to an indemnity agreement

The Company has entered into an indemnity agreement as provided for in Article 430-2, Paragraph 1 of the Companies Act with 9 Directors Mr. Toshimitsu Taiko, Mr. Chikatomo Kenneth Hodo, Mr. Soichiro Sakuma, Mr. Akira Ichikawa, Mr. Masumi Minegishi, Ms. Takuko Sawada, Mr. Hiroyuki Suzuki, Mr. Noriyasu Kuzuhara, and Mr. Yoshihiro Hirai and 8 Executive Officers Mr. Toshimitsu Taiko, Mr. Kiyotaka Fujii, Mr. Seiji Hatano, Mr. Noriyasu Kuzuhara, Mr. Toshiya Eguchi, Mr. Shinichiro Oka, Mr. Hitoshi Kamezawa and Mr. Yoshihiro Hirai. Under this agreement, the Company provides indemnity for expenses under Item 1 of the same paragraph and losses under Item 2 of the same paragraph within the scope stipulated by law. In order to ensure that such indemnity agreement does not impair the appropriateness of the execution of duties, the Company does not provide any indemnity such as in case when each Director and Executive Officer performs his/her duties despite being aware of violation of laws or regulations.

(3) Matters related to a directors and officers liability insurance contract

The Company has entered into a directors and officers liability insurance contract, in which the Directors, Executive Officers, Corporate Vice Presidents, Technology Fellows of the Company and officers of all subsidiaries except North America, etc. (hereinafter, “the Directors and Officers, etc.”) are the insured, with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. The policy covers the insured for any litigation expenses, etc. or damages due to receiving claims for damages arising from action carried out in accordance with their position as the Directors and Officers, etc. and the Company bears the full amount of insurance premiums. In order to ensure that such insurance contract does not impair the appropriateness of the execution of duties, the policy does not cover the Directors and Officers, etc. for any expenses, etc. such as in case when the Director and Officer, etc. perform his/her duties despite being aware of violation of laws or regulations. The insurance period of this policy is one year.

(4) Total compensation to Directors and Executive Officers

		Compensation (Millions of yen)						
		Total	Base salary		Performance-based cash bonus		Stock bonus	
			Persons	Amount	Persons	Amount	Persons	Amount
Directors	Outside	88	6	88	-	-	-	-
	Inside	40	1	31	-	-	1	8
	Total	128	7	120	-	-	1	8
Executive Officers		406	9	250	9	102	9	54

Notes: 1. The number above includes one (1) Outside Director and one (1) Executive Officers who resigned at the date of the 119th Ordinary General Meeting of Shareholders held on June 20, 2023. At the end of the period (March 31, 2024), the Company has five (5) Outside Directors, one (1) Inside Director (not concurrently holding Executive Officer posts) and eight (8) Executive Officers.

2. In addition to the one (1) Inside Directors shown above, the Company has another five (5) Inside Directors who concurrently hold Executive Officer posts, and the compensation to these Directors is included in compensation to Executive Officers.

3. Regarding the performance-based cash bonus, the amounts which were recorded as expense in the period are stated.

4. Regarding the stock bonus, the amounts which were recorded as expense in the period are stated, based on a calculation of estimated amount of stock bonus of the Company in the future according to estimated points to be allotted to Directors (excluding Outside Directors) and Executive Officers as part of their compensation.
The amount includes medium-term stock bonus (performance-based) to be distributed according to the target attainment rate in the period of the medium-term business plan.

5. In addition to the above remuneration, the conventional retirement remuneration, which was abolished in June 2005, was paid during the fiscal year under review based on the resolution of the Compensation Committee made in 2005.
・Director (1) 14 million of yen (retired on June 20, 2023)

(5) Matters related to performance-based compensation

a. Details of the performance indicators selected as the basis for calculating the amount or number of performance-based compensation and the reasons for selecting these indicators.

1) Annual performance-based cash bonus

<Detail of performance indicators>

Item	Portion according to performance level	Portion according to attainment of performance targets			Portion according to personal appraisal
Assessment index and others	20%	40%			40%
	Operating profit	Net profit 25%	Total asset turnover rate 25%	KMCC-ROIC 30%	Reflects progress of each Executive Officer’s key measures
	Linked with Group consolidated performance result level	Linked with Annual performance target achievement rate			

Notes: 1. The ratios of components are listed as theoretical design values.
2. KMCC-ROIC is the ROIC for calculating the performance-based cash bonus for the fiscal year, and the invested capital is the assets that can be individually controlled and improved by each business division.

<Reason for selection of these performance indicators>

The indicator for the portion according to performance level is the amount of Group consolidated operating profit. It was judged that operating profit is one of the most appropriate indicators for determining the responsibility for performance that should be taken on by Executive Officers with the aim of realizing sustainable growth and enhanced corporate value by achieving higher levels of operating profit.

Net profit, Total asset turnover rate, and KMCC-ROIC are the indicators used to calculate the portion according to attainment of performance targets. These indicators attach strong significance to the Company’s sustainable growth and the enhancement of medium- to long-term corporate value. Net profit amounts are determined for improving ROE by achieving a drastic recovery in profitability, and to secure funds for dividends, total asset turnover rate for reducing the total asset turnover rate by reducing total assets and reducing interest-bearing debt while ensuring optimal cash allocation, and KMCC-ROIC for improving the efficiency of invested capital.

For the portion according to personal appraisal, factors such as progress of each Executive Officer’s strategic key operational measures and target value are used as indicators. Matters are evaluated from a different perspective from the portion according to performance level and the portion according to attainment of performance targets. In particular, we implement timely and appropriate measures that are strategically necessary to improve our company's corporate value over the medium to long term, even if they are not reflected in financial indicators or involve a temporary deterioration of financial indicators. We are keeping this in mind.

2) Medium-term stock bonus (performance-based)

<Detail of performance indicators>

Item	Medium-term stock bonus (performance-based)		
Assessment index	Financial indicators	Non-financial indicators	
	ROE	CO_2 emissions reduction rate*	Employee engagement score
	80%	10%	10%
	Linked with attainment rate of medium-term business plan targets		

<Reasons for the selection of these indicators>

ROE are set as financial indicators, CO_2 emissions reduction rate and Employee engagement score are set as nonfinancial indicators (all on a Group consolidated basis) with the aim of sustainable growth and enhancement of medium- to long-term corporate value.

ROE is to strengthen management efficiency as a responsibility to shareholders, CO_2 emissions reduction rate* is to link environmental value to business growth while solving social issues such as responding to climate change, and employee engagement score is to improve management efficiency as a responsibility to shareholders. This selection was made in order to maximize performance through training, acquiring human resources, and strengthening organizational capabilities.

*In response to climate change, the index was initially set as "CO2 emission reduction rate," but in April 2024 it was revised to "CO2 emission reduction amount through measures," taking into account the impact of production and sales volume. This was resolved at the compensation committee meeting held on the 23rd.

b. Method of calculating the amount or number of performance-based compensation.

1) Annual performance-based cash bonus

The amount paid for the portion according to performance level is calculated by multiplying a value determined according to the amount of Group consolidated operating profit in the fiscal year by a number of points set for each position. Said value is decided in accordance with a table formulated in advance.

The amount paid for the portion according to attainment of performance targets is calculated by multiplying the payment rate calculated from the annual performance target attainment rate (calculated based on the weighting of each indicator) by a set amount according to position. The respective business's consolidated performance is factored into the payment for Executive Officers, and the Group's consolidated performance is factored into the payment for those responsible for the corporate department.

The payment rate varies from 0% to 200% depending on target attainment level.

The amount paid for the portion according to personal appraisal is calculated by multiplying Standard amount by position by an appraisal value to attainment of strategic priority measures (value in the range of 0% to 200% as standard of 100% for each Executive Officer stipulated in a proposal drafted by the President & CEO.

In order to ensure objectivity and fairness in this evaluation, the Compensation Committee receives an explanation of the strategic priority measures and targets for each executive officer from the Representative Executive Officer and President at the beginning of the fiscal year, and the annual management plan is determined by the Board of Directors. We will confirm consistency with the outline and medium-term management plan.

The payment amounts in the three items listed above are discussed and settled by the Compensation Committee.

2) Medium-term stock bonus (performance-based)

The number of stock to be distributed is determined by multiplying the payment rate calculated from the target attainment rate in the last year of the period of the medium-term business plan, reflected with the weighting of the indicator, by the number of points set for the position accumulated over the same period, with one point equaling one share that will be transferred as compensation.

The payment rate varies from 0% to 200% depending on target attainment rate.

Points set for the position is calculated by dividing the amount of resources allocated for the position by a reference stock price.

The reference stock price is the average stock price for the first three months of the medium-term management plan period.

The number of shares transferred listed above are discussed and settled by the Compensation Committee.

c. Performance pertaining to the performance indicators in above paragraph a., used to calculate the amount or number of performance-based compensation.

1) Annual performance-based cash bonus

	Net profit	Total asset turnover rate ratio	KMCC-ROIC
Attainment rate	32%	100%	139%

* The attainment rate used for calculating "the performance-based cash bonus (the amounts to be recorded as expense in the period)" in "(2) Total compensation to Directors and Executive Officers" is stated. However, the final remuneration amount was calculated based on the achievement rate based on the confirmed performance results and will be paid.

2) Medium-term stock bonus (performance-based)

	Financial indicators	Non-financial indicators	
	ROE	CO_2 emissions reduction rate*	Employee engagement score
Attainment rate	-	-	-

* *The "achievement rate" will be determined after the medium-term management plan period ends.

*a 2) <Reason for selecting the performance indicator> As stated in the * part, it has been revised to "CO_2 emission reduction amount through measures."

(6) Matters related to non-monetary compensation

The Company distributes stock bonus as non-monetary compensation.

Name	Type of shares	Method of calculating number of stock to distribute	Accessory conditions
Medium-term stock bonus (performance-based)	Ordinary shares of the Company	As described in (5) b 2) above.	The shares to be distributed shall be held in principle for one (1) year after the date of retirement
Medium-term stock bonus (non-performance-based)		The number of shares to be distributed is calculated at one share equals one point basis, based on the cumulative total of number of points set for the position accumulated over the period of the medium-term business plan. Other matters are as described in (5) b 2) above.	
Long-term stock bonus		The number of shares to be distributed is calculated as one share equals one point basis, by multiplying the points set for the position by the period they are in office. Other matters are as described in (5) b 2) above.	

(7) Matters regarding the determination policy for amount of Director or Executive Officer compensation or for method of calculating them

a. Method of determining the policy

These policies are resolved by the Compensation Committee.

The Company, which has adopted the company with three committees system, has established a Compensation Committee. Outside Directors account for the majority of members of the committee and the committee is chaired by an Outside Director to ensure transparency and to determine compensation in a fair and appropriate manner.

The Company's Directors' compensation system is intended to strengthen the motivation of Directors and Executive Officers to strive for the continuous medium- to long-term improvement of the Group performance in line with management policies to meet shareholder expectations, and to contribute to the enhancement of the value of the Group as a whole. The Company aims for a level of compensation that enables it to attract and retain talented people to take responsibility for the Company's development.

In keeping with these aims, the Compensation Committee has established a policy for determining the individual compensation entitlement of Directors and Executive Officers as follows, and determines the amount of individual compensation entitlement of Directors and Executive Officers in line with this policy.

b. Approach to changing policy in fiscal 2023

In line with the start of the Medium-term Business Plan this fiscal year, at Compensation Committee meetings held on March 27 and May 16, 2023, the committee resolved to partially change its policy for determining compensation.

Specifically, to link management policies and the governance of compensation, the Committee changed the assessment index and composition of “annual performance-based cash bonuses” and “medium-term stock bonuses (performance-based).”

c. Summary of detail of the policy

1) Compensation system
   a) Compensation packages for Directors (inside, not concurrently holding Executive Officer posts) exclude a short-term performance-based cash bonus because Directors have a supervisory role, and consist of a “base salary” component in the form of a “base salary” and “stock bonus.” “Stock bonus” shall consist of “medium-term stock bonus (non-performance-based)” and “long-term stock bonus.”
   Outside Directors receive base salary only which includes remuneration based on their roles.
   b) Compensation packages for Executive Officers consist of “base salary,” “annual performance-based cash bonus” which reflects business performance, and “stock bonus.” “Stock bonus” shall consist of “medium-term stock bonus (performance based)” and “long-term stock bonus.”
2) The total amount of individual compensation entitlement and “base salary” are set at an appropriate level with each position and its value taken into account, based upon objective data, evaluation data and other data collected at regular intervals, etc.
3) The amount of the “annual performance-based cash bonus” is determined based on the level of performance for the fiscal year (consolidated operating profit), the degree of attainment of annual performance targets, and the progress of each Executive Officer’s strategic and key operational measures. The amount based on the degree of attainment of annual performance targets is determined in the 0% to 200% range of the standard amount of compensation. The targets are major consolidated performance indicators (profit, total asset turnover ratio, KMCC-ROIC*) associated with results of operations.
   *KM-ROIC is ROIC for calculating “Annual performance-based cash bonus,” defining invested capital as assets that can be separately managed and improved by each business segment.
4) Details of the stock bonus plan are as follows.
   a) In the “medium-term stock bonus (non-performance-based)” plan to Directors (inside, not concurrently holding Executive Officer posts), the Company’s shares are distributed to Directors after the end of the Medium-term Business Plan, according to their roles and years they are in office. The plan is aimed to enhance their motivation toward contribution to improvement of the shareholder value in medium term and promote holdings of the Company’s own shares.
   b) In the “medium-term stock bonus (performance-based)” plan to Executive Officers, the Company’s shares are distributed to Executive Officers after the end of the Medium term Business Plan in the 0% to 200% range, according to their attainment of performance target. The plan is aimed to enhance their incentives toward attainment of the targets in the Medium-term Business Plan and promote holdings of the Company’s own shares. The medium-term management targets are major consolidated performance indicators (ROE) and non-financial indicators (CO_2 emission reduction rate*, employee engagement score) associated with the medium term management policy.
   c) In the “long-term stock bonus” plan to Directors (inside, not concurrently holding Executive Officer posts) and Executive Officers, the Company’s shares are distributed

to Directors and Executive Officers after their retirement, according to their positions or roles and years they are in office. The plan is aimed to enhance their motivation toward contribution to improvement of the shareholder value in long term.

d) The standard number of shares is set by the position of each Director or Executive Officer in the first year of the Medium Term Business Plan.

e) Certain portions of shares are distributed in cash on assumption that they are exchanged for cash.

f) Shares of the Company obtained as stock bonus shall be held in principle for one (1) year after the date of retirement from the post of each Director or Executive Officer.

5) The standard for compensation to the President and Chief Executive Officer is a 45: 30 :25 mix of "base salary," "annual performance-based cash bonus" and "stock bonus." For the other Executive Officers, the "base salary" ratio is set higher than that for the President. "Stock bonus" is approximately a 60:40 mix of "medium-term stock bonus (performance-based)" and "long-term stock bonus."
6) Compensation for non-Japan residents may be handled in different ways from the treatment said above according to legal and other circumstances.
7) When the Board of Directors resolved a correction to financial statements after the announcement due to a material accounting error or fraud, the Compensation Committee considers corrections to performance-based bonuses and limit payment or request return of the bonuses when necessary. ("Clawback clause")
8) The Company reviews levels, composition and others of compensation in a timely and proper manner in accordance with changes in the management environment.

*By resolution at the Compensation Committee meeting held on April 23, 2024, this was revised to the "reduction of CO_2 emissions through measures."

d. Reasons for the Compensation Committee's determination that the individual compensation for the Directors and Executive Officers for the fiscal year under review is in line with the policy

The Compensation Committee determines the policy as described in (7) c above and the committee has confirmed that it follows such policy when it makes resolutions over the details of compensation for each individual Director and Executive Officer for the fiscal year.

e. Compensation structure

Director

Inside (Not concurrently holding Executive Officer posts)	Base salary	Medium-term stock bonus (non-performance-based)	Long-term stock bonus
Outside	Base salary		

Executive Officer

President and Chief Executive Officer	Base salary 45%	Annual performance-based cash bonus 30%	Medium term performance-based stock bonus 15%	Long-term stock bonus 10%
Senior Executive Vice President and Executive Officer Executive Vice President and Executive Officer Executive Officer	Base salary 50%	Annual performance-based cash bonus 30%	Medium term performance-based stock bonus 12%	Long-term stock bonus 8%

(8) Matters regarding Outside Directors

a. Persons serving as Executive Officers at the important positions of other companies, etc.

Name	Name of company, etc.	Position
Chikatomo Kenneth Hodo	Bayhills Co., Ltd.	Representative Director
Soichiro Sakuma	Japan International Dispute Resolution Center	President
	Global Industrial and Social Progress Research Institute	President
Akira Ichikawa	Sumitomo Forestry Co., Ltd.	Chairman of the Board and Representative Director
	Wooden Home Builders Association of Japan	Chairman
	Organization for Landscape and Urban Green Infrastructure	Representative Director/Chairman
Masumi Minegishi	Recruit Holdings Co., Ltd.	Chairperson and Representative Director of the Board
Takuko Sawada	Shionogi & Co., Ltd.	Director and Vice Chairperson of the Board

There is no material transaction with the Company.

b. Persons serving as Outside Directors at the important positions of other companies, etc.

Name	Name of company, etc.	Position
Chikatomo Kenneth Hodo	Mynavi Corporation Mitsubishi Chemical Group Corporation ORIX Corporation Sumitomo Mitsui Banking Corporation	Outside Director Outside Director Outside Director Outside Director
Soichiro Sakuma	JX Nippon Mining & Metals Corporation	Outside Director
Akira Ichikawa	SUMITOMO CHEMICAL COMPANY, LIMITED	Outside Director
Masumi Minegishi	ANA HOLDINGS INC.	Outside Director
Takuko Sawada	Arsaga Partners, Inc.	Outside Director

There is no material transaction with the Company.

c. Family relationship with an Executive Officer, etc. of the Company or of a specified related business operator of the Company

Not applicable.

d. Primary activities of Outside Directors and summary of duties performed with respect to the role they are expected to fulfill

Outside Directors of the Company participate in Board of Directors meetings by making constructive statements on the decision-making and supervision of management, and they are also in charge of duties of the three committees: the Nominating Committee, the Audit Committee and the Compensation Committee, as stated in “(1) Names, etc. of Directors and Executive Officers.” Also, to enhance their understanding of the Company, Outside Directors attend internal presentations on the latest R&D, business development, and other themes, gather information and interact with human resources in the business sites, as well as provide advice where appropriate. Outside Directors also attend Directors’ roundtable meetings for the purpose of sharing information and discussion prior to the deliberations of the Board of Directors. By communicating the thoughts of the Board of Directors from the early stages of business execution considerations, Outside Directors are contributing to the acceleration of the business selection and concentration process aimed at achieving the targets of the Medium-term Business Plan and improving executive capabilities. After the Board of Directors meetings, Outside Directors hold meetings for only Outside Directors for the exchange of opinions and the sharing of awareness from an independent and objective perspective. This helps to create a positive cycle that deepens the discussions at the Board of Directors meetings. Through these initiatives, Outside Directors contribute to improving the effectiveness of the governance of the Company. The principal activities of Outside Directors are as follows.

The Corporate Governance Committee, which was launched following the Ordinary General Meeting of Shareholders in June 2023, is chaired by Director Soichiro Sakuma. Of the seven Committee meetings held, all committee members have attended all seven meetings.

BD: Board of Directors meeting NC: Nominating Committee
AC: Audit Committee CC: Compensation Committee

Name	Board of Directors meeting / Committee attendance rate*1	Primary activities
Chikatomo Kenneth Hodo	BD: 100% (16/16) NC: 100% (7/7)	In his second year as the first Outside Director of the Company serving as Chairperson of the Board of Directors, Mr. Hodo raised the following as the operations policy for the Board of Directors for the first year of the Medium-term Business Plan: (i) ensure the Board of Directors focuses on the key monitoring areas to fully achieve the targets of the fiscal 2023 plan, (ii) further enhance strategic discussions, (iii) further improve executive capabilities, and (iv) enhance corporate governance. In line with this policy, he set the Board of Directors meeting agendas with clear points for discussion. In facilitating the meetings, he strived to make lively discussions by treating a wide range of opinions equally in terms of diversity. In December and March, he engaged with investors based on important perspectives when exercising supervisory functions. Conscious of reflecting his experience as a corporate executive and perspective of stakeholders into business execution, Mr. Hodo provides supervision and advice on management as appropriate.

Name	Board of Directors meeting / Committee attendance rate*1	Primary activities
Soichiro Sakuma	BD: 100% (16/16) AC: 100% (13/13) CC: 100% (5/5)	At the Board of Directors, Mr. Sakuma used his experience as a corporate executive, including a corporate legal perspective, to provide supervision and advice concerning important issues such as the creation of systems to improve investment efficiency, the clarification of a responsibility framework for business execution, and the sale of businesses to accelerate business selection and concentration. In addition, at the Audit Committee, Mr. Sakuma used his experience and knowledge to make statements contributing to maintenance and enhancement of the integrity and efficiency of the Company's management. As Chairperson of the Audit Committee, Mr. Sakuma expressed opinions on risk management and crisis management, and made efforts for the management of the committee contributing to improving the effectiveness of the internal control system. He also served as Chairperson of the Corporate Governance Committee, which was newly established this fiscal year, deepening discussions on the Company's governance vision, setting up the evaluation subcommittee to improve collaboration between the Nominating Committee and Compensation Committee, establishing a process for the selection of Chairperson, and more.
Akira Ichikawa	BD: 100% (16/16) NC: 100% (7/7) AC: 100% (13/13)	At the Board of Directors, Mr. Ichikawa used mainly his experience as a corporate executive to provide supervision and advice concerning the importance of top-down communication of the Company's vision as it proceeds with business selection and concentration, as well as site-oriented management to enable the Company to work as one toward achievement of its targets. In addition, as Chairperson of the Nominating Committee, Mr. Ichikawa engaged in supervising determination of candidates for Directors and a succession plan formulated by the President & CEO, Representative Executive Officer, and made efforts for the management of the committee with objectivity and transparency. Furthermore, at the Audit Committee, Mr. Ichikawa used his experience and knowledge to make statements contributing to maintenance and enhancement of the integrity and efficiency of the Company's management.

Name	Board of Directors meeting / Committee attendance rate*1	Primary activities
Masumi Minegishi	BD: 100% (16/16) NC: 100% (7/7) AC: 100% (3/3) *2 CC: 100% (5/5)	At the Board of Directors, Mr. Minegishi sought the executives to reinforce corporate functions, clarify executive responsibility framework, clearly link KPIs monitored by the Board of Directors with targets, and more, to ensure business selection and concentration, and encouraged the relevant executive behavioral changes. Aiming to enhance corporate value over the medium to long term, Mr. Minegishi used his experience as a corporate executive to provide supervision and advice. In addition, as Chairperson of the Compensation Committee, Mr. Minegishi made efforts for the management of the committee with objectivity and transparency in discussions relating to the compensation system for Directors and in determining the amount of individual compensation.
Takuko Sawada	BD: 100% (11/11) NC: 100% (7/7) AC: 100% (10/10) CC: 100% (3/3) *3	At the Board of Directors, Ms. Sawada provided advice to support decision-making on important agenda items through suggestions that utilized her expertise. In addition, Ms. Sawada sought the executives to be concerned on the importance of ascertaining needs when commercializing technologies and the need to clarify competitive advantages. She used her technological expertise and experience as a corporate executive to provide supervision and advice concerning important growth areas during the process of transforming the Company’s business portfolio.

*1 Committee attendance rates are calculated with the number of committee meetings that should be attended by committee members as the parameter. Board of Directors meetings were held 16 times, Nominating Committee meetings seven times, Audit Committee meetings 13 times, Compensation Committee meetings five times, and Corporate Governance Committee meetings seven times.

*2 Mr. Minegishi served as a member of the Audit Committee until the Ordinary General Meeting of Shareholders in June 2023, and so his attendance rate has been calculated based on the three Audit Committee meetings he should have attended.

*3 Ms. Sawada was appointed as Director at the Ordinary General Meeting of Shareholders in June 2023, and so her attendance rate has been calculated based on the Board of Directors meetings and Audit Committee meetings held since then.

e. Liability limitation agreements

To attract skillful people as Outside Directors and to enable them to fully demonstrate their expected role, the Company stipulates in its current Articles of Incorporation that the Company may, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, enter into an agreement with Outside Directors which limits their liabilities for payment of damages with respect to the acts mentioned in Article 423, Paragraph 1 of the Companies Act to the extent permitted by laws and regulations. Based on these stipulations, the five (5) Outside Directors Mr. Chikatomo Kenneth Hodo, Mr. Soichiro Sakuma, Mr. Akira Ichikawa, Mr. Masumi Minegishi and Ms. Takuko Sawada have entered into an agreement with the Company limiting their liabilities for payment of damages, and the content of this agreement is summarized as follows.

The maximum amount of liability of an Outside Director who, with the best of intentions and without gross negligence, fails to execute his or her duties while in office and causes damage to the Company shall be limited to the aggregate sum of the amounts prescribed in Article 113 of the Companies Act Enforcement Regulations multiplied by two (Article 425, Paragraph 1, Item 1 (c) of the Companies Act).

5. Status of Accounting Auditor

(1) Name of Accounting Auditor

KPMG AZSA LLC

(2) Compensation to the Accounting Auditor

a. Compensation paid by the Company to the Accounting Auditor during the fiscal year under review

Compensation for audit certification in accordance with Article 2, Section 1 of the Certified Public Accountants Act	¥301 million
Compensation for services other than those stipulated in Article 2, Section 1 of the Certified Public Accountants Act	¥2 million
Total	¥304 million

Notes: 1. Under an audit contract between the Company and the Accounting Auditor, compensation is the total of compensation for the Accounting Auditor's audit under the Companies Act and audit compensation under the Financial Instruments and Exchange Act, as there is no clear separation between the two.

2. The Audit Committee has determined that the estimated amount of compensation was appropriate and agreed on the amount of compensation to be paid to the Accounting Auditor as well as other items related to the Accounting Auditor's duties under Article 2, Paragraph 1 of the Certified Public Accountants Act after the committee examined the fiscal year auditing plan, number of audit days, assignment of personnel and other items as explained by the Accounting Auditor and Executive Officer for accounting and finance. The committee also confirmed and assessed audits performed in the previous fiscal year, checked the status and suitability of audits by the Accounting Auditor, and examined the basis used for calculations of estimates used as the premise for determining compensation.

b. Total amount of other property benefits paid by the Company and its subsidiaries

¥372 million

(3) Policy regarding decisions to dismiss or deny reappointment to Accounting Auditor

The Audit Committee will examine dismissing or denying reappointment of the Accounting Auditor if the Accounting Auditor has committed a serious violation or infringement of the Companies Act, the Certified Public Accountants Act or other relevant laws or regulations, if the Accounting Auditor is deemed to have difficulty in properly conducting audits or if the Audit Committee determines that a more appropriate audit system needs to be developed. If, as a result of this examination, it is deemed appropriate to dismiss the Accounting Auditor or deny reappointment of the Accounting Auditor, a proposition calling for the dismissal or denial of reappointment of the Accounting Auditor will be submitted to the General Meeting of Shareholders.

The Audit Committee also examines the status of the performance of the Accounting Auditor and decides the reappointment or denial every fiscal year.

(4) Matters regarding audits of subsidiaries

Of the Company's significant subsidiaries, overseas subsidiaries are subject to audits of other accounting auditors than the Accounting Auditor above.

6. Establishment of system to ensure appropriate business operations

The Board of Directors of the Company adopted resolutions on the matters prescribed by the applicable Ordinance of the Ministry of Justice as those necessary for the execution of the duties of the Audit Committee (Article 416, Paragraph 1, Item 1 (b) of the Companies Act), and on the establishment of systems necessary to ensure that the execution of duties by Executive Officers complies with laws and regulations and the Articles of Incorporation, and other systems prescribed by the applicable Ordinance of the Ministry of Justice as systems necessary to ensure the properness of operations of a stock company and its subsidiaries (Article 416, Paragraph 1, Item 1 (e) of the Companies Act). A summary of the resolutions is as follows.

<I. Requirements for the execution of duties by the Audit Committee>

a. The Company set up the Audit Committee Office with a full-time staff to support the Audit Committee and, besides being the secretariat of the Audit Committee, the Audit Committee Office shall perform its duties in accordance with the instructions of the Audit Committee. Furthermore, this principle is to be clearly specified in Company rules and made common knowledge.

b. To ensure the independence of the above Audit Committee Office from Executive Officers and Corporate Vice Presidents and the effectiveness of instructions received from the Audit Committee, personnel matters regarding the Audit Committee Office including appointment, personnel changes and disciplinary action, shall be approved in advance by the Audit Committee.

c. The Company's Executive Officers or Corporate Vice Presidents in charge of the Group's internal control, including the Corporate Audit Division, Risk Management Committee and the Compliance Committee, shall report on the status of operation to the Audit Committee on a regular basis and without delay if an urgent situation that must be reported has arisen or if requested to make a report by the Audit Committee. The subsidiaries' internal audit division, risk management division, compliance division and auditors shall report on the status of operation to the Audit Committee without delay if requested to make a report by the Company's Audit Committee.

d. The Company will secure and manage a budget that is necessary and appropriate for paying expenses arising from the execution of work duties by the Audit Committee members.

e. The Company will provide opportunity for Audit Committee members elected by the Audit Committee to attend management consultation committee and other important meetings. The Executive Officers or Corporate Vice Presidents in charge of internal control, including the Corporate Audit Division, Risk Management Committee and the Compliance Committee shall report without delay if requested to make investigations, reports, etc. by the Audit Committee members.

<II. Systems for ensuring compliance of execution of duties by Executive Officers with laws, regulations and the Articles of Incorporation and other required systems of the Group for ensuring the properness of business operations>

f. Each Executive Officer and Corporate Vice President shall manage the minutes of management consultation committee and other important meetings, documents requesting formal approval and other information concerning the performance of their duties to ensure that documents are preserved in an appropriate manner and made available for inspection in accordance with the provisions of the Executive Officer document management rules and internal rules concerning the management of other documents.

g. The Company set up the Risk Management Committee which is in charge of managing the various risks that arise in connection with the Group's business activities, and the

Executive Officer or Corporate Vice President appointed by the Board of Directors shall be responsible for the development of risk management systems including the following, in accordance with the Risk Management Committee Regulations.

1) With respect to management of the business risks and operational risks, each Executive Officer and Corporate Vice President shall be responsible in accordance with respective assigned area. The Risk Management Committee shall provide support to each Executive Officer and Corporate Vice President. Further, the Risk Management Committee shall periodically conduct selection, assessment and review of risks material to Group management, develop measures, and confirm management status.
2) The Executive Officer or Corporate Vice President in charge of risk management appointed by the Board of Directors shall be responsible for establishing the contingency plans and countermeasures to minimize the damages by a crisis which is supposed to adversely affect the corporate value.
3) Provide support to the development and strengthening of risk management systems at each group company.

h. The Company set up a Corporate Audit Division which is in charge of the internal auditing of the Group to evaluate and improve the status of execution of business operations in all business activities from the viewpoint of legality and rationality, and which shall be responsible for establishing and operating internal auditing systems in accordance with the Internal Auditing Regulations.

i. The Company shall be responsible for establishing and operating a system of internal control over financial reporting in the Group and a system for evaluating the efficacy of their operation.

j. The Company has established its universal action guidelines for employees, "Konica Minolta Group Charter of Behavior" as a principle of action to embody the Konica Minolta Philosophy, which consists of our philosophy and management vision, and will disseminate it throughout the Group.

k. The Company set up the Compliance Committee which is in charge of establishing and operating the Group's compliance systems, and the Executive Officer or Corporate Vice President appointed by the Board of Directors shall be responsible for establishing and operating the compliance systems including the following, in accordance with the Compliance Committee Regulations.

1) Defining compliance in the Group as the observance of laws and regulations applicable to corporate activities, corporate ethics and internal regulations and policies, and making this known to every individual working for the Group.
2) Establishing and operating systems to promote compliance at each group company. Specifically, preventing fraud at each group company by establishing the function to supervise each company's president.
3) Establishing and operating a whistle blowing system that allows employees to report any compliance violations that are discovered or anticipated. Make this system clear common knowledge in Company rules to halt unfair treatment through the reporting of infractions. Specifically, preventing the concealment of fraud by taking measures like the Company's direct accepting whistle blowing notifications from each group company. Furthermore, the department in charge of the whistle blowing system will regularly inform the Audit Committee of report details and status.

l. The Company shall be responsible for establishing a system to ensure the effectiveness of each group company's internal control, promote the awareness and understanding of internal control of the president at each group company, and support the establishment and operation of an internal control system that meets each company's characteristics. The Company shall establish a dedicated organization, which shall help each group company to strengthen its internal controls. The Company shall also establish an organization, as necessary, which shall help share management issues as early as possible and support the implementation of measures as a group, to deal with these issues.

m. The Company established the Corporate Organization Basic Regulations, and shall develop the corporate governance mechanisms of the Company and the Group, including the foregoing systems. The Company shall also work to establish and operate a system for ensuring the appropriateness of business operation through the management consultation committee and other meeting bodies, authority regulations and other internal regulations, and shall endeavor to ensure the legality, rationality and efficiency of business execution by reviewing as necessary systems for management and administration across all the business activities of the Group. Furthermore, based on internal rules, etc. such as Authorization Regulations, the Company will make subsidiaries regularly report and seek preapproval on matters concerning the execution of important work duties, accounting, financial execution, human resources and other important information pertaining to such subsidiaries through management consultation committee and other meetings.

7. Framework for ensuring appropriate business operations and status

The Company has established the framework described in “Establishment of system to ensure appropriate business operations” and has the following activities in accordance with the goals of this system.

Executive Officers, Corporate Vice Presidents and employees at the Corporate Audit Division, Risk Management Committee, Compliance Committee and other units responsible for the Group’s internal controls submit reports every month in writing or at periodic meetings to the Audit Committee concerning business operations. Furthermore, explanations are given as needed concerning important subjects and issues involving internal controls.

Members of the Audit Committee, who is responsible for performing examinations, attended all meetings of the management consultation committee during the fiscal year as well as operations meetings of business units and other important meetings. Audit Committee members used these activities to confirm decision-making processes and how Executive Officers, Corporate Vice Presidents and employees are doing their jobs.

<Risk management>

The Risk Management Committee meets twice each year and at other times as needed. The committee identifies risks associated with business operations and determines measures to deal with these risks. In addition, committee members confirm that the risk management system is functioning effectively and evaluate this system. In fiscal 2023, the Risk Management Committee held two meetings. The committee regularly monitored issues and events that have impacts on the Company’s business, such as the issues with procurement of parts and materials and international logistics disruption, mostly stemming from the US-China trade frictions, the situation in Ukraine, and Israel-Palestine conflict, and the events such as financial uncertainty associated with the depressed real estate market in the United States and China. In addition, under the circumstances of frequent cyber-attacks targeting companies, the committee also regularly monitored impacts on the Company’s business from confidential information leak and checked the status of response to information security. As represented in a fact that the Financial Services Agency selected the descriptions of business risks in the Company’s Securities Report, the Company is working actively on information disclosing.

Furthermore, the Company has reporting rules for the purpose of responding to a crisis in a rapid and suitable manner. Crisis reporting rules are well known to Executive Officers, Corporate Vice Presidents, executives of subsidiaries and others. Based on these rules, the Corporate Vice President in charge of crisis management performs the management of all information involving a natural disaster, accident or other crisis that has occurred anywhere in the world. In fiscal 2023, although there were several incidents related to information security and minor accidents in factories, officers in charge of the concerned departments as well as the Corporate Vice President in charge of crisis management mainly took actions for the incidents and accidents, and the situations returned to normal with no disruption to the business operation.

<Initiatives to reduce quality risks and prevent fraud concerning quality>

The Company has established the Quality Headquarters as a company-wide organization for the maintenance of product and service quality, prevention of market outflow of defective products and services, prevention of fraud, and strengthening of governance in connection with quality such as responses to incidents. In fiscal 2023, continuing from fiscal 2022, the Company ensured thorough compliance with the “Guidelines for AI Quality” in addition to the “Guideline for evaluation of safety,” “Guideline for product security,” “Guideline for prevention of quality-related fraud” and others, and made efforts for securing the quality of products and services, strengthening security, and preventing quality-related fraud.

<Internal audits>

The Corporate Audit Division is responsible for internal audits for the entire Group. Overseen directly by the Representative Executive Officer, this division performs internal audits of the Company and its subsidiaries. The Corporate Audit Division has developed a dual reporting line, and reports to the President and Representative Executive Officer and to the Audit Committee. Audits use the risk approach for efficiency from the standpoint of the reliability of financial reports, the efficiency and effectiveness of business operations, and compliance with laws and regulations. There are also follow-up audits to confirm that actions have been taken concerning items requiring improvements that were identified during audits. Major subsidiaries also have their own internal audit departments. These departments strengthen the internal audit function of the entire Group while working with the Konica Minolta Corporate Audit Division. In fiscal 2023, the Company reviewed the mid-term audit plan formulated in fiscal 2022, updated the annual audit plan to reflect changes in the business environment as appropriate, and performed internal audits.

<Internal control over financial reporting>

To prevent fraudulent accounting activities, the Company prepares an internal controls report that is based on internal evaluations that cover the entire Group of 143 consolidated companies inside and outside Japan. This report is prepared in accordance with the Financial Instruments and Exchange Act for the purpose of ensuring the reliability of financial reports. After an audit by the Accounting Auditor, the report is submitted with the Securities Report. In fiscal 2023, the Company introduced its internal controls assessment at newly established or acquired 3 companies.

<Charter of corporate behavior>

The Company has established its universal action guidelines for employees, “Konica Minolta Group Charter of Corporate Behavior.” The Company made a total revision to this charter in fiscal 2022, whereby the charter is clearly positioned as “action guidelines” to embody the Konica Minolta Philosophy. In fiscal 2023, continuing from fiscal 2022, the Company promoted education activities to enhance awareness of these action guidelines across group companies in Japan and overseas.

<Compliance>

The Executive Officer, or Corporate Vice President, in charge of compliance (“the Compliance Executive Officer or Corporate Vice President”), who is appointed by the Board of Directors under the oversight of the Representative Executive Officer, determines important issues involving Group compliance activities and oversees compliance activities. The Group Compliance Committee, which consists of Executive Officers and Corporate Vice Presidents for a variety of business and corporate functions, serves as an advisory body to the Compliance Executive Officer or Corporate Vice President. The Committee held one meeting in fiscal 2023. There are regional compliance coordinators for Europe, North America, China and Southeast Asia, who are appointed by the Compliance Executive Officer or Corporate Vice President. This framework allows those coordinators, together with the subsidiary presidents, to perform compliance activities that match the characteristics and needs of each overseas region. In fiscal 2023, the Company obtained, with a view to continuously enhancing compliance awareness, the Compliance-first Declaration from all officers and employees of the Company as well as subsidiaries in Japan and overseas. Furthermore, to strengthen control of the Group, the group-wide compliance guidelines were formulated and distributed to each group company.

<Whistle blowing system>

The Company has a whistle blowing system for compliance and is always seeking ways to improve this system. In Japan, Executive Officers, Corporate Vice Presidents and employees of the Group can use a telephone call, e-mail, letter or other method to contact general manager of the Corporate Legal Division or an external attorney about a compliance problem or for a consultation. Reported claim is considered for necessity of investigation in fair and sincere manner and the reporter is informed of the actions to be taken. The information obtained from the whistleblowing are shared only among the persons involved in the investigation so to ensure that there will be no negative consequences for the individual who submitted the whistleblowing report. The Compliance Executive Officer or Corporate Vice President submits reports to the Audit Committee about these whistle blowings on a regular basis. The Group has established contacts for notification and consultation with the full regional coverage in North America, Europe, China and Southeast Asia. In fiscal 2023, there were 13 notifications in Japan and 29 overseas, but there was no issue falling under a serious violation of laws and regulations.

<Administration of group companies>

The Company has established an organization dedicated to supporting internal controls at its subsidiaries in Japan and overseas. The organization supports the preparation and improvement of the internal controls system at each subsidiary in cooperation with related departments. In fiscal 2023, it continued initiative for each subsidiary to diagnose the situation and improve it on its own (the fifth time). New items on self-diagnosis were incorporated, such as laws and regulations for the protection of personal information and additional control of information security. The group-wide average of scores exceeded the fiscal 2022 level while the number of subsidiaries with any item failing to meet the standards decreased, confirming that the improvement is smoothly in progress.

8. Basic policy for the way of being of those who control the Company's financial and business policy decisions

Under the corporate philosophy "The Creation of New Value," the Company aims to be a global company that is vital to society, bringing vision to reality and to be a robust and innovative company, continually evolving and contributing to the sustainable growth of society and individuals, thereby working to meet shareholder expectations. The Company believes that the final decision as to whether or not to accept a proposal for a large-scale purchase, etc. of the Company's shares should ultimately be left to the shareholders.

Among large-scale purchases, etc., there may be cases where the shareholders are forced to sell their shares, where sufficient information necessary for the shareholders to make an appropriate decision is not provided or where there is a risk of infringement on corporate value and the common interests of the shareholders.

At present, the Company does not prescribe specific measures to defend against hostile takeover in advance in the event that a party attempts to make a large-scale purchase, etc. of the Company's shares. However, the Company will request such purchaser to provide necessary and sufficient information for the shareholders to make an appropriate decision as to whether the large-scale purchase is appropriate, and will endeavor to ensure that the shareholders have time and information to consider the large-scale purchase. If the Company reasonably determines that a large-scale purchase, etc. may damage corporate value and the common interests of the shareholders, the Company will promptly take appropriate measures to the extent permitted by relevant laws and regulations, and will continue to make its efforts to ensure and enhance corporate value and the common interests of the shareholders.

*Amounts and numbers of shares shown in this business report are rounded down to the nearest whole unit.
Graphs and charts shown in this business report are only for your reference.

Reference: Corporate Governance

(1) Basic Concept for Corporate Governance

The Company has established a corporate governance framework from the standpoint of supervision. This is based on the conviction that corporate governance that contributes to medium and long-term corporate value growth must encourage suitable risk-taking in business operations and have a highly effective supervisory function for business operations. In 2003, the “company with committees” (currently “company with three committees”) structure was selected as the organizational structure in accordance with the Companies Act. In addition, to maintain a governance system devoid of personal characteristics, there have been measures to operate a governance system in a distinctive Konica Minolta style. The followings are our basic policies for corporate governance concept:

- Ensure management oversight for corporate value growth by separating the roles of management oversight and operation of business activities;
- Election of independent Outside Directors who can perform supervision from the standpoint of shareholders; and
- Using these measures for improving the transparency, integrity and efficiency of management

The diagram on page 80 shows the structure of this corporate governance system centered on the Board of Directors and three committees.

(2) Board of Directors

The Company believes that determining strategic goals is the primary role of the Board of Directors. The Board of Directors makes decisions about basic management policies and other matters that must be decided by the Board of Directors in accordance with laws and regulations. In addition, the Board of Directors make decisions for expenditures only for matters of at least a certain amount or other items that may have a significant effect on the operations of the Group. Furthermore, there are Outside Directors and Inside Directors who do not concurrently serve as Executive Officers for the purpose of performing highly effective oversight of business operations exercised by Executive Officers from an objective perspective.

(3) Executive Officers

Executive Officers make decisions and conduct business activities in the business sectors designated for each Executive Officer by the Board of Directors. The Company grants Executive Officers considerable autonomy by the Board of Directors within the legally permitted limit for a Company with three committee management structure. This authority allows them to speed up the decision-making process.

(4) Nominating Committee

This committee makes decisions about proposals submitted at General Meeting of Shareholders meetings about the election and termination of Directors. Committee members also receive reports about the Representative Executive Officer’s succession plan and oversee this plan as needed.

(5) Audit Committee

This committee audits the performance of Directors and Executive Officers, prepares audit reports, and makes decisions about proposals submitted at General Meeting of Shareholders for the election, termination or reappointment denial of the Accounting Auditor.

(6) Compensation Committee

This committee makes decisions about the compensation of individual Directors and Executive Officers. To reach these decisions, this committee determines suitable compensation structures for each role of the Directors and Executive Officers. This committee also establishes a

Compensation Policy for Directors and Executive Officers that takes into account linking compensation with the Company’s medium to long-term performance and combining cash and stock compensation.

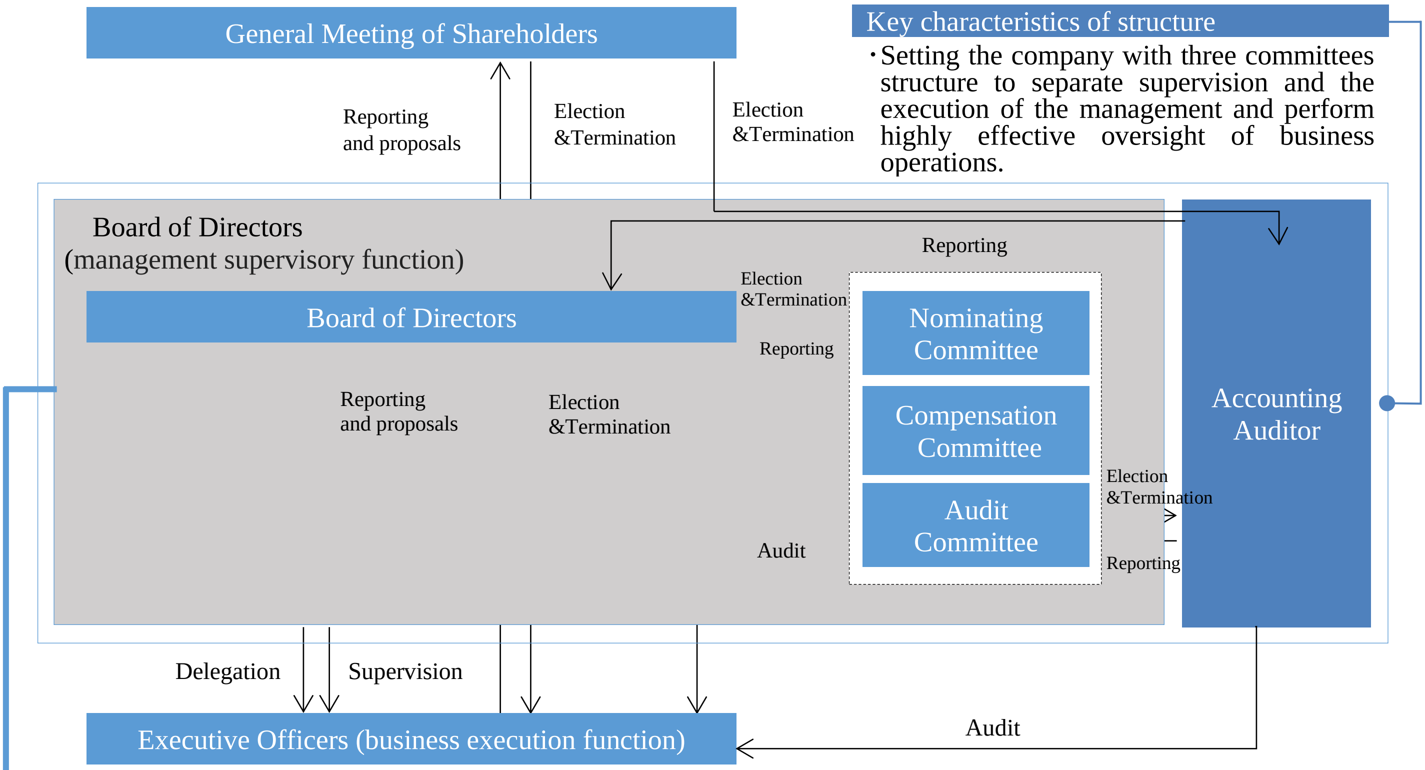
(7) Analysis and Assessment of Effectiveness of Governance

The Company has evaluated the effectiveness of the Board of Directors since 2004.

Each year, the Company reflects on the activities for the past one year and self-evaluates the effectiveness of the Board of Directors and three committees, with the aim of confirming whether the corporate governance system has been established and the system has been operated to contribute to the purposes of the Company’s corporate governance, which are sustainable growth and realization of corporate value for the medium and long term. Based on the results, the Company finds out matters to be tackled in the next fiscal year and reflects them on the operations policy for the Board of Directors. The Corporate Governance Committee, which was established in June 2023, discusses the optimal corporate governance that contributes to Company management from a medium- to long-term perspective.

Distinctive Characteristics of Governance at Konica Minolta

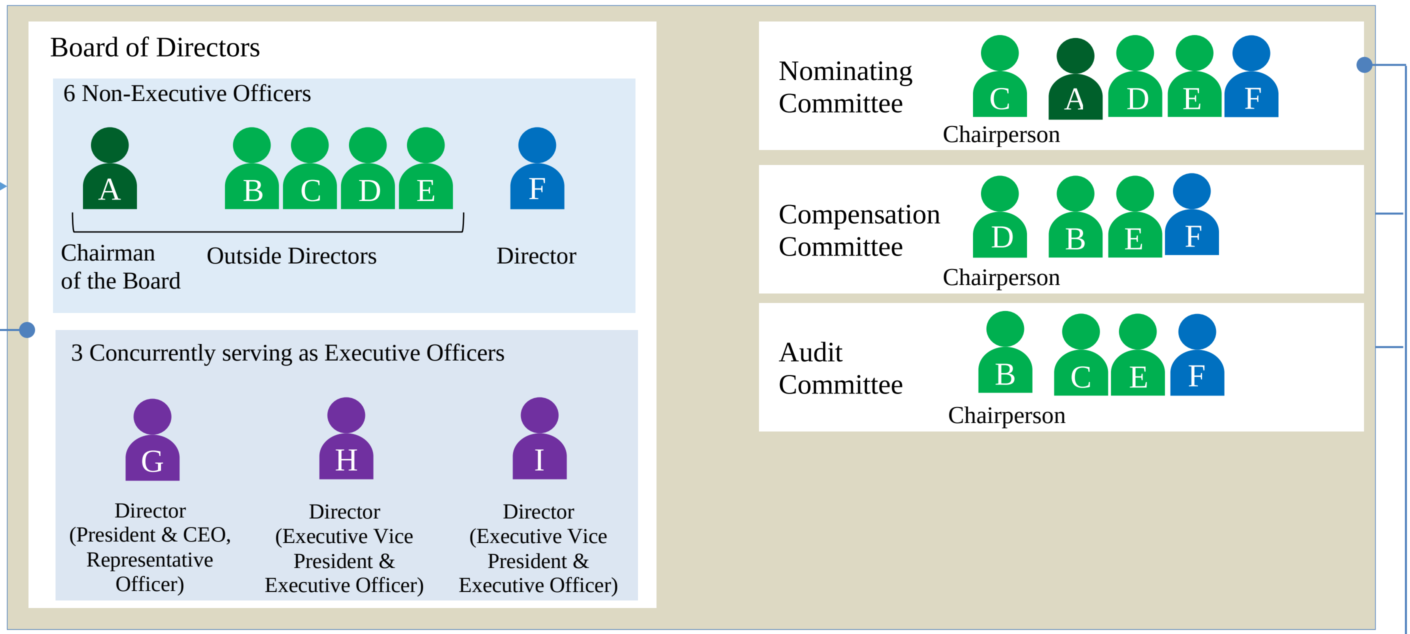
Structure of Corporate Governance Systems



Key characteristics of structure

・Setting the company with three committees structure to separate supervision and the execution of the management and perform highly effective oversight of business operations.

Board of Directors and three Committees (as of March 31, 2024)



Key characteristics of the Board of Directors

・All Outside Directors are Independent Directors
・Outside Directors comprise the majority
・Chairperson is Outside Director
・At least one Inside Director not concurrently serving as Executive Officer

Key characteristics of the three committees

・Chairpersons are Outside Directors
・Directors who are concurrently Representative Officers are not allowed to be committee members

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Financial Position

(As of March 31, 2024)

(Millions of yen)

Item	Amount
Assets	
Current assets	
Cash and cash equivalents	127,134
Trade and other receivables	319,518
Inventories	219,065
Income tax receivables	3,642
Other financial assets	858
Other current assets	37,316
Subtotal	**707,536**
Assets held for sale	36,689
Total current assets	**744,225**
Non-current assets	
Property, plant and equipment	282,225
Goodwill and intangible assets	270,980
Investments accounted for using the equity method	88
Other financial assets	21,781
Deferred tax assets	32,166
Other non-current assets	36,585
Total non-current assets	**643,827**
Total assets	**1,388,052**

(Millions of yen)

Item	Amount
Liabilities	
Current liabilities	
Trade and other payables	193,838
Bonds and borrowings	198,327
Lease liabilities	20,418
Income tax payables	3,543
Provisions	10,820
Other financial liabilities	3,625
Other current liabilities	63,223
Subtotal	**493,796**
Liabilities directly associated with assets held for sale	10,718
Total current liabilities	**504,515**
Non-current liabilities	
Bonds and borrowings	228,306
Lease liabilities	75,529
Retirement benefit liabilities	8,525
Provisions	7,863
Other financial liabilities	2,319
Deferred tax liabilities	3,435
Other non-current liabilities	4,174
Total non-current liabilities	**330,154**
Total liabilities	**834,669**
Equity	
Share capital	37,519
Share premium	203,831
Retained earnings	167,927
Treasury shares	(8,886)
Share acquisition rights	250
Other components of equity	139,175
Equity attributable to owners of the Company	539,816
Non-controlling interests	13,566
Total equity	**553,382**
Total liabilities and equity	**1,388,052**

Consolidated Statement of Profit or Loss
(From April 1, 2023 to March 31, 2024)

(Millions of yen)

Item	Amount
Revenue	**1,159,999**
Cost of sales	655,322
Gross profit	**504,676**
Other income	15,188
Selling, general and administrative expenses	478,656
Other expenses	15,116
Operating profit (loss)	**26,091**
Finance income	3,116
Finance costs	15,405
Share of loss of investments accounted for using the equity method	(236)
Profit (loss) before tax	**13,566**
Income tax expense (income)	9,366
Profit (loss) for the year	**4,199**
Profit (loss) attributable to:	
Profit (loss) attributable to owners of the Company	4,521
Profit (loss) attributable to non-controlling interests	(321)

Consolidated Statement of Changes in Equity

(From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Equity attributable to owners of the Company						
						Other components of equity	
	Share capital	Share premium	Retained earnings	Treasury shares	Share acquisition rights	Remeasurements of defined benefit pension plans	Net gain (loss) on revaluation of financial assets measured at fair value
Balance as of April 1, 2023	37,519	204,154	164,682	(9,358)	427	-	691
Profit (loss) for the year	-	-	4,521	-	-	-	-
Other comprehensive income	-	-	-	-	-	(1,351)	2,622
Total comprehensive income (loss)	-	-	4,521	-	-	(1,351)	2,622
Dividends	-	-	-	-	-	-	-
Acquisition and disposal of treasury shares	-	-	(125)	472	-	-	-
Share-based payments	-	(86)	-	-	(177)	-	-
Equity and other transactions with non-controlling shareholders	-	(80)	-	-	-	-	-
Put options written on non-controlling interests	-	(155)	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	(1,151)	-	-	1,351	(199)
Total transactions with owners	-	(322)	(1,277)	472	(177)	1,351	(199)
Balance as of March 31, 2024	37,519	203,831	167,927	(8,886)	250	-	3,114

(Millions of yen)

	Equity attributable to owners of the Company				Non-controlling interests	Total equity
	Other components of equity			Total		
	Net gain (loss) on derivatives designated as cash flow hedges	Exchange differences on translation of foreign operations	Total			
Balance as of April 1, 2023	147	89,160	89,999	487,424	12,453	499,877
Profit (loss) for the year	-	-	-	4,521	(321)	4,199
Other comprehensive income	(507)	47,259	48,023	48,023	1,555	49,578
Total comprehensive income (loss)	(507)	47,259	48,023	52,545	1,233	53,778
Dividends	-	-	-	-	(120)	(120)
Acquisition and disposal of treasury shares	-	-	-	347	-	347
Share-based payments	-	-	-	(264)	-	(264)
Equity and other transactions with non-controlling shareholders	-	-	-	(80)	-	(80)
Put options written on non-controlling interests	-	-	-	(155)	-	(155)
Transfer from other components of equity to retained earnings	-	-	1,151	-	-	-
Total transactions with owners	-	-	1,151	(153)	(120)	(273)
Balance as of March 31, 2024	(359)	136,420	139,175	539,816	13,566	553,382

Notes to Consolidated Financial Statements

＜NOTES TO BASIS OF PRESENTING CONSOLIDATED FINANCIAL STATEMENTS＞

1. Basis for the preparation of consolidated financial statements

The consolidated financial statements for the Group are prepared in accordance with International Financial Reporting Standards (hereinafter, "IFRS") as provided by Article 120-1 of the Ordinance on Company Accounting. Part of the descriptions and notes required under IFRS have been omitted, in accordance with the provisions in the latter part of this item.

2. Scope of Consolidation

Number of consolidated subsidiaries and names of principal consolidated subsidiaries

Number of consolidated subsidiaries: 170 companies

The names of principal consolidated subsidiaries are omitted because they are described in "Business Report 1. Overview of Konica Minolta Group business activities (4) Significant subsidiaries (as of the fiscal year end)."

3. Scope of the Use of Equity Accounting

Number of associates and jointly controlled entities accounted for using the equity method (hereinafter "companies accounted for using the equity method")

Number of companies accounted for using the equity method: 2 companies

4. Accounting policies

(1) Asset valuation standards and methods

a. Financial instruments

1) Non-derivative financial assets

At the time of initial recognition, the Group classifies and holds non-derivative financial assets as financial assets measured at amortized cost, those measured at fair value through other comprehensive income (FVTOCI) (debt instruments and equity instruments), and those measured at fair value through profit or loss (FVTPL).

i) Financial assets measured at amortized cost

The Group classifies financial assets as those measured at amortized cost only if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and if the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding at particular dates. Of those financial assets, trade receivables that include no significant financial factors are measured at transaction prices initially. Other financial assets are measured at fair value plus transaction costs initially. After initial recognition, these financial assets are measured at amortized cost using the effective interest method.

ii) Financial assets measured at FVTOCI

Upon initial recognition, the Group elects to recognize the valuation differences of equity instruments held to expand its revenue base by maintaining or strengthening relations with business partners in other comprehensive income. In case equity instruments are recognized for accounting by the FVTOCI method, the method is applied consistently assuming that the election is irrevocable.

The Group recognizes financial assets as debt instruments and classifies them as financial assets measured at FVTOCI only if the financial asset is held within a business model whose objective is achieved by both collection and sale of contractual cash flows and if the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding at particular dates.

Financial assets measured at FVTOCI are initially recognized at their fair value plus transaction costs. After initial recognition, the financial assets are sequentially measured at fair value, and any changes in fair value are recognized in other comprehensive income. Upon derecognition of these financial assets or when their fair values fall substantially, the cumulative gains or losses recognized in other comprehensive income are transferred to retained earnings.

The Group recognizes dividends from financial assets measured at FVTOCI as financial income in the profit and loss account.

iii) Financial assets measured at FVTPL

The Group measures all financial assets, which are not classified as those measured at fair value through amortized cost or at FVTOCI, at fair value and recognizes changes in those assets as profit or loss.

Transaction costs associated with financial assets measured at FVTPL are recognized in profit or loss as they occur.

iv) Impairment on financial assets

The Group recognizes allowances for doubtful accounts on expected credit losses associated with impairment on financial assets measured at amortized cost, lease receivables, contract assets, and debt instruments measured at FVTOCI. As of each term end date, the Group assesses whether credit risks associated with financial assets to be measured have sharply increased or not since initial recognition. If the credit risks have not increased sharply since the initial recognition, the Group recognizes an amount equal to expected credit losses for 12 months as an allowance for doubtful accounts. If the credit risks have sharply increased since the initial recognition, the Group recognizes an amount equal to expected credit losses for the entire period as an allowance for doubtful accounts. For trade receivables and lease receivables and contract assets not including significant financial factors, however, the Group does not assess whether the credit risks have sharply increased since initial recognition and does always recognize an amount equal to expected credit risks for the entire period as an allowance for doubtful accounts. On a quarterly basis, the Group assesses whether there is any objective evidence of impairment, such as significant worsening in the financial condition of the borrower or a group of borrowers, a default or delinquency in payments, and bankruptcy of the borrower.

For individually significant financial assets, expected credit losses are assessed individually. Expected credit losses for financial assets that are not individually significant are collectively assessed by grouping together financial assets with similar risk characteristics. As a result, the expected credit losses are measured as a whole. The expected credit losses are measured at the difference between all cash flows to be paid to the Group according to contracts and all cash flows expected by the companies to receive, discounted at the initial effective interest rate. The expected credit losses are recognized in profit or loss through an allowance for doubtful accounts. The carrying amount of these financial assets is directly reduced when they are expected to become non-recoverable due to situations like the worsening of financial position at trading partners, offsetting the carrying amount by the allowance for doubtful accounts.

2) Non-derivative financial liabilities

Non-derivative financial liabilities are initially recognized at fair value less transaction costs. After initial recognition, these liabilities are measured at amortized cost using the effective interest method. However, the Company remeasures contingent consideration, which is financial liability, at a fair value and recognizes a change in the value as profit or loss.

3) Derivative financial instruments and hedge accounting

Derivative financial instruments are initially recognized at fair value, with any attributable transaction costs recognized in profit or loss as they occur. After initial recognition, fair value is remeasured, and the following accounting policies are applied for changes depending on whether derivative financial instruments designated as hedging instruments satisfy the conditions for hedge accounting. The Group designates those derivative financial instruments that satisfy the conditions for hedge accounting as hedging instruments, and applies hedge accounting to those instruments.

i) Derivative financial instruments that do not satisfy the conditions for hedge accounting

Changes in fair value are recognized in profit or loss.

ii) Derivative financial instruments that satisfy the conditions for hedge accounting

On initial designation of the derivative as the hedging instrument, the Group formally documents the relationship between the hedging instrument and the hedged item, and the objectives and strategies of risk management for undertaking the hedge, as well as the method for assessing the effectiveness of the hedge. At the inception of the hedge and on an ongoing basis thereafter, the hedging instruments are assessed as to whether they are highly effective in offsetting changes in the cash flows of the hedged item.

As to cash flow hedge, the effective portion of changes in the fair value of the hedging instrument is recognized in other comprehensive income (hereafter, “OCI”), while the ineffective portion is recognized immediately in profit or loss. The cumulative gains or losses recognized through OCI are reclassified from OCI to profit or loss in the consolidated statement of comprehensive income in the same period during which the cash flow of the hedged item affects profit and loss.

If the hedging instrument no longer satisfy the conditions for hedge accounting, expires or is sold, terminated or exercised, or if the forecast transaction is no longer expected to occur, then hedge accounting is discontinued prospectively.

b. Inventories

The cost of inventories includes purchase costs, processing costs and all other costs incurred to bring inventories to their present location and condition.

Inventories are measured at the lower of cost or net realizable value after the initial recognitions. If net realizable value is less than the purchase cost, that difference is accounted for as a write off and recognized as an expense. The weighted average method is used to calculate cost. Net realizable value represents the estimated selling price in the ordinary course of business, less all estimated costs of completion and estimated costs necessary to make the sale.

c. Property, plant and equipment (excluding right-of-use assets)

The cost of property, plant and equipment includes any costs directly attributable to the acquisition of the asset and dismantlement, removal and restoration costs, as well as borrowing costs that satisfy the conditions for capitalization.

After the initial recognition, property, plant and equipment is measured using the cost model that is, at cost less accumulated depreciation and accumulated impairment losses.

d. Right-of-use assets

Excluding short-term leases and leases of small assets, the Group recognizes right-of-use assets and lease liabilities at the commencement dates of leases.

Right-of-use assets are measured at the initial measurements of lease liabilities adjusted by initial direct costs and other items, plus costs to restore the original conditions and others.

After the initial measurement, the right-of-use assets are measured using the cost model that is, at cost less accumulated depreciation and accumulated impairment losses, and presented in property, plant and equipment in the consolidated statement of financial position.

Lease liabilities are measured at present value of the unpaid lease fees at the commencement dates discounted by the interest rates implicit in the leases. If the interest rates cannot be calculated easily, the lessee's incremental borrowing rates are used. Interest expenses are distributed at fixed rates in the lease liability balances over the lease terms and recognized as costs during the terms.

Lease fees associated with short-term leases and leases of small amounts are recognized as costs using the straight-line method over their lease terms.

e. Intangible assets

Intangible assets acquired separately are measured at cost at the initial recognition, and the cost of intangible assets acquired through business combinations are recognized at fair value at the acquisition date.

Expenses on internally generated intangible assets are recognized as expense in the period when incurred, except for those that satisfy the criteria for recognition as assets. Internally generated intangible assets that satisfy the criteria for recognition as assets are stated at cost in the total amount of spending that is incurred after the assets first met recognition standards.

Intangible assets are subsequently measured using the cost model that is, at cost less accumulated amortization and accumulated impairment losses.

f. Impairment of non-financial assets and investments accounted for using the equity method

The Group assesses at each fiscal year-end whether there is any indication that a non-financial asset (excluding inventories, deferred tax assets and post-retirement benefit plan assets) and investments accounted for using the equity method may be impaired. If any such indication exists, then an impairment test is performed. For goodwill and intangible assets with indefinite useful lives or that are not yet in use, an impairment test is performed each year and whenever there is any indication of impairment.

In an impairment test, the recoverable amount is estimated, and the carrying amount and recoverable amount are compared. The recoverable amount of an asset, Cash generating unit (hereafter, "CGU") or group of CGUs is determined at the higher of its fair value less costs of disposal or its value in use. In determining the value in use, estimated future cash flows are discounted to the present value, using pre-tax discount rates that reflect current market assessments of the time value of money and the risks specific to the asset. In calculating the fair value less costs of disposal, the Group uses an appropriate valuation model based on available fair value indicators.

If as the result of the impairment test, the recoverable amount of an asset, CGU or group of CGUs is below its carrying amount, an impairment loss is recognized. In recognizing impairment losses on CGUs, including goodwill, first the carrying amount of goodwill allocated to the CGUs is reduced. Next, the carrying amounts of other assets within the CGUs are reduced proportionally.

If there is any indication that an impairment loss recognized in previous periods may be reversed, the impairment loss is reversed if the recoverable amount exceeds the carrying amount as a result of estimating the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed a

carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.
Goodwill contained in the book value of investments accounted for using the equity method is not recognized separately, whereby investments accounted for using the equity method are treated for impairment as a single asset.

(2) Depreciation method for depreciable assets and amortization method for amortizable assets

a. Property, plant and equipment (excluding right-of-use assets)
The historical costs less residual values of property, plant and equipment other than land (excluding some portions) and those in the construction in progress account are depreciated using the straight-line method over their estimated useful lives.

b. Right-of-use assets
Right-of-use assets are depreciated under the straight-line method over their estimated useful lives or lease terms, whichever is shorter.

c. Intangible assets
1) Intangible assets with finite useful lives
Intangible assets for which useful life can be determined are amortized on a straight-line method over their estimated useful lives from the date the assets are available for use.
2) Intangible assets with indefinite useful lives and those not yet available for use
Intangible assets with indefinite useful lives and those not yet available for use are not amortized. These assets are tested for impairment each fiscal year or when signs of impairment are recognized.

(3) Accounting standards for provisions

The Group has present legal or constructive obligations resulting from past events and recognizes provisions when it is probable that the obligations are required to be settled and the amount of the obligations can be estimated reliably.
Where the effect of the time value of money is material to the provisions, the amount of provisions is measured at the present value, which is the estimated future cash flows discounted using the pre-tax discount rate reflecting current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount associated with the passage of time is recognized as a financial cost.

(4) Accounting methods related to post-retirement benefits

The Group employs defined benefit plans and defined contribution plans as post-retirement benefit plans for employees.
a. Defined benefit plans
The Group calculates the present value of the defined benefit obligations, related current service cost and past service cost using the projected unit credit method.
For discount rates, a discount period is determined based on the period until the expected date of benefit payment in each fiscal year, and each discount rate is determined by reference to market yields for the period corresponding to the discount period at the end of each fiscal year on high-quality corporate bonds.
Assets and liabilities related to the post-retirement benefit plans are calculated by the present value of the defined benefit obligation, deducting the fair value of any plan assets, and their amounts are recognized in the consolidated statement of financial position. The net amount of interest income related to plan assets in the post-retirement benefit plans, interest costs related to defined benefit obligation, and current service cost is recognized as profit or loss.
Remeasurements of defined benefit plans are recognized in full in OCI in the period when they are incurred and transferred immediately from other components of equity to retained earnings. The entire amount of past service costs is recognized as profit or loss in the period when incurred.

b. Defined contribution plans
The cost for defined-contribution's post-retirement benefit is recognized as an expense at the time when related services are provided by employees.

(5) Criteria for revenue recognition

The Group recognizes revenue by applying the following five steps.
Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price

Step 4: Allocate the transaction price to each performance obligation in the contract
Step 5: Recognize revenue when (or as) a performance obligation is satisfied

Revenue from sales of goods is recognized when control of the goods is transferred to a customer, and revenue is measured at an amount of the consideration promised in a contract with a customer less returns, discounts, rebates, and other similar items.
Revenue from providing services is recognized upon completion of providing services when the performance obligation is satisfied at a point in time, and it is recognized over the term of a contract depending on the progress at the end of each reporting period when the performance obligation is satisfied over time.
The incremental costs of obtaining a contract with a customer, and the costs incurred to fulfill a contract with a customer, are capitalized if they are expected to be recovered. The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer that would not have been incurred if the contract had not been obtained. Assets recognized from contract costs are amortized over the customer's estimated contract terms using the straight-line method.

(6) Foreign currency translation
a. Functional currency and presentation currency
The consolidated financial statements of the Group are presented in Japanese yen, which is the functional currency of the Company. The foreign operations of the Group principally use local currencies as their functional currencies. However, if the currency of the primary economic environment in which an entity operates is other than its local currency, the functional currency other than the local currency is used.

b. Foreign currency transactions
Foreign currency transactions, or transactions that occur in currencies other than entities' functional currencies, are translated to the respective functional currencies of the Group entities at exchange rates on the transaction dates or approximate rates. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate on the fiscal year-end date, and foreign currency differences are recognized in profit or loss.
However, foreign currency differences resulting from financial instruments measured at FVTOCI, cash flow hedges and a hedge of the net investment in a foreign operation are recognized in OCI. Items denominated in foreign currencies due to their measurement at historical cost are translated using the exchange rate on their acquisition dates.

c. Foreign operations
The assets and liabilities of foreign operations employing functional currencies other than Japanese yen are translated to Japanese yen at the exchange rates as of the fiscal year-end date, while income, expenses and cash flows are translated to Japanese yen at the exchange rates on their transaction dates or at the average exchange rates for the fiscal period that approximates the exchange rates on their transaction dates. Resulting foreign currency differences are recognized in OCI, and their cumulative amounts are presented in other components of equity.
In the event all interests in a foreign operation are disposed or a portion of the interest is disposed such that the control is lost, these cumulative amounts in the other components of equity are reclassified in whole or in part, from other comprehensive income to profit or loss.

<Note Concerning Changes in Accounting Policy>
The Group has applied the "Clarifying Accounting Process for Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)" issued on May 7, 2021, from the fiscal year under review. The application of Amendments to IAS 12 did not have a significant impact on the consolidated financial statements.
In addition, the "International Tax Reform Pillar Two Model Rules (Amendments to IAS 12)" issued on May 23, 2023, provide a temporary and mandatory exception rule that exempts the recognition and disclosure of deferred taxes related to taxes arising from the Pillar Two Model Rules (hereinafter, the "Pillar Two Income Taxes"). The Group has applied the exception rule retroactively from the fiscal year under review, in accordance with IAS 8 "Changes and Errors in Accounting Policies, Accounting Estimates." As a result, the Group has not recognized the deferred taxes related to the Pillar Two Income Taxes and has not included them in the notes on deferred taxes.

<Note Concerning Accounting Estimates>
Amounts that are reported as accounting estimates on consolidated financial statements for the fiscal year under review, and that have the potential for having a material impact on consolidated financial statements for the following fiscal year, are as follows.

1. Impairment of non-financial assets

Amount recorded in the consolidated financial statements for the fiscal year under review

Property, plant and equipment	¥282,225 million
Goodwill and intangible assets	¥270,980 million

The Group conducts impairment tests whenever there is any indication that the recoverable amount of a non-financial asset (excluding inventories, deferred tax assets and post-retirement benefit plan assets) may fall below its carrying amount. For goodwill and intangible assets with indefinite useful lives or that are not yet in use, an impairment test is performed each year and whenever there is any indication of impairment.

When conducting an impairment test, principal factors indicating that impairment may have occurred include a substantial worsening of business performance compared with past or estimated operating performance, significant changes in the uses of acquired assets or changes in overall strategy, or a substantial worsening of industry or economic trends.

Goodwill is allocated to an asset, CGU or group of CGUs based on the region where business is conducted and business category, and impairment tests are conducted on goodwill once each year or when there is an indication of impairment.

Calculations of recoverable amounts used in impairment tests are based on assumptions set using such factors as an asset's useful life, future cash flows, the pre-tax discount rates that reflect the risks specific to the asset, and long-term growth rates. These assumptions are based on the best estimates and judgments made by management. However, these assumptions may be affected by changes in uncertain future economic conditions, which may have a material impact on the consolidated financial statements in the next fiscal year.

2. Provisions

Amount recorded in the consolidated financial statements for the fiscal year under review

Provisions	¥18,684 million

The Group records various provisions in the consolidated statement of financial position, including provision for product warranties and provision for restructuring.

These provisions are recognized based on the best estimates of the expenditures required to settle the obligations taking into consideration of risks and the uncertainty related to the obligations as of the fiscal year-end date. Expenditures required to settle the obligations are calculated by taking possible results into account comprehensively. However, they may be affected by the occurrence of unexpected events or changes in conditions which may have a material impact on the consolidated financial statements in the next fiscal year.

3. Post-retirement benefits

Amount recorded in the consolidated financial statements for the fiscal year under review

Prepaid pension costs	¥31,153 million
Retirement benefit liabilities	¥8,525 million

The Group has in place various post-retirement benefit plans, including defined benefits plans. The present value of defined benefit obligations on each of these plans and the service costs are calculated based on actuarial assumptions. These actuarial assumptions require estimates and judgments on variables, such as discount rates. The Group obtains advice from external pension actuaries with respect to the appropriateness of these actuarial assumptions including these variables.

The actuarial assumptions are determined based on the best estimates and judgments made by management. However, there is the possibility that these assumptions may be affected by changes in uncertain future economic conditions, or by the publication or the amendment of related laws, which may have a material impact on the consolidated financial statements in the next fiscal year.

4. Recoverability of deferred tax assets

Amount recorded in the consolidated financial statements for the fiscal year under review

Deferred tax assets	¥32,166 million

In recognizing deferred tax assets, when judging the possibility of the future taxable income, the Group estimates the timing and amount of future taxable income based on the business plan.

The timing when taxable income arises and the amount of such income may be affected by changes in uncertain future economic conditions. Therefore, this may have a material impact on the consolidated financial statements in the next fiscal year.

5. Fair value of financial instruments

Amount recorded in the consolidated financial statements for the fiscal year under review

Other financial assets	¥4,466 million
Other financial liabilities	¥457 million

To assess fair value of certain financial instruments, the Group uses valuation techniques using inputs that are not based on observable market data. Inputs that are not based on observable market data may be affected by the result of changes in uncertain future economic conditions, and may have significant impact on amounts reported in the consolidated financial statements when the inputs need to be reviewed.

<Notes to Consolidated Statement of Financial Position>

1. Allowances for doubtful accounts deducted directly from assets

Trade and other receivables	¥10,281 million
Other financial assets	¥506 million

2. Accumulated depreciation on assets (including accumulated impairment losses)

Accumulated depreciation on property, plant and equipment	¥680,728 million

3. Balance of guaranteed obligations

Guaranteed obligations (The Group guarantees for bank loans and lease obligations, etc. of unconsolidated companies, etc.)	¥197 million

<Notes to Consolidated Statement of Changes in Equity>

1. Issued shares and treasury shares (shares)

	Number of authorized shares	Number of issued shares (Note 1) (Note 2)	Number of treasury shares (Note 3)
Balance as of April 1, 2023	1,200,000,000	502,664,337	8,752,824
Increase	-	-	3,742
Decrease	-	-	576,437
Balance as of March 31, 2024	1,200,000,000	502,664,337	8,180,129

Notes: 1. Shares issued by the Company are non-par value ordinary shares.
2. Issued shares have been fully paid.
3. The number of treasury shares held by trust accounts related to the BIP trust for compensation for Directors included in each of the figures in the table are as follows: Balance as of April 1, 2023: 2,567,818 shares, Decrease in the period: 344,233 shares, and Balance as of March 31, 2024: 2,223,585 shares.

2. Dividends

(1) Dividend payments

Not applicable.

(2) Of dividends with record dates during the fiscal year, those whose effective periods start after the fiscal year-end date

Resolution Date	Class of shares	Amount of dividends (millions of yen) (Note)	Dividends per share (yen)	Record date	Effective date	Source of dividends
Board of Directors' meeting held on May 14, 2024	Ordinary shares	2,483	5.00	March 31, 2024	May 29, 2024	Retained earnings

Note: The total dividend payment includes dividends of ¥11 million to shares of the Company held by trust accounts related to the BIP trust for compensation for Directors.

3. Share acquisition rights

Type and number of shares under share acquisition rights at the end of FY2023

Breakdown of share acquisition rights	Type of shares under share acquisition rights	Number of shares under share acquisition rights
First issue of stock compensation-type stock options for 2005	Ordinary shares	7,000 shares
Second issue of stock compensation-type stock options for 2006	Ordinary shares	5,500 shares
Third issue of stock compensation-type stock options for 2007	Ordinary shares	5,000 shares
Fourth issue of stock compensation-type stock options for 2008	Ordinary shares	5,500 shares
Fifth issue of stock compensation-type stock options for 2009	Ordinary shares	8,500 shares
Sixth issue of stock compensation-type stock options for 2010	Ordinary shares	8,500 shares
Seventh issue of stock compensation-type stock options for 2011	Ordinary shares	10,500 shares
Eighth issue of stock compensation-type stock options for 2012	Ordinary shares	21,500 shares
Ninth issue of stock compensation-type stock options for 2013	Ordinary shares	53,000 shares
Tenth issue of stock compensation-type stock options for 2014	Ordinary shares	53,100 shares
11th issue of stock compensation-type stock options for 2015	Ordinary shares	43,100 shares
12th issue of stock compensation-type stock options for 2016	Ordinary shares	82,300 shares
Total		303,500 shares

<Notes on Revenue Recognition>

1. Disaggregation of revenue

Operating segments of the Group are the constituent business units of the Group for which separate financial data is available and that are examined on a regular basis for the purpose of enabling the Group's management to decide on the allocation of resources and evaluate results of operations. The Group establishes business segments by product and service category and formulates comprehensive strategies and conducts business activities in Japan and overseas for the products and services of each business category. Since the Group comprises segments organized by product and service category, the Group has established four reportable segments as the "Digital Workplace Business", "Professional Print Business", "Healthcare Business", and "Industry Business" after taking into account the primary usage of products of the respective businesses in the markets and their similarities.

The Group presents revenue recognized from contracts with customers and other sources as revenue.

Disaggregated revenue is as follows.

(Millions of yen)

<table>
<tr><td colspan="2">Digital Workplace Business</td><td>614,928</td></tr>
<tr><td colspan="2">Professional Print Business</td><td>263,370</td></tr>
<tr><td rowspan="3">Healthcare Business</td><td>Healthcare</td><td>86,703</td></tr>
<tr><td>Precision medicine</td><td>52,293</td></tr>
<tr><td>Subtotal</td><td>138,997</td></tr>
<tr><td rowspan="4">Industry Business</td><td>Sensing</td><td>39,431</td></tr>
<tr><td>Materials and components</td><td>84,156</td></tr>
<tr><td>Imaging-IoT solutions</td><td>15,983</td></tr>
<tr><td>Subtotal</td><td>139,571</td></tr>
<tr><td colspan="2">Others</td><td>3,131</td></tr>
<tr><td colspan="2">Total</td><td>1,159,999</td></tr>
<tr><td colspan="2">Revenue recognized from contracts with customers</td><td>1,113,680</td></tr>
<tr><td colspan="2">Revenue recognized from other sources (Note)</td><td>46,318</td></tr>
</table>

Note: Revenue recognized from other sources includes lease income under IFRS 16.

2. Information that provides a basis for understanding revenue

(Digital Workplace Business and Professional Print Business)

The Digital Workplace Business and the Professional Printing Business principally engage in sales of multi-functional peripherals, digital printing systems and related supplies, provision of services incidental to them, and provision of solution services.

For sales of multi-functional peripherals, digital printing systems and related supplies, revenue is recognized at the time of shipment or delivery of products, which is when control of the products is considered to be transferred to customers. If acceptance inspection by customers is required for performance of products, revenue is recognized at the time of acceptance inspection by customers.

Because services incidental to sales of multi-functional peripherals and digital printing systems are mainly maintenance contracts based on pay-as-you-go fees in accordance with the usage of the products, and performance obligations are satisfied as the products are used, revenue is recognized based on the amount specified in the contract in accordance with the usage.

For solution services, revenue is recognized at the time of completion of the provision of services, which is when performance obligations are satisfied.

Consideration for transactions is principally received within one year after satisfaction of performance obligations and does not include any significant financial component. For services incidental to sales, charges are principally made and received on a monthly basis.

(Healthcare Business)

The Healthcare Business mainly engages in sales of medical equipment including diagnostic imaging systems and related supplies, provision of services incidental to them, and provision of medical IT services, genetic testing services, and drug discovery support services.

Control of products is considered to be transferred to customers at the time of acceptance inspection by customers for sales of medical equipment, and at the time of delivery of products for sales of supplies, and revenue is recognized at that time.
Since services incidental to sales of medical equipment mainly consist of maintenance contracts for products and performance obligations are satisfied over time, revenue is recognized equally over the contract period based on the amount specified in the contract.
For medical IT services, revenue is recognized at the time of completion of the provision of services, which is when performance obligations are satisfied.
For genetic testing services, revenue is recognized at the time of completion of report on the testing results, which is when performance obligations are satisfied.
For drug discovery support services, revenue is recognized in accordance with the progress in the provision of services.
Consideration for transactions is principally received within one year after satisfaction of performance obligations and does not include any significant financial component. For services incidental to sales, consideration is received in lump sum at the time of signing the contract or expiry of the contract period, or in installments monthly.

(Industry Business)
The Industry Business principally engages in sales of products, such as TAC films, lenses for industrial and professional use and measuring instruments. Revenue is recognized when control of products is transferred to customers, that is, at the time of shipment or delivery of products. Consideration for transactions is principally received within one year after satisfaction of performance obligations and does not include any significant financial component.

3. Information for understanding the amount of revenue in the fiscal year under review and the following fiscal years
(1) Contract balance
Balances of receivables arising from contracts with customers, contract assets and contract liabilities are as follows.

(Millions of yen)

Receivables arising from contracts with customers	262,313
Contract assets	7
Contract liabilities	21,325

Notes: 1. In the consolidated statement of financial position, receivables arising from contracts with customers and contract assets are included in trade and other receivables, and contract liabilities are included in other current liabilities. Contract liabilities are mainly related to advances received from customers.
2. Of revenue recognized, the amount included in the balance of contract liabilities at the beginning of the year is ¥5,748 million. The amount of revenue recognized from performance obligations that were satisfied (or partially satisfied) in prior periods is not significant.

(2) Transaction price allocated to the remaining performance obligations
The amount of transaction price allocated to the remaining performance obligations of which the original expected period exceeds one year by timing of satisfaction is as follows. The transaction price is mainly related to service contracts in the Digital Workplace Business and the Professional Print Business.
The Group has applied a practical expedient and does not provide information on the remaining performance obligations of which the original expected period is one year or less and that are based on pay-as-you-go fees.
In addition, among consideration arising from contracts with customers, there is no significant amount that is not included in transaction price.

(Millions of yen)

1 year or less	3,635
More than 1 year, 2 years or less	1,503
More than 2 years, 3 years or less	1,083
More than 3 years	2,404
Total	8,626

(3) Contract costs

Capitalized contract costs are as follows.

(Millions of yen)

Assets recognized from contract acquisition costs	340
Assets recognized from contract fulfillment costs	-
Total	340

Note: Amortization expenses arising from assets recognized from contract costs were ¥119 million.

<Notes to Financial Instruments>

1. Matters relating to the status of financial instruments

The Group actively monitors and manages its capital and debt structure in relation to economic conditions and current company circumstances, and raises necessary funds for working capital, capital expenditure, investment and loans and other items.

The Group works to reduce credit risk on trade and other receivables through credit management based on regulations.

The Group uses forward exchange contracts and currency swap transactions to reduce foreign exchange risk on claims and obligations denominated in foreign currencies. The Group also uses interest rate swap transactions to reduce interest rate fluctuation risk on certain borrowings. Derivative transactions are conducted only to hedge foreign exchange risk and interest rate fluctuation risk, and are not engaged in for speculative purposes.

The Group reduces liquidity risk related to procuring funds through borrowing by maintaining and securing appropriate on-hand liquidity.

The Company decreases fluctuation risks of its shareholdings by regularly observing their market prices and the financial positions of the issuers.

2. Fair value of financial instruments

The classification of the Group's financial instruments and amounts stated in the consolidated statement of financial position at the end of FY2023 are as follows.

(Millions of yen)

	Book value
<Financial assets>	
Financial assets measured at amortized cost	
Cash and cash equivalents	127,134
Trade and other receivables	269,448
Other financial assets	10,639
Financial assets measured at fair value through other comprehensive income	
Other financial assets	8,886
Financial assets measured at fair value through profit or loss	
Other financial assets	3,114
<Financial liabilities>	
Financial liabilities measured at amortized cost	
Trade and other payables	193,838
Bonds and borrowings	426,633
Other financial liabilities	3,961
Financial liabilities measured at fair value through profit or loss	
Other financial liabilities	1,982

Other than the above, there are finance lease receivables worth ¥50,062 million and contract assets worth ¥7 million.

The fair value of financial assets and financial liabilities is calculated as described below. Information about defining the level of the hierarchy is described in "3. Matters regarding the breakdown of financial instruments by level of fair value."

(1) Derivative financial assets and liabilities

Fair value of currency derivatives is based on forward quotations and prices quoted by financial institutions that enter into these contracts. Fair value of interest rate derivatives is based on prices quoted by financial institutions that enter into these contracts, and both are classified in level 2.

(2) Investment securities

Where market prices are available, fair value is based on market prices and classified in level 1. For financial instruments whose market prices are not available, fair value is calculated by discounting future cash flows or using other appropriate valuation methods and classified in level 3, taking into account the individual nature, characteristics and risks of the assets.

(3) Borrowings

As short-term loans payable are to be settled in a short period of time, their fair value is assumed to be equivalent to the carrying amounts.

For long-term borrowings with fixed interest rates, fair value is calculated by discounting the total amount of principal and interest using assumed interest rate of a new similar borrowing and classified in level 3. As the interest rate of long-term borrowings with variable interest rates is revised periodically and their fair value is approximate to carrying amounts, their fair value is assumed to be equivalent to carrying amounts.

(4) Bonds

Fair value is calculated on the basis of market value and classified in level 2.

(5) Contingent consideration

Fair value is calculated based on estimation of amounts of possible additional payments in the future using a proper evaluation method and classified in level 3.

(6) Financial instruments other than those indicated above

Financial instruments other than those indicated above are mainly settled in the short term, so fair value is assumed to be equivalent to their carrying amounts.

The book value and fair value of major financial instruments measured at amortized cost at the end of the fiscal year under review are as follows.

(Millions of yen)

	Book value	Fair value
Long-term borrowings	179,328	161,874
Bonds	69,790	69,848
Total	249,118	231,723

Notes: 1. Long-term borrowings and bonds include balances redeemable within one year.
2. Financial instruments that are to be settled in a short period of time are not included in the above table because their fair value is assumed to be equivalent to the book value.

3. Matters regarding the breakdown of financial instruments by level of fair value

Financial instruments which are measured at fair value are classified according to fair value hierarchy. The fair value hierarchy comprises levels 1 through 3, defined as follows.

Level 1: Quoted prices of identical assets or liabilities in the active market

Level 2: Inputs comprising directly or indirectly observable prices other than those classified as Level 1

Level 3: Inputs that are not based on observable market data

Transfers between fair value hierarchy levels are recognized on the date the event or condition prompting the transfer occurred.

Financial assets and financial liabilities measured at fair value in the fiscal year under review, by fair value hierarchy are as follows.

(Millions of yen)

	Level 1	Level 2	Level 3	Total
<Financial assets>				
Investment securities	6,902	-	2,669	9,572
Derivative financial assets	-	54	-	54
Others	576	-	1,797	2,373
Total	7,479	54	4,466	12,000
<Financial liabilities>				
Derivative financial liabilities	-	1,525	-	1,525
Others	-	-	457	457
Total	-	1,525	457	1,982

Increases or decreases in financial instruments classified as level 3

Increases or decreases in financial instruments classified as level 3 in the fiscal year under review are as follows.

(Millions of yen)

	Financial assets	Financial liabilities
Balance as of April 1, 2023	4,620	32,539
Gains (losses) (Note 1)		
Profit for the year	(15)	-
Other comprehensive income	78	-
Acquisitions	4	-
Disposals and settlements	(9)	(209)
Effects of changes in scope of consolidation	227	-
Transfer from Level 3 (Note 2)	(213)	(31,593)
Others (Note 3)	(269)	(333)
Effects of changes in foreign exchange rates	45	54
Balance as of March 31, 2024	4,466	457

Notes: 1. Gains or losses recognized in profit for the year are presented in the consolidated statement of profit or loss as "finance income" or "finance costs." Gains or losses recognized in other comprehensive income are presented in the consolidated statement of comprehensive income as "net gain (loss) on revaluation of financial assets measured at fair value."

2. In financial assets, transfer was made from Level 3 to Level 1 for some of the stocks held by the Company following their listing. In financial liabilities, transfer was made from Level 3 to Level 2 for a put option written on non-controlling interests, as its exercise price was determined due to agreement with INCJ, Ltd.

3. "Others" in financial liabilities represent the difference in change arising from subsequently measuring fair value of put options written on non-controlling interests. The difference in change was recorded as share premium.

<Notes on Per-Share Information>

1. Equity per share attributable to owners of the company ¥1,091.68
2. Basic earnings per share ¥9.15

Note: In calculating per-share information, 2,223,585 shares and 2,316,262 shares are deducted from the numbers of shares at the end of the fiscal year and those averaged during the fiscal year, respectively, as the shares of the Company held by trust accounts related to the BIP trust for compensation for Directors are treated as treasury shares.

<Note Concerning Significant Subsequent Events>
(Implementation of global structural reforms)
1. Background
With the basic policy of challenging and achievable targets and return to a highly profitable company, the Medium-term Business Plan has a set of three major action agendas; business selection and concentration, reallocation of resources to strengthening businesses; structural reform implementation to reinforce earnings foundation; and reinforcement of business management system. The Company carries out business selection and concentration from fiscal 2023 to fiscal 2024, and aims to establish a foundation for growth in fiscal 2025.
The global structural reforms are efforts to achieve the Medium-term Business Plan goals and a sustainable growth beyond fiscal 2025 for the acceleration of business selection and concentration, and productivity improvement of the Group.

2. Overview of Structural Reforms
To achieve the Medium-term Business Plan goals and sustainable business growth, the entire Group will adopt measures to improve productivity per employee in addition to the implementation of business selection and concentration.
As a measure of strengthening human capital and improving productivity, we will actively invest to enable human assets to shift to highly value-added operations through the utilization of generative AI and other means.
In addition, the Company will continue to evaluate and assign skilled talents to the right positions primarily for the businesses and regions to be strengthened and invest in human asset development education. These efforts and a focus on interactive communications will increase the engagement of employees.
Furthermore, as an additional measure of enhancing productivity, the Company will optimize the headcount globally and plan to target approximately 2,400 employees, including regular and non-regular employees group-wide. The execution is planned during fiscal 2024.
As a result of implementing these measures above, the business contribution profit (a profit index calculated by deducting cost of sales and selling, general and administrative expenses from revenue) in fiscal 2025 is expected to increase by around ¥20.0 billion, compared to what it would be before the optimization. The measures will be implemented in compliance with local labor laws, rules, and regulations.

3. Financial Outlook
One-time expenses associated with the global structural reforms will be recorded during fiscal 2024 and are expected to be approximately ¥20.0 billion.

<Other Notes>

1. Other income

Main components of other income are gain on reversal of impairment losses regarding assets held for sale of ¥3,634 million, recognized as a result of transfer of equity capital of Invicro, LLC in the precision medicine unit of the Healthcare Business, gain on reversal of impairment losses of ¥3,480 million regarding Ambry Genetics Corporation in the same unit, proceeds from sale of trial products of ¥1,253 million, insurance payment income of ¥1,198 million, and gain on revision of retirement benefit plan of ¥1,061 million.

2. Other expenses

Main components of other expenses are impairment loss of ¥4,712 million, loss on sales and disposals of property, plant and equipment and intangible assets of ¥2,109 million, business restructuring improvement expenses of ¥1,057 million, and cost of sale of trial products of ¥955 million. The impairment loss was mainly due to a reduction in the carrying amount of CGU or group of CGUs, including goodwill, to its recoverable amount.
In the industrial print unit of the Professional Print Business, of the goodwill arose from the acquisition of M.G.I. Digital Technology S.A., a France-based manufacturer of printing presses, an impairment loss on goodwill of ¥2,115 million was recorded.
In addition, due to the fact that the number of visitors at the directly managed planetariums did not recover to the expected level before the spread of COVID-19, an impairment loss of ¥1,723 million was recorded on property, plant and equipment and intangible assets (the impairment losses on property, plant and equipment

of ¥1,533 million and intangible assets of ¥189 million) of Konica Minolta Planetarium Co., Ltd., which belong to the Industry Business, by reducing the carrying amounts to the recoverable amounts in consideration of the recoverability.

3. Non-current assets or disposal groups held for sale

Assets and liabilities classified as held for sale are as follows.

(Millions of yen)

Assets	
Cash and cash equivalents	2,496
Trade and other receivables	5,010
Inventories	4,533
Other financial assets (current)	2
Other current assets	592
Property, plant and equipment	11,194
Goodwill and intangible assets	12,221
Other financial assets (non-current)	407
Deferred tax assets	209
Other non-current assets	20
Total assets	36,689
Liabilities	
Trade and other payables	3,374
Lease liabilities (current)	468
Income tax payables	89
Provisions (current)	1,477
Other current liabilities	1,835
Lease liabilities (non-current)	3,221
Provisions (non-current)	253
Total liabilities	10,718
Other components of equity	
Exchange differences on translation of foreign operations (net of tax)	6,243
Total other components of equity	6,243

(Transfer of equity capital in strategic business alliance in optical components unit)

In the fiscal year under review, in the optical components unit included in the Industry Business, the Company decided to transfer 80% of its equity capital in two Chinese manufacturing subsidiaries, Konica Minolta Opto (Dalian) Co., Ltd (Headquarters: Dalian, Liaoning Province, China) and Konica Minolta Optical Products (Shanghai) Co., Ltd. (Headquarters: Shanghai, China) to Guangzhou Luxvisions Innovation Technology Limited (Headquarters: Guangzhou, Guangdong Province, China), a major electronic components manufacturer in China, and entered into an equity purchase agreement as of October 20, 2023. Accordingly, the assets and liabilities of the two companies were classified as disposal groups held for sale. For the disposal groups classified as held for sale, since the fair value less costs to sell is lower than the carrying amounts, the assets and liabilities are measured at fair value less costs to sell. The loss of ¥776 million recognized as a result of this measurement is recognized in “Other expenses” in the consolidated statements of profit or loss. The fair value is based on the selling price, and the fair value hierarchy is Level 3. The transfer of the equity capital is scheduled to be executed after May 2024, and the two companies will become equity method affiliates following the loss of control.

(Sale of equity capital in Invicro, LLC)

In the fiscal year under review, the Group decided to transfer 100% of its equity capital in Invicro, LLC (Headquarters: Massachusetts, U.S.A.) in the precision medicine unit in the Healthcare Business, to Calyx

Services Inc. (Headquarters: Delaware, U.S.A.), and entered into an equity transfer agreement as of March 6, 2024.
Accordingly, the assets and liabilities of Invicro, LLC were classified as a disposal group held for sale. For the disposal group classified as held for sale, since the fair value less costs to sell is higher than the carrying amount, which is cost less accumulated depreciation and impairment, the assets and liabilities are measured at fair value less costs to sell. As a result, the impairment loss previously recorded of ¥3,634 million was recognized as gain on reversal of impairment losses in “Other income” in the consolidated statements of profit or loss. The fair value is based on the selling price, and the fair value hierarchy is Level 3.
The execution of this equity transfer was completed on April 30, 2024.

(Real estate transfer at a subsidiary in North America)
In the fiscal year under review, the Group concluded a real estate transfer agreement for some land owned by a subsidiary in North America. Accordingly, the land is classified as a non-current asset classified as held for sale. Execution of this real estate transfer is scheduled to be after January 2025.

4. Figures given in the text have been rounded down to the nearest millions of yen.

NON-CONSOLIDATED FINANCIAL STATEMENTS
Balance Sheet
(As of March 31, 2024)

(Millions of yen)

Item	Amount	Item	Amount
Assets		**Liabilities**	
Current assets	**281,030**	**Current liabilities**	**336,309**
Cash and deposits	41,755	Notes payable - trade	8,162
Notes receivable - trade	1,607	Accounts payable - trade	53,506
Accounts receivable – trade	68,935	Short-term borrowings	210,548
Inventories	61,233	Current portion of long-term borrowings	5,350
Prepaid expenses	3,546	Current portion of bonds payable	15,000
Short-term loans receivable	91,221	Lease liabilities	31
Accounts receivable – other	8,085	Accounts payable - other	25,919
Income taxes receivable	155	Accrued expenses	8,738
Other current assets	4,618	Income taxes payable	600
Allowance for doubtful accounts	(129)	Advances received	1,242
		Provision for bonuses	4,875
Non-current assets	**613,877**	Provision for bonuses for directors (and other officers)	138
Property, plant and equipment	**109,820**		
Buildings, net	40,718	Provision for product warranties	123
Structures, net	1,477	Other current liabilities	2,072
Machinery and equipment, net	12,565	**Non-current liabilities**	**245,774**
Vehicles, net	24	Bonds payable	55,000
Tools, furniture and fixtures, net	8,092	Long-term borrowings	174,350
Land	39,437	Lease liabilities	79
Leased assets	205	Deferred tax liabilities for land revaluation	3,019
Construction in progress	7,300	Provision for retirement benefits	7,278
		Provision for stock bonuses	418
Intangible assets	**22,827**	Asset retirement obligations	5,433
Software	10,033	Other noncurrent liabilities	196
Other intangible assets	12,793	**Total liabilities**	**582,084**
		Net assets	
Investments and other assets	**481,230**		
Investment securities	7,833	**Shareholders' equity**	**307,513**
Shares of subsidiaries and associates	294,916	**Share capital**	**37,519**
Investments in capital of subsidiaries and associates	84,943	**Capital surplus**	**135,592**
		Legal capital surplus	135,592
Long-term loans receivable	66,366	**Retained earnings**	**143,287**
Long-term prepaid expenses	2,874	Other retained earnings	143,287
Prepaid pension costs	7,814	Retained earnings brought forward	143,287
Deferred tax assets	11,491	**Treasury shares**	**(8,886)**
Other investment	5,007		
Allowance for doubtful accounts	(17)	**Valuation and translation adjustments**	**5,060**
		Valuation difference on available-for-sale securities	3,220
		Deferred gains or losses on hedges	(4,991)
		Revaluation reserve for land	6,830
		Share acquisition rights	**250**
		Total net assets	**312,823**
Total assets	**894,908**	**Total liabilities and net assets**	**894,908**

Statement of Income

(From April 1, 2023 to March 31, 2024)

(Millions of yen)

Item	Amount	
Revenue		**425,064**
Cost of sales		313,201
Gross profit		**111,862**
Selling, general and administrative expenses		111,547
Operating profit (loss)		**315**
Non-operating income		
Interest and dividend income	15,791	
Foreign exchange gain	538	
Miscellaneous revenue	2,217	18,547
Non-operating expenses		
Interest expenses	6,564	
Commission for syndicate loan	974	
Miscellaneous expenses	2,911	10,449
Ordinary profit		**8,413**
Extraordinary income		
Gain on sales of non-current assets	20	
Gain on sales of investment securities	1,548	1,568
Extraordinary losses		
Loss on sales and retirement of non-current assets	1,084	
Loss on sales of investment securities	59	
Loss on valuation of shares of subsidiaries and associates	9,962	
Bad debts losses	1,958	
Impairment loss	88	13,154
Profit (loss) before income taxes		**(3,172)**
Income taxes-current	(671)	
Income taxes-deferred	1,736	1,065
Profit (loss)		**(4,237)**

Statement of Changes in Equity

(From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings		Treasury shares	Total shareholders' equity
		Legal capital surplus	Total capital surplus	Other retained earnings: Retained earnings brought forward	Total retained earnings		
Balance at April 1, 2023	37,519	135,592	135,592	147,650	147,650	(9,358)	311,403
Changes of items during period							
Dividends of surplus	-	-	-	-	-	-	-
Profit (loss)	-	-	-	(4,237)	(4,237)	-	(4,237)
Purchase of treasury shares	-	-	-	-	-	(1)	(1)
Disposal of treasury shares	-	-	-	(125)	(125)	474	349
Reversal of revaluation reserve for land	-	-	-	-	-	-	-
Net changes of items other than shareholders' equity	-	-	-	-	-	-	-
Total changes of items during period	-	-	-	(4,363)	(4,363)	472	(3,890)
Balance at March 31, 2024	37,519	135,592	135,592	143,287	143,287	(8,886)	307,513

	Valuation and translation adjustments				Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments		
Balance at April 1, 2023	1,471	(568)	6,830	7,733	427	319,565
Changes of items during period						
Dividends of surplus	-	-	-	-	-	-
Profit (loss)	-	-	-	-	-	(4,237)
Purchase of treasury shares	-	-	-	-	-	(1)
Disposal of treasury shares	-	-	-	-	-	349
Reversal of revaluation reserve for land	-	-	-	-	-	-
Net changes of items other than shareholders' equity	1,749	(4,422)	-	(2,673)	(177)	(2,851)
Total changes of items during period	1,749	(4,422)	-	(2,673)	(177)	(6,741)
Balance at March 31, 2024	3,220	(4,991)	6,830	5,060	250	312,823

Notes to Financial Statements

<NOTES TO BASIS OF SIGNIFICANT ACCOUNTING POLICIES>

1. Valuation Standards and Methods for Securities
   (1) Shares of subsidiaries and associates
   Shares of subsidiaries and associates are recorded at cost using the moving-average method.
   (2) Other securities
   Securities other than shares, etc. that do not have a market price are recorded using the mark-to-market method. (Valuation difference is directly recorded in shareholders' equity, and the cost of securities sold is computed based on the moving-average method.)
   Shares, etc. that do not have a market price are primarily recorded at cost using the moving-average method.

2. Valuation Standards and Methods for Derivatives
   Derivatives are recorded using the mark-to-market method.

3. Valuation Standards and Methods for Inventories
   The value of inventories is determined by using the cost method based on the gross-average method (book values are reduced to reflect declines in profitability).

4. Amortization Method for Non-current Assets
   (1) Property, plant and equipment (excluding leased assets)
   The straight-line method is used.
   (2) Intangible assets (excluding leased assets)
   The straight-line method is used.
   We have adopted the straight-line method based on an estimated in-house working life of five years for the software we use.
   (3) Leased assets
   Leased assets arising from finance lease transactions that do not transfer ownership
   Depreciation is computed using the straight-line method based on the assumption that the useful life equals the lease term and the residual value equals zero.

5. Standards for allowances
   (1) Allowance for doubtful accounts
   To prepare for possible losses on uncollectable receivables, for general receivables, an amount is provided according to the historical percentage of uncollectability. For specific receivables for which there is some concern regarding collectability, an estimated amount is recorded by investigating the possibility of collection for each individual account.
   (2) Provision for bonuses
   To prepare for the payment of employee bonuses, an amount corresponding to the current portion of estimated bonus payments to employees for the fiscal year is recorded.
   (3) Provision for Directors' bonuses
   To prepare for the payment of Directors' bonuses, an amount corresponding to the current portion of estimated bonus payments to Directors for the fiscal year is recorded.
   (4) Provision for product warranty
   The provisioning of free after-sales service for products is recorded based on past after-sales service expenses as a percentage of net sales.
   (5) Provision for retirement benefits
   In order to provide employee retirement benefits, the amount recorded by the Company is based on projected benefit obligations and pension assets at the end of the fiscal year. In determining retirement benefit obligations, the Group attributes the expected amount of retirement benefit to the period until this fiscal year-end based on the benefit formula. If the amount of pension assets is found to be in excess of the amount of projected benefit obligations, such excess is recorded as prepaid pension costs.
   Past service cost is being amortized as incurred by the straight-line method over periods (9 years), which are shorter than the average remaining years of service of the employees.
   Actuarial gains and losses are amortized from the year following the year in which the gains or losses are recognized, primarily by the straight-line method over periods (9 years) which are shorter than the average remaining years of service of the employees.
   The accounting method for undisposed unrecognized past service expenses and unrecognized actuarial gains and losses is different from the accounting method used for the consolidated financial statements.

(6) Provision for stock bonuses

To prepare for future share allocations to Directors and others, the Company basically records the amount of payments according to estimated points to be allotted to Directors and others under the share allocation regulations.

6. Accounting standards for revenue and expenses

The Group recognizes revenue by applying the following five steps.

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to each performance obligation in the contract
Step 5: Recognize revenue when (or as) a performance obligation is satisfied

The Company engages mainly in manufacturing and sales of products and provision of IT services in the Digital Workplace Business, the Professional Print Business, the Healthcare Business and the Industry Business. Major performance obligations and an ordinary point in time to recognize revenue are as follows.
Revenue from sales of products is recognized at the time of delivery of the products, which is when control of the products is normally transferred to customers, and performance obligations are satisfied.
Revenue from providing services is recognized upon completion of providing services when the performance obligation is satisfied at a point in time, and it is recognized over the term of a contract depending on the progress at the end of each reporting period when the performance obligation is satisfied over time.

7. Accounting methods for hedge transactions

(1) Hedge accounting methods

The deferred hedge method is mainly used. Deferral hedge accounting is used for currency swaps that meet the conditions, and special accounting methods are used for interest rate swaps that meet certain conditions, respectively.

(2) Hedging methods and hedging targets

The hedge methods used are forward exchange contracts, currency option transactions, currency swaps and interest rate swaps.
The hedge targets are scheduled foreign currency denominated transactions, loans and borrowings.

(3) Hedge policy

The Company and consolidated subsidiaries enter into forward foreign exchange contracts and currency option transactions as hedging instruments only, not for trading purpose to make profits, within the limit of actual foreign transactions to reduce risk arising from future fluctuations of foreign exchange rates.
In addition, the Company and consolidated subsidiaries enter into currency swaps and interest rate swaps to make interest rates on borrowings stable, to reduce the risk of cost fluctuations for future capital procurement, not for speculation purpose, within the limit of actual financial or operating transactions.

(4) Methods for evaluating the effectiveness of hedges

Verification is made to ascertain a high correlation between value fluctuations of hedged items, cash flows and hedge instruments.

8. Consumption tax

Asset-related consumption tax that cannot be excluded is accounted for as deferred consumption taxes, etc., in the long-term prepaid expenses item and amortized over a five-year period by the straight-line method.

<**Notes on Revenue Recognition**>

Information that provides a basis for understanding revenue arising from contracts with customers is as follows.
(Digital Workplace Business and Professional Print Business)
The Digital Workplace Business and the Professional Printing Business principally engage in sales of multi-functional peripherals, digital printing systems and related supplies.
For sales of multi-functional peripherals, digital printing systems and related supplies, revenue is recognized at the time of shipment or delivery of products, which is when control of the products is considered to be transferred to customers. If acceptance inspection by customers is required for performance of products, revenue is recognized at the time of acceptance inspection by customers.
Consideration for transactions is principally received within one year after satisfaction of performance obligations and does not include any significant financial component.

(Healthcare Business)

The Healthcare Business mainly engages in sales of medical equipment including diagnostic imaging systems and related supplies, provision of services incidental to them, and provision of medical IT services.
Control of products is considered to be transferred to customers at the time of acceptance inspection by customers for sales of medical equipment, and at the time of delivery of products for sales of supplies, and revenue is recognized at that time.
Since services incidental to sales of medical equipment mainly consist of maintenance contracts for products and performance obligations are satisfied over time, revenue is recognized equally over the contract period based on the amount specified in the contract.
For medical IT services, revenue is recognized at the time of completion of the provision of services, which is when performance obligations are satisfied.
Consideration for transactions is principally received within one year after satisfaction of performance obligations and does not include any significant financial component. For services incidental to sales, consideration is received in lump sum at the time of signing the contract or expiry of the contract period, or in installments monthly.

(Industry Business)
The Industry Business principally engages in sales of products, such as TAC films, lenses for industrial and professional use and measuring instruments. Revenue is recognized when control of products is transferred to customers, that is, at the time of shipment or delivery of products. Consideration for transactions is principally received within one year after satisfaction of performance obligations and does not include any significant financial component.

<Note Concerning Accounting Estimates>

1. Valuation of property, plant and equipment, and intangible assets

Amount recorded in the financial statements for the fiscal year under review

Property, plant and equipment	¥109,820 million
Intangible assets	¥22,827 million

If an indication of impairment is recognized for an asset or asset group of non-current assets, the Company reduces its carrying amount to the recoverable amount and recognizes such reduction as impairment loss if the total amount of undiscounted future cash flows generated from such asset or asset group falls short of its carrying amount.
Principal factors indicating that impairment may have occurred include a substantial worsening of business performance compared with past or estimated operating performance, significant changes in the uses of acquired assets or changes in overall strategy, or a substantial worsening of industry or economic trends.
Calculations of recoverable amounts are based on assumptions set using such factors as an asset’s useful life, future cash flows, and the pre-tax discount rates that reflect the risks specific to the asset. These assumptions are based on the best estimates and judgments made by management. However, these assumptions may be affected by changes in uncertain future economic conditions, which may have a material impact on the financial statements in the next fiscal year.

2. Valuation of shares of subsidiaries and associates, and investments in capital of subsidiaries and associates

Amount recorded in the financial statements for the fiscal year under review

Shares of subsidiaries and associates	¥294,916 million
Investments in capital of subsidiaries and associates	¥84,943 million

The Company recognizes impairment loss if the Company deems that the actual value of the shares of subsidiaries and associates that do not have market prices, or investments in capital of subsidiaries and associates, is markedly below their book value, and that the decline in the actual value is not temporary. The duration and degree of the decline, as well the financial position and the outlook for operating results, are included in criteria for judging whether or not the decline in actual value is temporary.
While the Company believes that its criteria for judging impairment loss are reasonable, there is the possibility of a significant impact on the valuation of shares of subsidiaries and associates, and investments in capital of subsidiaries and associates in the financial statements for the following fiscal year, if there have been changes to the circumstances surrounding individual investments due to market changes, or unforeseeable changes to the economic or business-related assumptions.
With respect to the shares of subsidiaries and associates as well as investments in capital of subsidiaries and associates other than shares, etc. that do not have a market price, the Company recognizes impairment loss when their market price decreases significantly.

3. Recoverability of deferred tax assets

Amount recorded in the financial statements for the fiscal year under review

Deferred tax assets	¥11,491 million

The Company has applied the group tax sharing system. The recoverability of deferred tax assets is estimated based on the taxable income in accordance with future business plans of a company with a consolidated tax payment system. The Company estimates said taxable income, in particular, using our business plans as the basis for estimates. However, said plans entail uncertainty with regard to predictions of future revenue and we rely considerably on the estimates and judgments of managers. Said estimates may be impacted by factors including future fluctuations in uncertain economic conditions. If the periods and amounts of actual taxable income differ from estimates, there is the possibility of a material impact on the amount of deferred tax assets in the following fiscal year's financial statements.

4. Provision for retirement benefits

Amount recorded in the financial statements for the fiscal year under review

Prepaid pension costs	¥7,814 million
Provision for retirement benefits	¥7,278 million

The calculation methods and calculation assumptions for amounts reported on financial statements for the fiscal year under review, as well as the impact on financial statements for the following fiscal year, are given in "3. Post-retirement benefits" under Note Concerning Accounting Estimates, within Notes to Consolidated Financial Statements, and in "(5) Provision for retirement benefits" under 5. Standards for allowances, under Notes to Basis of Significant Accounting Policies, within Notes to Financial Statements.

<**Notes to Balance Sheet**>

1. Accumulated depreciation of property, plant and equipment ¥314,632 million

2. Balance of guaranteed obligations

The Company guarantees obligations for lease contracts of affiliated companies.

Konica Minolta Business Solutions U.S.A., Inc.	¥9,033 million

The Company guarantees tariffs payable by affiliated companies.

Konica Minolta (Xiamen) Medical Products Co., Ltd.	¥1,041 million

The Company guarantees obligations for contributing to pension funds at affiliated companies.

Konica Minolta Business Solutions (UK) Limited	¥1,774 million

3. Receivables from and payables to subsidiaries and associates

Short-term receivables	¥151,272 million
Long-term receivables	¥66,366 million
Short-term payables	¥81,989 million

4. Inventories

Merchandise and finished goods	¥36,810 million
Work in process	¥14,989 million
Raw materials and supplies	¥9,433 million

5. Land revaluation

Land for industrial purposes that had been revaluated based on the Law Concerning Land Revaluation (Law No. 34 promulgated on March 31, 1998) was received from Minolta Co., Ltd. on October 1, 2003, at the time of the merger. The amount corresponding to taxes on the amount of the land revaluation is included under the item deferred tax liabilities for land revaluation. An amount equivalent to the amount of the revaluation less the deferred tax liability has been entered in shareholders' equity as the revaluation reserve for land.

(1) Method of revaluation

The value of the land has been evaluated according to the value appraisal method for land fronting major roads, as provided for in Article 2−4 of the Enforcement Orders for the Law Concerning Land Revaluation (Enforcement Orders No. 119, promulgated on March 31, 1998) or the method for valuation of non-current assets provided for in Article 2−3 of the Enforcement Orders.

(2) Date of revaluation March 31, 2002

(3) The difference between the market value of the revalued land at the end of the fiscal year under review and the book value following revaluation ¥(6,306) million

6. Loan commitment

The Company has loan agreements with subsidiaries concerning financial matters for group companies and has established credit lines for seventeen of these subsidiaries. The available loan balance at the end of the fiscal year under review under these agreements is as follows.

Total loan limit	¥289,646 million
Disbursed loan balance	¥155,078 million
Available loan balance	¥134,567 million

<Notes to Statement of Income>

Transactions with subsidiaries and associates

Operating revenue	¥310,463 million
Operating expense	¥246,191 million
Other operating transactions	¥17,930 million
Other non-operating transactions	¥13,566 million

<Notes to Statement of Changes in Equity>

Type and number of treasury shares at end of period

Ordinary shares	8,180,129 shares

Note: The number of treasury shares includes those held by trust accounts related to the BIP trust for compensation for Directors.

<Notes on Tax Effect Accounting>

1. Breakdown by cause of deferred tax assets and liabilities

Deferred tax assets	
Loss on valuation of shares of subsidiaries and associates	¥22,294 million
Net operating tax loss carried forward	¥7,160 million
Qualified dividend in kind	¥2,113 million
Provision for retirement benefits	¥1,858 million
Depreciation and amortization	¥1,820 million
Asset retirement obligations	¥1,663 million
Provision for bonuses	¥1,505 million
Loss on valuation	¥1,087 million
Other	¥6,619 million
Deferred tax assets subtotal	¥46,125 million
Valuation allowance for operating loss carryforwards	¥(1,066) million
Valuation allowance for total of deductible temporary differences and others	¥(30,130) million
Subtotal of valuation allowances	¥(31,196) million
Total deferred tax assets	¥14,928 million
Deferred tax liabilities	
Loss (gain) on transfer of business	¥(1,384) million
Retirement costs corresponding to asset retirement obligations	¥(1,231) million
Valuation difference on available-for-sale securities	¥(736) million
Other	¥(85) million
Total deferred tax liabilities	¥(3,437) million
Net deferred tax assets	¥11,491 million

2. Deferred tax liabilities related to revaluation

Deferred tax liabilities for land revaluation	¥(3,019) million

3. Accounting treatment of income taxes and local income tax or accounting treatment of tax effect accounting related thereto

The Company has applied the group tax sharing system and engages in accounting treatment of income taxes and local income tax or accounting treatment and disclosure of tax effect accounting related thereto, in accordance with the “Practical Solution on the Accounting and Disclosure under the Group Tax Sharing System” (ASBJ Practical Issues Task Force No. 42, August 12, 2021).

<Notes on Related-Party Transactions>

Subsidiaries, etc.

(Millions of yen)

Attribute	Name of company, etc.	Equity ownership percentage	Relationship	Description of transactions	Transaction amount	Account item	Ending balance
Subsidiary	Konica Minolta Business Solutions Europe GmbH	(Ownership) Direct 100%	Sales of the Company's products Lending of cash	Sales of products (Note 1)	86,434	Accounts receivable - trade	9,974
				Lending of funds (Note 2)	79,694	Short-term loans receivable	72,375
				Receipt of interest	2,022	Accrued interest	610
Subsidiary	Konica Minolta Business Solutions U.S.A., Inc.	(Ownership) Indirect 100%	Sales of the Company's products Guarantees	Sales of products (Note 1)	75,982	Accounts receivable - trade	9,438
				Guarantees (Note 3)	9,033	-	-
Subsidiary	Konica Minolta Business Technologies Manufacturing (HK) Ltd.	(Ownership) Direct 100%	Manufacturing of the Company's products	Purchases of products (Note 1)	74,578	Accounts payable - trade	10,629
Subsidiary	Konica Minolta (CHINA) Investment Ltd.	(Ownership) Direct 100%	Sales of the Company's products Borrowing of cash Concurrent director(s)	Borrowing of funds (Note 2)	7,369	Short-term loans payable	10,748
Subsidiary	Konica Minolta Business Technologies (Malaysia) Sdn. Bhd.	(Ownership) Indirect 100%	Manufacturing of the Company's products	Purchases of products (Note 1)	53,751	Accounts payable - trade	6,130
Subsidiary	Konica Minolta Japan, Inc.	(Ownership) Direct 100%	Sales of the Company's products Borrowing of cash	Sales of products (Note 1)	39,562	Accounts receivable - trade	13,895
				Borrowing of funds (Note 2)	7,205	Short-term loans payable	9,325
Subsidiary	REALM IDx, Inc.	(Ownership) Indirect 98.6%	Lending of cash Concurrent director(s)	Lending of funds (Note 2)	54,901	Long-term loans receivable	60,376
				Receipt of interest	3,228	Accrued interest	34
Subsidiary	Konica Minolta Holdings U.S.A., Inc.	(Ownership) Direct 100%	Lending of cash Concurrent director(s) Underwriting of capital increase	Lending of funds (Note 2)	12,478	Short-term loans receivable	6,702
				Underwriting of capital increase (Note 4)	32,082	-	-
Subsidiary	Konica Minolta Planetarium Co., Ltd.	(Ownership) Direct 100%	Concurrent director(s)	Debt forgiveness (Note 5)	1,958	-	-

(Notes) Transaction terms and policy for determining transaction terms

1. Terms for purchases and sales of products and other items are determined by price negotiations in each fiscal year that take into account market prices and the cost of sales.
2. Regarding the lending and borrowing of funds, the Company enters into loan agreements concerning group financing with subsidiaries, setting a limit. The interest rate is determined based on market rates.
   The transaction amount is the average loan balance over the period under review.
3. Guarantees have been provided with respect to lease contracts and the Company has received guarantee commissions calculated based on the amount guaranteed. Transaction amount shows the balance of the guarantees as of the end of the fiscal year under review.
4. Underwriting of capital increase was conducted through contribution in kind by debt-equity swap method.
5. The Company forgave some loans receivable.

<Notes on Per Share Information>

Net assets per share	¥632.12
Loss per share	¥8.57

Note: In calculating per-share information, 2,223,585 shares and 2,345,754 shares are deducted from the numbers of shares at the end of the fiscal year and those during the fiscal year, respectively, as the shares of the Company held by trust accounts related to the BIP trust for compensation for Directors are treated as treasury shares.

<Note Concerning Significant Subsequent Events>

Not applicable.

<Other Notes>

1. The stock bonus program, which we call the BIP trust for compensation for Directors, was adopted from FY2017 to FY2022. We have decided to continue this program in FY2023 and beyond, with the trust period extending to August 31, 2026 (tentatively). Accompanying the continuation of the program, “stock bonus” will now be described as “medium-term stock bonus (performance-linked),” “medium-term stock bonus (non-performance linked),” and “long-term stock bonus.”
   As accounting treatment of the trust, the Company applies “Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees etc. Through Trusts” (Practical Issues Task Force No. 30; March 26, 2015) and includes the Company’s shares outstanding in the trust as treasury shares, based on their book values (excluding the amount of incidental expenses).
2. Loss on valuation of shares of subsidiaries and associates arose primarily from ¥6,219 million for the shares of M.G.I. Digital Technology S.A. (France) and ¥2,557 million for the shares of MOBOTIX AG (Germany).
3. Bad debts losses are related to loans to Konica Minolta Planetarium Co., Ltd.
4. Figures given in the text have been rounded down to the nearest millions of yen.

AUDITOR’S REPORTS

AUDITOR’S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor’s Report

May 20, 2024

The Board of Directors
Konica Minolta, Inc.

KPMG AZSA LLC

Otani Akihiro
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Yuichi Watanabe
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Yosuke Sato
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Auditor’s Opinion

We have audited the consolidated financial statements, comprising the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity and the notes to consolidated financial statements of Konica Minolta, Inc. (“the Company”) as at March 31, 2024 and for the year from April 1, 2023 to March 31, 2024 in accordance with Article 444 (4) of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and the results of operations of the Company and its consolidated subsidiaries for the period in accordance with accounting standards that omit certain items required to be disclosed by the International Financial Reporting Standards, as provided in the latter part of Article 120-1 of the Ordinance on Company Accounting.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility in those standards is stated in “Auditor’s Responsibility in Audit of the Consolidated Financial Statements.” In accordance with the provisions for professional ethics in Japan, we are independent from the Company and its consolidated subsidiaries and fulfill other ethical responsibilities as auditor. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Statements

Other statements consist of the business report and accompanying schedules. Management is responsible for the preparation and disclosure of the other statements. The Audit Committee is responsible for monitoring the exercise of duties of Executive Officers and Directors in the preparation and operation of the reporting processes of the other statements.
The other statements are not included within the scope of our audit opinion on the consolidated financial statements, and we do not indicate our opinion on the other statements.
Our responsibility with regard to the auditing of the consolidated financial statements is to read through the other statements, and in the process of reading through them, consider if there are any material differences between the other statements and the consolidated financial statements or the knowledge that we have obtained through our auditing process, and pay attention to whether or not there are signs of material errors in other statements, in addition to such material differences.
When we determine that there are material errors in other statements based on the taskes we have performed, we are required to report such fact.
We have found no matters to report regarding the other statements.

Management's and Audit Committee's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting standards that omit certain items required to be disclosed by the International Financial Reporting Standards, as provided in the latter part of Article 120-1 of the Ordinance on Company Accounting. Management is also responsible for the establishment and operation of such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing whether it is appropriate to prepare those statements based on the going concern assumption. Management is also responsible for disclosing matters regarding the going concern, in accordance with accounting standards that omit certain items required to be disclosed by the International Financial Reporting Standards, as provided in the latter part of Article 120-1 of the Ordinance on Company Accounting, if it is necessary to do so.

The Audit Committee is responsible for monitoring the exercise of duties of Executive Officers and Directors in the preparation and operation of the financial reporting processes.

Auditor's Responsibility in Audit of the Consolidated Financial Statements

Our responsibility is to express as independent auditor an opinion on the financial statements based on our audit in the Auditor's Report, after we obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error. Misstatements may occur due to fraud or error. They are recognized as being important when they are reasonably expected to have an effect, separately or in total, on decision making of users of the consolidated financial statements.

In accordance with the accounting principles generally accepted in Japan, the auditor shall conduct the following with professional judgment and professional skepticism during the process of audit:

・Identify and assess risks of material misstatements, whether due to fraud or error. Plan and conduct audit procedure responding to the risks of material misstatements. The choice and application of the audit procedure is based on the auditor's judgment. Moreover, obtain satisfactory and appropriate audit evidence on which the auditor's opinion will be based.

・The purpose of audit of the consolidated financial statements is not to express an opinion on the effectiveness of internal control. However, the auditor shall consider the internal control associated with audit in order to plan the appropriate audit procedure suitable for the situation in conducting risk assessment.

・Assess the appropriateness of management‘s accounting policy and its application method, the reasonableness of accounting estimates made by management and the validity of related notes.

・Conclude whether management’s preparing the consolidated financial statements on the going concern assumption is appropriate and whether there are significant uncertainties related to events or conditions that may cast significant doubt upon the going concern assumption, based on obtained audit evidence. It is requested that the auditor draw attention to the notes to the consolidated financial statements in the auditor’s report when there are significant uncertainties related to the going concern assumption or that the auditor express a qualified opinion on the consolidated financial statements when the notes to significant uncertainties in the consolidated financial statements are inappropriate. Though the auditor’s conclusion is based on the audit evidence the auditor had obtained by the date of the audit report, the Company may not be able to survive as a going concern depending on future events and conditions.

・Assess whether the presentation and notes in the consolidated financial statements comply with accounting standards that omit certain items required to be disclosed by the International Financial Reporting Standards, as provided in the latter part of Article 120-1 of the Ordinance on Company Accounting. Assess the presentation, configuration and contents of the consolidated financial statements, including the related notes, and whether the consolidated financial statements appropriately present underlying transactions and accounting events.

・Obtain satisfactory and appropriate audit evidence on financial information of the Company and its consolidated subsidiaries to express an opinion about the consolidated financial statements. The auditor is responsible for the instruction, supervision and exercise in association with audit of the consolidated financial statements. The auditor assumes independent responsibility for its audit opinion.

The auditor reports to the Audit Committee on the scope of its planned audit and schedule of implementation, material findings on audit that were recognized in the implementation process of audit, including significant deficiencies in internal control, and other matters required by the audit standards.

The auditor reports to the Audit Committee that it complied with the code of professional ethics for independence in Japan. The auditor also reports to the Audit Committee on matters that are reasonably considered affecting the auditor’s independence and, if applicable, any measures taken to eliminate obstacles or safeguards put in place to reduce these obstacles to acceptable levels.

Interest

There is no interest between the Company and its consolidated subsidiaries and our auditing firm or executive officers which should be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

<u>Notes to the Reader of Independent Auditor's Report</u>:
The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act

AUDITOR'S REPORT ON FINANCIAL STATEMENTS

Independent Auditor's Report

May 20, 2024

The Board of Directors
Konica Minolta, Inc.

KPMG AZSA LLC

Otani Akihiro
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Yuichi Watanabe
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Yosuke Sato
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Auditor's Opinion

We have audited the financial statements, comprising the balance sheet, the statement of income, the statement of changes in equity and the notes to financial statements, and the supporting schedules ("the Financial Statements") of Konica Minolta, Inc. ("the Company") as at March 31, 2024 and for the 120th business year from April 1, 2023 to March 31, 2024 in accordance with Article 436 (2) (i) of the Companies Act.

In our opinion, the Financial Statements referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the Financial Statements were prepared, in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility in those standards is stated in "Auditor's Responsibility in Audit of the Financial Statements." In accordance with the provisions for professional ethics in Japan, we are independent from the Company and fulfill other ethical responsibilities as auditor. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Statements

Other statements consist of the business report and accompanying schedules. Management is responsible for the preparation and disclosure of the other statements. The Audit Committee is responsible for monitoring the exercise of duties of Executive Officers and Directors in the

preparation and operation of the reporting processes of the other statements.
The other statements are not included within the scope of our audit opinion on the Financial Statements, and we do not indicate our opinion on the other statements.
Our responsibility with regard to the auditing of the Financial Statements is to read through the other statements, and in the process of reading through them, consider if there are any material differences between the other statements and the Financial Statements or the knowledge that we have obtained through our auditing process, and pay attention to whether or not there are signs of material errors in other statements, in addition to such material differences.
When we determine that there are material errors in other statements based on the taskes we have performed, we are required to report such fact.
We have found no matters to report regarding the other statements.

Management's and Audit Committee's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with the accounting principles generally accepted in Japan. Management is also responsible for the establishment and operation of such internal control as management determines is necessary to enable the preparation and fair presentation of the Financial Statements that are free from material misstatements, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing whether it is appropriate to prepare the Financial Statements based on the going concern assumption and, if it is necessary to do so, disclose matters regarding the going concern in accordance with the accounting principles generally accepted in Japan.

The Audit Committee is responsible for monitoring the exercise of duties of Executive Officers and Directors in the preparation and operation of the financial reporting processes.

Auditor's Responsibility in Audit of the Financial Statements

Our responsibility is to express as independent auditor an opinion on the financial statements based on our audit in the Auditor's Report, after we obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error. Misstatements may occur due to fraud or error. They are recognized as being important when they are reasonably expected to have an effect, separately or in total, on decision making of users of the financial statements.

In accordance with the accounting principles generally accepted in Japan, the auditor shall conduct the following with professional judgment and professional skepticism during the process of audit:

・Identify and assess risks of material misstatements, whether due to fraud or error. Plan and conduct audit procedure responding to the risks of material misstatements. The choice and application of the audit procedure is based on the auditor's judgment. Moreover, obtain satisfactory and appropriate audit evidence on which the auditor's opinion will be based.

・The purpose of audit of the financial statements is not to express an opinion on the effectiveness of internal control. However, the auditor shall consider the internal control associated with audit in order to plan the appropriate audit procedure suitable for the situation in conducting risk assessment.

・Assess the appropriateness of management's accounting policy and its application method, the reasonableness of accounting estimates made by management and the validity of related notes.

・Conclude whether management's preparing the financial statements on the going concern assumption is appropriate and whether there are significant uncertainties related to events or conditions that may cast significant doubt upon the going concern assumption, based on obtained audit evidence. It is requested that the auditor draw attention to the notes to the financial statements in the auditor's report when there are significant uncertainties related to the going concern assumption or that the auditor express a qualified opinion on the financial statements when the notes to significant uncertainties in the financial statements are inappropriate. Though the auditor's conclusion is based on the audit evidence the auditor had obtained by the date of the audit report, the Company may not be able to survive as a going concern depending on future events and conditions.

・Assess whether the presentation and notes in the Financial Statements comply with the accounting principles generally accepted in Japan. Assess the presentation, configuration and contents of the Financial Statements, including the related notes, and whether the Financial Statements appropriately present underlying transactions and accounting events.

The auditor reports to the Audit Committee on the scope of its planned audit and schedule of implementation, material findings on audit that were recognized in the implementation process of audit, including significant deficiencies in internal control, and other matters required by the audit standards.

The auditor reports to the Audit Committee that it complied with the code of professional ethics for independence in Japan. The auditor also reports to the Audit Committee on matters that are reasonably considered affecting the auditor's independence and, if applicable, any measures taken to eliminate obstacles or safeguards put in place to reduce these obstacles to acceptable levels.

Interest

There is no interest between the Company and our auditing firm or executive officers which should be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

<u>Notes to the Reader of Independent Auditor's Report</u>:
The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act.

AUDIT COMMITTEE'S REPORT

AUDIT REPORT

We, the Audit Committee of Konica Minolta, Inc. ("the Company"), have audited the performance of duties by Directors and Executive Officers during the 120th business year from April 1, 2023 to March 31, 2024. We report the method and results as follows.

1. Method and details of audit

   We, the Audit Committee, have received reports from the Executive Officers and employees on a regularly basis on the details of the board resolutions with respect to items prescribed in Article 416, Paragraph 1, Item 1, b) and e) of the Companies Act, and the status of the establishment and operation of the system established based on such board resolutions (internal control system), sought explanations, whenever the necessity arose, expressed our opinions, and conducted audits through the methods as described below.

   i) In accordance with the audit standards, audit policy, audit plan, assignment of duties, etc. determined by the Audit Committee, in cooperation with the internal audit division and other internal control divisions of the Company we verified the process and details of decision-making at important meetings, etc., the details of the primary decision documents and other important documents, etc. related to business execution, as well as the status of the performance of duties by Directors, Executive Officers and others, and the status of business operations and assets of the Company. In addition, with respect to subsidiaries, we confirmed the status of their business and management by communicating and exchanging information with Directors and corporate auditors of the subsidiaries, visiting and attending important meetings, and inspecting important decision documents, etc., whenever the necessity arose.

   ii) With regard to the basic policy for the way of being of those who control the Company's financial and business policy decisions stated in the business report, we examined the contents based on factors such as the status of deliberations at the Board of Directors and other meetings.

   iii) In addition to monitoring and examining whether the Accounting Auditor maintained an independent position and performed auditing appropriately, we received reports from the Accounting Auditor on the performance of its duties and requested explanations when necessary. In addition, we received notice from the Accounting Auditor that "The systems for ensuring the proper performance of duties" (set forth in each item of Article 131 of the Regulations of Corporate Financial Calculation) are organized in accordance with the "Standards for Quality Control of Audit" (Business Accounting Council, October 28, 2005) and other relevant standards, and sought explanations whenever necessity arose.

   Based on the above methods, we examined the business report, financial statements (balance sheet, statement of income, statement of changes in equity, notes to financial statements), supporting schedules, and the consolidated financial statements (consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of changes in equity, notes to consolidated financial statements, which were prepared by omitting certain items required to be disclosed by the International Financial Reporting Standards, pursuant to the latter part of Article 120-1 of the Ordinance on Company Accounting) for the fiscal year under review.

2. Results of audit

   (1) Results of audit of business report, etc.

i) In our opinion, the business report and accompanying schedules fairly represent the condition of the Company in accordance with the laws, regulations and Articles of Incorporation of the Company.
ii) We have determined that there were no serious occurrences of dishonest or false activity or violations of any laws, regulations or the Company's Articles of Incorporation by any Directors or Executive Officers in carrying out their duties.
iii) We believe the details of resolutions of the Board of Directors regarding the internal control system are appropriate. We found no matters of note with respect to the execution of duties of Executive Officers regarding the internal control system.
iv) We have determined that the basic policy for the way of being of those who control the Company's financial and business policy decisions stated in the business report is appropriate.

(2) Results of audit of financial statements and accompanying schedules
In our opinion, the audit method and audit results received from the accounting auditor KPMG AZSA LLC are appropriate.

(3) Results of audit of consolidated financial statements
In our opinion, the audit method and audit results received from the accounting auditor KPMG AZSA LLC are appropriate.

May 20, 2024

Audit Committee of Konica Minolta, Inc.

Audit Committee Member	Soichiro Sakuma	(Seal)
Audit Committee Member	Akira Ichikawa	(Seal)
Audit Committee Member	Takuko Sawada	(Seal)
Audit Committee Member (Full-time)	Hiroyuki Suzuki	(Seal)

<u>Notes to the Reader of Audit Report</u>:

1. The Audit Report herein is the English translation of the Audit Report as required by the Companies Act.
2. Mr. Soichiro Sakuma, Mr. Akira Ichikawa and Ms. Takuko Sawada are Outside Directors as provided for in Article 2, Item 15 and Article 400, Paragraph 3 of the Companies Act.