

Konica Minolta, Inc. 4th Quarter/FY2022 ended in March 2023 Consolidated Financial Results

Toshimitsu Taiko
President and CEO

Three months : January 1, 2023 - March 31, 2023
Fiscal Year 2022: April 1, 2022 - March 31, 2023
- Announced on May 15, 2023 -

Giving Shape to Ideas



Thanks for joining our financial results briefing session today.
I will explain our financial results for FY2022 and our 2025 Medium-term Business Plan for, which we disclosed at 15:00.

**FY2022
PERFORMANCE
OVERVIEW**



FY2022 Performance | Summary

Revenue reached highest level since management integration in 2003; business contribution profit increased ¥41.9 billion over the previous fiscal year

Revenue

- Record-high revenue for the full year.

Profit and Cash Flows

- Business contribution profit*: Increase in profit due to higher revenue and gross profit and effective use of SG&A expenses.
- Operating profit: ¥21.5 billion profit (up ¥6.5 billion over the previous forecast), excluding impairment loss of ¥116.6 billion.
- FCF: Negative due to increase in inventories.

[¥ billions]

	FY2022 12M	FY2021 12M	YoY	YoY (W/O FOREX)	FY2022 12M (W/O Impairment loss)	Forecast (Previous)	FY2022 12M (W/O Impairment loss) relative to previous forecast
Revenue	1130.4	911.4	+24%	+11%	1130.4	1120.0	+1%
Gross Profit	485.9	392.7	+24%	+12%	485.9		
Gross Profit ratio	43.0%	43.1%	-0.1pt		43.0%		
SG & A	456.2	404.9	+13%	+3%	456.2		
Business Contribution Profit	29.7	-12.2	-	-	29.7		
Operating Profit	-95.1	-22.3	-		21.5	15.0	+43%
Profit attributable to owners of the Company	-103.2	-26.1	-		10.4	5.5	+90%
FCF	-24.2	-13.6	-		-24.2	-25.0	-
FOREX [Yen]							
USD	135.47	112.38	+23.09		135.47	135.00	+0.47
EUR	140.97	130.56	+10.41		140.97	140.00	+0.97

*Business contribution profit: Original index of the Company, the profit subtracted sales cost, SG&A from revenue

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On page 3, I explain a summary of FY2022's corporate performance. Revenue for the full fiscal year reached the highest level since the merger of Konica and Minolta in FY2003. This represents an increase of ¥10.4 billion compared with the previous forecast.

In terms of profit, Business Contribution profit (BCP,) which is an indicator of the earning power of the business, was ¥29.7 billion. In addition to the increase in gross profit associated with the increase in revenue, SG&A expenses were streamlined at the same level as the previous fiscal year in real terms without FOREX. Operating profit recorded a significant loss due to the impairment loss of ¥116.6 billion disclosed on May 10, but excluding the impairment loss, it recorded a profit of ¥21.5 billion. This is ¥6.5 billion higher than the initial forecast of ¥15.0 billion. Free cash flow was negative due to an increase in inventories.

FY2022 Performance | Revenue & Operating Profit by Segment

- **Digital Workplace:** Revenue and profit increase (eliminating order backlog by reinforcing manufacturing capacity.)
- **Professional Print:** : Revenue and profit increase (hardware growth, recovery of non-hardware.)
- **Healthcare:** Medical imaging* was solid, and profit improved in precision medicine.
- **Industry:** Sensing and IJ components were strong, and revenue and profit fell for performance materials due to impact of adjustments in market inventories.
- ¥116.6 billion impairment loss related to precision medicine and Mobotix, etc. was posted.

[¥ billions]

Revenue	FY2022 12M	FY2021 12M	YoY	YoY (W/O FOREX)	FY2022 12M (W/O Impairment loss)	Forecast (Previous)	FY2022 12M(W/O Impairment loss) relative to previous forecast
Digital Workplace	600.3	465.4	+29%	+15%	600.3	610.0	-2%
Professional Print	252.6	194.7	+30%	+16%	252.6	241.0	+5%
Healthcare	137.8	109.9	+25%	+13%	137.8	132.0	+4%
Industry	137.5	139.2	-1%	-9%	137.5	135.5	+2%
Corporate, etc.	2.1	2.1	+1%	+1%	2.1	1.5	+42%
Company overall	1130.4	911.4	+24%	+11%	1,130.4	1120.0	+1%

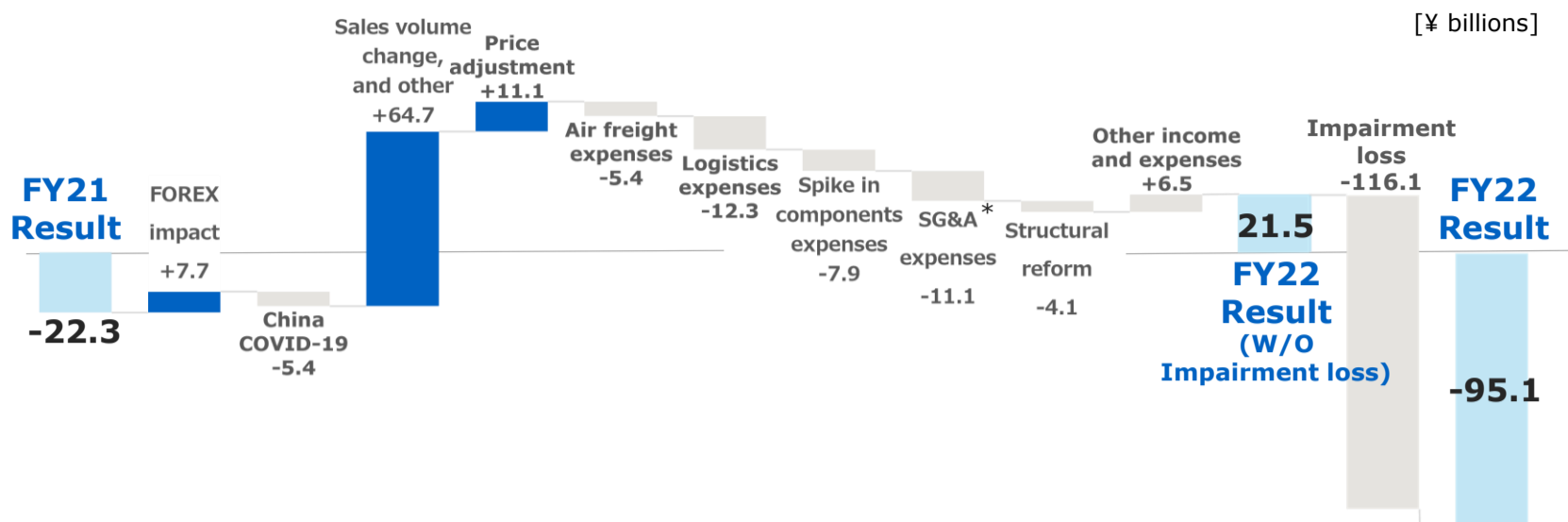
Operating Profit	FY2022 12M	OPM	FY2021 12M	YoY	YoY (W/O FOREX)	FY2022 12M (W/O Impairment loss)	Forecast (Previous)	FY2022 12M(W/O Impairment loss) relative to previous forecast
Digital Workplace	9.3	2%	-6.2	-	-	12.2	10.5	-
Professional Print	16.6	7%	1.0	+1507%	+921%	17.5	13.5	+23%
Healthcare	-112.2	-	-20.3	-	-	-8.7	-9.5	-
Industry	10.8	8%	18.5	-42%	-42%	18.9	19.5	-45%
Corporate, etc.	-19.6	-	-15.3	-	-	-18.4	-19.0	-
Company overall	-95.1	-	-22.3	-	-	21.5	15.0	-

*Medical imaging : Healthcare Business (Healthcare field)

Page 4 is for revenue and operating profit by segment. Digital Workplace and Professional Print Business saw significant year-on-year increases in both revenue and profit. The factors are explained on the next page. For Healthcare and Industry Business, we have recorded impairment losses, but in real terms, excluding impairment losses, medical imaging in Healthcare Business was solid and precision medicine's profit improved. In Industry Business, sales and profit of sensing and inkjet(IJ) components were favorable, while revenue and profit of performance materials continued to decline due to the impact of inventory adjustments.

FY2022 Business Performance | Factors of Increase/Decrease of Operating Profit (Yearly)

[¥ billions]



	FY2021	FOREX impact	China COVID-19	Sales volume change, and other	Price adjustment	Air freight expenses	Logistics expenses	Spike in components expenses	SG&A * expenses	Structural reform	Other income and expenses	FY2022 12M (W/O Impairment loss)	Impairment loss	FY2022
Digital Workplace	-6.2	+0.1	-1.5	+41.6	+8.4	-3.1	-11.6	-4.2	-3.9	-3.8	-3.6	12.2	-2.9	9.3
Professional Print	1.0	+6.1	-2.4	+17.3	+1.6	-2.0	-0.6	-0.8	-4.3	-0.1	+1.8	17.5	-0.9	16.6
Healthcare	-20.3	-1.4	-0.7	+14.2	+0.5	-0.3	-0.1	-1.4	+2.2	-0.2	-1.1	-8.7	-103.6	-112.2
Industry	18.5	+3.8	-0.8	-8.2	+0.7	-0.1	-0.0	-1.5	-2.9	-	+9.2	18.9	-8.1	10.8
Corporate, etc.	-15.3	-0.8	-	-0.2	-	-	-	-	-2.3	-	+0.2	-18.4	-1.2	-19.6
Company overall	-22.3	+7.7	-5.4	+64.7	+11.1	-5.4	-12.3	-7.9	-11.1	-4.1	+6.5	21.5	-116.6	-95.1

*SG&A expenses: SG&A change excluding air freight expenses

Page 5 shows the changes in operating profit by factor. The major increase in revenue was driven by an increase in sales volume, but in Digital Workplace Business, the order backlog has been eliminated by the increase of production/supply capacity. This backlog is described as an order that has been carried over despite demand in the market due to the semiconductor shortage that has continued since FY2021. We continued to eliminate this backlog to normal level toward the end of this fiscal year. In Professional Print Business, in addition to sales growth in hardware, the main factor behind this was a recovery in non-hard. On the other hand, there were negative factors of about ¥25.0 billion, such as soaring component costs and higher logistics costs, in addition to manufacturing costs increase accompanying the enhancement of manufacturing capabilities. However, both Digital Workplace and Professional Print Business increased their profit by more than ¥15 billion respectively due to the supplement by higher sales volumes and prices.

FY2023 EARNINGS FORECAST



150
YEARS



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FY2023 Earning Forecast | Summary

- Increasing feasibility of management target in FY25 by achieving the target of the first fiscal year of the medium-term business plan.
- Invest for growth. Prioritizing and allocating CAPEX, R&D expenses and investment to strengthening businesses.
- Strengthening cash generation capability by optimizing inventories.

[¥ billions]

	FY2023 Forecast	FY2022 Result	Change	Change rate
Revenue	1,140.0	1,130.4	+9.6	+1%
Contribution Profit	24.0	29.7	-5.7	-19%
Operating Profit	18.0	-95.1	+113.1	-
Profit attributable to owners of the Company	4.0	-103.2	+107.2	-
CAPEX	52.0	43.8		
Depreciation and Amortization Expenses	55.0	55.2		
R&D expenses	68.0	63.9		
FCF	24.0	-24.2		
Investment and lending	6.0	2.5		
	FOREX [Yen]			
	USD	135.0	135.5	-0.5
	EUR	140.0	141.0	-1.0
	RMB	19.0	19.7	-0.7

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

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Next, I will explain the outlook for FY2023 on page 7 and later.

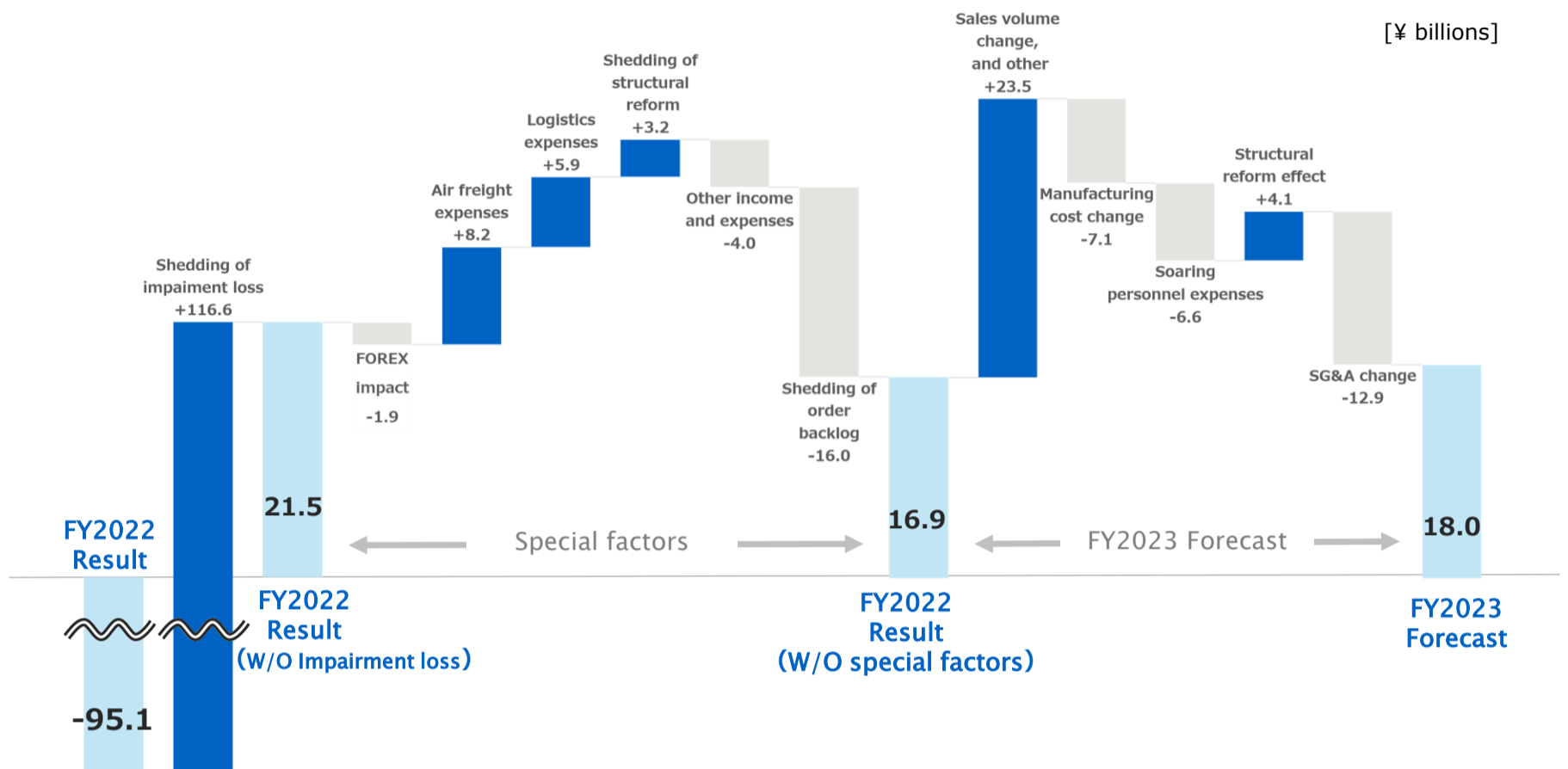
Prior to the explanation of the figures, there are 3 points for the FY2023 performance. The first point is that we will increase the feasibility of achieving our management targets for 2025 by achieving the targets set for the first year of Medium-term Business Plan, which we will explain later. The second is to clearly prioritize and strictly select investments and expenses for future, and to allocate these investments to the strengthening areas defined by Medium-term Business Plan. The third point is that we will improve free cash flow mainly by reducing inventories and increasing operating cash flow.

Based on these 3 points, we are forecasting FY2023 results. Revenue is projected to increase slightly from the previous year to ¥1.14 trillion, BCP to ¥24 billion, operating profit to ¥18 billion, and profit attributable to owners of the company to ¥4 billion. Free cash flow is expected to be ¥24 billion.

The reasons for the decline of operating profit from ¥21.5 in FY2022 billion without impairment loss to ¥18 billion forecast are explained in detail on the following page. Since assuming the position of president, I have been pushing ahead with our decision to stop the planning that we can achieve under only the best conditions and the best scenarios. While in FY2022 we have practically implemented this policy except for impairment loss, we severely see gross profit and SG&A expenses of FY2023 with solid bottom line. Although there will be a decline in profit from the previous fiscal year, we assume this as our launch base.

FY2023 Earning Forecast | Factors of Increase/ Decrease of Operating Profit

- Special factors in FY22: Shedding of air freight expenses, logistics expenses, structural reform expenses, shedding of order backlog
- FY23 forecast: Increase in sales volume, price adjustment, increase in costs



In this page, the left-hand side summarizes the changes in the special factors of FY2022, and the right-hand side summarizes the changes in the factors excluding the special factors.

Air transportation increased due to the accident at the toner-plant in 2021, logistics costs rose, and structural reform costs will dissipate because they are temporal factors until FY2022. On the other hand, as the backlog of orders accumulated due to a shortage of materials, particularly semiconductors, has been eliminated in FY2022, the gross margin for that amount will be dissipated. For this reason, I think it is necessary to normalize FY2021 and FY2022 to see our capabilities. Gross profit is expected to increase due to an increase in sales volume in all businesses, but costs are also expected to be increased by soaring materials and energy prices and rising personnel costs.

In addition to SG&A expenses increasing in line with sales growth, this also includes new product launches, future-oriented R&D, and industry business development expenses. In addition, taking into account the unstable economic situation, risk-responsive factors have been incorporated into gross profit and SG&A expenses. We also expect to incur one-time expenses related to increased sales efficiency in Europe.

FY2023 Earning Forecast | Revenue by segments

[¥ billions]

Revenue	FY2023 Forecast	FY2022 Result	Change	Change rate
Digital Workplace	590.0	600.3	-10.3	-2%
Professional Print	255.0	252.6	+2.4	+1%
Healthcare	140.0	137.8	+2.2	+2%
Industry	154.0	137.5	+16.5	+12%
Sensing	48.0	46.9	+1.1	+2%
Materials and Components	88.5	76.0	+12.5	+16%
Imaging-IoT solutions	17.5	14.6	+2.9	+20%
Corporate, etc.	1.0	2.1	-1.1	-53%
Company overall	1,140.0	1,130.4	+9.6	+1%

Please refer to page 9 and 10 for revenue, operating profit and BCP figures for each segment. Since FY2023, we have reviewed the allocation of expenses shared by the company overall, and the figures revised by FY2022 are also shown as a reference after adjusting the allocation of head office expenses.

FY2023 Earning Forecast | Contribution profit and Operating profit by Segments

[¥ billions]

Business contribution profit	A		1		2		A-2	
	FY2023 Forecast	Ratio	FY2022 Result	Ratio	FY2022 Result After adjustment* for head-office expenses	Ratio	Change	Change rate
Digital Workplace	20.0	3.4%	18.5	3.1%	30.7	5.1%	-10.7	-58%
Professional Print	11.5	4.5%	18.1	7.2%	15.1	6.0%	-3.6	-20%
Healthcare	-3.5	-	-7.7	-	-7.0	-	+3.5	-
Industry	22.0	14.3%	19.1	13.9%	20.5	14.9%	+1.5	+8%
Corporate, etc.	-26.0	-	-18.3	-	-29.7	-	+3.7	-
Company overall	24.0	2.1%	29.7	2.6%	29.7	2.6%	-5.7	-19%

Operating profit	FY2023 Forecast	Ratio	FY2022 Result (w/o Impairment loss)		FY2022 Result After adjustment* for head-office expenses		Change	Change rate
			FY2022 Result	Ratio	FY2022 Result	Ratio		
Digital Workplace	17.0	2.9%	12.2	2.0%	24.4	4.1%	-7.4	-61%
Professional Print	11.0	4.3%	17.5	6.9%	14.5	5.7%	-3.5	-20%
Healthcare	-4.0	-	-8.7	-	-8.0	-	+4.0	-
Industry	21.0	13.6%	18.9	13.8%	20.4	14.8%	+0.6	+3%
Corporate, etc.	-27.0	-	-18.4	-	-29.8	-	+2.8	-
Company overall	18.0	1.6%	21.5	1.9%	21.5	1.9%	-3.5	-16%

* Adjustment for head-office expenses :

Some part of expenses regarding the whole corporate had been transferred to each business segment until FY2022 and will not be transferred in FY2023. The figures in the table are the ones after adjusting the cost allocation of FY2022 results to the FY2023 base as a reference.

They include the common expenses in Digital Workplace Business and Professional Print Business.

Certain businesses provide services for the allocation of corporate expenses and other expenses, but such expenses are absorbed in the profit and loss of the businesses. Some of these non-direct charges were allocated to the business side as head office expenses. We have made revisions to this scheme in order to see the true capabilities of our businesses by eliminating them and to see whether the remaining corporate costs are appropriate.

FY2023 Dividend Forecasts

Based on the basic policies in our Medium-term Business Plan, we reduced dividends compared with FY 2022, and expect to pay the following dividends in this fiscal year.

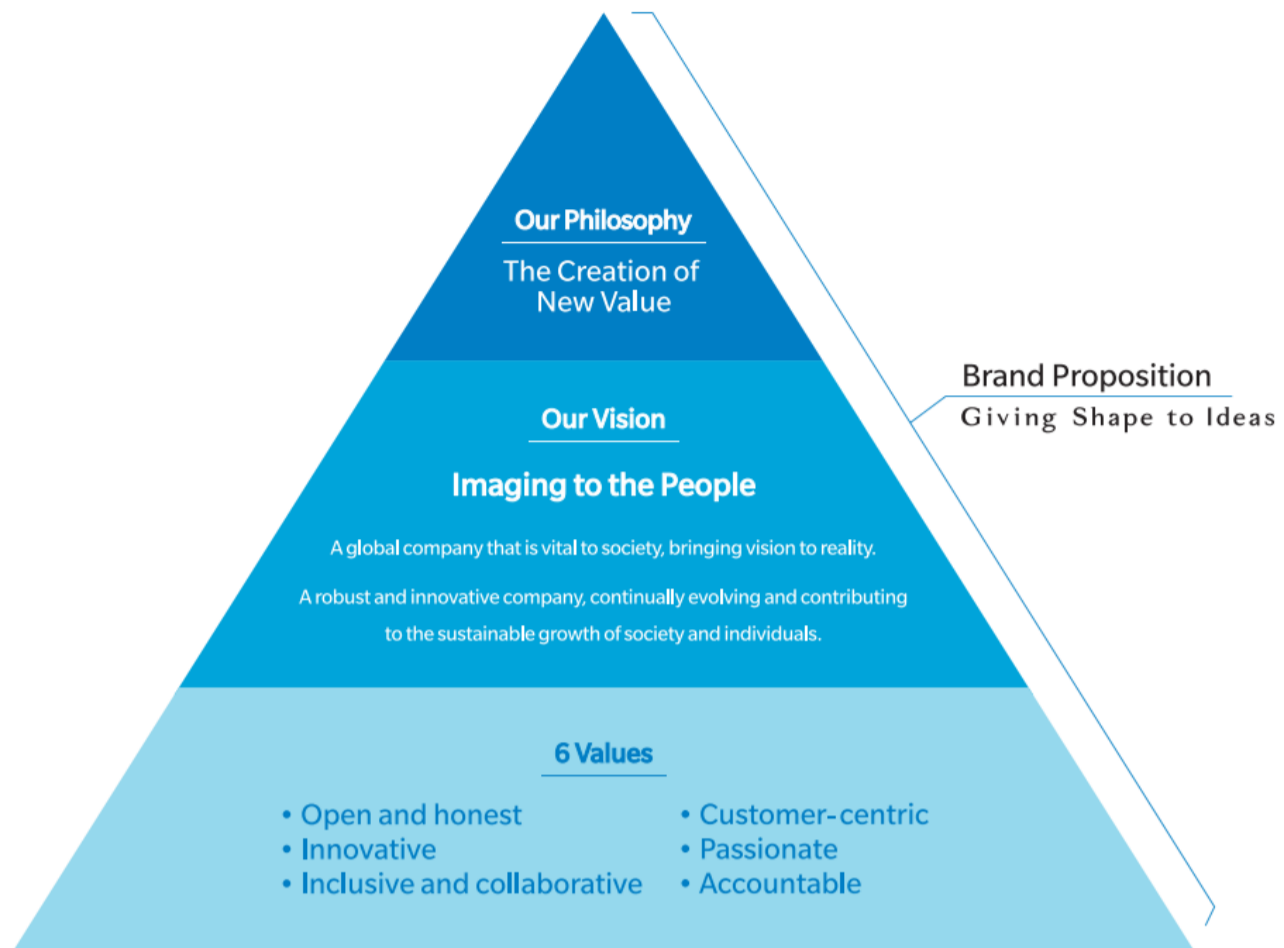
¥5 /share
(¥0 in interim dividends, ¥5 in year-end dividends)

Finally, I would like to explain our policy on shareholder returns. In FY2023, free cash flow is expected to become profitable. However, based on Medium-term Business Plan's basic policy, we will reduce dividends from FY2022 to ¥5 per share based on the idea that we will focus on improving our financial soundness. We feel very sorry to our shareholders, and thank you for your continued support.

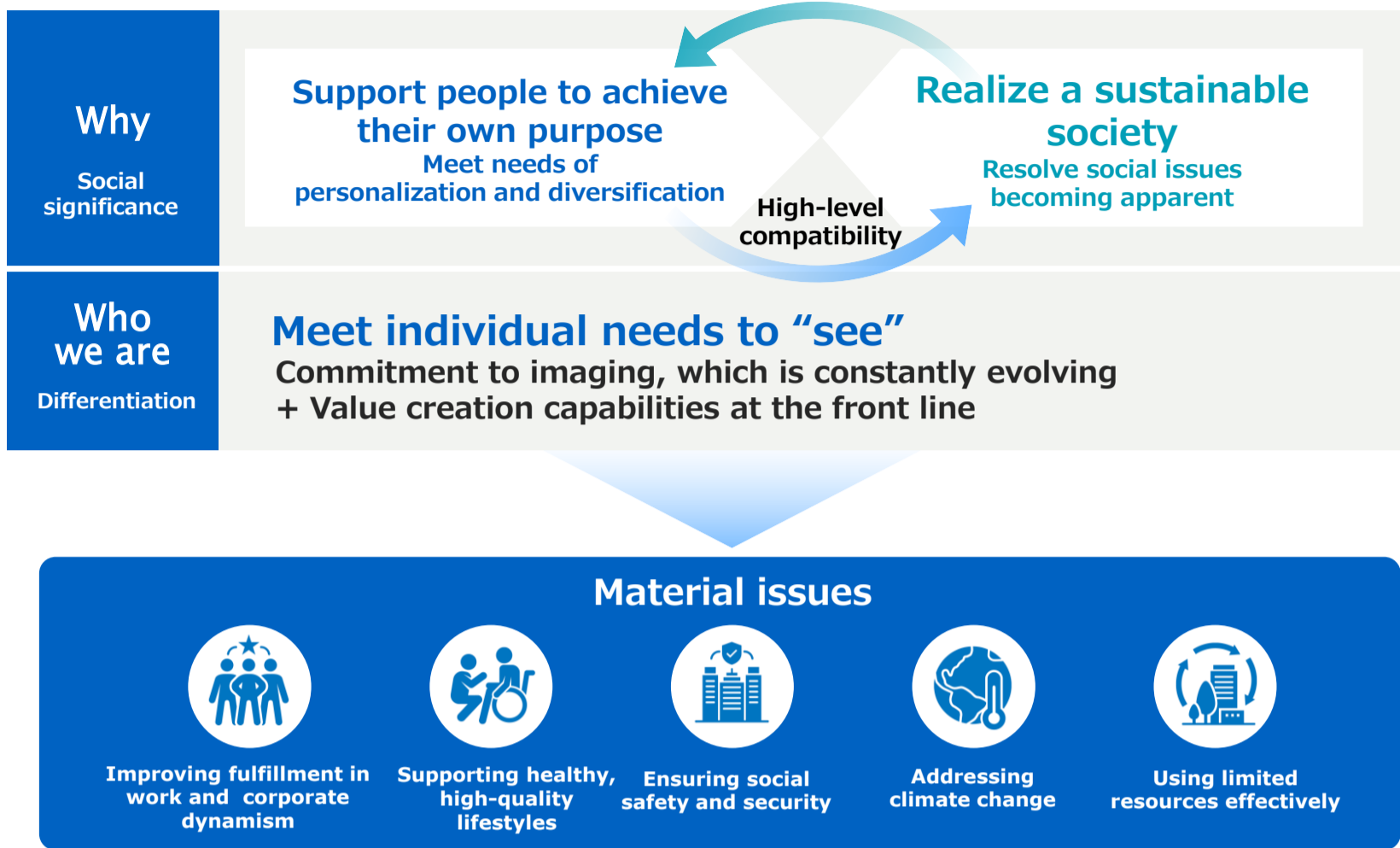
2025 MEDIUM-TERM BUSINESS PLAN



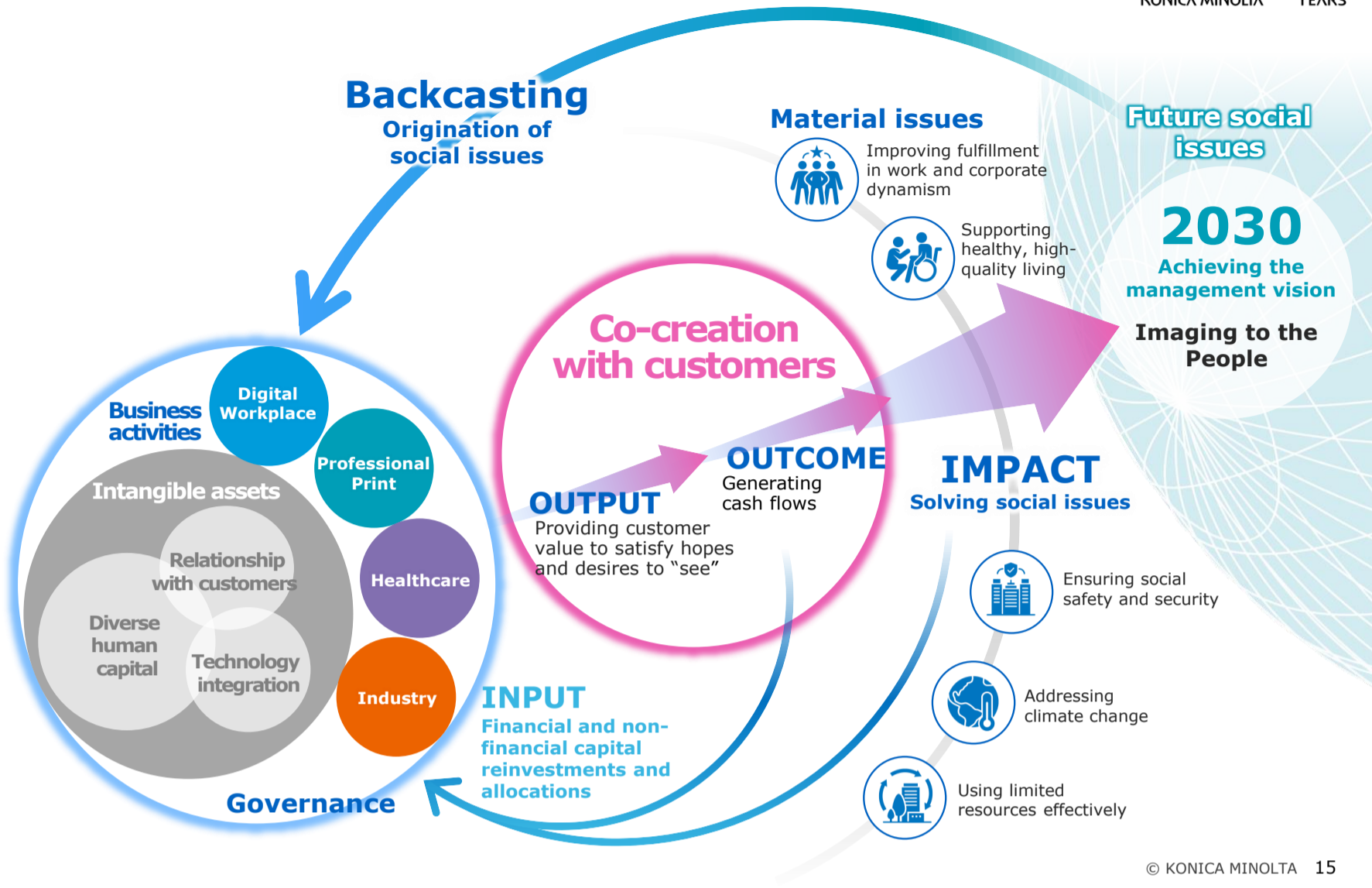
This section explains Medium-term Business Plan starting in FY2023.



With The Creation of New Value as Our Philosophy and Imaging to the People as our management vision, we aim to become a company that is supported and needed by the global community by realizing our customers' aspirations to "see". There is no change in the existing policy of aiming to solve social issues by responding to needs to individual needs to "see" of people working in companies, and end users who want solutions provided by companies through imaging and image processing.



Social issues such as demographic changes, climate-change, and resource depletion are emerging, and we are identifying five material issues under Our Philosophy and management vision in order to respond to individual needs to "see." Based on these material issues, we will contribute to solving social issues through our business activities, which will lead to improved corporate value over the medium to long term.



We will contribute to solving social issues by pursuing material issues through co-creation with our customers by leveraging our intangible assets of "relation with customers," "technology integration," and "diverse human capital." Especially in our strengthening areas for Industry Business for future, we will develop a process that involves thinking, regardless of whether they are existing or latent, bringing in proposals to areas where customers do not realize them, and creating value to lead to solve issues together with customers.

Review of DX2022

(Released on November 27, 2020)

● Targets achieved ● Targets missed

FY22 company-wide management targets	Results
<p>1 Profitability: Operating profit 55 billion yen Operating profit ratio 5.3%</p>	<p>● Operating profit -95.1 billion yen (excluding 21.5 billion yen of impairment loss) Operating profit ratio – (excluding 1.9% impairment loss)</p>
<p>2 Financial health: Equity ratio 40% or higher Equity ratio* 44% or higher Net Debt/EBITDA* 2.0 or lower</p>	<p>● Equity ratio 34.5% Equity ratio* 37.9% Net Debt/EBITDA* -17.1</p>

* rating purposes

As we have already announced on May 10, due to the impairment losses the results for FY2022 were big loss. We failed to achieve the profitability, i.e., operating profit and its ratio, and the financial soundness, i.e., the equity ratio and the net D/E ratio, which we had been aiming for under DX2022, as described here.

(Released on November 27, 2020)

● Targets achieved ● Targets missed

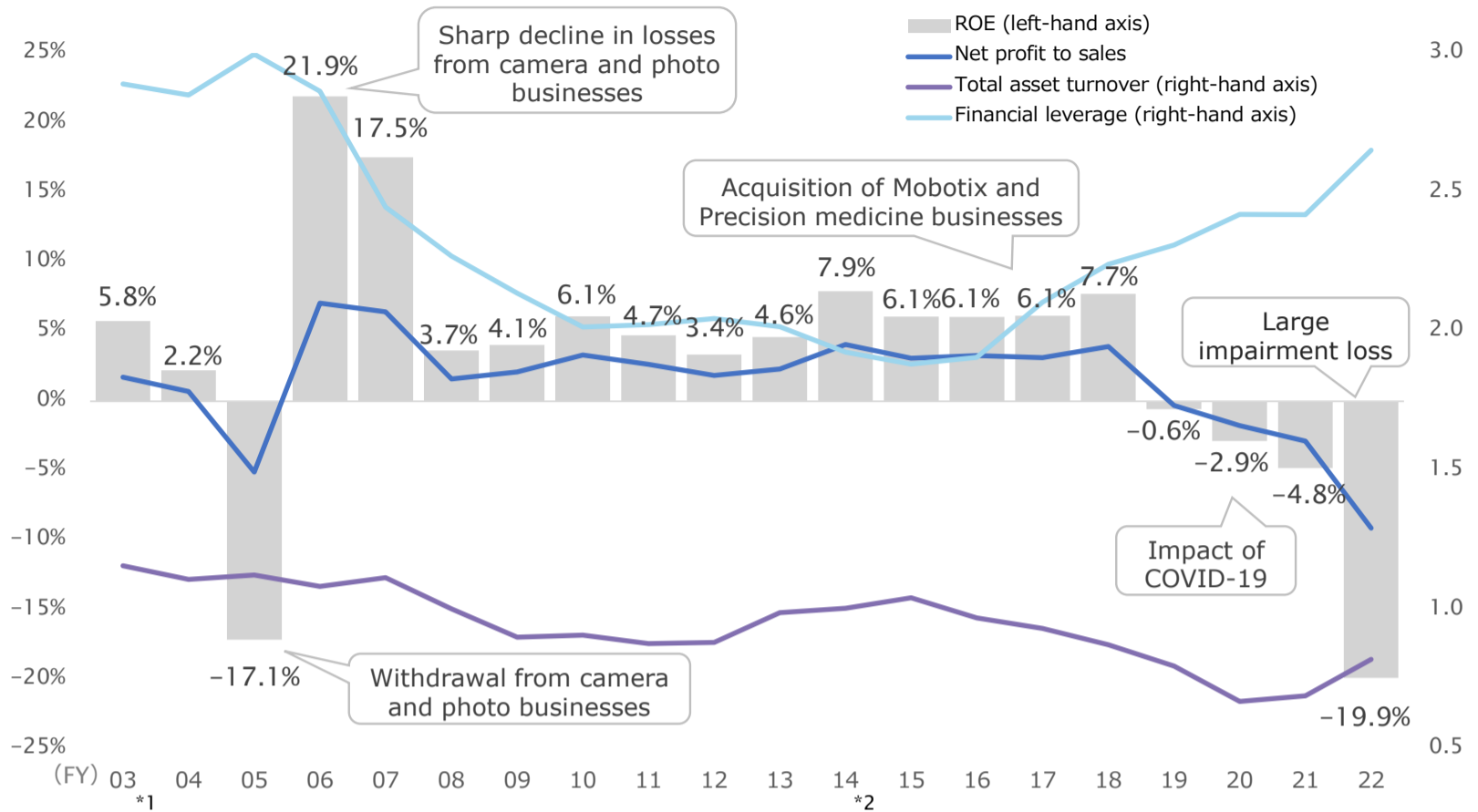
FY22 priority policies and results	Factors behind results
<p>1 Operating profit for the Office Business recovered to FY18 level (48.4 billion yen) ➔ Unachieved</p>	<p>● (External) Higher-than-expected spike in distribution costs, parts costs and labor costs, increase in air transport costs, decrease in PV (Internal) Toner supply shortage due to toner factory accidents</p> <p>● (Internal) Structural reforms carried out and results achieved</p>
<p>2 Maintain FY20 level of total fixed costs ➔ Achieved</p>	<p>● Level maintained (based on local currency)</p>
<p>Portfolio transformation</p>	
<p>3 Improve revenue in new businesses at a faster pace FY20->22: Profitable from operating profit -21 billion yen ➔ -23.7 billion yen in FY22 (excluding impairment loss)</p>	<p>● <u>Precision medicine</u> Slow growth for the number of genetic testing samples and delays in clinical trials due to COVID-19 expansion Collaboration with third parties in genetic field was not achieved</p> <p><u>DW-DX</u> Delays to growth of high-revenue services, increase in SG&A expenses</p> <p><u>Imaging-IoT solutions</u> Deterioration in profit margin of MOBOTIX due to spike in semiconductor parts Delays in use of VMS (Video Management System)</p> <p>● Identifying non-focused businesses and pursuing utilization of third-party capital</p>
<p>4 Accelerated pace for building business that will be the next mainstay after the Office Business FY20->22: Increasing operating profit by 23.5 billion yen ➔ Achieved, increased 26.3 billion yen</p>	<p>● Growth in sensing, IJ components, production print, industrial print, and medical imaging</p>

In terms of individual targets, our goal was to restore Office Business's operating profit to FY18 levels. However, we failed to achieve these targets due to the impact of the COVID-19 and the impact of toner accidents. On the other hand, we implemented structural reform on a company-overall basis to achieve results. In addition, we set a cost target of maintaining total fixed costs at the FY2020 level, and we achieved this target without the impact of FOREX.

In terms of portfolio transformation, although the factors in the precision medicine, DW-DX, and Imaging-IoT solutions businesses, which are positioned as strategic New Business, are different individually, the operating loss of ¥21 billion in FY20 was planned to turn profitable, but in FY2022 they increased the loss and left a major challenge.

At the same time, we aimed to accelerate the development of businesses that will be the pillar following Office Business, and the sensing, IJ components, Professional Print Business, and medical imaging grew. As a result, we succeeded to increase operating profit by ¥26.3 billion in FY2022 from FY2020. This contribution to profit is a major driver of the formulation of new Medium-term Business Plan policy for next 3 years.

ROE = Net profit to sales × total asset turnover × financial leverage



*1: Due to the integration between Konica and Minolta, shareholders equity and net profits in FY03 were pro forma basis
 *2: Adoption of IFRS in FY14

ROEs since the merger of Konica and Minolta are shown below. In FY2018, ROE was 7.7%. After that, however, focusing solely on the outcome among many factors, both the net income ratio and the total asset turnover ratio have worsened. In FY2022, we decided to record an impairment loss based on our policy of not postponing risks in the future. As a result, ROE was negative about 20%. However, we believe that the level of substantial profit excluding impairment loss is on a recovery track.

- Breaking away from the past, reviewing the positioning of strategic new businesses, and working on selection and concentration of businesses
- Improving the balance sheet and cash generating capability as urgent tasks
- As President and CEO, making every effort to get Konica Minolta back on a growth trajectory by maximumly applying reflection and learnings from the past

Over the past year, I have been thinking deeply about identifying strategic issues, countermeasure, and prioritizing implementation. In this context, in conjunction with forward-looking discussions to open up the future, we have a strong determination to decide whether or not the issues and countermeasures will lead to our future, based on facts, including our time horizon, without being constrained by past history. We have provided such guidance to the members of the executive team, and have devoted time to building an organization that can train them in resilience as executives and respond quickly to changes in the environment. We have discussed the issues with Board of Directors not only on a regular basis, but also through an informal forum, which defines our present location and examines prospects. I believe that the major impairments loss announced last week were not just an executive's will, but also backed by Outside Directors to go forward from legacy in the past. This time, we will review the positioning of our strategic new business and address to select and concentrate our businesses. At the same time, we will improve our balance sheet and capability to generate cash at an early stage. We will learn from our investments and I've resolved myself to put Konica Minolta back on a growth track, we will devote all our efforts to implementing this Medium-term Business Plan.

Medium-term Business Plan (2023-2025)

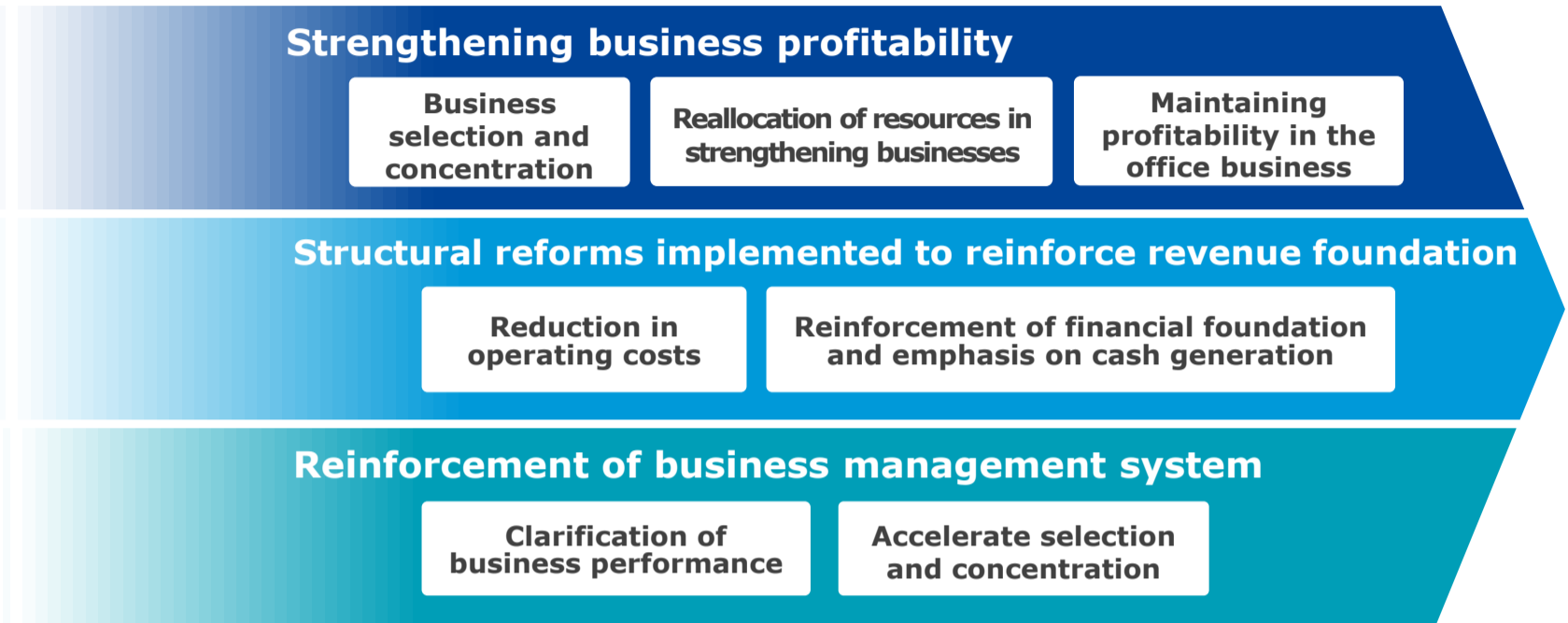
Then I will enter into Medium-term Business Plan of this subject.

Challenging and achievable management

We will no longer devise plans that can only be achieved under optimal conditions, and will steadily implement plans that can realistically be achieved to restore confidence and trust.

Return to a highly profitable company

FY22 (Previous Medium-term plan)	: Recorded impairment losses to eliminate balance sheet risk Achieved initial forecast for business contribution profit
FY23-24	: Implementing business selection and concentration
FY25	: Establishing foundation for growth



I will explain the basic policy at the beginning.

When I first used the term "Challenging and achievable management" I received an evaluation from within the company, but there were also criticisms that this might lead to a shrinking and balancing. However, this is not shrinking and balancing, but a decision to go forward from legacy in the past. This means that we will abolish the establishment of a plan that will be completed only on the best conditions and best scenarios, and formulate and steadily implement achievable plans that incorporate the balance between risks and benefits. We also aim to restore the confidence of our employees and the trust of external stakeholders by achieving results and repeatedly holding dialogues.

Based on this management policy, we have narrowed down Medium-term Business Plan implementation agendas to 3 main points. We will focus on 3 points; ① Strengthening business profitability through selection and concentration, reallocation of resources in strengthening businesses and maintaining profitability of office business, ② Structural reforms implemented to reinforce revenue foundation, and ③ reinforcement of business management system.

In order to return to a highly profitable company under this medium-term business plan, we have recorded an impairment loss in FY2022 to reduce the risk of our balance sheet. With this as the starting point, we will select and concentrate our business in FY2023 and FY2024. After that we aim to establish a foundation for growth in FY2025. Therefore, the mode is switched even during this 3-year period. We have named Medium-term Business Plan since the merger of KM, but this time we do not set a name to it. Rather we will implement concentration and selection in 2 years. Standing on this basis, we will transform our business into a growth track for the future.

Our Goals (FY2025) – Main Financial Indicators

To Achieve 5% ROE in the near term aimed at ROE of 8% or higher in the next medium-term business plan.

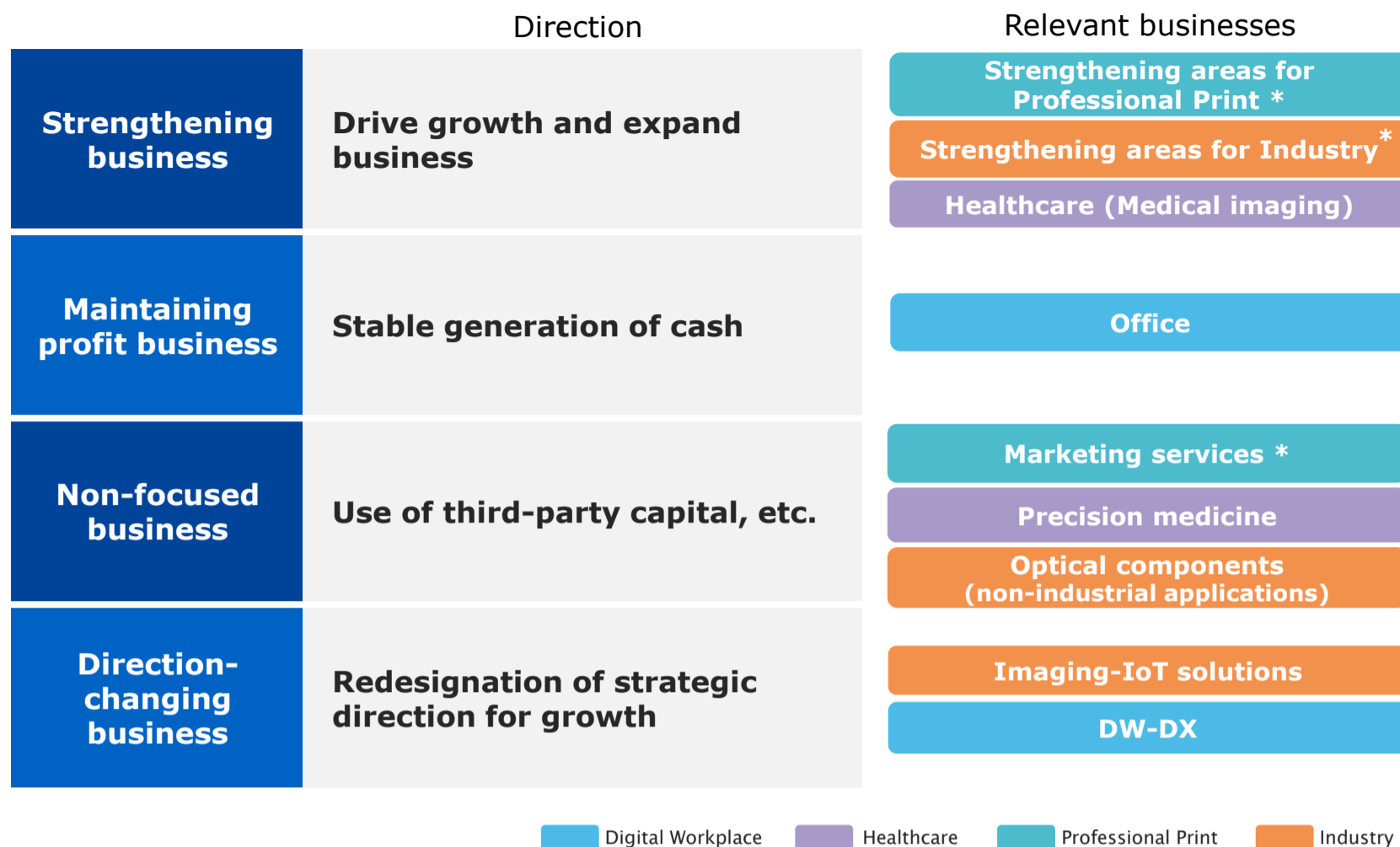
	FY2022	FY2025 plan
Revenue		
(Strengthening businesses*)	418.4 billion yen	500 billion yen
(Company-wide)	1,130.4 billion yen	1,200 billion yen
Business contribution profit ratio**		
(Strengthening businesses*)	11.5%	11-13%
(Company-wide)	2.6%	5% or higher
ROE	-19.9%	5% or higher
FOREX [Yen]		
US	135.5	135.0
EURO	141.0	140.0

*Strengthening Business: Industry (performance materials, IJ components, sensing, and optical components), medical imaging, and Professional Print (Production print and Industrial print)

**Business contribution profit is stated at the figure after adjustment for head-office expenses.

The financial indicators we aim to achieve in FY2025 are as follows; ¥500 billion for revenue of strengthening businesses, which is our most important focusing area, BCP rate of 11-13% by maintaining or slightly improving the current level, revenue of ¥1.2 trillion for the entire company, business contribution profit rate of 5% or more and ROE 5% or more.

The profitability of the strengthening businesses is relatively high, and this is a group of businesses that will become our backbone of the company for the future. Our policy is to increase profitability on a consolidated basis by increasing the weight of strengthening businesses.



*Strengthening areas for Professional Print: Production print and Industrial print

*Strengthening areas for Industry: performance materials, IJ components, sensing, and optical components (industrial applications)

*Konica Minolta Marketing Services, Japan, Inc., a consolidated subsidiary, which belongs to the marketing services unit, has concluded a merger contract with GOURICA MARKETING, Inc., which led to Konica Minolta's shareholding ratio to 10.5% (April 18, 2023)

Previously, we set a policy as "portfolio transformation," and from the perspective of growth and profitability, we divided our businesses into 4 quadrants and grow all of them. This Medium-term Business Plan is not an all-directional policy, but rather clarifies expectations and roles for individual businesses, as well as the direction of judgement of selection and concentration. We believe that this will contribute to the realization of the value of our business assets and the improvement of corporate value.

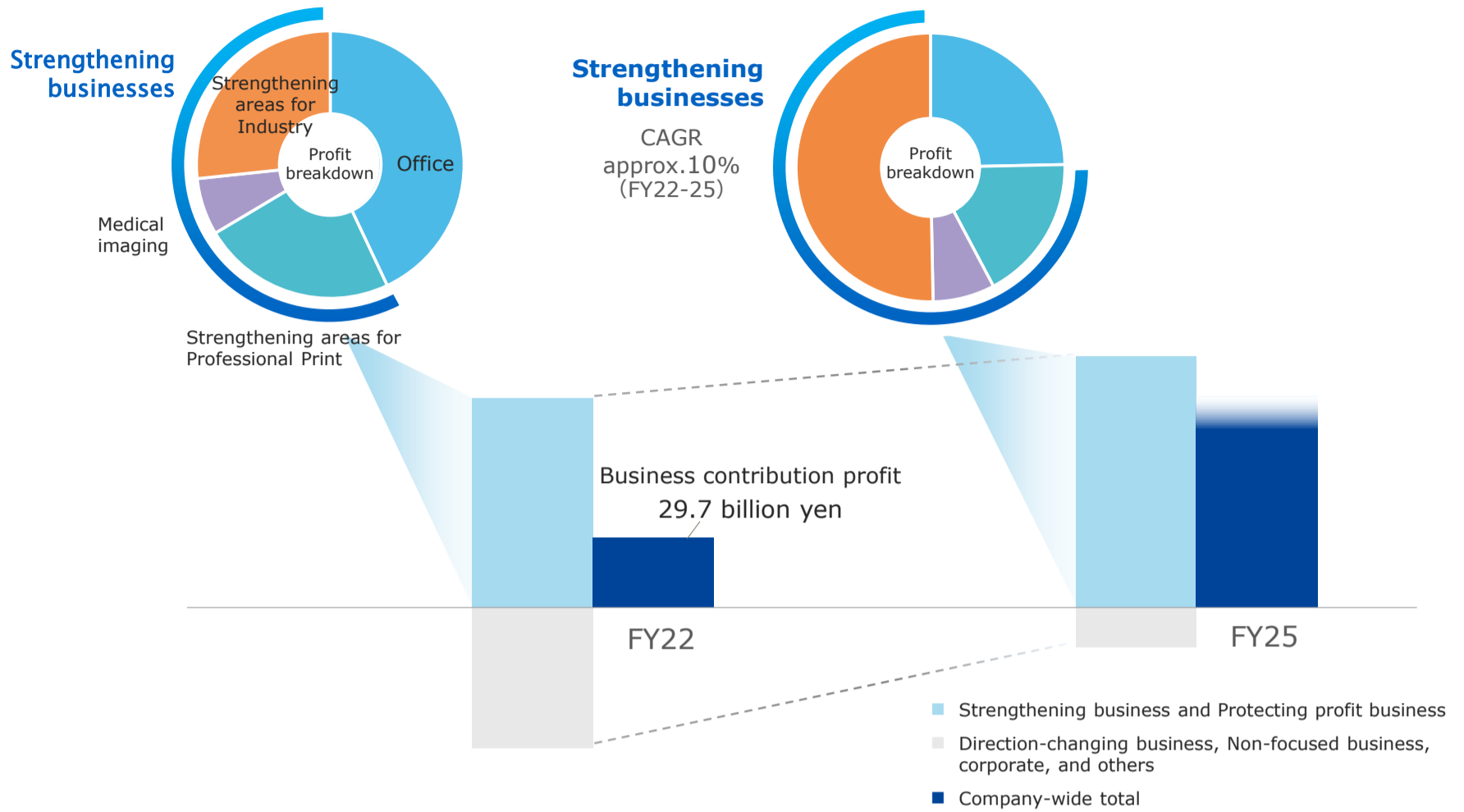
Our strengthening businesses are the medical imaging of Healthcare Business, Professional Print Business, Industry Business, and we will create our future with these businesses which lead the growth of the company based on the success in the previous Medium-term Business Plan.

Maintaining profit business is Office that generates stable cash flow.

Non-focused business is marketing service, precision medicine and optical components for non-industrial applications. While recognizing the growth potential of the market and the social contribution value of these businesses, the direction of these businesses is going to be determined from the perspective of the best owner with a view to utilizing third-party capitals. As the first step, at the end of March, we made the decision to deconsolidate the domestic subsidiary which is a part of the marketing service business.

Direction changing business includes Imaging IoT solutions and DW-DX Business, which were referred to as strategic new business in the previous Medium-term Business plan. These businesses are currently in deficit, and we will reset and judge all or part of the future direction based on FY2023 budgetary achievements.

Image of Breakdown of Business Contribution Profit in FY2025



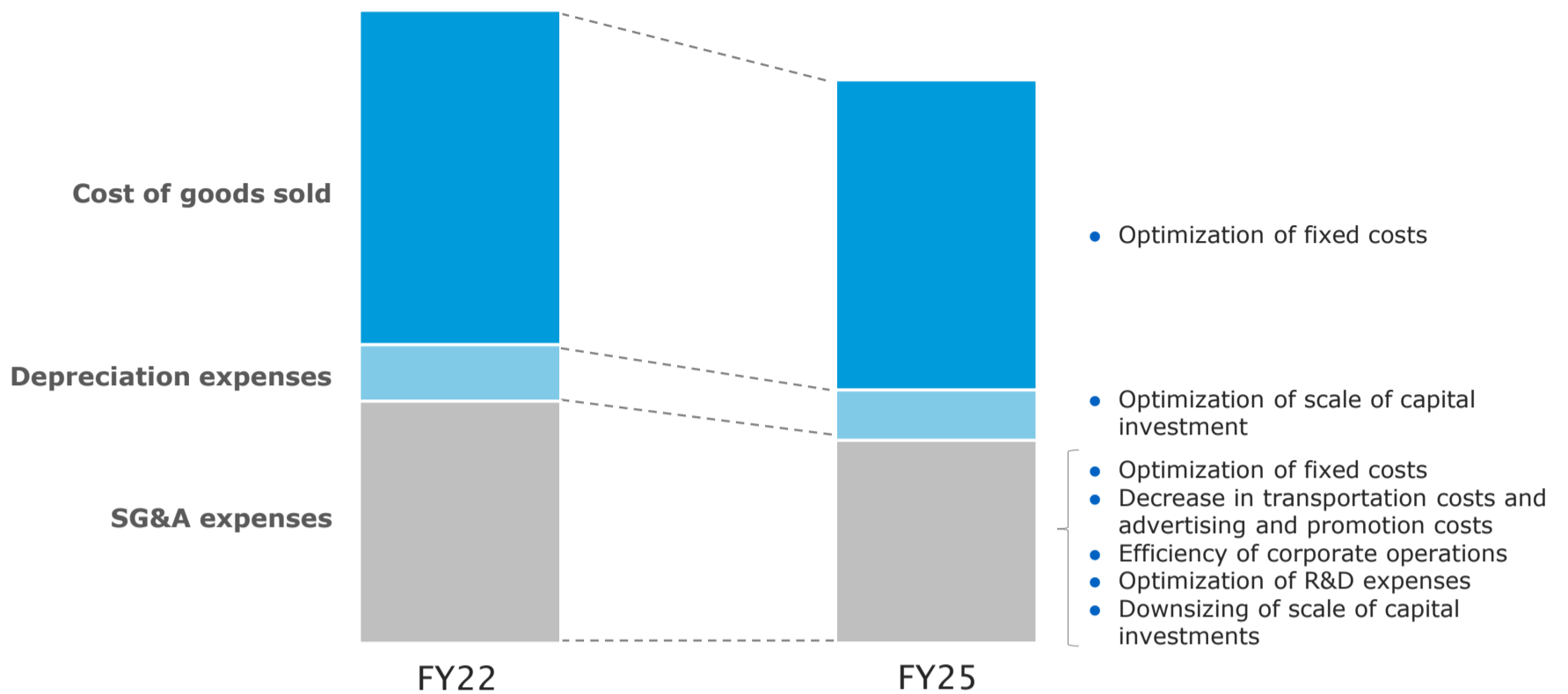
*Strengthening areas for Industry: performance materials, IJ components, sensing, and optical components
 *Strengthening areas for Professional Print: Production print and Industrial print
 *Business contribution profit is stated at the figure after adjustment for head-office expenses

The planned figures for revenue are as mentioned earlier. This section explains the composition of BCP. Profit in FY2022 was ¥29.7 billion, and BCP rate was 2.6%. In FY2025, we will expand the BCP ratio to 5% or more. Growth is driven by strengthening businesses, which are expected to grow at an average annual growth rate of 10%. In particular, we will increase the strengthening areas for Industry Business. This means that the percentage of the orange portion of the pie chart will increase.

In addition, we intend to reduce the negative elements of BCP and increase profitability by improving profitability in the non-focused business and direction changing businesses and reducing allocated expenses, such as head office expenses, as explained in the outlook for FY2023. One of the key points for FY2025 is to shrink the gray area that is growing down in the bar chart.

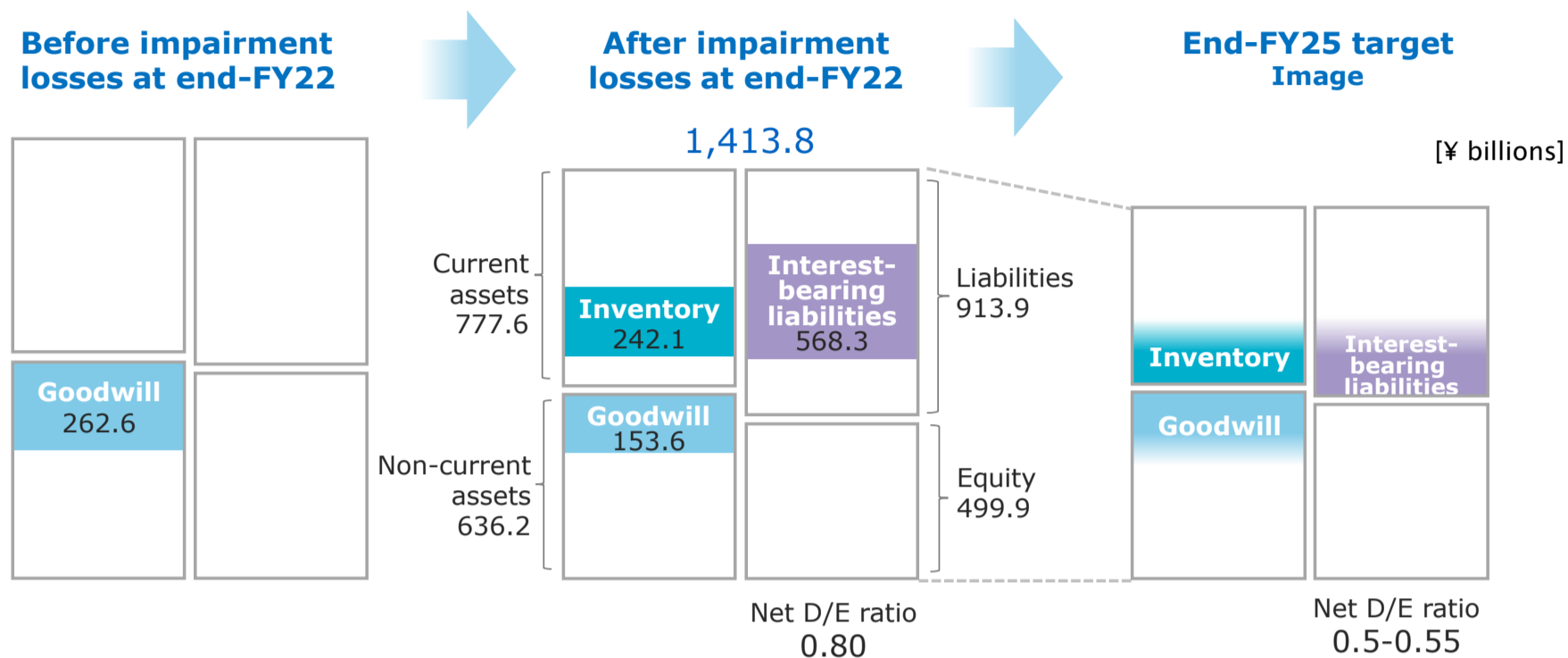
Cost Structure Reforms

Aiming to improve business contribution profit ratio by 1.0 point by reducing costs



In a plan that relies solely on business growth, if there is a change in the external environment, the plan doesn't meet and the level of difficulty in achieving it increases. From this perspective, we will examine cost of sales, depreciation and amortization, and selling, general and administrative expenses, and aim to improve the profit margin by 1 point due to these factors alone. In order to further enhance the back-up plan for execution, we have appointed dedicated officers and have already begun to address to this issue.

- Optimization of working capital (inventories), standardization of strategic inventories
- Optimization of non-current assets (tangible, intangible)
- Targeting increase in total asset turnover rate from 0.80 to 1.0
- Targeting decrease in interest-bearing liabilities and reduction in net D/E ratio from 0.8 to 0.5-0.55

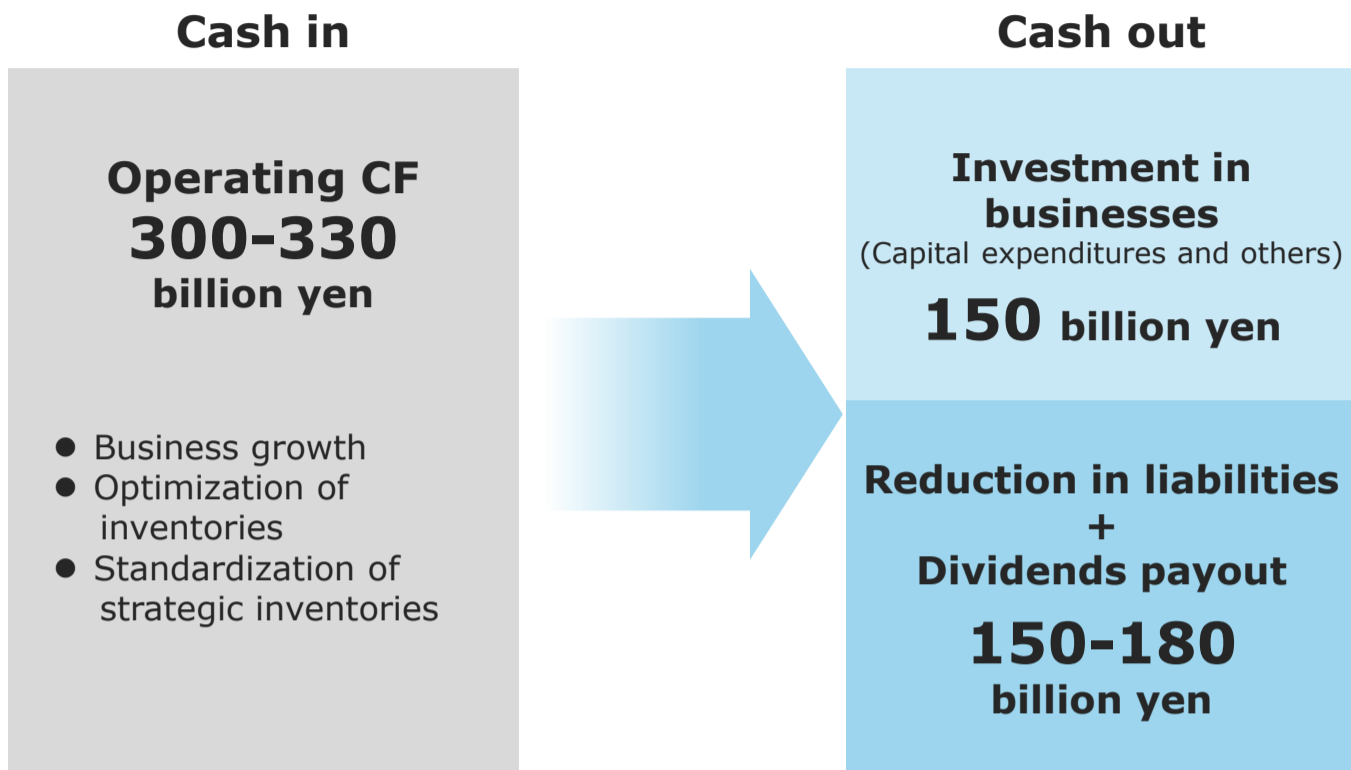


Another issue in the Medium-term Business Plan is the improvement of the balance sheet. Inventories increased at the end of FY2022, and this is impacted by bulk procurement for shortages of semiconductors. However, we will optimize inventories during FY2023 to reduce interest-bearing debt.

On the other hand, as a major lesson from an accident with an explosion at toner plant 2 years ago, toner is the lifeline of our profit base, and our existing 3-month inventory is not sufficient. Therefore, we are factoring in our Medium-term Business Plan to maintain a high level of consolidated inventory.

Goodwill is currently in a risk-free, but we will continue to conduct periodic inspections to optimize tangible and intangible assets as needed. Through these measures, we aim to achieve a total asset turnover ratio of 1.0 times. And we intend to lower the net DE ratio from the current level of 0.8 to around 0.5 to 0.55, partly due to the strengthening and accumulation of capital.

Cumulative in FY23-25



We anticipate cash in of ¥300 to ¥330 billion over Medium-term Business Plan, in cumulative 3 years. Cash-in includes improvements in working capital and the generation of cash from businesses. We plan to allocate cash-in preferentially to business investment and debt reduction, and pay dividends to our shareholders in a balanced manner. We believe that it has been urgent to increase capital for the most recent fiscal year, and we intend to recover dividends in accordance with the improvement in profit. We will reward our shareholders by improving corporate value in conjunction with shareholder returns.

Business Strategy

We will move on to business strategies. ■

Growth Strategies of Strengthening Areas for Industry Business



Improving fulfillment
in work and corporate
dynamism



Using limited
resources
effectively



150
YEARS

Strengthening strategic investment and business development in close contact with customers in the focused domains, and transforming into core businesses for Konica Minolta

Market opportunities

- Changes in development and manufacturing process due to evolution of next-generation displays
- Trend toward process minimization, energy conservation and reductions in environmental load at manufacturing sites
- Changes in semiconductor supply chains due to international affairs and rapid increase in needs for semiconductors

Strengths

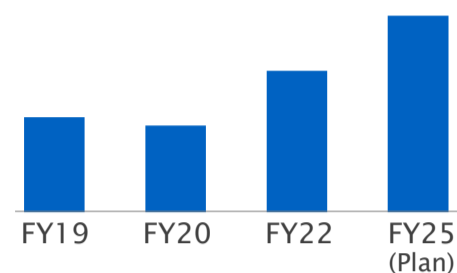
- Solid relationships with customers and domain knowledge supporting high market share and high revenue
- Precise technology for design, processing, and materials related to optics inherited from the founding businesses

Policies

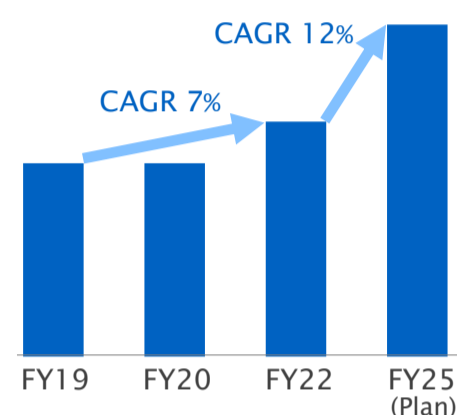
Growing existing businesses and developing new businesses in the mid-to-long term based on core technologies and relationship with customers

- Strategically investing the cash generated by existing domains with high market share in new high-growth domains
- Strengthening optical components in upstream areas of industry supply chains
- Fully utilizing assets such as relationship with existing customers and technologies across the Industry business and reinforcing business development with a close connection to customers' manufacturing value chains

Business Contribution Profit



Revenue



*Strengthening areas for Industry: performance materials, IJ components, sensing, and optical components

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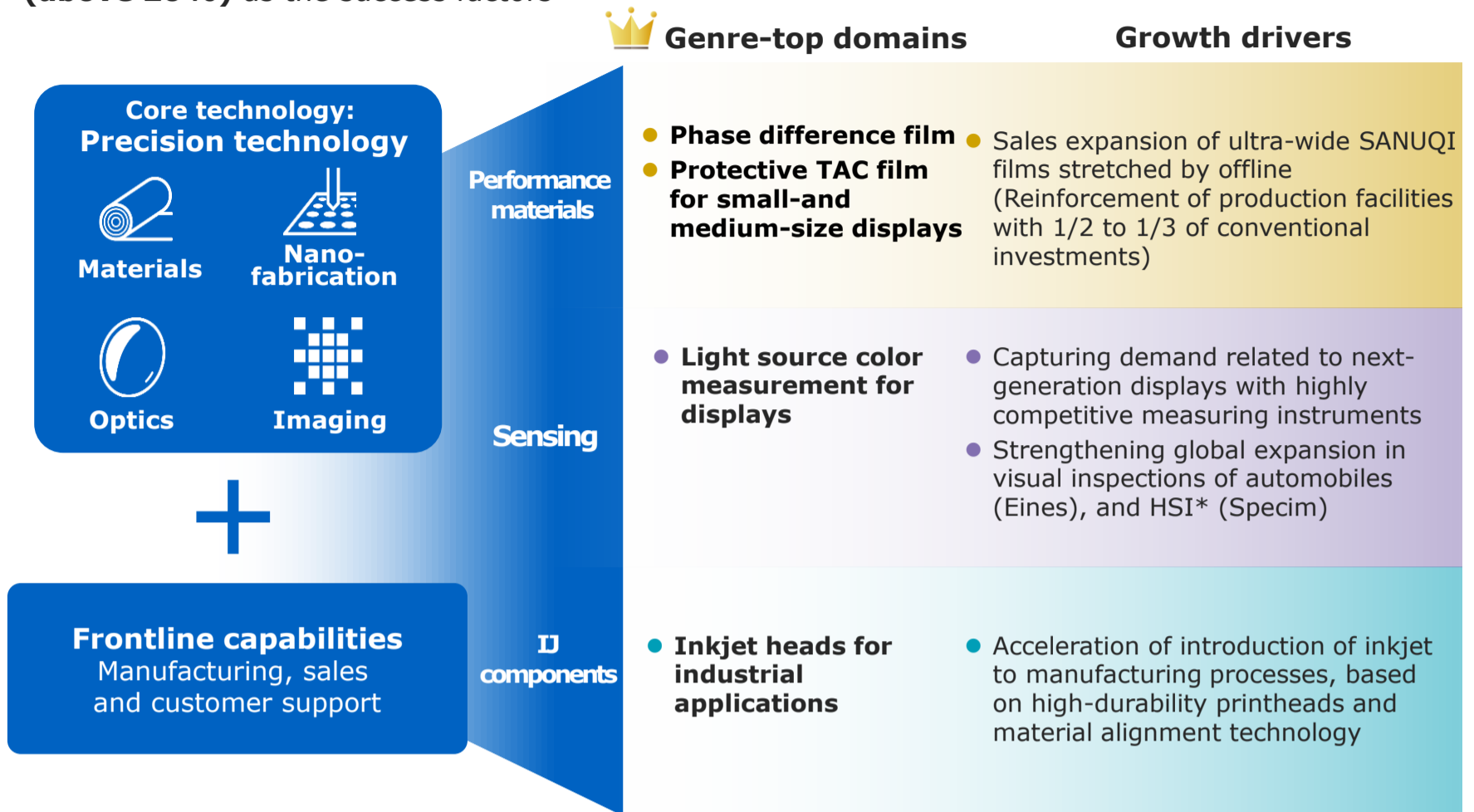
Firstly, I will explain the policy in the strengthening areas for Industry Business. As the environment surrounding the Industry Business, the evolution of next-generation displays is causing changes in customers' development and manufacturing processes. Expectations are rising for process minimization, labor saving, and energy conservation and reductions in environmental load at manufacturing sites. In addition, international affairs are causing major changes to the semiconductor supply chain.

Our strengths lie in the strong relationships we have built up with B to B customers, and based on these relationships we have accumulated knowledge in our respective business domains of sensing, performance materials, IJ components, and optical components. The basis for this is precision design, processing, and material technology related to optics inherited from our founding business.

At Medium-term Business Plan, making strengthening areas for Industry working across the areas as one team and fully utilizing assets such as relationship with existing customers and technologies across the Industry Business, we reinforce business development with a close connection to customers' manufacturing value chains. And we will strategically invest cash generated by existing areas with high market shares to areas with high growth potential, and aim to further expand our business through a virtuous cycle of investment and returns.

Strengths and Growth Strategies for Strengthening Areas for Industry Business in the mid-to long term

Building businesses with **medium-scale stable markets, high market share, and high profit (above 20%)** as the success factors



*HSI : Hyperspectral imaging

In the Industry Business, we have selected a medium-scale stable markets and have been building businesses with a high market share and a high profitability of 20% or more as a success requirement. We have been working to co-create value with our customers through our core technologies of precision technology such as materials, nano-fabrication, optics, and imaging and our on-site capabilities that integrate our manufacturing, sales, and customer-support capabilities.

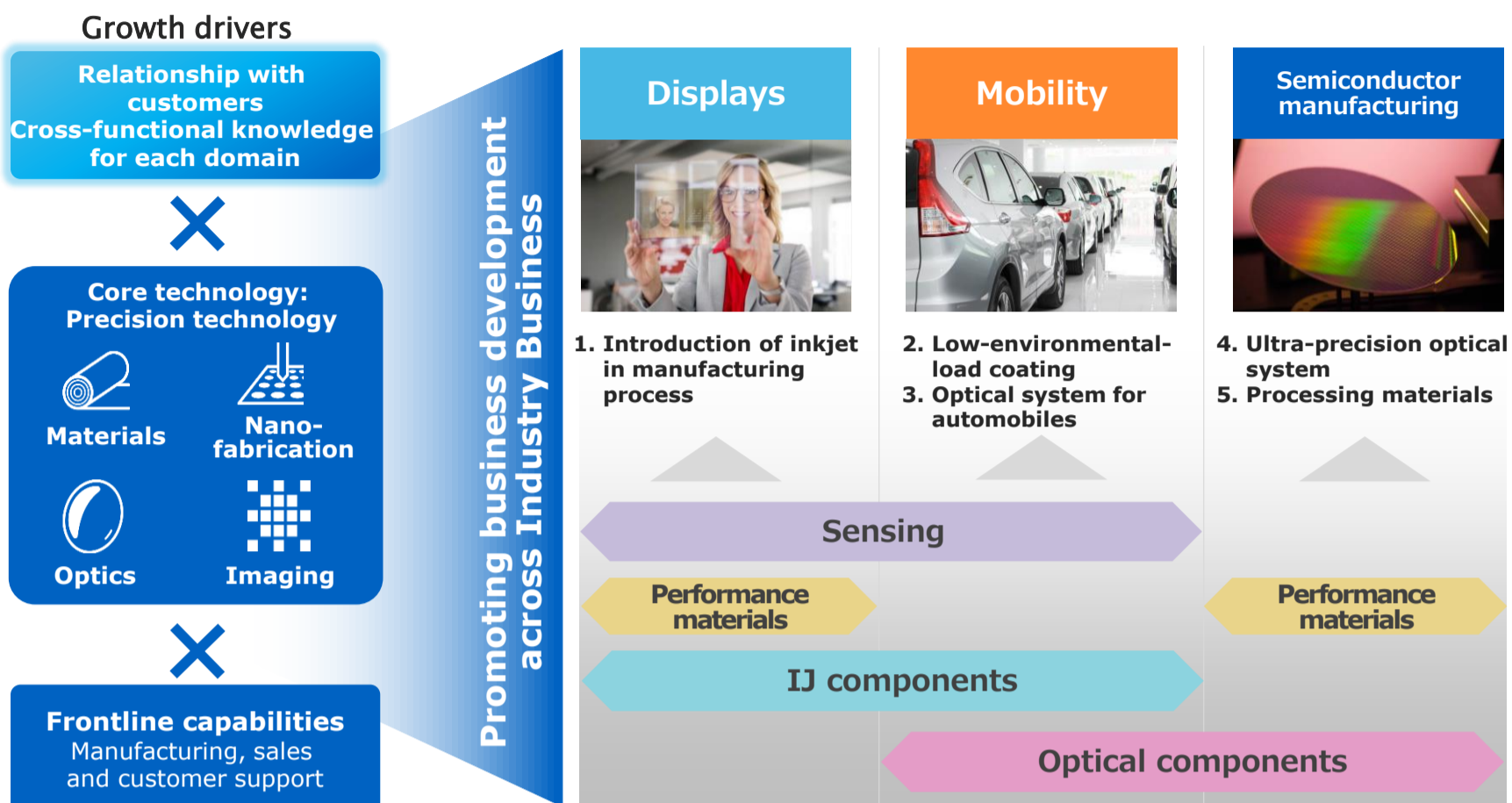
Performance materials is Genre-top for phase difference film and protective TAC films for small and medium size displays. In order to strengthen sales of ultra-wide film stretched offline SANUQI films as a driver of growth from now on, we will expand our manufacturing facilities by 1/2 to 1/3 of the conventional amount of investment to address to the demand growth in the market. Some of these preparations have already been completed and will be further reinforced.

Sensing has a 50% share in the field of light source color measurement, making it Genre-top. In the future, we will respond to demand for next-generation displays with highly competitive measuring instruments. At the same time, we will strengthen the global expansion of measurement equipment for the automotive visual inspection of Spanish Eines and hyperspectral imaging technology of Finnish Specim, thereby contributing to labor saving and solving environmental issues for customers.

Inkjet heads for industrial applications will accelerate the shift to inkjet manufacturing based on technology for combination of high-durability heads and materials.

Growth Strategy of focused domains in the mid-to long term for Strengthening Areas of Industry Business

- Entering and reinforcing domains that meet success factors and that will drive the global economy in the future
- Promoting business development across Industry Business, focusing on customers
- Maximizing value co-creation by alliances with customers spreading beyond our existing business in the value chain



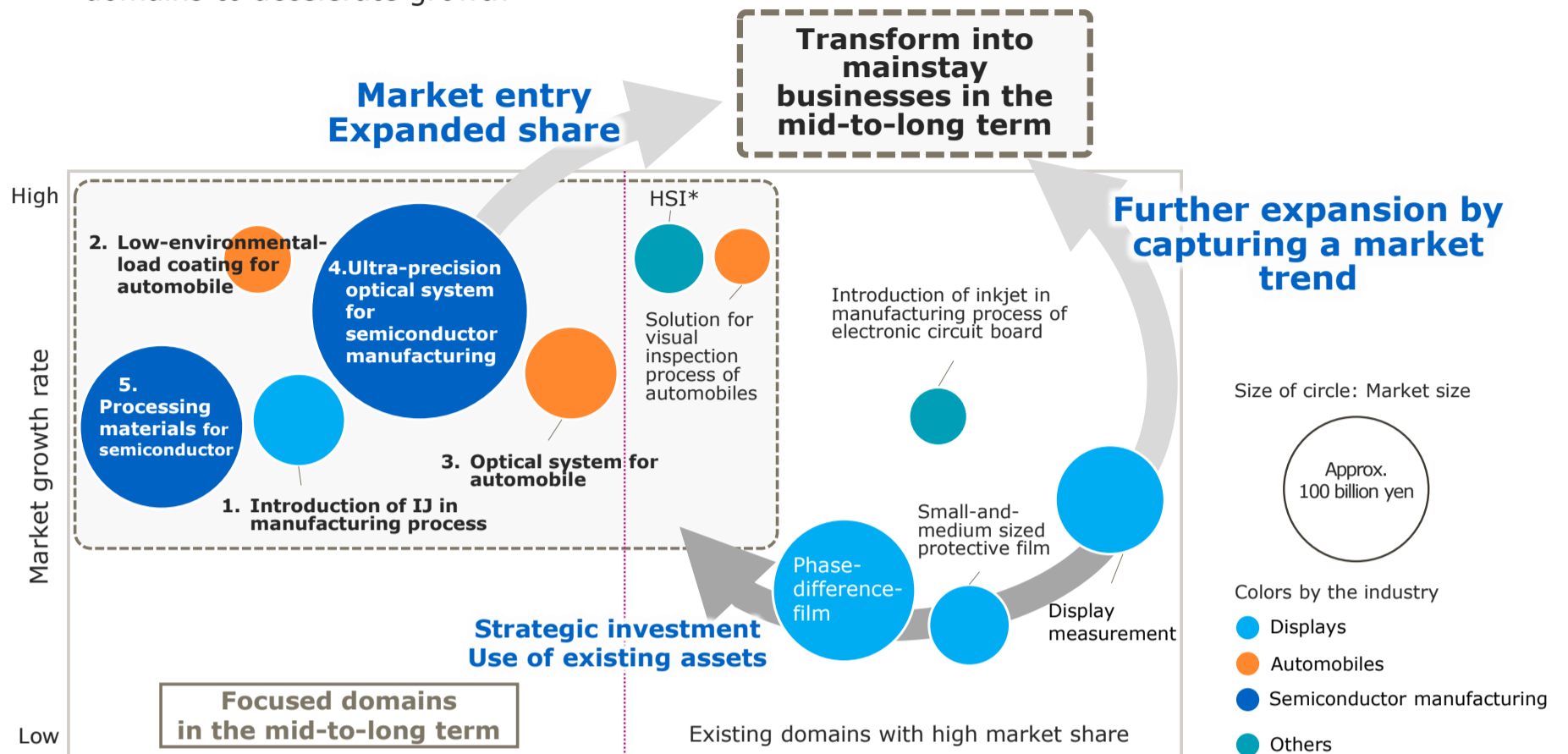
In addition to Genre-top products in the existing domains, and medium-term growth drivers described earlier, utilizing our relationships with our customers in the areas of performance materials, sensing, IJ components, and optical components, and leveraging our core technologies and frontline capabilities, we promote business development that support medium-to long-term growth across Industry Business. In the display field, we have already launched a business that simplifies customers' manufacturing processes and leads to a reduction in environmental impact by using our 1.inkjet technology for next-generation displays manufacturing.

In the field of mobility, we will promote the co-creation of new value with customers through the collaboration of sensing, IJ components, and optical components by utilizing technologies for 2.low environmental load coating and 3.optical system for automobiles.

In the field of semiconductors, we are already engaged in the business of 4.ultra-precision optics for manufacturing equipment on a small scale in optical components, and we have confirmed that this business will grow more significantly through conversations with our customer. We will also make use of our material technologies to advance into the area of 5.semiconductor processing materials. We intend to create value beyond frames of each business unit without staying at same area as before.

Growth Potential of Strengthening Areas for Industry Business

- Designated the domains expected to have medium-scale stability, high market share and high profit by utilizing existing assets as the focused domains in the mid-to-long term
- Allocating cash generated in existing domains with high market share to investments in focused domains to accelerate growth



*HSI : Hyperspectral imaging

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The fields of 1 to 5 mentioned in page 32 are described as circles in page 33 to express market size and growth rate.

The areas on the right-hand side of the chart, where we have already acquired a high market share, will continue to expand by capturing opportunities for market further growth.

The mid-to-long term focused domains on the left-hand side of the chart are anticipated to be high market growth rate in future, and it is a new area to enter for us.

In addition, hyperspectral imaging and visual inspection of automobiles in the center of the chart are domains where growth is likely to continue. Thus, we will aim for mid-to-long term growth through the twin pillars of our existing domains which still have growth potential and domains dotted in the chart where we will enhance the presence in the mid-to-long term.

Growth Strategies of Strengthening Areas for Medical Imaging Business



Supporting healthy, high-quality living



150 YEARS

Expanding profit of digital businesses on a global scale based on high-added-value imaging

Market opportunities

- Growing needs for early detection, minimally invasive treatment and medical DX
- Significant grows in digital medical system market in Asia and other emerging countries due to rising medical needs
- Solid expansion of general X-ray equipment market globally (CAGR 3%)

Strengths

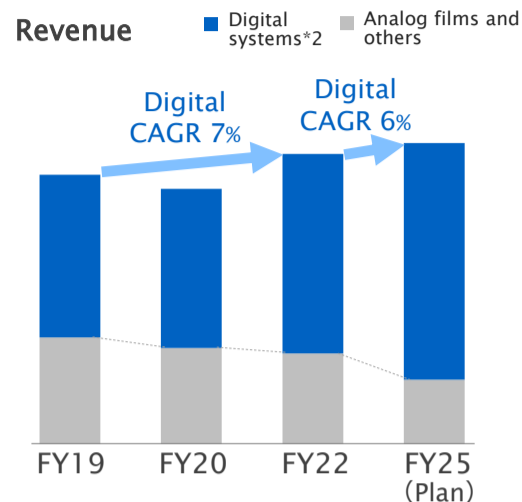
- High added-value imaging diagnosis and IT solutions utilizing core technology
- Relationship with KOL*¹ to co-create new clinical value
- Brand and customer base built up over 90 years of the business history

Policies

Expanding digital business by providing simple and high added-value imaging diagnosis

- Strengthening development to support workflow reforms of diagnosis by medical practitioners
- Accelerating establishment and spread of clinical value of dynamic analysis through co-creation with KOL
- Strengthening digital business in Asia and other emerging countries

Revenue



Mobile X-ray System with Dynamic Digital Radiography AeroDR TX m01



Dynamic Digital Radiography KINOSIS

*1 KOL: Key Opinion Leader

*2 Digital Systems : Digital X-ray, HC-IT, ultrasound systems, vital sensing

The environment surrounding medical imaging has plenty of market opportunities for us, including early detection, minimally invasive medical diagnosis and treatment, growing demand for healthcare DX and growth in the digital market. We aim to grow with our strengths in high added-value imaging diagnosis and IT solutions utilizing core technology, based on the brands we have been cultivating from radiographic film for 90 years in the healthcare field and our customer base. In our medical imaging, in addition to providing simple and high added-value imaging diagnosis, we will expand the revenue and profit of our digital business globally, particularly in Asian and other emerging countries. In particular, the technology, products, and services of Dynamic Digital Radiography that we are the only company in the world to provide will grow over the mid-to-long term as a growth driver.



Leading the expansion of the digital printing market through our core technologies and co-creation with customers

Market opportunities

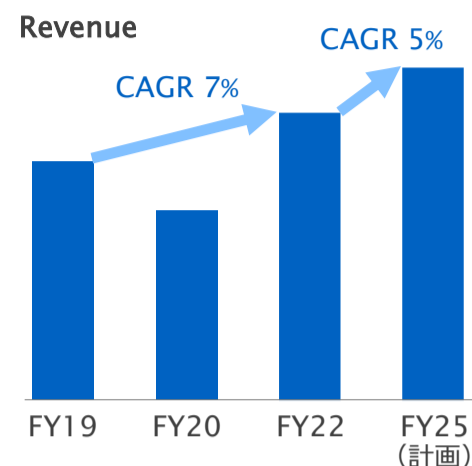
- Growth in printing digitization rate and market expansion for both commercial and industrial printing
Digital commercial printing: CAGR 4%
Digital label printing: CAGR 6%
- Declining number of skilled workers, soaring resource prices, increasing environmental awareness worldwide

Strengths

- Strong points of contact not only with printing companies, but also with the entire printing supply chain, including brand owners and logistics companies
- Strong commitment to enable customers to make full use of our technologies of automation, skill-less, and remote operation on their sites

Policies: Promoting customers' digitalization to realize our business growth and solve social issues

- Taking a bird's-eye view of the entire printing supply chain to solve the factors that hinder the digitization of printing
- Improving fulfillment in work of print suppliers and users by minimized environmental loads, process savings, and printing with high-added value



AccurioPress C14000 / C12000



AccurioLabel 400

*Strengthening areas for Professional Print: Production print and Industrial print

Both the commercial and industrial print sectors are expected to continue growing at 4-6% as the digital ratio grows, due to a decline in the number of skilled workers, soaring resource prices and increasing environmental awareness worldwide.

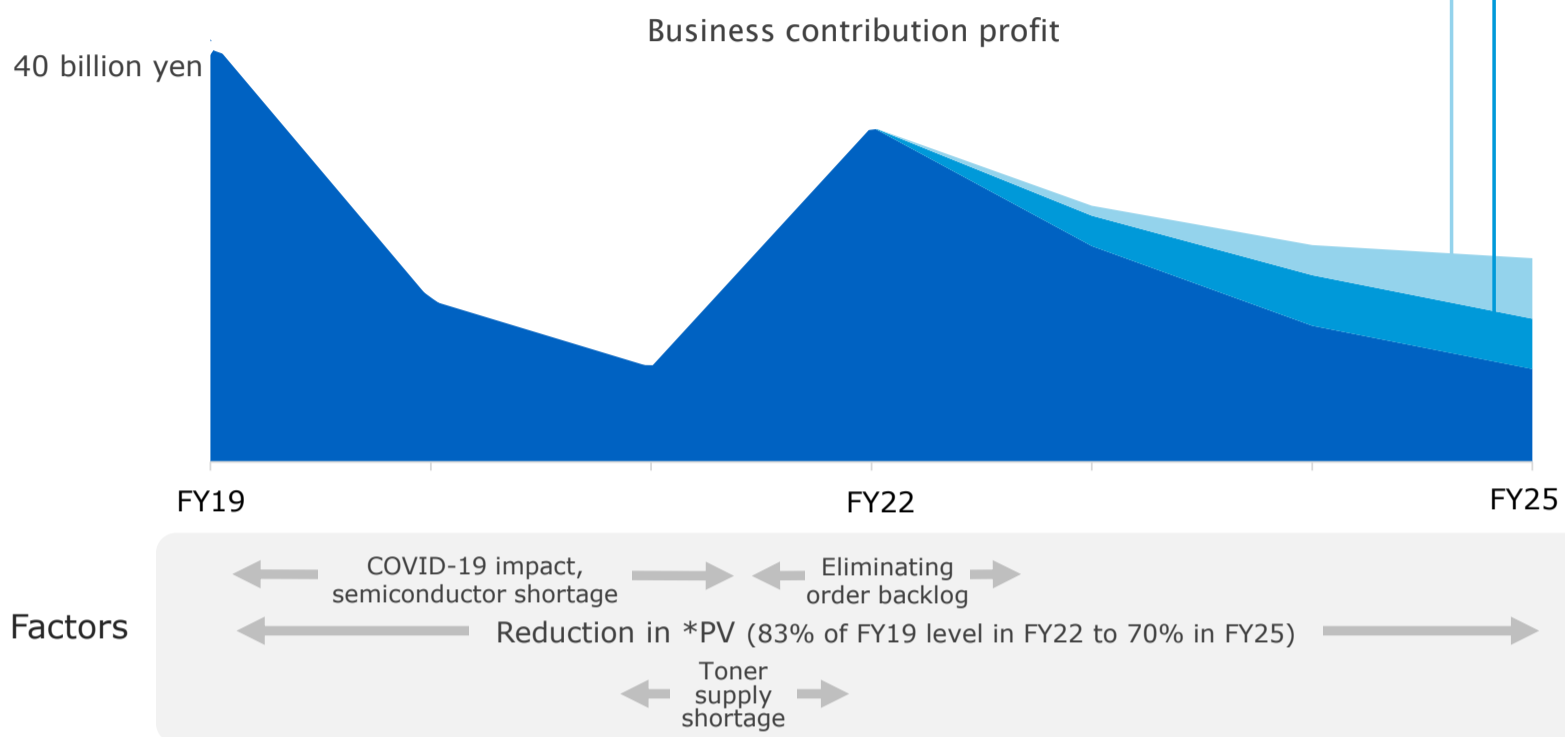
We will continue to provide value of automation, skill-less, and remote operation, with strong contact not only with printing companies, but also with sites throughout the printing supply chain, such as brand owners and logistics companies.

We will promote the digitization of customers by taking a bird's-eye view of the entire printing supply chain and solving the factors that hinder the digitization of printing of customers.

At the same time, these measures minimize environmental impact and contribute to improving fulfillment in work of print suppliers and users through less processes and printing with high-added value.

Maintaining profit from Office Business

- Maintaining non-hardware profit by expanding One Rate (our unique fee model), remote maintenance of MIF, and cross-selling of office solutions*, and cutting costs for sales
- Securing profit sources through cost-cutting in manufacturing, partner strategies for procurement, and expansion of reuse equipment models
- Improving service efficiency by introducing next-generation models supporting our medium and long-term growth (from FY25 and thereafter)



*Office solutions : Contents management, document management solutions, and security solutions

*PV : Print volume

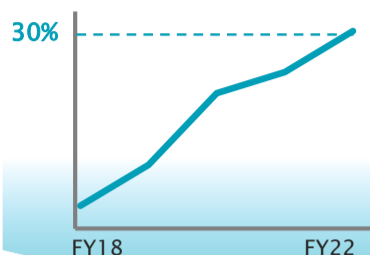
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Office Business's earning capacity in FY2019 was essentially about ¥40 billion, but both revenue and profit declined in FY2021 due to the impact of the COVID-19, semiconductor-shortages, and a shortage of toner caused by tonner plant accidents. In FY2022, we increased our production capacity for a backlog of orders, which we worked to eliminate and pick up.

In FY2025, we expect print volume to decline to 70% of the FY2019 level. We will make every effort to earn a certain level of profit and cash even if print volume declines through our unique billing model, sales and service operation reforms, and manufacturing cost reductions.

Expansion of One Rate

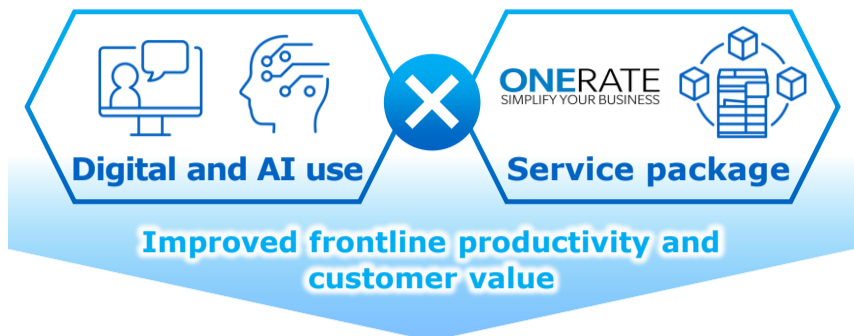
Our unique fee model that does not depend on PV with a fixed fee for both counter fees and solutions



In the U.S., where it was introduced first, profit from One Rate accounted for **more than 30% of Non-hard overall**

Sales/Service operation reforms

Realize on-site productivity and improved customer value through use of digital tools and AI and the introduction of our unique service packages



Specific actions

- 1 World-wide expansion**
Expansion of One Rate, which has been proven to lead to higher profitability in the U.S., to other regions
- 2 Reinforcing service package proposals**
Reinforcing package proposals combined with solution services for repair and operation flow automation

Specific actions

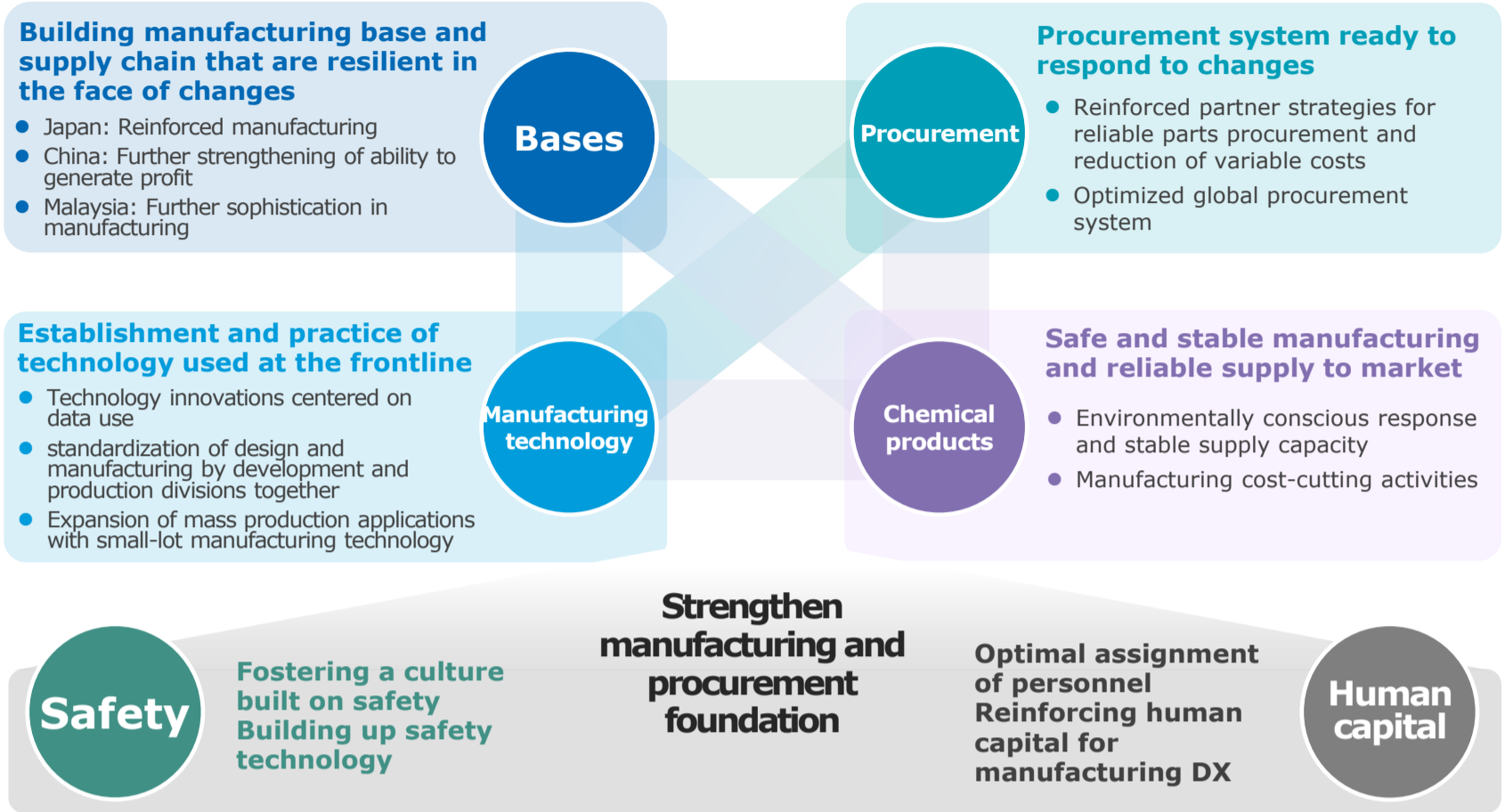
- 1 Marketing via AI pattern analysis**
Taking the approach of specifying and prioritizing customers with high profit growth potential
- 2 Use of non-face-to-face digital tools**
Reinforcing inside sales utilizing social media and Webinars
- 3 Simplifying processes through One Rate**
Simplifying estimates, budgeting, invoicing and payments with a fixed-rate system
- 4 Introduction of service packages**
Reduce number of man-hours with a package of failure prediction, remote service and self-maintenance services

This section refers to the expansion of One Rate, and sales and service operation reforms. In terms of One Rate expansion, we will not only charge a fixed fee for printing like a mobile phone, but will also charge a fee for software used together with printing in response to customer's needs.

And One Rate can also reduce a fee from next month when the software becomes unnecessary for customer. While we started in the United States, we will maintain profit by expanding One Rate worldwide.

Manufacturing Strategy

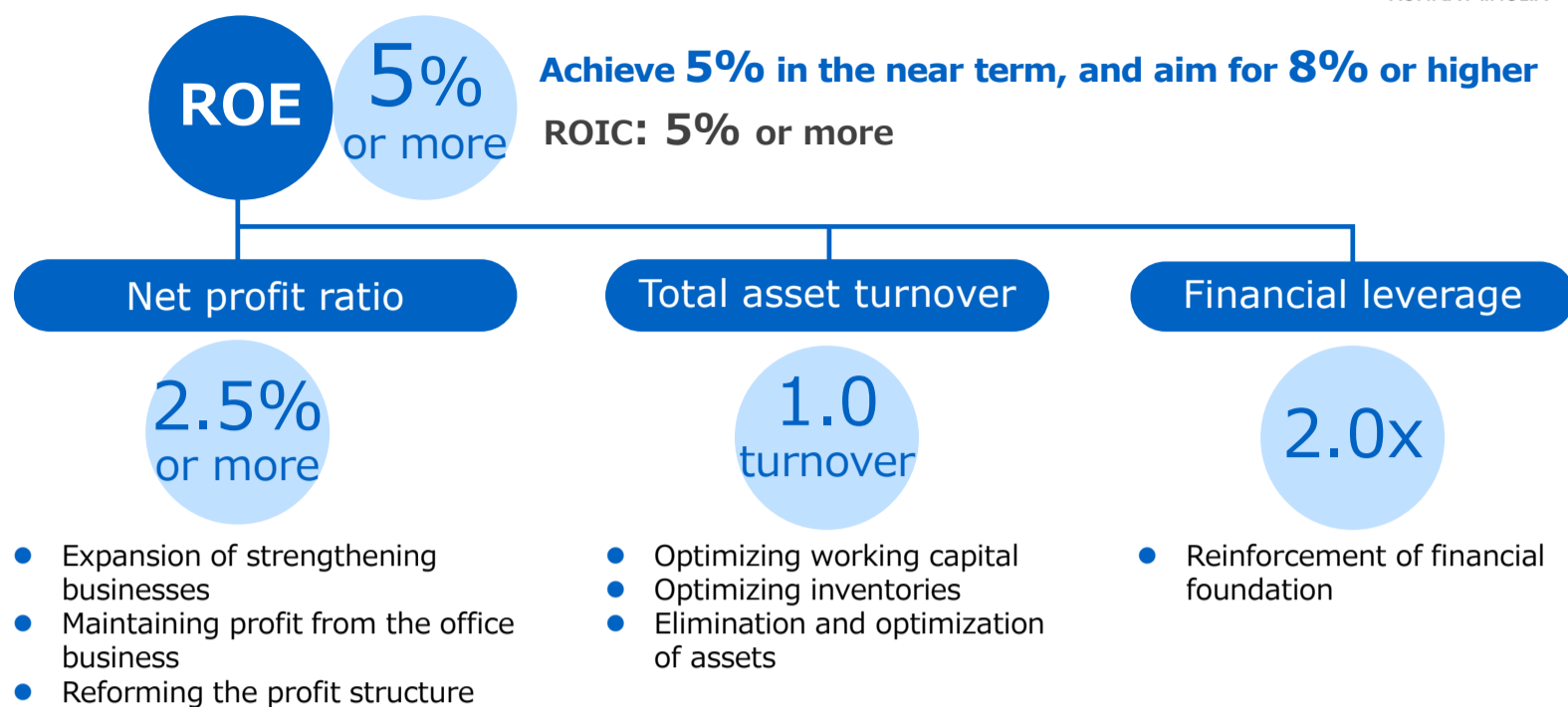
Realizing “Front-line capability” and “manufacturing management” that exercises strengths responsive to changes in the environment



As supply chains are being forced to be reviewed globally, we will establish production bases and supply chains that are resilient to change, and practice technology establishment starting from the front lines.

Through these efforts, we will ensure a stable supply of products in order not to lose sales opportunities caused by stopping procurement and production.

Toward maximized corporate values



Non-financial indicators		FY2022 forecast	FY2025 plan
	Employee engagement score		6.6
CO ₂ emissions produced by our products (reductions compared to 2005) (emissions)		58% 860,000 tons	61% 800,000 tons
CO ₂ reduction contribution for customers and partners		600,000 tons	800,000 tons or more

5 years ahead of the original target

We have set improvement of ROE as our highest-priority goal. The driver is improved profit ratio. We aim to improve the net profit ratio to 2.5% or more, achieve a total asset turnover ratio of 1.0 times and financial leverage of around 2.0 times, and achieve at least ROE 5% at the earliest by building a balanced financial base. Furthermore, we aim to become a company that can clear ROE 8%. With regard to non-financial matters, we aim to improve corporate value in conjunction with achieving the planned non-financial indicators, such as employee engagement scores and CO₂ savings including Carbon Minus 5 years ahead of our previous schedule.

Last of all, I will explain about the key point of Medium-term Business Plan again. As I explained on the slide in page 22, we will firstly implement selection and concentration of our business in FY2023 and FY2024, and then establish a foundation for growth in FY2025. Therefore, we will change the attitude in the first 2 years and the last 1 year.

In addition, I explained the positioning of our businesses in page 24. Profit is driven by strengthening business and maintaining profit business.

Non-focused business and direction changing business are currently in the loss and it is important to eliminate this loss next three years. If we judge it is difficult to reduce the loss, we will consider another option to achieve the financial indicators for FY2025 that I explained today.



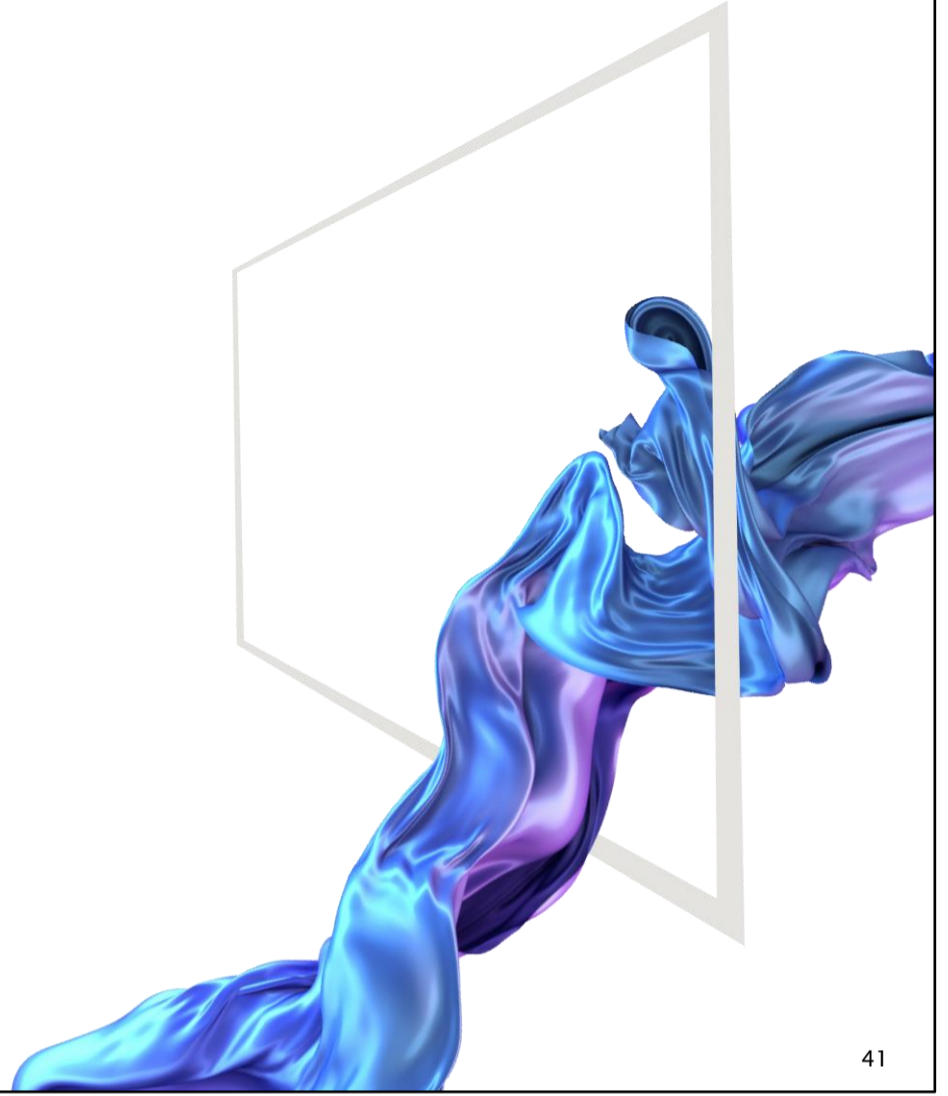
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150

YEARS

Thank you very much for your attention.

Appendix



Giving Shape to Ideas

External environment

<p>Politics</p>	<ul style="list-style-type: none"> • Uncertainty in international affairs, geopolitical risks • Shift to economic policy focused on sustainability 	<p>Economy</p>	<ul style="list-style-type: none"> • Economic stagnation in Europe, concerns over economic downturn in the U.S. • Greater volatility in FOREX and resource markets
<p>Society</p>	<ul style="list-style-type: none"> • Greater awareness of climate change and environmental issues • Increase of world population / decline in birthrate and aging of society in some regions, greater medical cost in accordance with them • Changes in work/lifestyles 	<p>Technology</p>	<ul style="list-style-type: none"> • Progress in data accumulation and utilization (IoT, AI, DX) • Spread of automation and labor saving in all industries

Risks and opportunities for Konica Minolta

<p>Threat</p>	<ul style="list-style-type: none"> • Impact of economic slowdown and FOREX fluctuations on profit • Constraints on supply of parts and materials, spike in price of distribution and energy • Shift to paperless systems by new working styles 	<p>Opportunity</p>	<ul style="list-style-type: none"> • Market entry opportunity due to changes in supply chain of semiconductor • Pursuit of productivity in value chains • Greater needs for eco-friendly materials and processes • Changes in medical needs (toward early diagnosis and treatment)
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Basic management policies based on risks and opportunities

<p>Strengthening business profitability</p>	<p>Structural reforms implemented to reinforce revenue foundation</p>	<p>Reinforcement of business management system</p>
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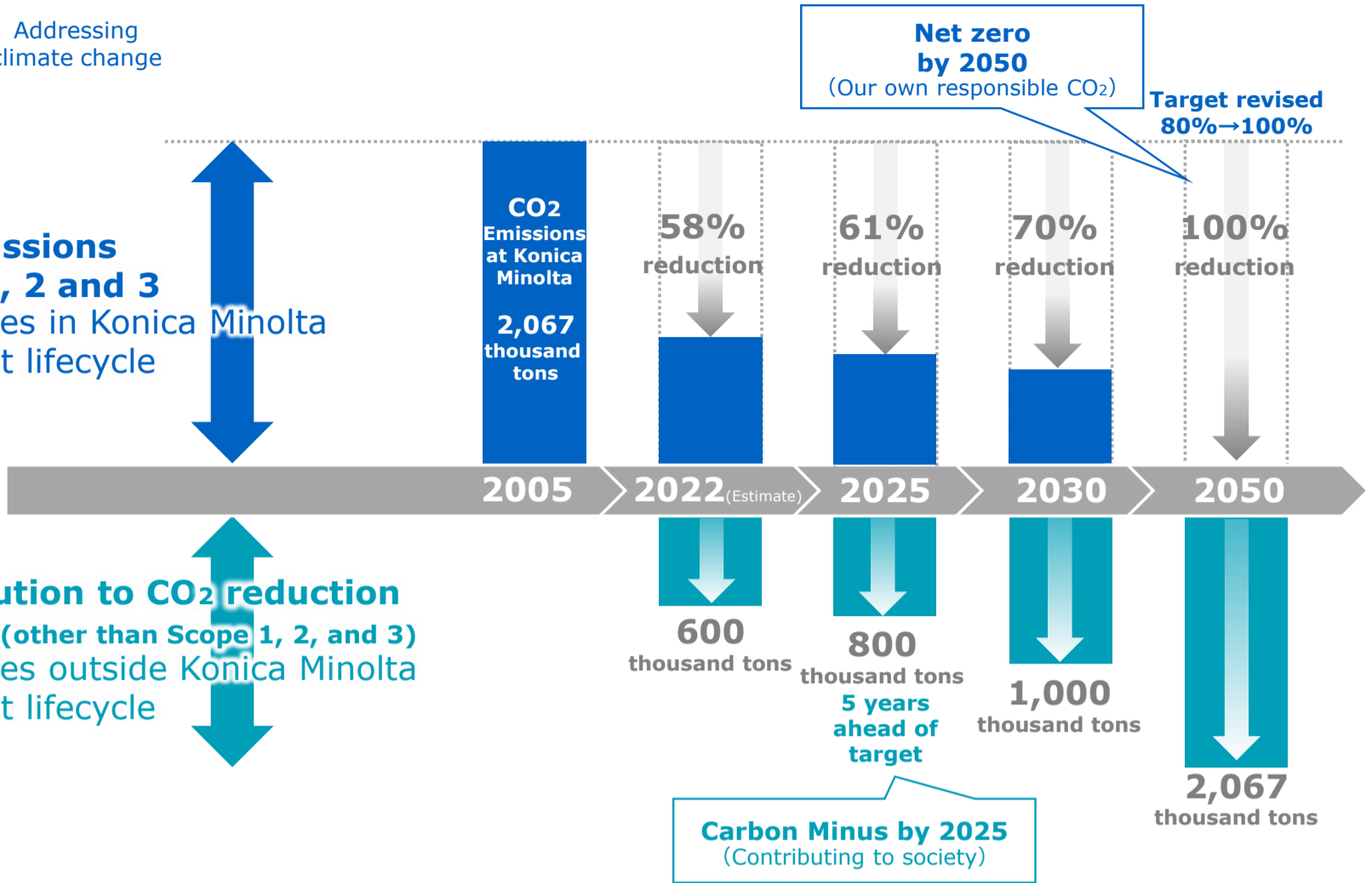
Environment Target : Net Zero by 2050



Addressing climate change

CO₂ emissions Scope 1, 2 and 3
Activities in Konica Minolta product lifecycle

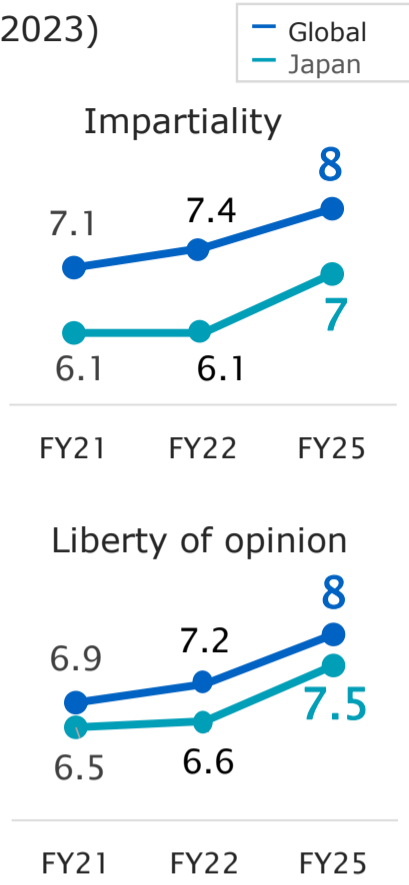
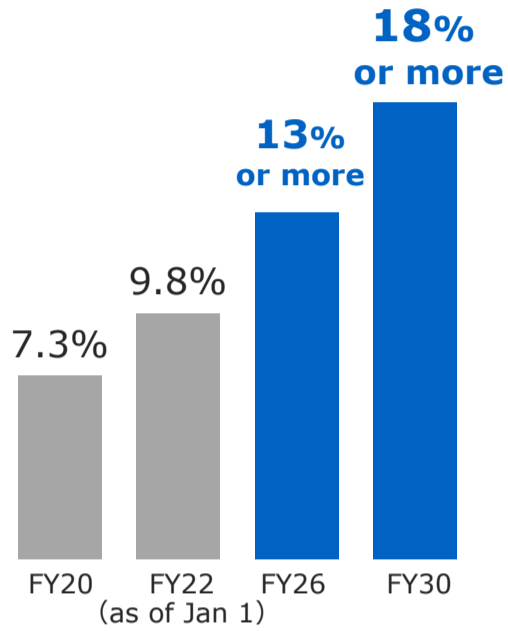
Contribution to CO₂ reduction Scope 4 (other than Scope 1, 2, and 3)
Activities outside Konica Minolta product lifecycle



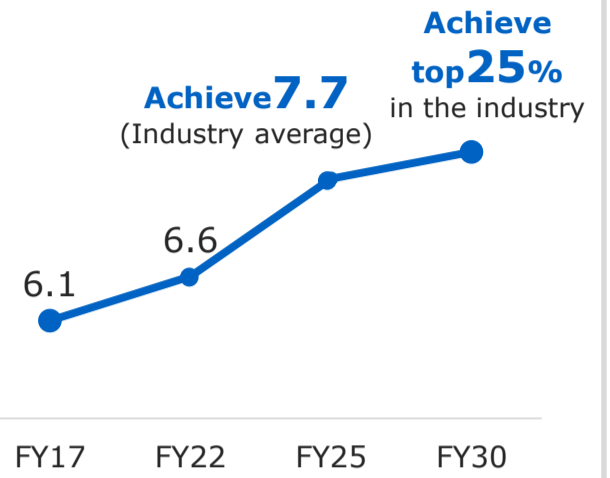
Diversity, Equity & Inclusion

- Diversity Management Declaration (2023)

Percentage management positions held by women at Japan's head office



Employee engagement score



High interest with a global response rate of **90% or more** and about **175 thousand** comments

● **Establishment of Corporate Governance Committee (Planned in June 2023)**

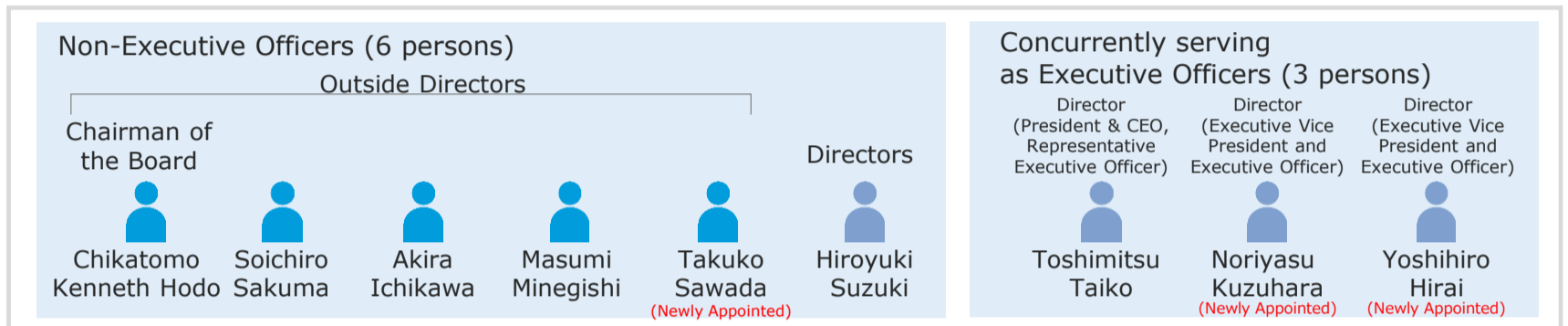


- Ensuring the independence and objectivity of the three statutory committees as company with three committees.
- Reviewing the design and operation for corporate governance as a whole



Continuously evolving the Company's highly effective corporate governance, and passing it on to the future generations

● **New Director Structure after the Ordinary Shareholders' Meeting in June 2023 (Planned)**



External environment

Politics	<ul style="list-style-type: none"> • Uncertainty in international affairs, geopolitical risks • Shift to economic policy focused on sustainability 	Economy	<ul style="list-style-type: none"> • Economic stagnation in Europe, concerns over economic downturn in U.S. • Greater volatility in FOREX & resource markets • Constraints on capital investment due to rising costs
Society	<ul style="list-style-type: none"> • Recovery from impact of pandemic • Changes in work/lifestyles • Greater awareness of climate change and environmental issues 	Technology	<ul style="list-style-type: none"> • Ongoing progress in use of digital technology • Growing needs for automation and labor saving in all industries

Business forecasts based on external environment

Digital Workplace	<ul style="list-style-type: none"> • Hardware: Decline in sales due to elimination of order backlog and slowdown in new orders • Non-hard: Gradual PV* decrease due to changes in workstyle • IT/DX: Solid demand 	Professional Print	<ul style="list-style-type: none"> • No change in shift to digital printing • Hardware: Prolonged business talks due to slowdown in U.S. and European economies • Non-hard: Increase in PV* demand driven by mid-size and major companies
Industry	<ul style="list-style-type: none"> • Film market: Steady recovery, starting with applications for VA panels; ongoing slump for IT/mobile applications • Measuring instruments for displays: Transition period for capital investment 	Healthcare	<ul style="list-style-type: none"> • Medical imaging: Higher needs for higher quality and greater efficiency of medical and IT services, reaction from increased demand attributable to pandemic subsidies (Japan) • Precision medicine: Moderate recovery from impact of pandemic
Shared issues	<ul style="list-style-type: none"> • Procurement: Conditions have improved for some items such as semiconductors, but tight supply continues for some parts and materials • Distribution: Transportation periods and logistics expenses are improving 		

*PV: Print Volume

[¥ billions]

	FY2022 Q4	FY2021 Q4	YoY	YoY (W/O Forex)
Revenue	309.4	249.9	+24%	+14%
Gross Profit	134.4	102.6	+31%	+22%
Gross Profit ratio	43.4%	41.0%	+2.4pt	
SG & A	115.6	104.2	+11%	+4%
Business Contribution Profit	18.8	-1.6	-	-
Operating Profit	-98.5	-12.1	-	-
Profit attributable to owners of the Company	-99.9	-12.9	-	-
FCF	18.6	-3.9	-	-
FOREX [Yen]				
USD	132.34	116.20	+16.14	
EUR	142.10	130.39	+11.71	

FY2022 Q4 Performance | Summary by Segments

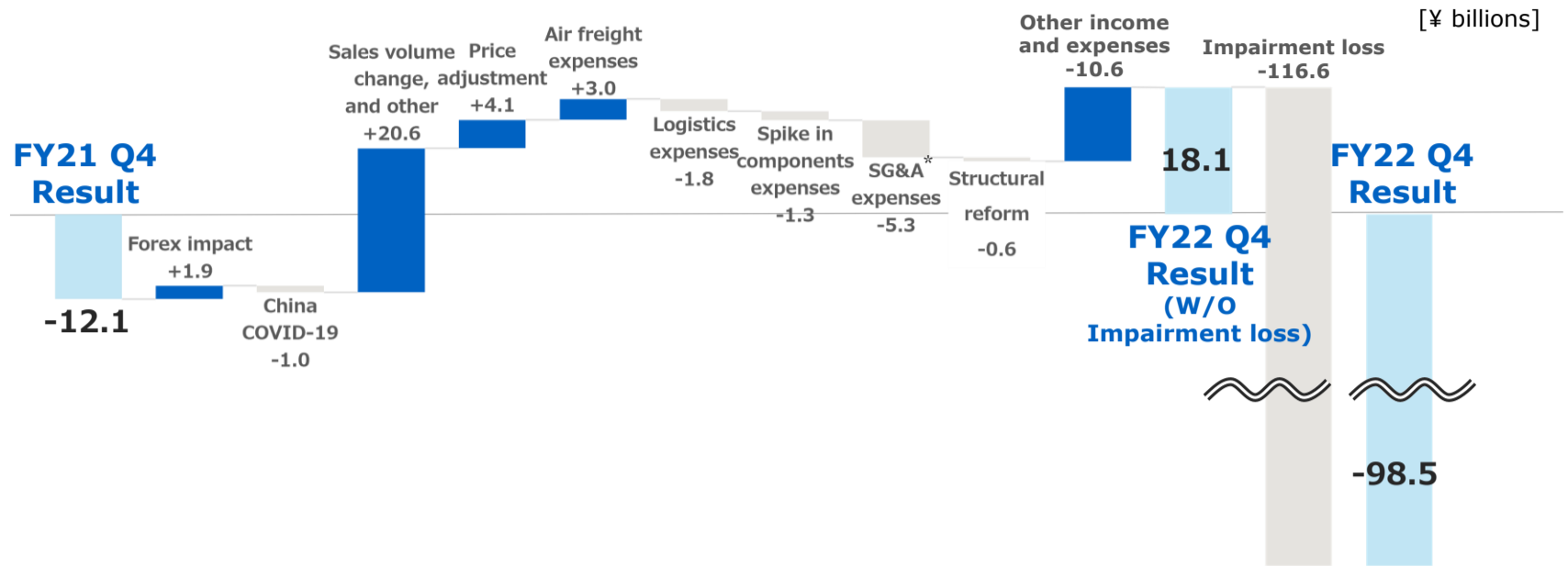
[¥ billions]

Revenue	FY2022 Q4	FY2021 Q4	YoY	YoY (W/O Forex)
Digital Workplace	163.1	131.7	+24%	+13%
Professional Print	67.7	53.8	+26%	+16%
Healthcare	40.9	25.6	+60%	+50%
Industry	36.9	37.9	-3%	-8%
Corporate, etc.	0.7	1.0	-24%	-24%
Company overall	309.4	249.9	+24%	+14%

Operating Profit/OPM	FY2022 Q4		FY2021 Q4	YoY	YoY (W/O Forex)
Digital Workplace	7.8	5%	2.8	+178%	+165%
Professional Print	5.4	8%	0.5	+915%	+698%
Healthcare	-102.7	-	-10.5	-	-
Industry	-3.3	-	-1.2	-	-
Corporate, etc.	-5.8	-	-3.7	-	-
Company overall	-98.5	-	-12.1	-	-

FY2023 Earning Forecast | Factors of Increase/ Decrease of Operating Profit(Quarterly)

Sales volume increased significantly, primarily for Digital Workplace, air freight expenses decreased(Q3: -¥1.0 ⇒ Q4: +¥3.0 billion), normalized toner inventories in the market



	FY21 Q4	FOREX impact	China COVID-19	Sales volume change, and other	Price adjustment	Air freight expenses	Logistics expenses	Spike in components expenses	SG&A *	Structural reform	Other income and expenses	FY22 Q4 (w/o Impairment loss)	Impairment loss	FY22 Q4
Digital Workplace	2.8	+0.4	-	+7.7	+3.3	+1.6	-2.2	-0.6	-1.4	-0.5	-0.3	10.7	-2.9	7.8
Professional Print	0.5	+1.2	-0.7	+4.0	+0.5	+1.6	+0.4	-0.2	-2.5	-	+1.4	6.3	-0.9	5.4
Healthcare	-10.5	-0.0	-0.4	+12.1	+0.2	-0.2	-	-0.3	-0.1	-0.0	+0.0	0.9	-103.6	-102.7
Industry	-1.2	+0.5	+0.1	-2.9	+0.1	-0.0	-	-0.2	-0.9	-	+9.3	4.8	-8.1	-3.3
Corporate, etc.	-3.7	-0.1	-	-0.4	-	-	-	-	-0.5	-	+0.1	-4.6	-1.2	-5.8
Company overall	-12.1	+1.9	-1.0	+20.6	+4.1	+3.0	-1.8	-1.3	-5.3	-0.6	+10.6	18.1	-116.6	-98.5

*SG&A expenses : SG&A change excluding air freight expenses

FY2022 Performance | Analysis of Increase/ Decrease of Operating Profit

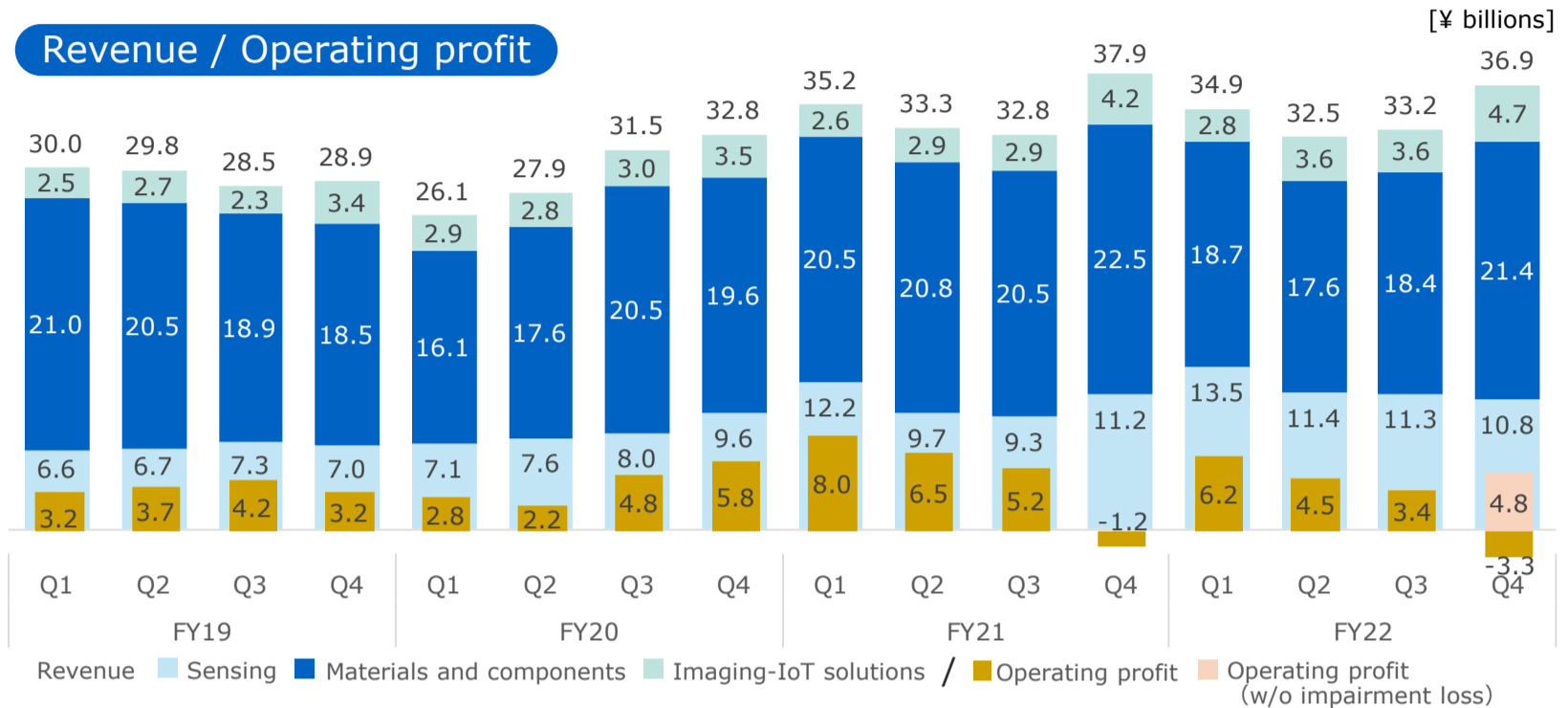
[¥ billions]

Comparison of Y on Y FY22/12M vs. FY22/12M	Digital Workplace	Professional Print	Healthcare	Industry	Corporate, etc.	Company overall
[Operating Profit]						
FOREX impact	+0.1	+6.1	- 1.4	+3.8	- 0.8	+7.7
Sales volume change, and other	+22.9	+12.3	+11.8	- 10.5	- 0.2	+36.3
Price adjustment	+8.4	+1.6	+0.5	+0.7	+0.0	+11.1
SG&A expenses	- 5.6	- 5.1	+2.1	- 2.9	- 2.3	- 13.8
Other income and expenses	- 10.3	+0.8	- 104.9	+1.1	- 1.0	- 114.2
Total	+15.4	+15.6	- 91.9	- 7.8	- 4.2	- 72.9

Comparison of Y on Y FY22/Q4 vs. FY21/Q4	Digital Workplace	Professional Print	Healthcare	Industry	Corporate, etc.	Company overall
[Operating Profit]						
FOREX impact	+0.4	+1.2	- 0.0	+0.5	- 0.1	+1.9
Sales volume change, and other	+5.3	+4.6	+11.4	- 3.0	- 0.4	+17.9
Price adjustment	+3.3	+0.5	+0.2	+0.1	+0.0	+4.1
SG&A expenses	- 0.4	- 1.9	- 0.1	- 0.9	- 0.5	- 3.7
Other income and expenses	- 3.7	+0.6	- 103.6	+1.2	- 1.1	- 106.6
Total	+5.0	+4.9	- 92.1	- 2.1	- 2.1	- 86.4

FY2022 Q4 Performance | Industry business

- **Sensing:** Sales of light source color measuring instruments fell due to the impact of entering the early stage of the transitional period for display investments. Object color measuring instruments performed well in Europe and Japan. Sales of visual inspection and HSI* industry applications increased.
- **Materials and components:** In the performance materials market, film demand continued to fall due to inventory adjustments in the display market, while recovery of demand for TV film was solid.
- **Imaging-IoT solutions:** Semiconductor supply constraints improved. Our European and U.S. sales companies and MOBOTIX cooperated and developed a sales promoting system, and succeeded in bringing in large-scale orders through the package of monitoring cameras, application, and services.

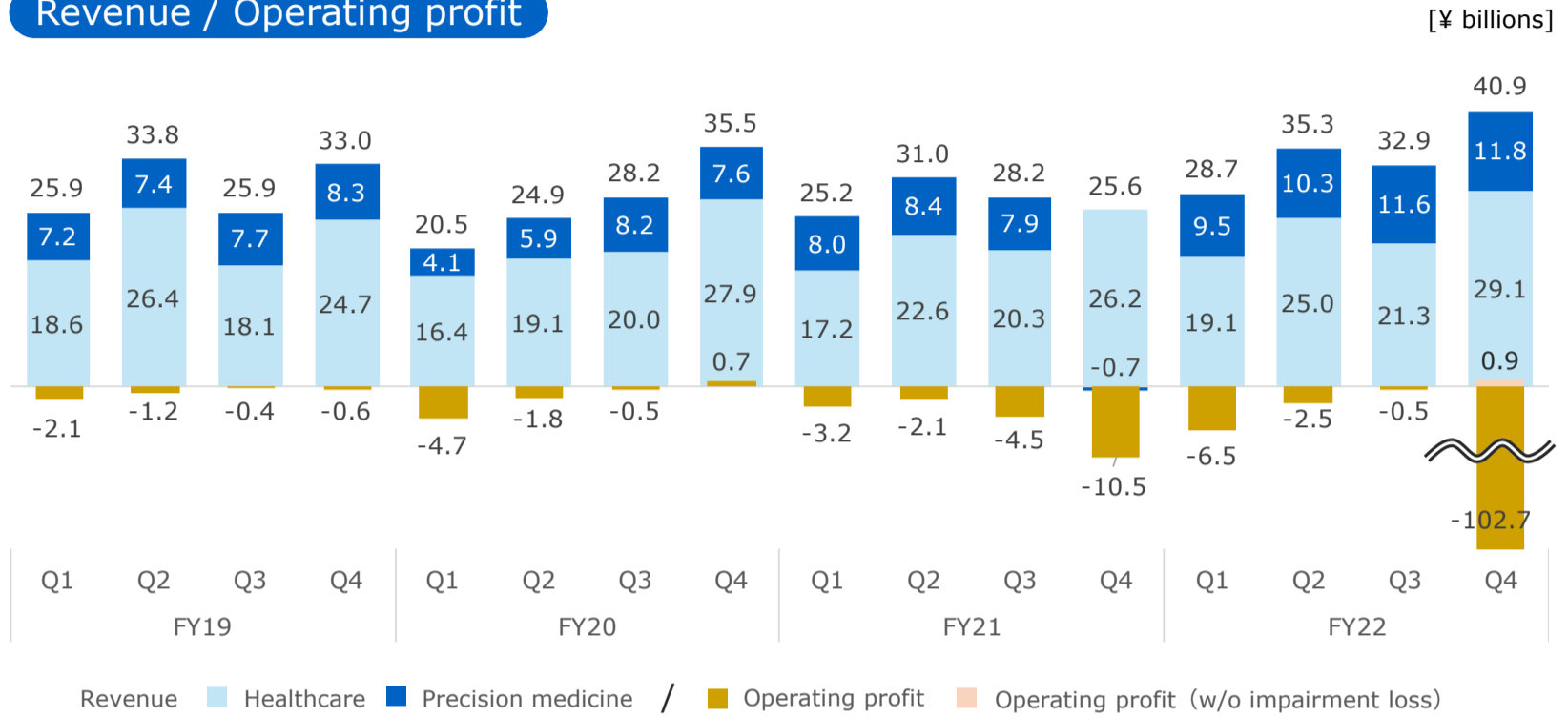


*HSI : Hyperspectral Imaging

FY2022 Q4 Performance | Healthcare business

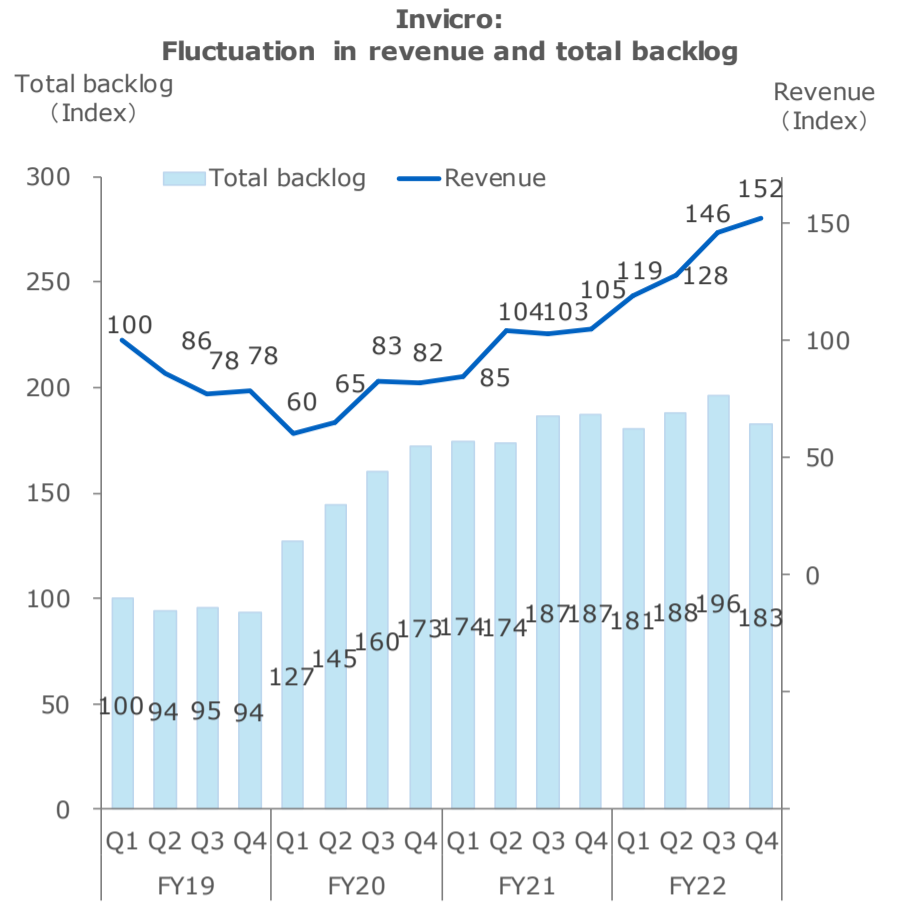
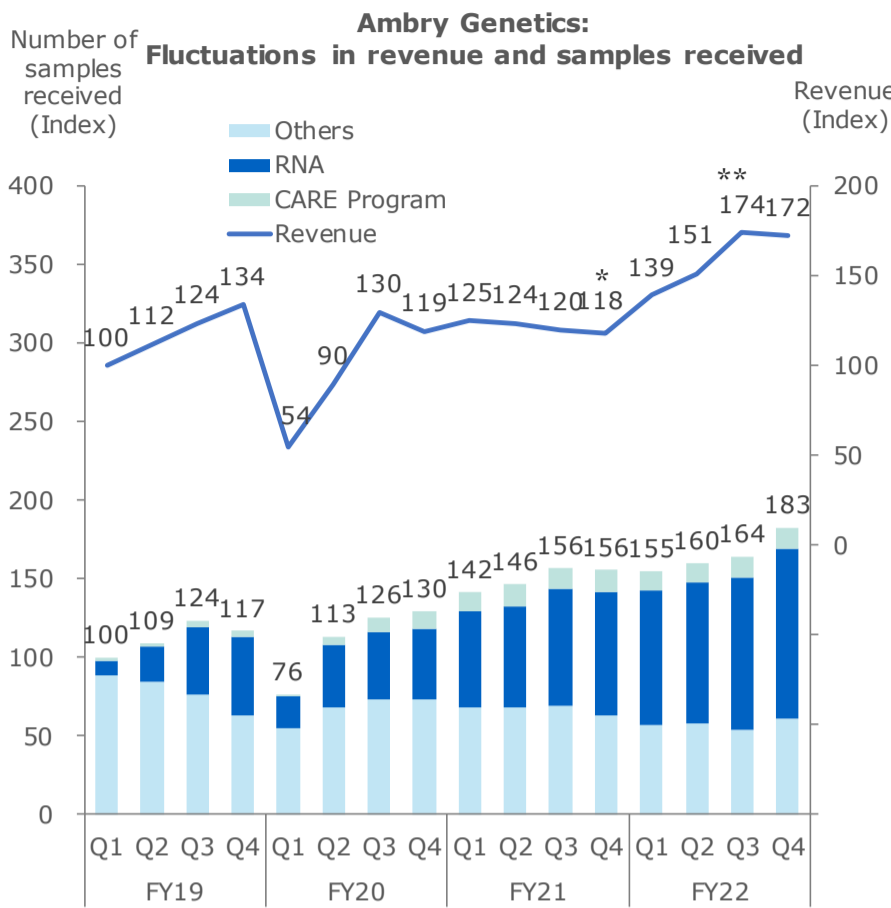
- **Medical imaging***: X-ray devices were solid in the U.S. and Japan, and in the U.S., X-ray systems in the US saw growth. Sales of diagnostic ultrasound systems grew for Japan’s dialysis treatment and in Asia. Medical IT grew, primarily for Japan’s IT service infomity and the U.S.’s PACS.
- **Precision medicine**: The number of genetic testings grew, primarily for RNA testing. The recovery rate for accounts receivable improved. In drug discovery support, clinical trials gradually recovered. Ambry and Invicro returned to profitability as individual companies respectively.

Revenue / Operating profit



*Medical imaging : Healthcare Business (Healthcare field)

Revenue and KPI Trends of Genetic Testing and Drug Discovery Support Business



Indexed with FY2019 Q1 as 100 / Revenue is JPY basis.

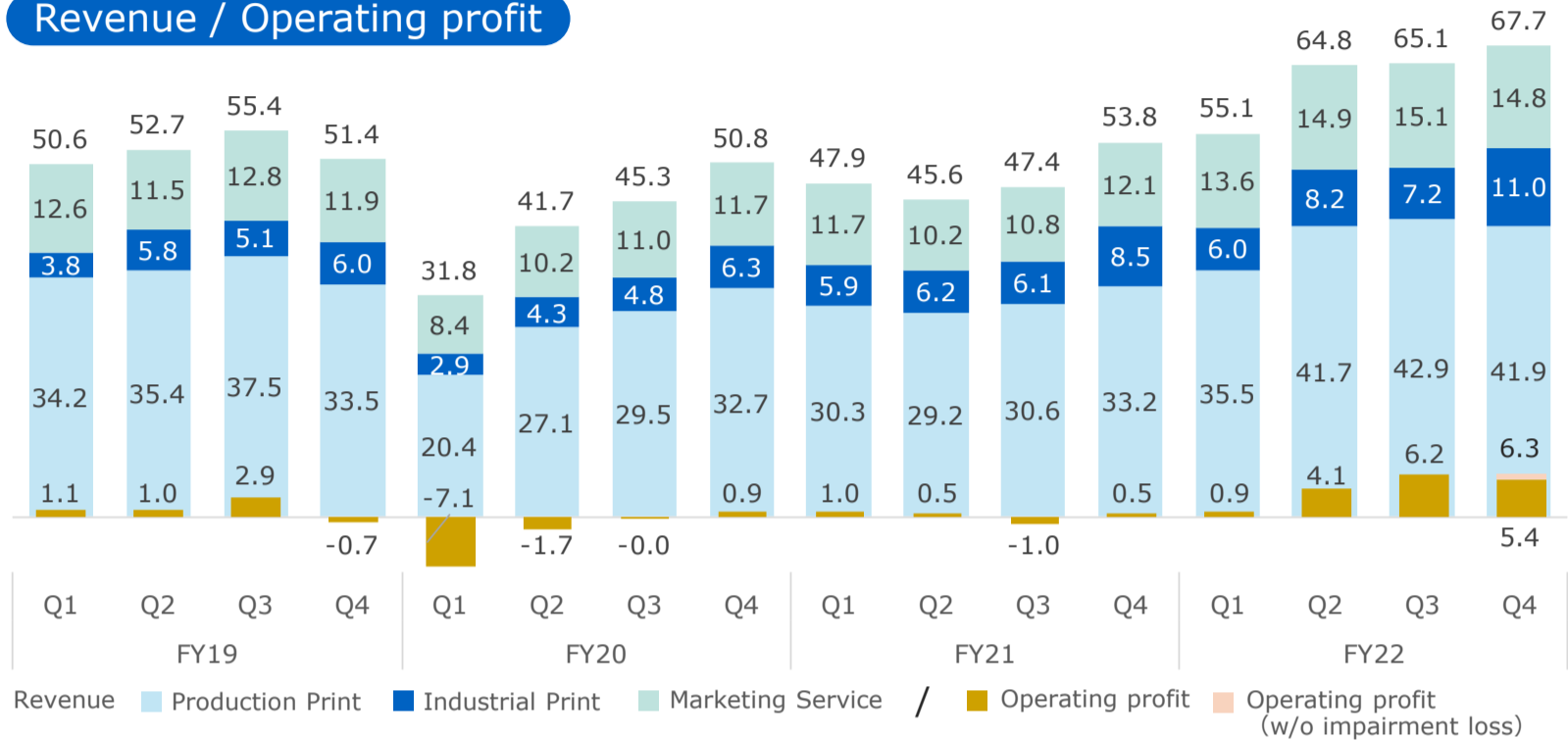
*Before reduction of recoverable amount of accounts receivable and revenue
 **After reflection of recoverable amount of accounts receivable and revenue

FY2022 Q4 Performance | Professional Print business

- **Production print:** In hardware, the number of color models sold rose 43% y-o-y. Non-hardware sales recovered to FY19 levels. Order backlog steadily decreased (about ¥9.1 billion at end-Q3 → about ¥3.5 billion at end-Q4).
- **Industrial print:** In hardware, inkjet press (KM-1e), embellishment press and textile press sales increased. In non-hardware, the percentage of digital printing rose, and all areas - general commercial printing, labels, embellishment and textile - saw growth (non-hardware sales were up 22% y-o-y).

[¥ billions]

Revenue / Operating profit

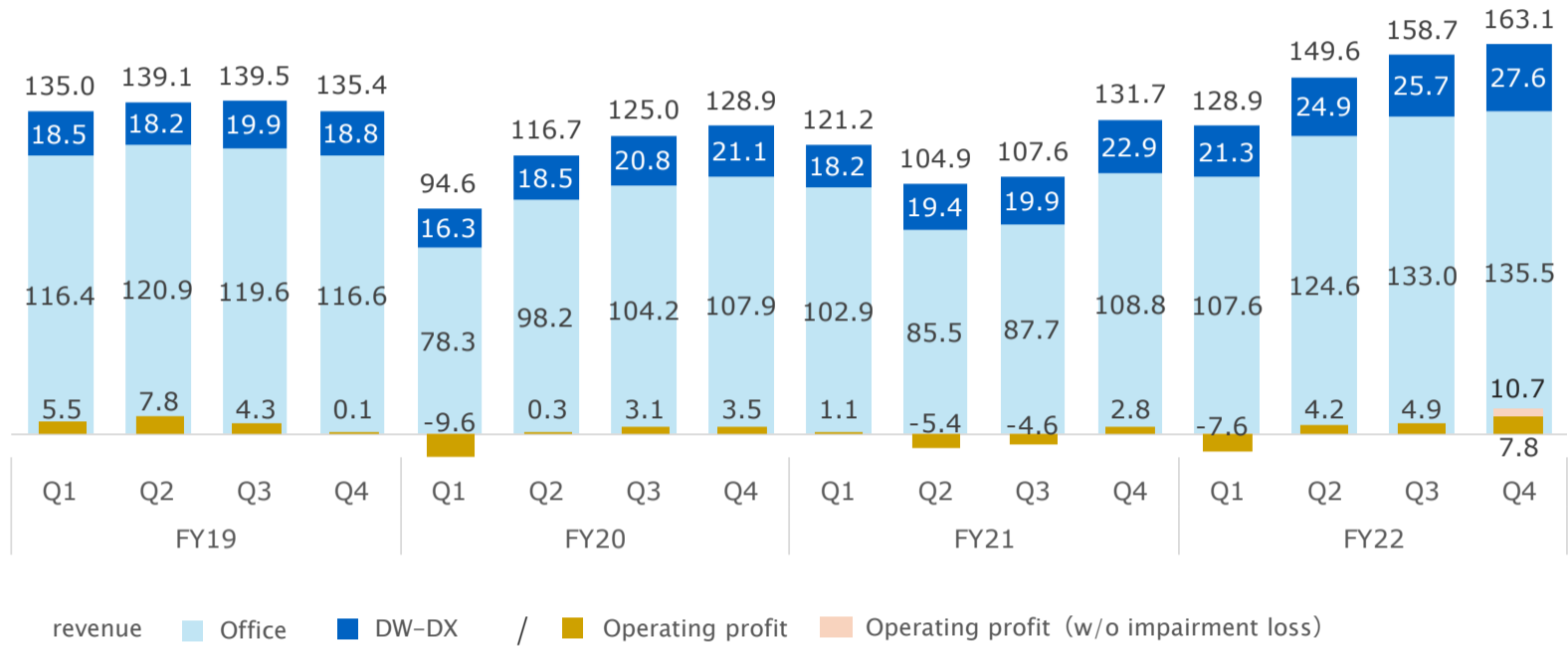


FY2022 Q4 Performance | Digital Workplace Business

- **Office:** The number of A3 color models sold was up 17% y-o-y due to the enhanced manufacturing volume and shorter transport times. Non-hardware was in line with forecasts (87% compared to FY19.) The order backlog decreased significantly (from ¥36.5 billion at end-Q3 to about ¥15.9 billion at end-Q4.)
- **DW-DX:** Managed IT services and recurring revenue were strong in the U.S. and Europe.

Revenue / Operating profit

[¥ billions]

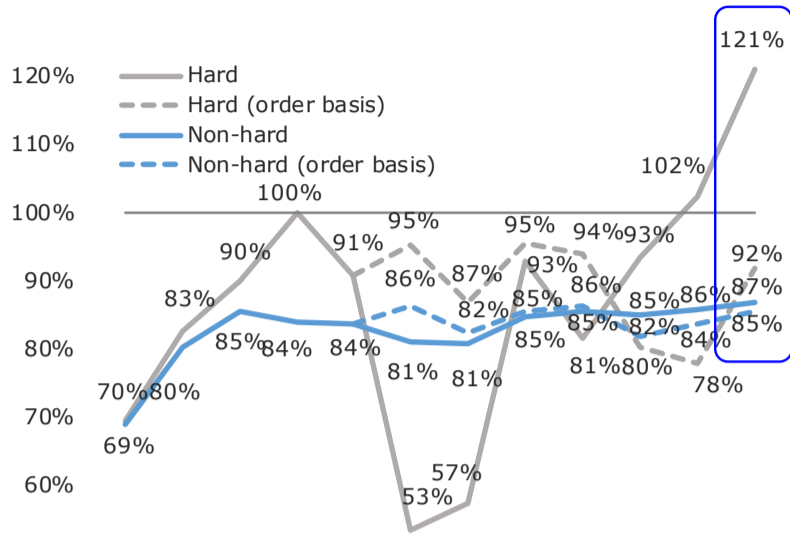


FY22 Performance | Hard and Non-hard Revenue comparing with FY19

Progress in decreasing order backlog.

Indexed with FY2019 Q1 as 100

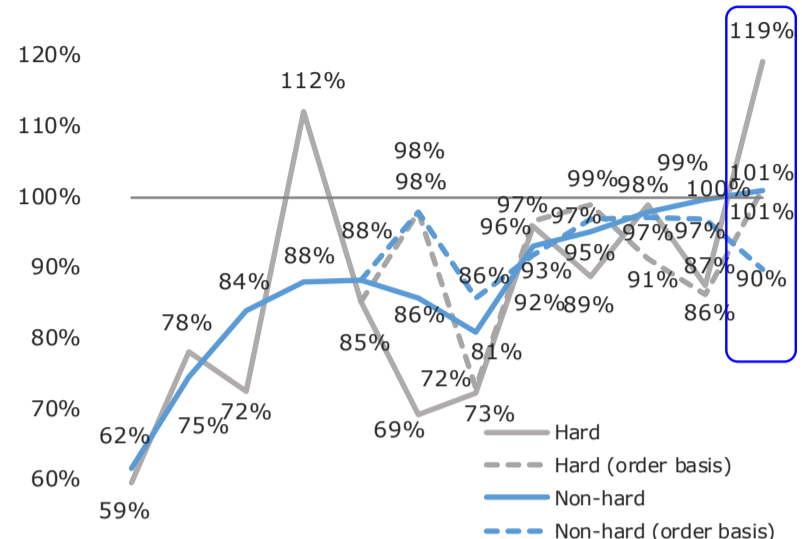
Office



	FY20				FY21				FY22			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

Japan	85%	90%	94%	92%	92%	87%	91%	89%	89%	87%	89%	89%
U.S.	62%	73%	78%	81%	77%	75%	74%	82%	77%	80%	81%	82%
Europe	66%	82%	83%	78%	83%	82%	77%	82%	87%	82%	78%	87%
China	107%	105%	115%	140%	109%	111%	75%	110%	114%	107%	104%	127%
India	52%	68%	98%	113%	73%	103%	127%	108%	143%	128%	159%	144%
Overall	69%	80%	85%	84%	84%	81%	81%	85%	85%	85%	86%	87%

Production Print



	FY20				FY21				FY22			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

Japan	76%	82%	88%	87%	81%	76%	66%	78%	75%	72%	77%	80%
U.S.	52%	67%	77%	82%	76%	75%	76%	90%	81%	83%	86%	82%
Europe	64%	77%	79%	78%	88%	94%	77%	86%	98%	105%	96%	97%
China	113%	117%	140%	138%	176%	138%	98%	127%	120%	143%	144%	196%
India	34%	71%	105%	113%	83%	107%	121%	114%	136%	127%	152%	140%
Overall	62%	75%	84%	88%	88%	86%	81%	93%	95%	98%	100%	101%

Financial Result - Overview

[¥ billions]

	FY2022 12M	FY2021 12M	YoY	FY2022 Q4	FY2021 Q4	YoY
Revenue	1130.4	911.4	+24%	309.4	249.9	+24%
Gross Profit	485.9	392.7	+24%	134.4	102.6	+31%
Gross Profit ratio	43.0%	43.1%	- 0.1pt	43.4%	41.0%	+2.4pt
SG & A	456.2	404.9	+13%	115.6	104.2	+11%
Business Contribution Profit	29.7	-12.2	-	18.8	-1.6	-
Business Contribution Profit ratio	2.6%	-	-	6.1%	-	-
Other income and costs	-124.9	-10.1	-	-117.3	-10.5	-
Operating Profit	-95.1	-22.3	-	-98.5	-12.1	-
Operating Profit ratio	-	-	-	-	-	-
Finance income and costs	-6.7	-1.3	-	-2.6	0.6	-
Profit before tax	-101.9	-23.6	-	-101.0	-11.5	-
Profit before tax ratio	-	-	-	-	-	-
Profit attributable to owners of the Company	-103.2	-26.1	-	-99.9	-12.9	-
Profit attributable to owners of the Company ratio	-	-	-	-	-	-
EPS [Yen]	-208.89	-52.93	-	-202.30	-26.09	-
CAPEX	43.8	42.4	-	16.9	14.8	-
Depreciation and Amortization Expenses *	55.2	55.8	-	13.7	14.0	-
R&D expenses	63.9	62.7	-	16.4	15.5	-
FCF	-24.2	-13.6	-	18.6	-3.9	-
Investment and lending	2.5	0.0	-	0.9	0.0	-
FOREX [Yen] USD	135.47	112.38	+23.09	132.34	116.20	+16.14
EUR	140.97	130.56	+10.41	142.10	130.39	+11.71

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

[¥ billions]

	FY2022 12M	FY2021 12M	YoY	FY2022 Q4	FY2021 Q4	YoY
SG&A						
Selling expenses - variable	48.2	36.4	+11.7	11.0	10.8	+0.3
R&D expenses	63.9	62.7	+1.2	16.4	15.5	+0.9
Personnel expenses	217.9	194.7	+23.2	55.4	49.8	+5.6
Others	126.2	111.1	+15.2	32.7	28.2	+4.6
SG&A total	456.2	404.9	+51.3	115.6	104.2	+11.4
	<i>* Forex impact:</i>			<i>+37.4bn. (Actual: +13.9bn.)</i>		
				<i>+7.7bn. (Actual: +3.7bn.)</i>		
Other income:						
Insurance income	2.1	2.5	-0.4	0.8	2.2	-1.5
Subsidy income including compensation for sustaining businesses	0.0	2.1	-	0.0	0.2	-0.2
Gain on transfer of business	-	1.8	-1.8	-	-	-
Other income	4.4	3.9	+0.5	1.6	1.7	-0.1
Other income total	6.5	10.3	-3.7	2.4	4.1	-1.7
Other expenses						
Impairment losses	116.6	11.0	+105.7	116.6	11.0	+105.7
Business structure improvement expenses	4.5	0.9	+3.6	0.6	0.3	+0.3
Settlement payments	3.2	-	+3.2	-	-	-
Loss on sales and disposals of property, plant and equipment, and intangible assets	1.1	1.9	-0.8	0.5	0.4	+0.1
Toner supply measures expenses	1.0	2.0	-1.0	1.0	2.0	-1.0
Other expenses	5.0	4.7	+0.3	0.9	1.0	-0.1
Other expenses total	131.4	20.4	+111.0	119.6	14.6	+105.0
Finance income/loss:						
Interest income/Dividends received/Interest expense	-5.4	-3.3	-2.1	-1.6	-1.0	-0.6
Foreign exchange gain/loss (net)	-1.0	1.3	-2.3	-0.9	1.3	-2.2
Others	-0.3	0.7	-1.0	-0.1	0.3	-0.4
Finance income/loss, net	-6.7	-1.3	-5.3	-2.6	0.6	-3.2

R&D expenses / CAPEX / Depreciation and Amortization Expenses by Segments

[¥ billions]

R&D expenses	FY2022 12M	FY2021 12M	YoY	FY2022 Q4	FY2021 Q4	YoY
Digital Workplace Business/ Professional Print Business	27.9	29.7	-6%	7.4	7.0	+6%
Healthcare Business	11.3	11.1	+2%	2.9	3.0	-3%
Industry Business	14.0	13.0	+8%	3.5	3.2	+10%
Corporate etc.	10.7	8.9	+20%	2.6	2.3	+12%
Company overall	63.9	62.7	+2%	16.4	15.5	+6%

CAPEX	FY2022 12M	FY2021 12M	YoY	FY2022 Q4	FY2021 Q4	YoY
Digital Workplace Business/ Professional Print Business	22.1	21.1	+5%	8.9	7.0	+27%
Healthcare Business	6.8	6.5	+5%	2.1	2.5	-13%
Industry Business	9.4	7.6	+24%	4.2	3.0	+43%
Corporate etc.	5.4	7.2	-25%	1.6	2.4	-31%
Company overall	43.8	42.4	+3%	16.9	14.8	+14%

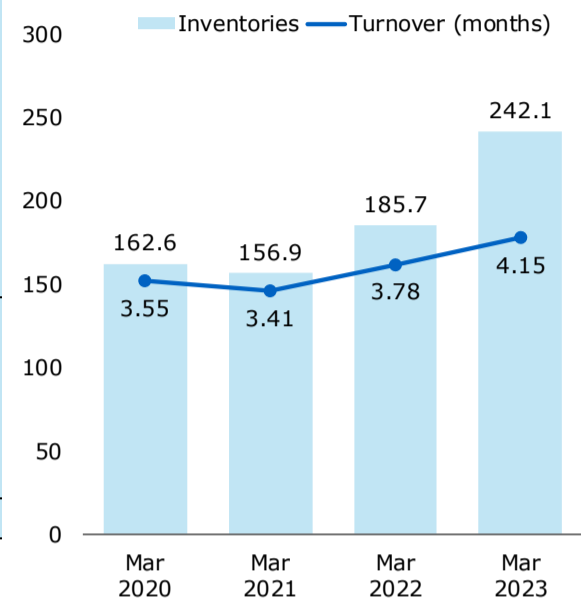
Depreciation and * Amortization Expenses	FY2022 12M	FY2021 12M	YoY	FY2022 Q4	FY2021 Q4	YoY
Digital Workplace Business/ Professional Print Business	30.4	31.7	-4%	7.5	7.5	-0%
Healthcare Business	9.9	9.3	+7%	2.4	2.8	-15%
Industry Business	10.2	9.8	+4%	2.6	2.4	+6%
Corporate etc.	4.7	4.9	-3%	1.2	1.2	-5%
Company overall	55.2	55.8	-1%	13.7	14.0	-2%

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

Consolidated Statements of Cash Flows

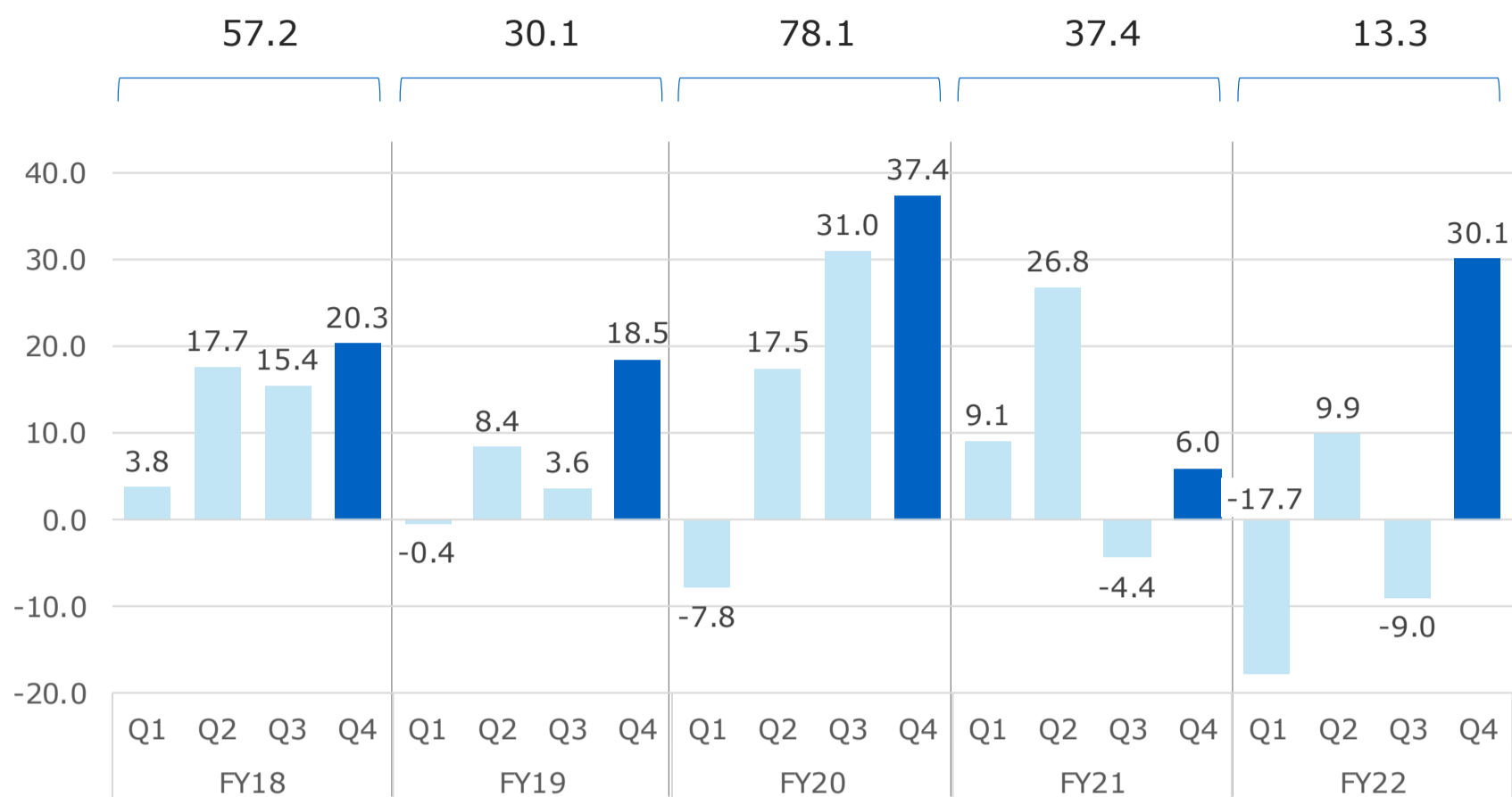
[¥ billions]

	FY20 12M	FY21 12M	FY22 12M
Profit (loss) before tax	-20.0	-23.6	-101.9
Depreciation and amortization expenses	77.6	75.8	75.3
Impairment losses and reversal of impairment losses	0.9	11.0	116.7
(Increase) decrease in trade and other receivables	14.9	4.0	-14.0
(Increase) decrease in inventories	13.8	-17.3	-46.9
Increase (decrease) in trade and other payables	-4.8	2.1	2.3
Others	-4.3	-14.5	-18.2
Cash flows from operating activities	78.1	37.4	13.3
Purchase of property, plant and equipment	-25.7	-41.3	-21.8
Purchase of intangible assets	-14.5	-19.8	-19.0
Purchase of investments in subsidiaries	-5.1	-	-0.8
Others	10.9	10.0	4.1
Net cash provided by (used in) investing activities	-34.3	-51.0	-37.5
Free cash flows	43.7	-13.6	-24.2



Consolidated Quarterly Cash Flow from Operating Activities

[¥ billions]



Consolidated Statements of Financial Position

[¥ billions]

	Mar 2021	Mar 2022	Mar 2023		Mar 2021	Mar 2022	Mar 2023
Cash and cash equivalents	123.8	117.7	180.6	Trade and other payables	185.8	182.1	200.5
Trade and other receivables	262.8	280.2	313.5	Bonds and borrowings	315.3	354.3	469.1
Inventories	156.9	185.7	242.1	Lease liabilities	95.4	94.3	99.2
Other current assets	38.4	35.3	41.4	Othe liabilities	152.6	145.9	145.1
Total current assets	582.0	618.9	777.6	Total liabilities	749.0	776.6	913.9
Property, plant and equipment	292.5	287.7	289.1	Equity attributable to owners of the Company	539.9	549.8	487.4
Goodwill and intangible asseets	347.5	354.1	258.9	Non-controlling interests	10.8	11.7	12.5
Othe non-current assets	77.7	77.4	88.2	Total equity	550.7	561.5	499.9
Total non-current assets	717.7	719.3	636.2	Total liabilities and equity	1,299.8	1,338.1	1,413.8
Total assets	1,299.8	1,338.1	1,413.8				

	Mar 2021	Mar 2022	Mar 2023
Equity ratio (%)	41.5	41.1	34.5
Equity ratio for company rating (%)	45.3	44.8	37.9
D/E ratio	0.76	0.82	1.17

FOREX Impact on Revenue and Operating Profit

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

	FY21	FY22	YoY Impact		FX Sensitivity*2	
	12M	12M	Revenue	OP	Revenue	OP
USD	112.38	135.47	+73.0	- 5.4	+3.2	- 0.3
EUR	130.56	140.97	+18.7	+8.2	+1.8	+0.6
GBP	153.56	163.16	+2.5	- 0.0	+0.3	+0.1
European Currency*1	-	-	+23.1	+8.1	+2.5	+0.9
CNY	17.51	19.75	+7.5	+3.2	+3.3	+1.2
Other	-	-	+11.3	+1.3	-	-
Exchange contract effect	-	-	- 0.0	+0.6	-	-
Total	-	-	+114.9	+7.7	-	-

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

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

Quarterly Financial Results : Segments

[¥ billions]

[Revenue]	FY21					FY22				
	Q1	Q2	Q3	Q4	total	Q1	Q2	Q3	Q4	total
Digital Workplace	121.2	104.9	107.6	131.7	465.4	128.9	149.6	158.7	163.1	600.3
Professional Print	47.9	45.6	47.4	53.8	194.7	55.1	64.8	65.1	67.7	252.6
Healthcare	25.2	31.0	28.2	25.6	109.9	28.7	35.3	32.9	40.9	137.8
Industry	35.2	33.3	32.8	37.9	139.2	34.9	32.5	33.2	36.9	137.5
Corporate, etc.	0.3	0.4	0.5	1.0	2.1	0.3	0.7	0.4	0.7	2.1
Company overall	229.9	215.2	216.4	249.9	911.4	247.8	282.9	290.3	309.4	1130.4

[Business Contribution Profit]	FY21					FY22				
	Q1	Q2	Q3	Q4	total	Q1	Q2	Q3	Q4	total
Digital Workplace	0.0	-5.6	-4.4	2.2	-7.7	-3.5	4.6	6.3	11.0	18.5
Professional Print	1.3	0.4	-0.5	2.1	3.3	1.2	4.2	6.3	6.4	18.1
Healthcare	-3.6	-2.3	-4.4	-10.5	-20.8	-5.9	-2.3	-0.5	1.0	-7.7
Industry	8.0	6.5	5.3	8.2	27.9	6.2	4.5	3.4	4.8	19.1
Corporate, etc.	-3.7	-4.0	-3.5	-3.6	-14.8	-4.0	-4.4	-5.3	-4.6	-18.3
Company overall	2.1	-5.0	-7.6	-1.6	-12.2	-5.9	6.7	10.2	18.8	29.7

[Operating Profit]	FY21					FY22				
	Q1	Q2	Q3	Q4	total	Q1	Q2	Q3	Q4	total
Digital Workplace	1.1	-5.4	-4.6	2.8	-6.2	-7.6	4.2	4.9	7.8	9.3
Professional Print	1.0	0.5	-1.0	0.5	1.0	0.9	4.1	6.2	5.4	16.6
Healthcare	-3.2	-2.1	-4.5	-10.5	-20.3	-6.5	-2.5	-0.5	-102.7	-112.2
Industry	8.0	6.5	5.2	-1.2	18.5	6.2	4.5	3.4	-3.3	10.8
Corporate, etc.	-3.7	-4.2	-3.7	-3.7	-15.3	-4.1	-4.4	-5.3	-5.8	-19.6
Company overall	3.1	-4.7	-8.6	-12.1	-22.3	-11.0	5.9	8.5	-98.5	-95.1

Quarterly Financial Results : Segments

[¥ billions]

[Revenue]	FY21					FY22				
	Q1	Q2	Q3	Q4	total	Q1	Q2	Q3	Q4	total
Digital Workplace Business	121.2	104.9	107.6	131.7	465.4	128.9	149.6	158.7	163.1	600.3
Office	102.9	85.5	87.7	108.8	385.0	107.6	124.6	133.0	135.5	500.7
DW-DX	18.2	19.4	19.9	22.9	80.5	21.3	24.9	25.7	27.6	99.5
Professional Print Business	47.9	45.6	47.4	53.8	194.7	55.1	64.8	65.1	67.7	252.6
Production print	30.3	29.2	30.6	33.2	123.3	35.5	41.7	42.9	41.9	161.9
Industrial print	5.9	6.2	6.1	8.5	26.7	6.0	8.2	7.2	11.0	32.3
Marketing services	11.7	10.2	10.8	12.1	44.7	13.6	14.9	15.1	14.8	58.4
Healthcare Business	25.2	31.0	28.2	25.6	109.9	28.7	35.3	32.9	40.9	137.8
Medical imaging *	17.2	22.6	20.3	26.2	86.3	19.1	25.0	21.3	29.1	94.6
Precision medicine	8.0	8.4	7.9	-0.7	23.6	9.5	10.3	11.6	11.8	43.3
Industry Business	35.2	33.3	32.8	37.9	139.2	34.9	32.5	33.2	36.9	137.5
Sensing	12.2	9.7	9.3	11.2	42.4	13.5	11.4	11.3	10.8	46.9
Materials and Components	20.5	20.8	20.5	22.5	84.2	18.7	17.6	18.4	21.4	76.0
Imaging-IoT solutions	2.6	2.9	2.9	4.2	12.6	2.8	3.6	3.6	4.7	14.6
Corporate etc.	0.3	0.4	0.5	1.0	2.1	0.3	0.7	0.4	0.7	2.1
Company overall	229.9	215.2	216.4	249.9	911.4	247.8	282.9	290.3	309.4	1130.4

*Medical imaging : Healthcare Business (Healthcare field)

Quarterly Financial Results : Industry Business

[¥ billions]

[Revenue]	FY21					FY22				
	Q1	Q2	Q3	Q4	total	Q1	Q2	Q3	Q4	total
Industry Business	35.2	33.3	32.8	37.9	139.2	34.9	32.5	33.2	36.9	137.5
Sensing	12.2	9.7	9.3	11.2	42.4	13.5	11.4	11.3	10.8	46.9
Materials and components	20.5	20.8	20.5	22.5	84.2	18.7	17.6	18.4	21.4	76.0
Performance materials	13.2	12.8	12.7	13.6	52.2	11.3	8.0	8.3	11.6	39.2
Optical components	3.8	4.4	4.2	4.8	17.2	3.6	5.4	5.4	5.3	19.8
IJ components	3.5	3.6	3.6	4.1	14.8	3.7	4.2	4.7	4.5	17.1
Imaging-IoT solutions	2.6	2.9	2.9	4.2	12.6	2.8	3.6	3.6	4.7	14.6
Imaging-IoT solutions	2.3	2.4	2.1	2.1	8.8	2.0	2.6	2.7	3.0	10.3
Visual solutions	0.3	0.5	0.8	2.2	3.9	0.8	0.9	0.9	1.8	4.3

■ Composition of revenue by region (in yen)

	FY19					FY20					FY21					FY22				
	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M
Japan	12%	13%	13%	14%	13%	15%	14%	13%	14%	14%	12%	13%	14%	14%	13%	11%	11%	10%	12%	11%
North America	34%	33%	33%	33%	33%	33%	32%	30%	30%	31%	32%	31%	31%	30%	31%	34%	34%	35%	32%	34%
EU	36%	34%	37%	37%	36%	35%	37%	37%	37%	37%	37%	35%	35%	36%	36%	37%	33%	36%	37%	36%
China	6%	6%	5%	4%	5%	8%	8%	8%	7%	7%	7%	9%	7%	6%	7%	7%	8%	6%	7%	7%
Others	12%	13%	12%	12%	12%	10%	11%	12%	12%	11%	12%	13%	13%	13%	13%	12%	14%	13%	13%	13%

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

	FY19					FY20					FY21					FY22				
	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M
Japan	-8%	+4%	+1%	-3%	-2%	-19%	-17%	-7%	-4%	-11%	+12%	-9%	-7%	-2%	-2%	-7%	+19%	+5%	+4%	+5%
North America	-2%	-2%	-3%	-12%	-4%	-34%	-21%	-18%	-8%	-20%	+27%	-12%	-14%	-5%	+0%	-2%	+44%	+32%	+15%	+17%
EU	-2%	-1%	+6%	-7%	-2%	-31%	-15%	-13%	-9%	-17%	+28%	-13%	-18%	-1%	-3%	+4%	+27%	+35%	+17%	+20%
China	-4%	-1%	-8%	-40%	-14%	-4%	+6%	+19%	+56%	+16%	+15%	-1%	-21%	-13%	-4%	-12%	+30%	+5%	+22%	+7%
Others	-7%	+2%	+5%	-6%	-1%	-35%	-29%	-11%	-7%	-20%	+37%	+4%	-8%	+9%	+10%	+1%	+83%	+20%	+9%	+15%

■ Percentage of color in sales of hardware

	FY19					FY20					FY21					FY22				
	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M
Office	72%	73%	72%	75%	73%	69%	76%	75%	74%	74%	74%	72%	73%	77%	75%	73%	76%	74%	76%	75%
Professional Print	78%	82%	76%	80%	79%	75%	80%	80%	81%	79%	79%	82%	80%	79%	80%	77%	82%	80%	78%	79%

■ Transition of Office MFP Unit Sales YoY

	FY19					FY20					FY21					FY22				
	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M
A3 Color MFP	93%	99%	102%	93%	97%	72%	84%	92%	92%	85%	132%	62%	55%	103%	84%	89%	192%	196%	117%	138%
A3 Monochrome MFP	95%	95%	94%	60%	86%	76%	89%	98%	140%	97%	117%	83%	65%	75%	83%	63%	132%	100%	105%	99%
A3 MFP overall	94%	97%	99%	79%	92%	74%	86%	94%	107%	90%	126%	71%	59%	91%	84%	79%	162%	153%	113%	122%

■ Transition of Non-hard Revenue

	FY19					FY20					FY21					FY22				
	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M
Revenue of non-hard	62.4	60.5	62.3	60.1	245.3	42.1	48.9	53.1	51.1	195.1	53.5	51.3	52.8	54.1	211.7	59.3	60.6	63.6	59.9	243.4
Ratio of non-hard	53%	50%	52%	51%	52%	53%	50%	51%	47%	50%	52%	60%	60%	49%	55%	53%	47%	46%	42%	47%

■ Transition of Regional Non-hard Revenue w/o FOREX YoY

	FY19					FY20					FY21					FY22				
	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M
Japan	97%	100%	99%	98%	98%	85%	90%	94%	92%	90%	108%	98%	97%	97%	100%	96%	99%	98%	100%	98%
U.S.	99%	99%	98%	95%	97%	62%	73%	78%	81%	74%	124%	103%	94%	101%	105%	100%	107%	110%	100%	104%
Europe	96%	100%	102%	97%	99%	66%	82%	83%	78%	77%	126%	101%	93%	104%	105%	105%	99%	101%	107%	103%
China	105%	114%	96%	72%	96%	107%	105%	115%	140%	116%	102%	105%	65%	79%	87%	105%	97%	139%	116%	112%
India	115%	117%	101%	102%	109%	52%	68%	98%	113%	82%	141%	151%	130%	96%	125%	196%	124%	125%	132%	139%
Overall	98%	98%	99%	97%	98%	69%	80%	85%	84%	80%	120%	101%	94%	101%	103%	102%	105%	106%	102%	104%

Production Print | Trends of Unit Sales and Non-hard Revenue

■ Transition of Production Print Unit Sales YoY

	FY19					FY20					FY21					FY22				
	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M
Color	100%	97%	102%	72%	91%	51%	73%	65%	100%	73%	138%	83%	99%	71%	91%	105%	154%	116%	143%	130%
Monochrome	107%	87%	89%	76%	89%	59%	68%	71%	95%	72%	122%	83%	90%	83%	93%	86%	134%	114%	133%	116%
Overall	102%	93%	97%	73%	90%	54%	71%	67%	99%	72%	132%	83%	96%	74%	92%	98%	147%	115%	140%	125%

■ Transition of Non-hard Revenue

	FY19					FY20					FY21					FY22				
	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M
Revenue of non-hard	20.3	19.9	21.5	19.8	81.6	12.2	14.8	17.9	17.5	62.4	18.3	17.9	18.3	19.6	74.0	21.7	23.5	26.0	23.3	94.5
Ratio of non-hard	59%	56%	57%	59%	58%	60%	55%	60%	53%	57%	60%	61%	60%	59%	60%	61%	56%	61%	56%	58%

■ Transition of Regional Non-hard Revenue w/o FOREX YoY

	FY19					FY20					FY21					FY22				
	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M	Q1	Q2	Q3	Q4	12M
Japan	97%	98%	94%	93%	96%	76%	82%	88%	87%	83%	107%	93%	75%	90%	90%	93%	95%	117%	102%	101%
U.S.	96%	101%	96%	94%	97%	52%	67%	77%	82%	69%	146%	111%	100%	110%	114%	106%	112%	113%	91%	105%
Europe	97%	97%	100%	100%	99%	64%	77%	79%	78%	75%	138%	121%	98%	110%	115%	112%	112%	125%	112%	115%
China	112%	121%	116%	92%	110%	113%	117%	140%	138%	127%	156%	118%	70%	92%	105%	68%	103%	147%	155%	112%
India	117%	121%	116%	105%	114%	34%	71%	105%	113%	81%	245%	151%	116%	101%	131%	164%	119%	126%	122%	130%
Overall	102%	99%	101%	99%	99%	62%	75%	84%	88%	77%	141%	115%	96%	106%	112%	108%	114%	123%	109%	113%

Segment information

Before March 31, 2021

Digital Workplace Business	<ul style="list-style-type: none"> ■ Office(OP) ■ IT service solutions(ITS) ■ Workplace Hub(WPH)
Professional Print Business	<ul style="list-style-type: none"> ■ Production print(PP) ■ Industrial print(IP) ■ Marketing services(MS)
Healthcare Business	<ul style="list-style-type: none"> ■ Healthcare(HC) ■ Precision medicine(APM)
Industry Business	Sensing
	<ul style="list-style-type: none"> ■ Measuring instruments(MI)
	Materials and components
	<ul style="list-style-type: none"> ■ Performance materials(PM) ■ Optical components(OC) ■ IJ components(IJ)
	Imaging-IoT solutions
	<ul style="list-style-type: none"> ■ Imaging-IoT solutions(IIS) ■ Visual solutions(VS)
Corporate, etc., QOL	

After April 1, 2021

Digital Workplace Business	<ul style="list-style-type: none"> ■ Office(OP) ■ DW-DX(DW-DX)
Professional Print Business	<ul style="list-style-type: none"> ■ Production print(PP) ■ Industrial print(IP) ■ Marketing services(MS)
Healthcare Business	<ul style="list-style-type: none"> ■ Healthcare(HC) ■ Precision medicine(APM)
Industry Business	Sensing
	<ul style="list-style-type: none"> ■ Measuring instruments(MI)
	Materials and components
	<ul style="list-style-type: none"> ■ Performance materials(PM) ■ Optical components(OC) ■ IJ components(IJ)
	Imaging-IoT solutions
	<ul style="list-style-type: none"> ■ Imaging-IoT solutions(IIS) ■ Visual solutions(VS)
Corporate, etc., QOL	

- **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)
- **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 printing
MPP (Mid Production Print) Monthly printing volume: 30-1 million sheets for commercial printing
HPP (Heavy Production Print) Monthly printing volume: 1 million sheets or more for commercial printing
- **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.
- **GenMineTOP cancer genome profiling system: Healthcare Business**
This system, developed together with the University of Tokyo and the National Cancer Center Research Institute, analyzes genes in tumor tissue. This system is unique in that it analyzes not only DNA, but also RNA, and analyzes the DNA of non-cancerous cells as well as the tumor tissue.
- **FORXAI : Imaging IoT Solutions Business**
FORXAI is an imaging IoT platform that accelerates digital transformation of society together with customers and partners.



KONICA MINOLTA

150

YEARS

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.