



Konica Minolta, Inc. 3rd Quarter/FY2021 ending in March 2022 Consolidated Financial Results

Three months: October 1, 2021 – December 31, 2021
Nine months: April 1, 2021 – December 31, 2021
– Announced on February 1, 2021 –

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- **FY2021 Q3 Results: Revenue and operating profit somewhat exceeded forecasts.**
 - ✓ Digital Workplace: Recovery in real demand continued, but the order backlog increased due to delays in supplies caused by prolonged logistics lead times. Forecast was not reached.
 - ✓ Professional Print: Despite toner shortages caused by the effects of the accident at Tatsuno Plant, hardware sales made a strong showing and surpassed forecasts.
 - ✓ Industry: Revenue remained high, and results were in line with forecasts. Operating profit in 9 months was ¥19.7 billion, roughly doubling year-on-year. Operating profit margin also improved significantly (+8pt).

- **FY2021 Earnings and Dividend Forecasts: Only the revenue forecast was revised; the forecasts for profit and dividends were left unchanged.**
 - ✓ Key point: Order backlog will be eliminated as much as possible, year-end inventory minimized as much as possible, and profit in the Industry Business maximized.

FY2021 Q3 Results

FY2021 Q3 Performance Overview | Summary



[¥ billions]

	FY2021	FY2020	YoY	YoY	FY2021	FY2020	YoY	YoY
	9M	9M	YoY	(W/O Forex)	Q3	Q3	YoY	(W/O Forex)
Revenue	661.5	614.9	+8%	+3%	216.4	230.2	-6%	-11%
Operating Profit	-10.2	-24.6	-	-	-8.6	3.3	-	-
Profit attributable to owners of the Company	-13.2	-20.6	-	-	-8.9	1.6	-	-
FOREX [Yen]								
USD	111.10	106.11	+4.99		113.71	104.51	+9.20	
EUR	130.62	122.38	+8.24		130.07	124.54	+5.53	

Q3 Revenue

- Decrease of revenue in Digital Workplace Business was not covered by the increase of other Businesses. Revenue of company overall decreased.
- In Digital Workplace Business, real demand of hardware continued to recover steadily. However, the supplies delayed due to constraints regarding semiconductors and other components and prolonged logistic lead times. And the revenue of the business declined. Nevertheless, revenue remains in an upturn on a real demand basis when considering the ¥18.5 billion increase in the order backlog (from approx. ¥30.0 billion at end-Q2 to approx. ¥48.5 billion at end-Q3).

Q3 Operating Profit / Capital Efficacy

- Operating profit: In addition to the decline in revenue, gross margin decreased because of the higher cost of sales due to air transportation for office hardware and a spike in freight costs, and so on. SG&A for the Company overall remained under ¥100.0 billion in the quarter (excluding the impact of FOREX), but operating profit declined. One-off expenses of ¥1.5 billion, such as expenses for shifting the business portfolio, were posted.
- Capital efficiency: Operating CFs decreased due to lower profit and an increase in inventory (increase in on-board inventory).

FY2021 Q3 Performance | Revenue and profit by Segment



[¥ billions]

Revenue	FY2021				FY2020			
	9M		YoY	YoY (W/O Forex)	Q3		YoY	YoY (W/O Forex)
Digital Workplace	333.7	336.3	-1%	-6%	107.6	125.0	-14%	-19%
Professional Print	140.9	118.8	+19%	+12%	47.4	45.3	+5%	-2%
Healthcare	84.4	73.6	+15%	+11%	28.2	28.2	+0%	-5%
Industry	101.4	85.5	+19%	+15%	32.8	31.5	+4%	+0%
Sensing	31.2	22.7	+38%	+29%	9.3	8.0	+17%	+9%
Materials and Components	61.7	54.1	+14%	+13%	20.5	20.5	-0%	-2%
Imaging-IoT solutions	8.4	8.7	-3%	-8%	2.9	3.0	-3%	-6%
Corporate, etc.	1.1	0.8	+44%	+57%	0.5	0.2	+96%	+96%
Company overall	661.5	614.9	+8%	+3%	216.4	230.2	-6%	-11%

Operating profit/OPM	FY2021				FY2020					
	9M		YoY	YoY (W/O Forex)	Q3		YoY	YoY (W/O Forex)		
Digital Workplace	-9.0	-	-6.2	-	-	-4.6	-	3.1	-	-
Professional Print	0.5	0.4%	-8.8	-	-	-1.0	-	-0.0	-	-
Healthcare	-9.8	-	-7.1	-	-	-4.5	-	-0.5	-	-
Industry	19.7	19.5%	9.8	+101%	+95%	5.2	+16.0%	4.8	+10%	+3%
Corporate, etc.	-11.6	-	-12.3	-	-	-3.7	-	-4.0	-	-
Company overall	-10.2	-	-24.6	-	-	-8.6	-	3.3	-	-

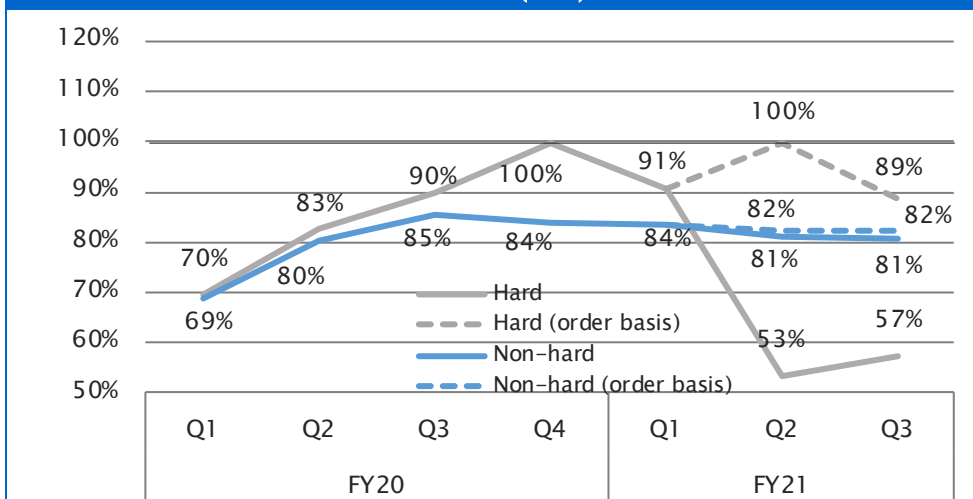
FY2021 Q3 Performance | Progress Toward Forecasts



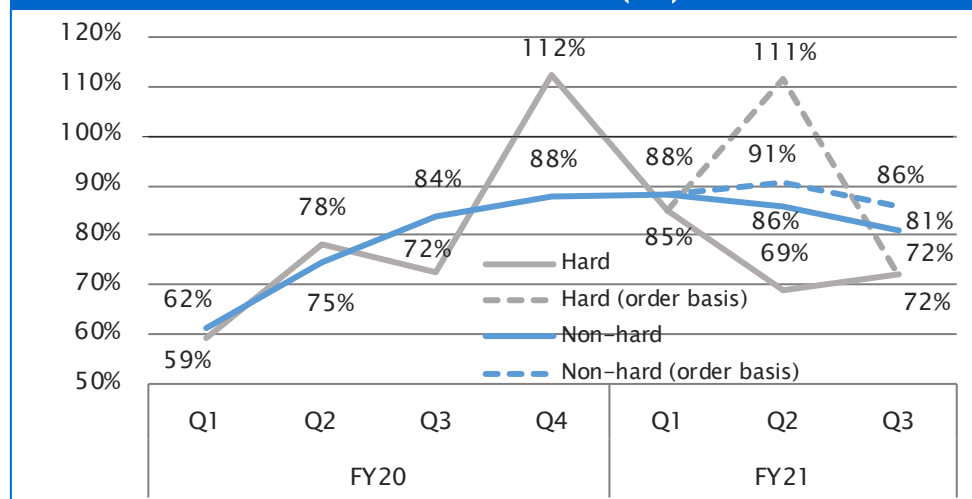
Segment	Progress toward forecasts	
Company overall	<ul style="list-style-type: none"> Q3 operating profit came in slightly above internal forecasts; despite restraints on sales promotions, the order backlog increased over the forecast due to solid demand. No new information to disclose about business portfolio transformation. 	
Digital Workplace (did not meet forecast)	OP	Hardware: Order backlog at end-Q3 was approx. ¥44 billion (approx. ¥7.5 higher than predicted) due to constraints regarding semiconductors and other components, as well as prolonged logistic lead times. Non-hard: Real demand was below forecast due to the spread of the Omicron variant in the U.S. and Europe (down 2 pt.) The order backlog at end-Q3 was approx. ¥4.5 billion.
	DW-DX	Service MRR* exceeded more than expected (+15%). But failed to meet forecasts in total revenue due to decline in solutions related to OP and IT hardware sales affected by semiconductor shortage.
Professional Print (exceeded forecast)	PP	Hardware: More progress made than expected in equipment replacement for existing customers; order backlog at end-Q3 was approx. ¥47.5 billion. Non-hard: Surpassed forecasts due to prioritized allocation of toner manufacturing. Order backlog at end-Q3 was approx. ¥3.5 billion.
	IP	Hardware: Forecasts exceeded due to earlier closure on deals on each model; IJ printer, KM-1 brought in record-high orders for a quarter in the U.S. Non-hard: Exceeded forecasts due to recovery in final demand for commodities and apparel.

Year-on-year rate of increase/decrease of hard and non-hard revenue compared to FY19 (excluding the impact of FOREX)

Office (OP)



Production Print (PP)



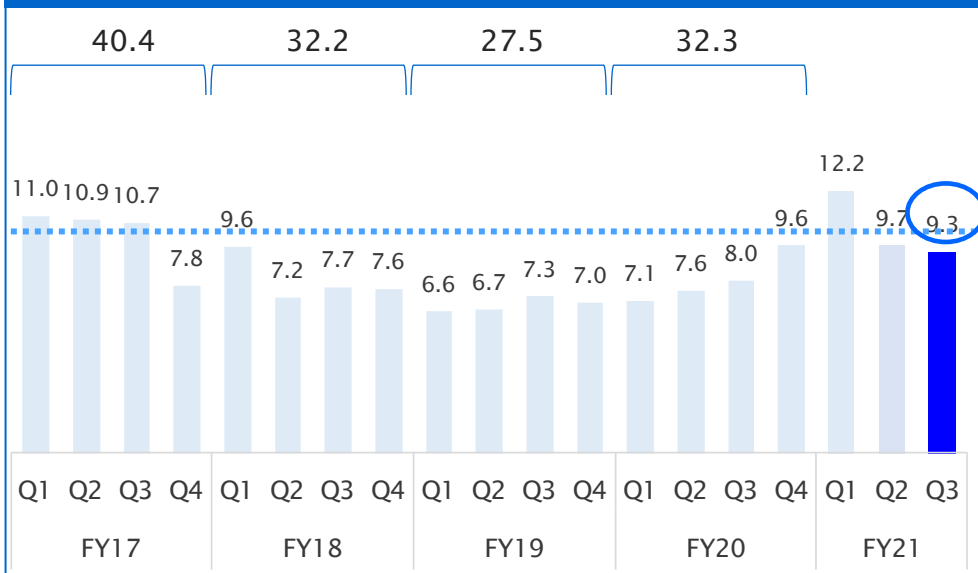
* MRR : Monthly Recurring Revenue

FY2021 Q3 Performance | Progress Toward Forecasts

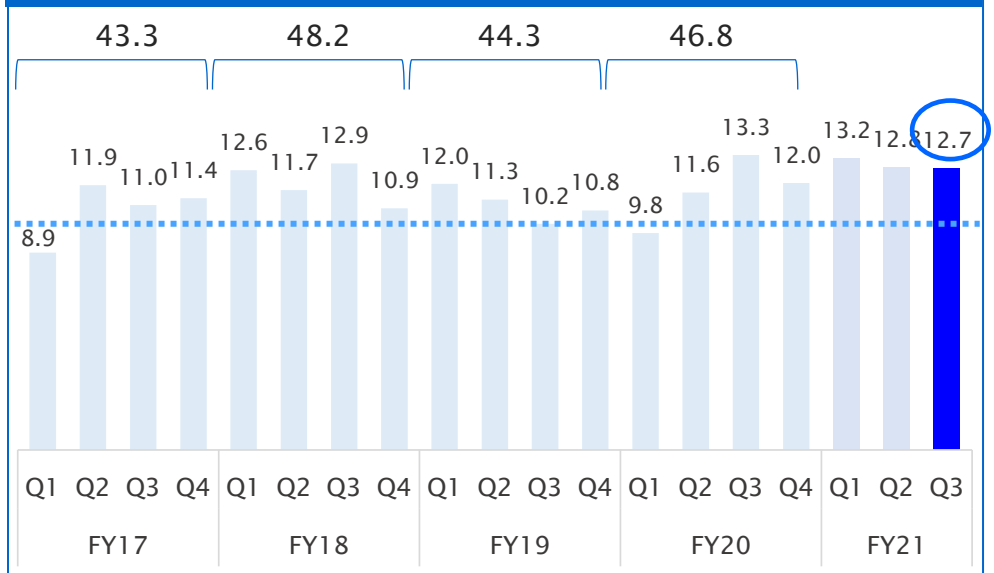


Segment		Progress toward forecasts
Healthcare (somewhat did not meet forecast)	HC	Driven by Japanese markets, DR, diagnostic ultrasound systems, and medical IT were solid, and sales of pulse oximeter increased, resulting in line with forecast.
	APM	Genetic testing: Continued to increase QoQ (up 25% YoY), but slightly down forecast. Drug discovery support: Clinical trials are falling due to resurgence of COVID-19, but results were in line with forecasts; backlog increased.
Industry (somewhat exceeded forecast)	SE	Light-source color measurement instruments captured display demand in Asia, and object color measurement instruments saw growth primarily in Europe and China, in line with forecasts. Automobile visual inspection and HSI (hyperspectral imaging) were also solid, in line with forecasts, and new orders were brought in.
	MCH	Performance materials: As predicted, the strong TV market calmed down, but large size and IT applications remained high level (up 1% YoY). IJ components: The markets in Europe and India, which had made a good recovery, slowed than expected, but inkjet printheads for industrial applications, which is a growth area, somewhat expanded more than expected.
	IIS	The number of "FORXAI" partner increased to around 90, exceeding expectation, and co-creation started (NEC, Marubeni, etc.). Sales did not meet the forecast due to delays in receiving orders for large-scale projects.

Sensing (SE) [¥ billions]



Performance materials (PM) [¥ billions]



FY2021 Earnings Forecast

Digital Workplace / Professional Print

Improved from previous expectation
 Deteriorated from previous expectation

Changes in environment		Impact on business performance	
		Office (OP)	Production print (PP)
External factors	COVID-19 impact (mainly on demand side)	• Hardware: Demand continue to recover as expected	• Hardware: Demand continue to recover as expected
		• Non-hard: Slightly delay of recovery in demand due to spread of the Omicron variant	• Non-hard: No change in demand as expected
	Procurement of semiconductors and other components	• Hardware: Production around 75% of real demand (Q3 70%, Q4 85%) (End-H1 forecast was 70% (Q3 55%, Q4 85%))	
Internal factors	Impact of toner factory accident	• Toner: Production of approx. 75% of real demand in H2 (Q3 55%, Q4 95%) (As expected at end-H1 company-wide, but increased allocation to PP.)	
			• Prioritize toner supply to existing customers and promote replacement of hardware

Company overall

Perceptions of environment as basis		
External factors	Electric power issues in China	• Minor impact by various measures
	Supply chain	• Continuing container shortages, port congestion, logistics labor shortages, rapid increases in freight rates, and longer shipping-arrival lead times as a result of increasing economic activity

FY2021 Earnings Forecasts | Summary

[¥ billions]

	FY2021 Forecast (Current)	FY2021 Forecast (Previous)	FY2020 Result	Difference	
Revenue	900.0	890.0	863.4	+4%	
Operating Profit	12.0	12.0	-16.3	-	
Profit attributable to owners of the Company	1.5	1.5	-15.2	-	
	FOREX [Yen]				
	USD	105.0	105.0	106.1	-1.1
	EUR	125.0	125.0	123.7	+1.3

Full-Year Earnings Forecasts

- **Forex:** Maintaining assumption of ¥125/EUR and ¥105/USD.
- **Revenue and profit:** Considering progress in Q3, we only revised our forecast for revenue, raising it by ¥10.0 billion.
- **Dividends:** Left unchanged (¥30/share annually, ¥15/share at period-end)

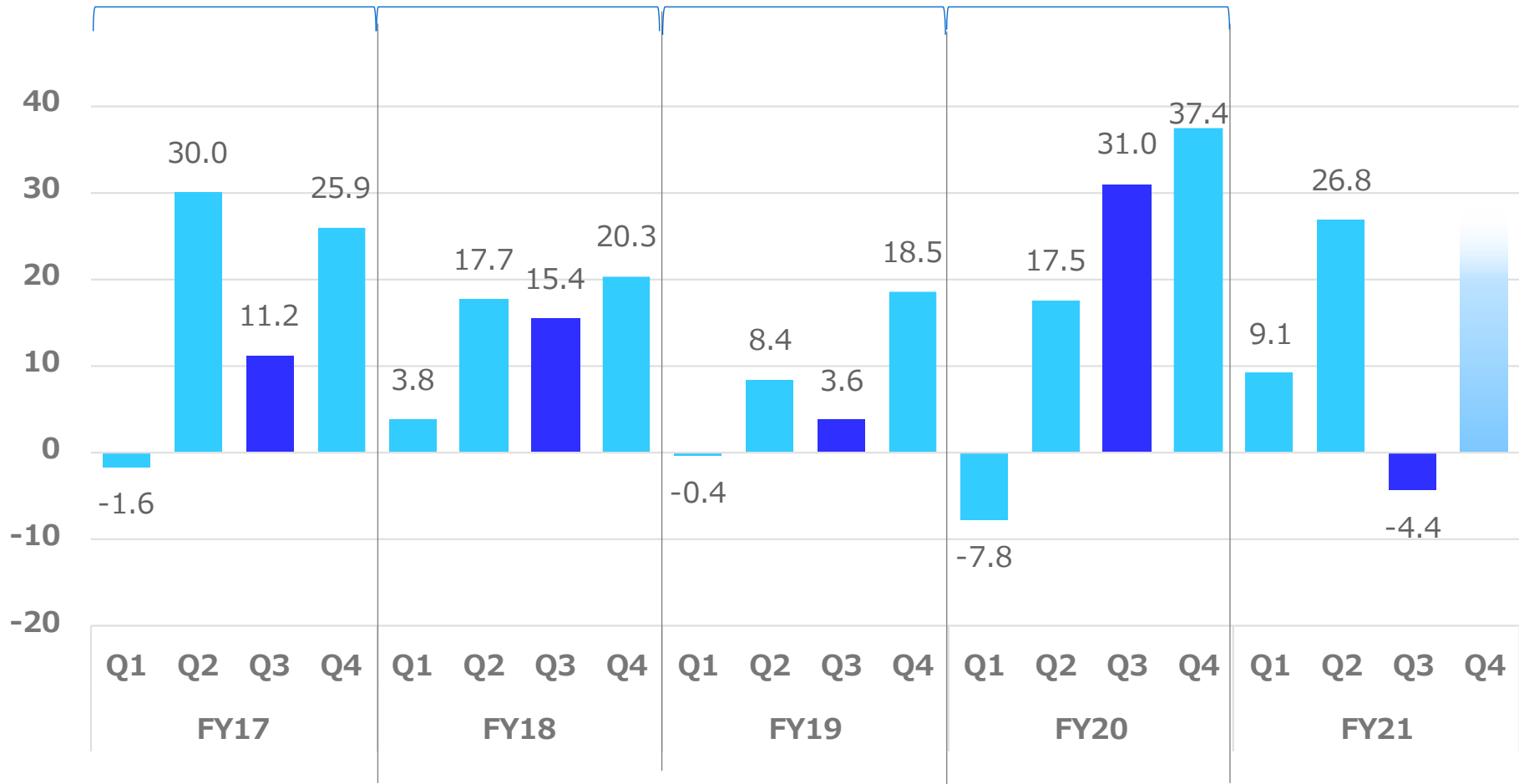
FY2021 Earnings Forecasts | Revenue and profit by Segment

[¥ billions]

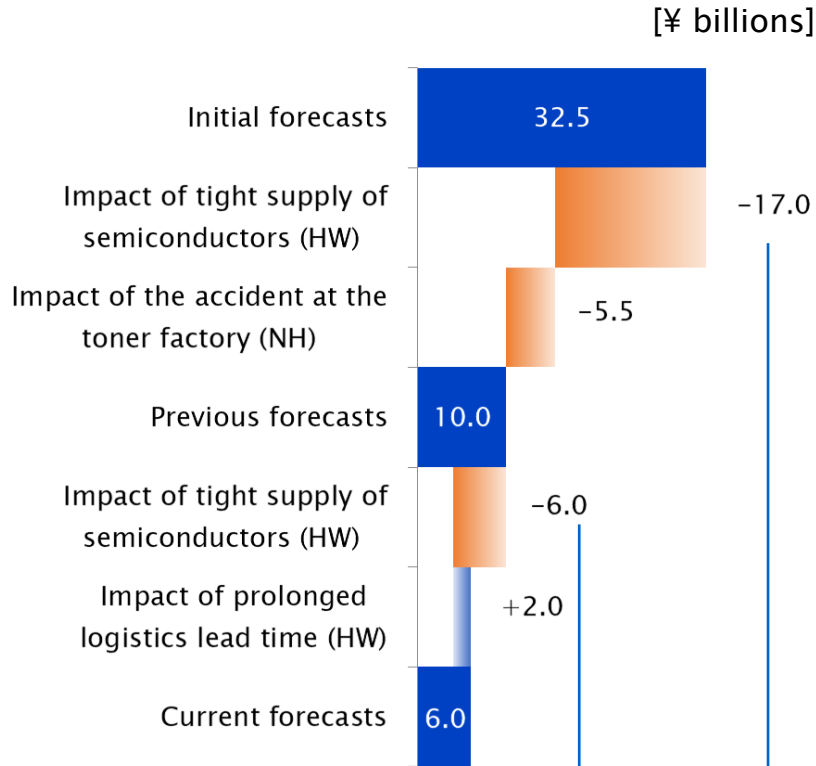
Revenue	FY2021 Forecast (Current)		FY2021 Forecast (Previous)		FY2020 12M Results	
Digital Workplace	470.0		470.0		465.2	
Professional Print	192.0		180.0		169.6	
Healthcare	120.0		122.0		109.1	
Industry	147.5		147.5		118.2	
Sensing	41.0		41.0		32.3	
Materials and components	89.5		89.5		73.7	
Imaging-IoT solutions	17.0		17.0		12.2	
Corporate, etc.	-29.5		-29.5		1.3	
Company overall	900.0		890.0		863.4	

Operating Profit / OPM	FY2021 Forecast (Current)		FY2021 Forecast (Previous)		FY2020 12M Results	
Digital Workplace	6.0	1.3%	10.0	2.1%	-2.7	-
Professional Print	3.0	1.6%	-2.0	-	-7.9	-
Healthcare	-9.0	-	-7.0	-	-6.4	-
Industry	28.0	18.9%	28.0	19.0%	15.6	13.2%
Corporate, etc.	-16.0	-	-17.0	-	-14.9	-
Company overall	12.0 1.3%		12.0 1.3%		-16.3 -	

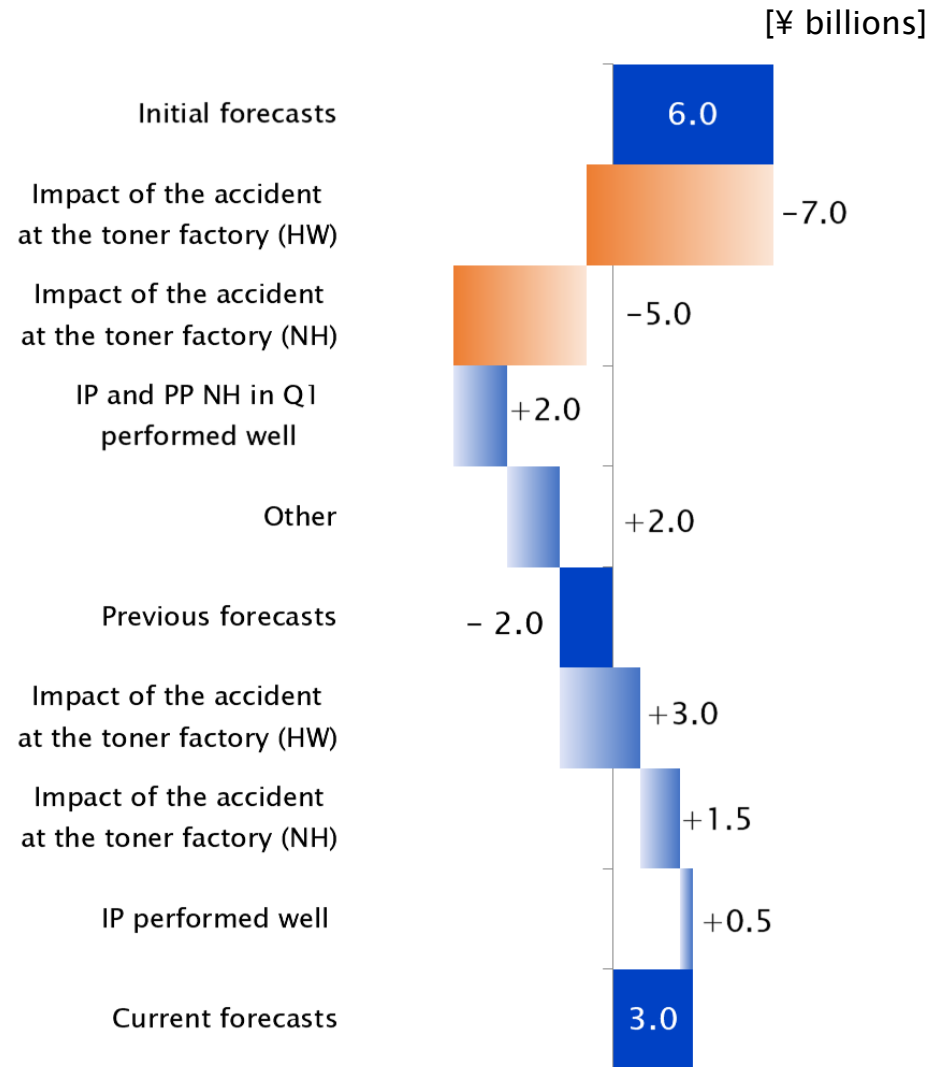
In Q3, CFs were negative due to lower sales and profits caused by prolonged logistic lead times and higher on-board inventory. In Q4, however, CFs are expected to turn positive due to higher sales and profits from maximizing the elimination of order backlog and minimizing inventory.



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Hardware order backlog at the end of the fiscal year
 Previous forecast: Around ¥30 billion
 Current forecast: Around ¥39 billion



- Reduce orders backlog at end-Q3 as much as possible, particularly in Digital Workplace Business, and minimize inventory
- Speed up shipments from factories and add more transport routes
- Promote replacing hardware for existing customers and expand the supply of non-hard by increasing the production of toner for production print.
- Keep the momentum of increasing DR / pulse oximeter, medical IT, RNA testing / CARE, convert the order backlog of drug discovery support services to revenue.
- Growth of Industry Business
 - Sensing: Increase QoQ revenue with large projects for displays and accelerate closure on projects for automobile visual inspection and HSI, for which new orders are increasing
 - Performance materials: Increase sales of large-screen TVs and accelerate customer deployment of new resin film and long-wide film
 - Inkjet (IJ) components: Increase sales of IJ heads for industrial use (such as display manufacturing applications)
 - Imaging-IoT: Definite closure of large-scale projects in pipeline, which are expanding
- Keep and control SG&A expenses at level below ¥100.0 billion (excluding the impact of FOREX), and allocate expenses to growth field, such as Healthcare and Industry Business.

FY2021 Earnings Forecasts |

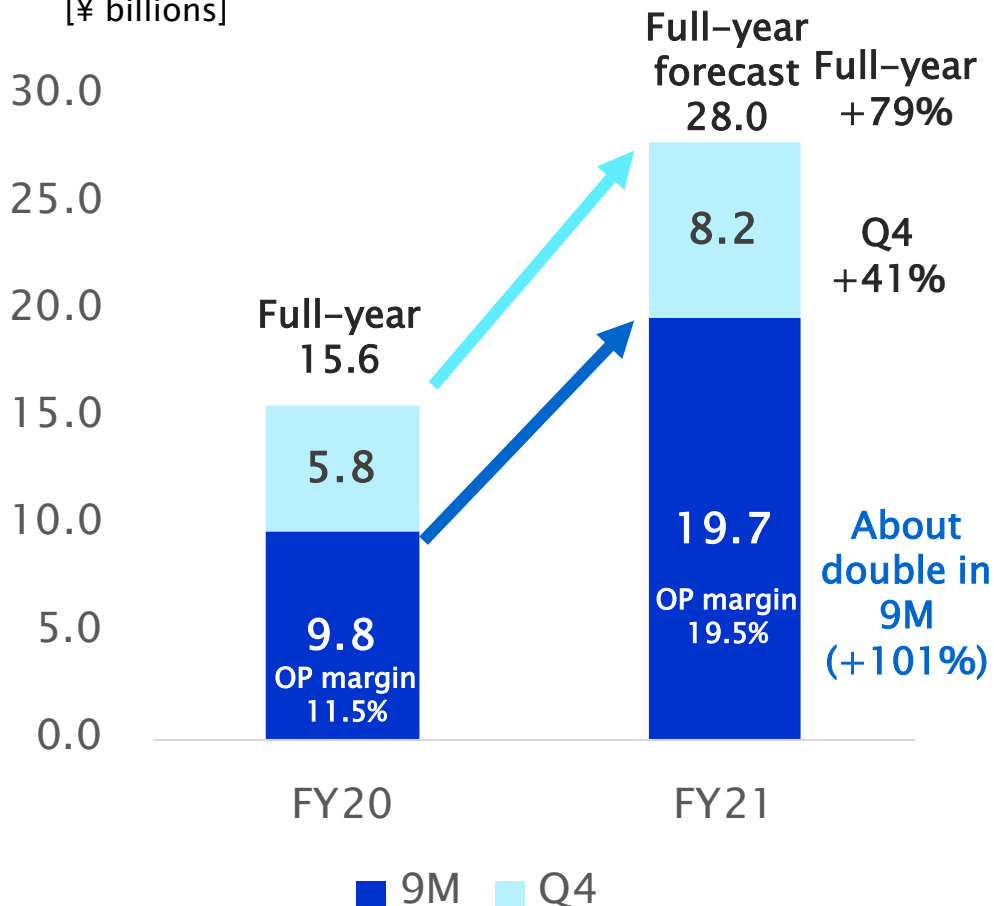
Industry Business performed well, steady progress in the portfolio transformation



KONICA MINOLTA

Operating Profit of Industry Business (FY20 vs FY21)

[¥ billions]



Full-year forecast:

- While revenue in sensing will remain high and revenue in materials and components will increase, we expect 41% growth of operating profit in Q4.
- We expect a solid increase in profit for an approximately 80% increase in the full year.

9 Months:

- Approximately doubled operating profit from the previous year, driven by increased revenue of sensing (+38%), performance materials (+11%), and IJ components (+26%).
- Operating profit margin improved significantly (+8pt).



Appendix

[¥ billions]

Revenue · Operating Profit

FY19		Q1	Q2	Q3	Q4	9M
Revenue	OP	116.4	120.9	119.6	116.6	357.0
	DW-DX	18.5	18.2	19.9	18.8	56.7
	total	135.0	139.1	139.5	135.4	413.6
OP		5.5	7.8	4.3	0.1	17.6
OP margin		4.0%	5.6%	3.1%	0.1%	4.2%
FY20		Q1	Q2	Q3	Q4	9M
Revenue	OP	78.3	98.2	104.2	107.9	280.7
	DW-DX	16.3	18.5	20.8	21.1	55.6
	total	94.6	116.7	125.0	128.9	336.3
OP		-9.6	0.3	3.1	3.5	-6.2
OP margin		-	0.3%	2.5%	2.7%	-
FY21		Q1	Q2	Q3		9M
Revenue	OP	102.9	85.5	87.7		276.1
	DW-DX	18.2	19.4	19.9		57.6
	total	121.2	104.9	107.6		333.7
OP		1.1	-5.4	-4.6		-9.0
OP margin		0.9%	-	-		-

✓ Delayed recovery in office hardware revenue.

Q3 Summary

Office (OP)

- Hardware was affected by a shortage of semiconductors and other components as well as prolonged logistic lead time. even demand recovered, supply shortages resulted in a decline in unit sales (down 41%, down 44% vs. FY19).
As a result, the order backlog increased (from ¥27.0 billion at end-Q2 to ¥44.0 billion at end-Q3).
- In non-hard, PV recovery has been delayed as the return-to-office date continues to be pushed back for employees of client companies (excluding FOREX, down 6%, down 19% vs. FY19)
- Revenue by region were down by 36% in the U.S., 30% in Europe, 47% in China and 7% in Japan.

DW-DX (DW-DX)

- MRR* continues to achieve high growth (+15%).
- In managed IT services, service sales were strong, but growth slowed down due to insufficient supply of PCs/servers due to the semiconductor shortage.
- In digital workflow solutions, growth slowed down due to delivery delays in professional services.

* MRR : Monthly Recurring Revenue

[¥ billions]

Revenue · Operating Profit

FY19		Q1	Q2	Q3	Q4	9M
Revenue	PP	34.2	35.4	37.5	33.5	107.2
	IP	3.8	5.8	5.1	6.0	14.7
	MS	12.6	11.5	12.8	11.9	36.9
	total	50.6	52.7	55.4	51.4	158.7
OP		1.1	1.0	2.9	-0.7	5.0
OP margin		2.1%	2.0%	5.3%	-	3.2%
FY20		Q1	Q2	Q3	Q4	6M
Revenue	PP	20.4	27.1	29.5	32.7	77.1
	IP	2.9	4.3	4.8	6.3	12.0
	MS	8.4	10.2	11.0	11.7	29.7
	total	31.8	41.7	45.3	50.8	118.8
OP		-7.1	-1.7	-0.0	0.9	-8.8
OP margin		-	-	-	1.8%	-
FY21		Q1	Q2	Q3	Q4	9M
Revenue	PP	30.3	29.2	30.6		90.1
	IP	5.9	6.2	6.1		18.2
	MS	11.7	10.2	10.8		32.6
	total	47.9	45.6	47.4		140.9
OP		1.0	0.5	-1.0		0.5
OP margin		2.0%	1.1%	-		0.4%

- ✓ PP was affected by accidents at toner factory; IP continues to grow.

Q3 Summary

Production print (PP)

- Even though sales activities were curbed to prioritize the shipment of toner to existing customers because of the suspension of manufacturing at toner factories, MPP grew (down 4%, down 36% vs. FY19).
- Non-hard was affected by the insufficient supply of toner, but the impact on customers was limited as much as possible (excluding FOREX, down 4%, down 19% vs. FY19).

Industrial print (IP)

- In hardware, revenue increased YoY for KM-1, label printers, and digital embellishment printers.
- In non-hard, revenue increased YoY for all KM-1, label printers, digital embellishment printers and textile printers.

Marketing services (MS)

- In Europe, revenue increased due to an economic recovery and the resumption of sales promotion activities by major customers.
- On-demand printing brought in strong revenue in South Korea, despite the delayed recovery in sales promotion demand from corporations in Japan.

[¥ billions]

Revenue · Operating Profit

FY19		Q1	Q2	Q3	Q4	9M
Revenue	HC	18.6	26.4	18.1	24.7	63.2
	APM	7.2	7.4	7.7	8.3	22.4
	total	25.9	33.8	25.9	33.0	85.6
OP		-2.1	-1.2	-0.4	-0.6	-3.8
OP margin		-	-	-	-	-

FY20		Q1	Q2	Q3	Q4	9M
Revenue	HC	16.4	19.1	20.0	27.9	55.5
	APM	4.1	5.9	8.2	7.6	18.1
	total	20.5	24.9	28.2	35.5	73.6
OP		-4.7	-1.8	-0.5	0.7	-7.1
OP margin		-	-	-	1.9%	-

FY21		Q1	Q2	Q3	Q4	9M
Revenue	HC	17.2	22.6	20.3		60.1
	APM	8.0	8.4	7.9		24.3
	total	25.2	31.0	28.2		84.4
OP		-3.2	-2.1	-4.5		-9.8
OP margin		-	-	-		-

- ✓ HC performed well primarily in Japan, and the number of tests increased in APM.

Q3 Summary

Healthcare (HC)

- In DR, the domestic hospital market is solid, and in Asia and India, unit sales grew by increased demands from COVID-19.
- In diagnostic ultrasound systems, growth continues in Japan for orthopedics and others, and unit sales increased in the Americas and China.
- Sales of pulse oximeters to local governments in Japan increased. Nurse support system (VS1) was introduced in oxygen stations.
- Regarding medical IT, in Japan, Informity and PACS grew. In the U.S., sales of PACS returned to pre-COVID-19 level.

Precision medicine (APM)

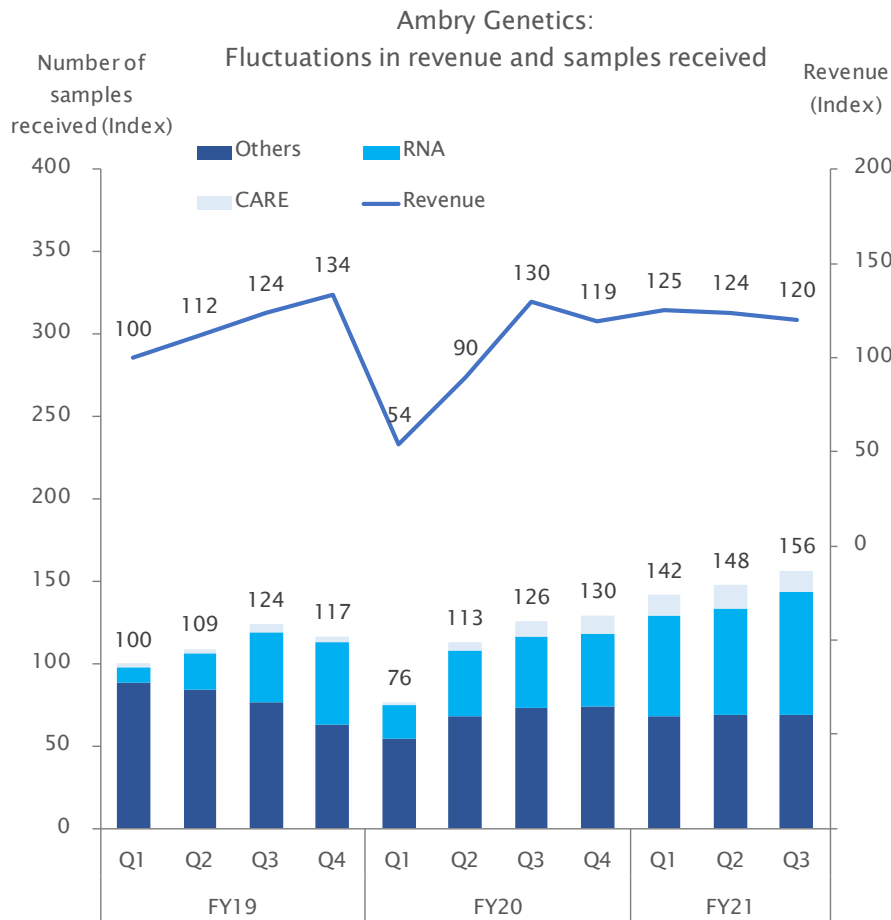
- In genetic testing, the total number of samples continued to increase due to a rise in RNA tests. The number of facilities introducing the CARE Program increased.
- In drug discovery support services, clinical trial participants decreased due to the resurgence of COVID-19, but the order backlog remained high.

FY2021 Q3 Performance | Revenue and KPI Trends of Ambry Genetics and Invicro

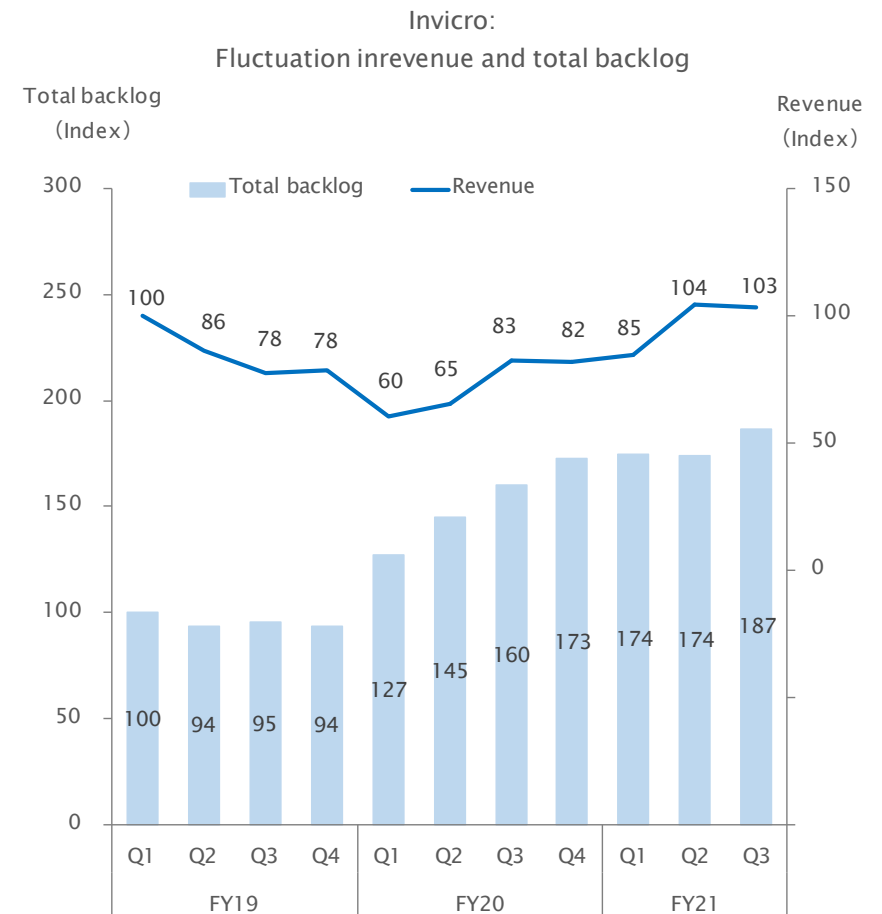


- Genetic testing: The number of tests continued to increase, but failed to meet forecast due to the impact of a resurgence of COVID-19 in the U.S.
- Drug discovery support: Although clinical trials declined, the backlog increased.

Ambry (AG)



Invicro (IC)



*Indexed with FY2019 Q1 as 100.

[¥ billions]

Revenue · Operating Profit

FY19		Q1	Q2	Q3	Q4	9M
Revenue	SE	6.6	6.7	7.3	7.0	20.5
	M&C	21.0	20.5	18.9	18.5	60.4
	IIS	2.5	2.7	2.3	3.4	7.4
	total	30.0	29.8	28.5	28.9	88.3
OP		3.2	3.7	4.2	3.2	11.2
OP margin		10.7%	12.5%	14.9%	11.2%	12.7%
FY20		Q1	Q2	Q3	Q4	9M
Revenue	SE	7.1	7.6	8.0	9.6	22.7
	M&C	16.1	17.6	20.5	19.6	54.1
	IIS	2.9	2.8	3.0	3.5	8.7
	total	26.1	27.9	31.5	32.8	85.5
OP		2.8	2.2	4.8	5.8	9.8
OP margin		10.9%	7.9%	15.1%	17.7%	11.5%
FY21		Q1	Q2	Q3	Q4	9M
Revenue	SE	12.2	9.7	9.3		31.2
	M&C	20.5	20.8	20.5		61.7
	IIS	2.6	2.9	2.9		8.4
	total	35.2	33.3	32.8		101.4
OP		8.0	6.5	5.2		19.7
OP margin		22.6%	19.5%	16.0%		19.5%

- ✓ Revenue increased steadily, driven by SE and PM. Operating profit in 9 months surpassed FY19 and FY20 annual profit.

Q3 Summary

Optical systems for industrial use: Measuring instruments (MI)

- Major customers' demand for light-source color measurement instruments calmed down compared with H1 but captured steady demand for displays in Asia. Demand for object color measurement instruments grew in each region, particularly in Europe and China. Visual inspection for automobiles and HSI brought in new orders steadily. Significant YoY increase in revenue in Q3 and 9M, even excluding the consolidation of Specim, which was acquired.

Materials and components: Performance materials (PM), Optical components (OC), IJ (Inkjet) components

- PM: Calmed down in the strong TV market, but thriving demands for large TVs and in the IT field were captured, and sales of high value-added phase difference film and ultra-thin film were solid. Revenue was in line YoY.
- IJ: Sales were firm for sign graphics and industrial applications, a growth field, and revenue rose YoY for both Q3 and 9M.
- OC: Demand for projector lenses recovered and revenue increased YoY for both Q3 and 9M.

Imaging-IoT solutions: imaging-IoT solutions (IIS), visual solutions (VS)

- In IIS, demand for thermal camera solutions, which had been strong last year, calmed down, but sales of surveillance camera solutions in Europe recovered and sales were at the same level YoY. The number of "FORXAI" partner increased to around 90.

FY2021 Q3 Business Segment | Industry Business (Detail by BU)

FY19		Q1	Q2	Q3	Q4	9M
Revenue	SE	6.6	6.7	7.3	7.0	20.5
	M&C	21.0	20.5	18.9	18.5	60.4
	PM	12.0	11.3	10.2	10.8	33.5
	OC	4.8	5.3	5.2	4.4	15.3
	IJ	4.2	3.9	3.5	3.2	11.6
	IIS	2.5	2.7	2.3	3.4	7.4
	IIS	1.9	2.0	1.6	2.2	5.4
	VS	0.6	0.8	0.7	1.2	2.0
total		30.0	29.8	28.5	28.9	88.3
OP		3.2	3.7	4.2	3.2	11.2
OP margin		10.7%	12.5%	14.9%	11.2%	12.7%

FY21		Q1	Q2	Q3	9M
Revenue	SE	12.2	9.7	9.3	31.2
	M&C	20.5	20.8	20.5	61.7
	PM	13.2	12.8	12.7	38.6
	OC	3.8	4.4	4.2	12.4
	IJ	3.5	3.6	3.6	10.7
	IIS	2.6	2.9	2.9	8.4
	IIS	2.3	2.4	2.1	6.7
	VS	0.3	0.5	0.8	1.7
total		35.2	33.3	32.8	101.4
OP		8.0	6.5	5.2	19.7
OP margin		22.6%	19.5%	16.0%	19.5%

[¥ billions]

FY20		Q1	Q2	Q3	Q4	9M
Revenue	SE	7.1	7.6	8.0	9.6	22.7
	M&C	16.1	17.6	20.5	19.6	54.1
	PM	9.8	11.6	13.3	12.0	34.7
	OC	3.8	3.2	4.0	3.6	10.9
	IJ	2.5	2.8	3.2	4.0	8.5
	IIS	2.9	2.8	3.0	3.5	8.7
	IIS	2.7	2.3	2.0	2.0	7.1
	VS	0.2	0.4	1.0	1.6	1.7
total		26.1	27.9	31.5	32.8	85.5
OP		2.8	2.2	4.8	5.8	9.8
OP margin		10.9%	7.9%	15.1%	17.7%	11.5%

Abbreviation

- SE Sensing field
- M&C Materials and Components field
- PM Performance materials
- OC Optical components
- IJ IJ components
- IIS Imaging-IoT solutions field
- IIS Imaging-IoT solutions
- VS Visual solutions

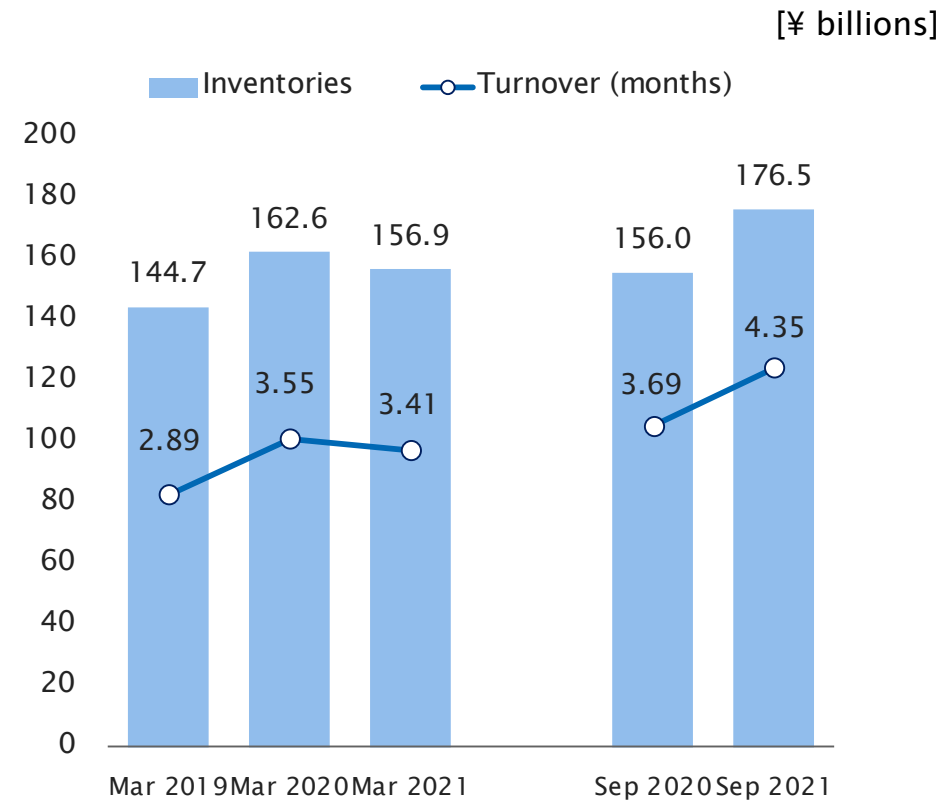
FY2021 Q3 Consolidated Financial Statements |

Consolidated Statements of Cash Flows



Inventory increased, primarily onboard inventory, due to a prolonged logistic lead time. We will strive to reduce inventory by maximizing sales ahead of the end of the fiscal year.

	FY19 9M	FY20 9M	FY21 9M
Profit (loss) before tax	5.6	-28.5	-12.1
Depreciation and amortization expenses	57.4	58.3	56.6
(Increase) decrease in trade and other receivables	1.4	18.1	26.5
(Increase) decrease in inventories	-31.1	9.0	-15.9
Increase (decrease) in trade and other payables	-0.1	-7.9	-11.0
Othes	-21.6	-8.3	-12.7
Cash flows from operating activities	11.6	40.7	31.5
Purchase of property, plant and equipment	-26.0	-20.3	-31.4
Purchase of intangible assets	-8.4	-9.8	-13.6
Purchase of investments in subsidiaries	-4.2	-4.6	-
Others	0.4	1.8	4.0
Net cash provided by (used in) investing activities	-38.2	-32.9	-41.1
Free cash flows	-26.6	7.8	-9.6



Inventory turnover, in months = Inventory balance at end of fiscal year / Average cost of sales for most recent three months

Appendix Financial Result – Overview



[¥ billions]

	FY2021	FY2020		FY2021	FY2020	
	9M	9M	YoY	Q3	Q3	YoY
Revenue	661.5	614.9	+ 8%	216.4	230.2	- 6%
Gross Profit	290.2	264.2	+ 10%	94.7	103.2	- 8%
Gross Profit ratio	43.9%	43.0%	+0.9pt	43.8%	44.8%	-1.1pt
SG & A	300.7	289.4	+ 4%	102.3	98.5	
Other income and costs	0.4	0.6		-1.0	-1.5	
Operating Profit	-10.2	-24.6	-	-8.6	3.3	-
Operating Profit ratio	-	-	-	-	1.4%	-
Finance income and costs	-1.9	-3.9		-0.7	-0.8	
Profit before tax	-12.1	-28.5	-	-9.3	2.4	-
Profit before tax ratio	-	-	-	-	1.1%	-
Profit attributable to owners of the Company	-13.2	-20.6	-	-8.9	1.6	-
Profit attributable to owners of the Company ratio	-	-	-	-	0.7%	-
EPS [Yen]	-26.8	-41.7		-18.1	3.2	
CAPEX	27.6	30.0		9.4	8.7	
Depreciation and Amortization Expenses	41.8	42.7		13.8	14.2	
R&D expenses	47.2	48.5		15.8	15.9	
FCF	-9.6	7.8		-21.5	14.9	
Investment and lending	0.0	8.7		0.0	5.0	
FOREX [Yen] USD	111.10	106.11	+4.99	113.71	104.51	+9.20
EUR	130.62	122.38	+8.24	130.07	124.54	+5.53

* Depreciation and amortization expenses: IFRS16 right-of-use assets amortization expenses not included.

Appendix SG&A–Other Income/ Expenses–Finance Income/Loss

[¥ billions]

	FY2021 9M	FY2020 9M	YoY	FY2021 Q3	FY2020 Q3	YoY
SG&A						
Selling expenses – variable	25.7	24.6	+1.0	8.5	8.5	– 0.0
R&D expenses	47.2	48.5	– 1.3	15.8	15.9	– 0.1
Personnel expenses	144.9	138.0	+6.9	49.2	46.9	+2.3
Others	82.9	78.2	+4.7	28.8	27.1	+1.6
SG&A total	300.7	289.4	+11.3	102.3	98.5	+3.9
	<i>* Forex impact:</i>		<i>+11.3bn. (Actual: +0.0bn.)</i>	<i>+4.4bn. (Actual: –0.6bn.)</i>		
Other income:						
Other income total	6.2	9.0	– 2.8	1.4	1.5	– 0.0
Other expenses						
Loss on sales of property, plant and equipment	1.5	0.8	+0.6	0.8	0.4	+0.4
Business structure improvement costs	1.0	3.7	– 2.7	0.3	0.9	– 0.6
Other expenses	3.3	3.8	– 0.5	1.4	1.7	– 0.3
Other expenses total	5.8	8.4	– 2.6	2.4	3.0	– 0.5
Finance income/loss:						
Interest income/Dividends received/Interest expense	– 2.3	– 2.7	+0.4	–0.7	–0.8	+0.0
Foreign exchange gain/loss (net)	– 0.0	– 0.4	+0.4	0.1	0.2	– 0.1
Others	+0.4	– 0.7	+1.2	–0.1	–0.3	+0.2
Finance income/loss, net	– 1.9	– 3.9	+2.0	–0.7	– 0.8	+0.1

[¥ billions]

Comparison of Y on Y FY21/9M vs. FY20/9M	Digital Workplace	Professional Print	Healthcare	Industry	corporate, etc.	Total
[Factors]						
Forex impact	+2.9	+2.2	- 0.0	+0.6	- 0.2	+5.5
Sales volume change, and other, net	- 11.6	+5.6	+4.1	+11.2	+0.4	+9.6
Price change	+0.5	- 0.3	- 0.1	- 0.3	-	- 0.2
Cost up/down	- 0.1	- 0.1	-	-	-	- 0.3
SG&A change, net	+4.5	+2.8	- 7.0	- 1.3	+1.0	- 0.0
Other income and expense	+1.0	- 0.8	+0.4	- 0.2	- 0.6	- 0.2
[Operating Profit]						
Change, YoY	- 2.8	+9.3	- 2.7	+9.9	+0.7	+14.4
Comparison of Y on Y FY21/Q3 vs. FY20/Q3	Digital Workplace	Professional Print	Healthcare	Industry	corporate, etc.	Total
[Factors]						
Forex impact	+0.6	+0.6	- 0.3	+0.3	- 0.0	+1.3
Sales volume change, and other, net	- 12.6	- 2.4	- 0.9	+1.1	+0.3	- 14.5
Price change	+1.2	- 0.1	- 0.3	- 0.2	-	+0.6
Cost up/down	- 0.3	- 0.1	-	-	-	- 0.4
SG&A change, net	+2.5	+1.2	- 2.7	- 0.8	+0.3	+0.6
Other income and expense	+0.8	- 0.2	+0.1	+0.0	- 0.3	+0.5
[Operating Profit]						
Change, YoY	- 7.7	- 0.9	- 4.0	+0.5	+0.3	- 11.9

Appendix Consolidated Statements of Financial Position

[¥ billions]

	Mar 2020	Mar 2021	Dec 2021
Cash and cash equivalents	89.9	123.8	110.5
Trade and other receivables	260.9	262.8	242.2
Inventories	162.6	156.9	176.5
Other current assets	37.8	38.4	35.1
Total current assets	551.2	582.0	564.4
Property, plant and equipment	309.5	292.5	279.1
Goodwill and intangible assets	337.8	347.5	353.9
Othe non-current assets	78.4	77.7	72.6
Total non-current assets	725.6	717.7	705.6
Total assets	1,276.8	1,299.8	1,269.9

	Mar 2020	Mar 2021	Dec 2021
Trade and other payables	162.9	185.8	161.7
Bonds and borrowings	289.3	315.3	338.4
Lease liabilities	114.2	95.4	93.5
Othe liabilities	176.6	152.6	157.9
Total liabilities	743.0	749.0	751.4
Equity attributable to owners of the Company	523.7	539.9	507.0
Non-controlling interests	10.0	10.8	11.5
Total equity	533.8	550.7	518.6
Total liabilities and equity	1,276.8	1,299.8	1,269.9

	Mar 2020	Mar 2021	Dec 2021
Equity ratio (%)	41.0	41.5	39.9
Equity ratio for company rating (%)	44.9	45.3	43.8
D/E ratio	0.77	0.76	0.85

Equity ratio = Equity attributable to owners of the Company / Total assets

Appendix FOREX Impact on Revenue and Operating Profit

[FOREX : ¥]
[Impact, Sensitivity : ¥ billions]

	FY20	FY21	YoY Impact		FX Sensitivity*2	
	9M	9M	Revenue	OP	Revenue	OP
USD	106.11	111.10	+9.6	- 0.7	+2.8	- 0.2
EUR	122.38	130.62	+9.0	+3.9	+1.5	+0.4
GBP	136.24	152.76	+2.5	- 0.1	+0.2	+0.0
European Currency*1	-	-	+13.1	+3.7	+2.0	+0.6
CNY	15.44	17.25	+4.6	+1.9	+3.4	+1.3
Other	-	-	+3.7	+0.9	-	-
Exchange contract effect	-	-	- 0.1	- 0.4	-	-
Total	-	-	+30.9	+5.5	-	-

*1 European currency: Currencies used in Europe including EUR/GBP

*2 FOREX Sensitivity: FOREX impact at ¥1 change (annual)

Appendix FY2021 Earnings Forecasts | Summary



[¥ billions]

	FY2021 Forecast	FY2021 Forecast	FY2020 12M Results	YoY
Revenue	900.0	890.0	863.4	4%
Operating Profit	12.0	12.0	-16.3	-
Operating Profit ratio	1.3%	1.3%	-	
Profit attributable to owners of the Company	1.5	1.5	-15.2	-
Profit attributable to owners of the Company ratio	0.2%	0.2%	-	
ROE (%)	0.3%	0.3%	-	
CAPEX	47.0	48.0	57.7	
Depreciation and Amortization Expenses	54.5	51.0	57.2	
R&D expenses	61.5	64.0	65.0	
FCF	7.0	17.5	43.7	
Investment and loan	0.0	15.5	9.3	
FOREX [Yen]				
USD	105.00	105.00	106.06	
EUR	125.00	125.00	123.70	

■ Composition of revenue by region (in yen)

	FY19				FY20				FY21		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Japan	12%	13%	13%	14%	15%	14%	14%	14%	12%	13%	14%
North America	34%	33%	33%	33%	33%	32%	31%	31%	32%	31%	31%
EU	36%	34%	37%	37%	35%	36%	36%	37%	37%	35%	35%
China	6%	6%	5%	4%	8%	8%	8%	7%	7%	9%	7%
Others	12%	13%	12%	12%	10%	11%	11%	11%	12%	13%	13%

■ Change in revenue by region (w/o FOREX)

	FY19				FY20				FY21		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Japan	-8%	+4%	+1%	-3%	-19%	-18%	-14%	-11%	+12%	-9%	-7%
North America	-2%	-2%	-3%	-12%	-34%	-27%	-24%	-20%	+27%	-12%	-14%
EU	-2%	-1%	+6%	-7%	-31%	-23%	-19%	-17%	+28%	-13%	-18%
China	-4%	-1%	-8%	-40%	-4%	+1%	+7%	+16%	+15%	-1%	-21%
Others	-7%	+2%	+5%	-6%	-35%	-32%	-25%	-20%	+37%	+4%	-8%

■ Percentage of color in sales of hardware

	FY19				FY20				FY21		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Office	72%	73%	72%	75%	69%	76%	75%	74%	74%	72%	73%
Professional Print	78%	82%	76%	80%	75%	80%	80%	81%	79%	82%	80%

[¥ billions]

■ Transition of Office MFP Unit Sales Y o Y

	FY19				FY20				FY21		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
A3 Color MFP	93%	99%	102%	93%	72%	84%	92%	92%	132%	62%	55%
A3 Monochrome MFP	95%	95%	94%	60%	76%	89%	98%	140%	117%	83%	65%
A3 MFP overall	94%	97%	99%	79%	74%	86%	94%	107%	126%	71%	59%

■ Transition of Non-hard Revenue Y o Y

	FY19				FY20				FY21		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Revenue of non-hard	62.4	60.5	62.3	60.1	42.1	48.9	53.1	51.1	53.5	51.3	52.8
Ratio of non-hard	53%	50%	52%	51%	53%	50%	51%	47%	52%	60%	60%

■ Transition of Regional Non-hard Revenue w/o Forex Y o Y

	FY19				FY20				FY21		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Japan	97%	100%	99%	98%	85%	90%	94%	92%	108%	98%	97%
U.S.	99%	99%	98%	95%	62%	73%	78%	81%	124%	103%	94%
Europe	96%	100%	102%	97%	66%	82%	83%	78%	126%	101%	93%
China	105%	114%	96%	72%	107%	105%	115%	140%	102%	105%	65%
India	115%	117%	101%	102%	52%	68%	98%	113%	141%	151%	130%
Overall	98%	98%	99%	97%	69%	80%	85%	84%	120%	101%	94%

[¥ billions]

■ Transition of Production Print Unit Sales Y o Y

	FY19				FY20				FY21		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Color	100%	97%	102%	72%	51%	73%	65%	100%	138%	83%	99%
Monochrome	107%	87%	89%	76%	59%	68%	71%	95%	122%	83%	90%
Overall	102%	93%	97%	73%	54%	71%	67%	99%	132%	83%	96%

■ Transition of Non-hard Revenue Y o Y

	FY19				FY20				FY21		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Revenue of non-hard	20.3	19.9	21.5	19.8	12.2	14.8	17.9	17.5	18.3	17.9	18.3
Ratio of non-hard	59%	56%	57%	59%	60%	55%	60%	53%	60%	61%	60%

■ Transition of Regional Non-hard Revenue w/o Forex Y o Y

	FY19				FY20				FY21		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Japan	97%	98%	94%	93%	76%	82%	88%	87%	107%	93%	75%
U.S.	96%	101%	96%	94%	52%	67%	77%	82%	146%	111%	100%
Europe	97%	97%	100%	100%	64%	77%	79%	78%	138%	121%	98%
China	112%	121%	116%	92%	113%	117%	140%	138%	156%	118%	70%
India	117%	121%	116%	105%	34%	71%	105%	113%	245%	151%	116%
Overall	102%	99%	101%	99%	62%	75%	84%	88%	141%	115%	96%

Appendix Quarterly Financial Results : Segments



[¥ billions]

【Revenue】	FY19				FY20				FY21		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Digital Workplace Business	135.0	139.1	139.5	135.4	94.6	116.7	125.0	128.9	121.2	104.9	107.6
Professional Print Business	50.6	52.7	55.4	51.4	31.8	41.7	45.3	50.8	47.9	45.6	47.4
Healthcare Business	25.9	33.8	25.9	33.0	20.5	24.9	28.2	35.5	25.2	31.0	28.2
Industry Business	30.0	29.8	28.5	28.9	26.1	27.9	31.5	32.8	35.2	33.3	32.8
Sensing	6.6	6.7	7.3	7.0	7.1	7.6	8.0	9.6	12.2	9.7	9.3
Materials and Components	21.0	20.5	18.9	18.5	16.1	17.6	20.5	19.6	20.5	20.8	20.5
Imaging-IoT solutions	2.5	2.7	2.3	3.4	2.9	2.8	3.0	3.5	2.6	2.9	2.9
Corporate etc.	0.3	0.3	0.3	0.5	0.2	0.3	0.2	0.5	0.3	0.4	0.5
Company overall	241.7	255.7	249.5	249.1	173.2	211.5	230.2	248.5	229.9	215.2	216.4
【Operating Profit】	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Digital Workplace Business	5.5	7.8	4.3	0.1	-9.6	0.3	3.1	3.5	1.1	-5.4	-4.6
Professional Print Business	1.1	1.0	2.9	-0.7	-7.1	-1.7	0.0	0.9	1.0	0.5	-1.0
Healthcare Business	-2.1	-1.2	-0.4	-0.6	-4.7	-1.8	-0.5	0.7	-3.2	-2.1	-4.5
Industry Business	3.2	3.7	4.2	3.2	2.8	2.2	4.8	5.8	8.0	6.5	5.2
Corporate etc.	-7.0	-6.5	-5.9	-4.5	-4.1	-4.2	-4.0	-2.6	-3.7	-4.2	-3.7
Company overall	0.6	4.9	5.1	-2.4	-22.6	-5.2	3.3	8.3	3.1	-4.7	-8.6

- **MFP (Multi Functional Peripheral) Speed Segment: Digital Workplace Business**
Seg. 1 to 20ppm, Seg.2 21–30ppm, Seg.3 31–40ppm, Seg.4 41–69ppm, Seg.5 70~ppm (A4 vertical, minute speed)
- **Workplace Hub (WPH): Digital Workplace Business**
Edge IoT platform provided by Konica Minolta. A server is integrated to create a solution that drives efficiencies by reducing the overall costs of IT infrastructure management, providing real-time data-driven visibility of IT usage patterns that help to improve business processes. This will link people and data and empower them to make smarter decisions and solve problems in the office.
- **Color production print Machine Segments: Professional Print Business**
ELPP (Entry Light Production Print) Monthly printing volume: 1–0.3 million sheets for low-priced products mainly for large companies' centralized printing rooms
LPP (Light Production Print) Monthly printing volume: 0.1–0.3 million sheets for commercial printers
MPP (Mid Production Print) Monthly printing volume: 30–1 million sheets for commercial printing products
HPP (Heavy Production Print) Monthly printing volume: 1 million sheets or more for commercial printing products
- **RNA (ribonucleic acid) Testing: Healthcare Business**
Testing to identify changes in mRNA structure in the primary transcript of DNA (deoxyribonucleic acid). Analysis of transcript mRNA can provide more detailed test results on DNA mutations that used to be considered of undetermined clinical significance in conventional DNA testing.
- **CARE Program (Comprehensive Assessment, Risk & Education): Healthcare Business**
Program to provide total support for effective pick-up and genetic diagnostics of the high-risk group of genetic breast cancer.
- **SANUQI: Industry Business: Industry Business**
Trademark of a new resin which is used in electronic devices for displays. The film using this resin is called “SANUQI” film.



KONICA MINOLTA

Cautionary Statement:

The forecasts mentioned in this material are the results of estimations based on currently available information, and accordingly, contain risks and uncertainties. The actual results of business performance may sometimes differ from those forecasts due to various factors.

Remarks:

Yen amounts are rounded to the nearest 100 million.