



KONICA MINOLTA

KONICA MINOLTA

Corporate Profile



THE CREATION OF NEW VALUE

Giving Shape to Ideas



**Our Philosophy**

# The Creation of New Value

**6 Values**

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

**Our Vision**

- A global company that is vital to society
- An innovative company that is robust and constantly evolving

**Brand Proposition**

## Giving Shape to Ideas

It is our pledge to bring the ideas of customers and society to life through innovation and contribute to the creation of a high quality society.



# Advancing the evolution of our society through the Creation of New Value



**Shohei Yamana**

President and CEO Konica Minolta, Inc.

The latest digital innovations such as IoT and artificial intelligence (AI) are bringing unprecedented revolutions to all industries. Our daily lives and the way we do business will see substantial changes going forward.

As a digital company with insight into implicit challenges, Konica Minolta leads social reform by realizing the opportunities brought by this period of change. We should focus on leveraging these state-of-the-art technologies to connect people with intelligently-analyzed data, identify and address a wide variety of customer needs, and manufacture high-quality products while exploring markets through an open ecosystem approach – all these endeavors will create new business, and contribute to positive social reform.

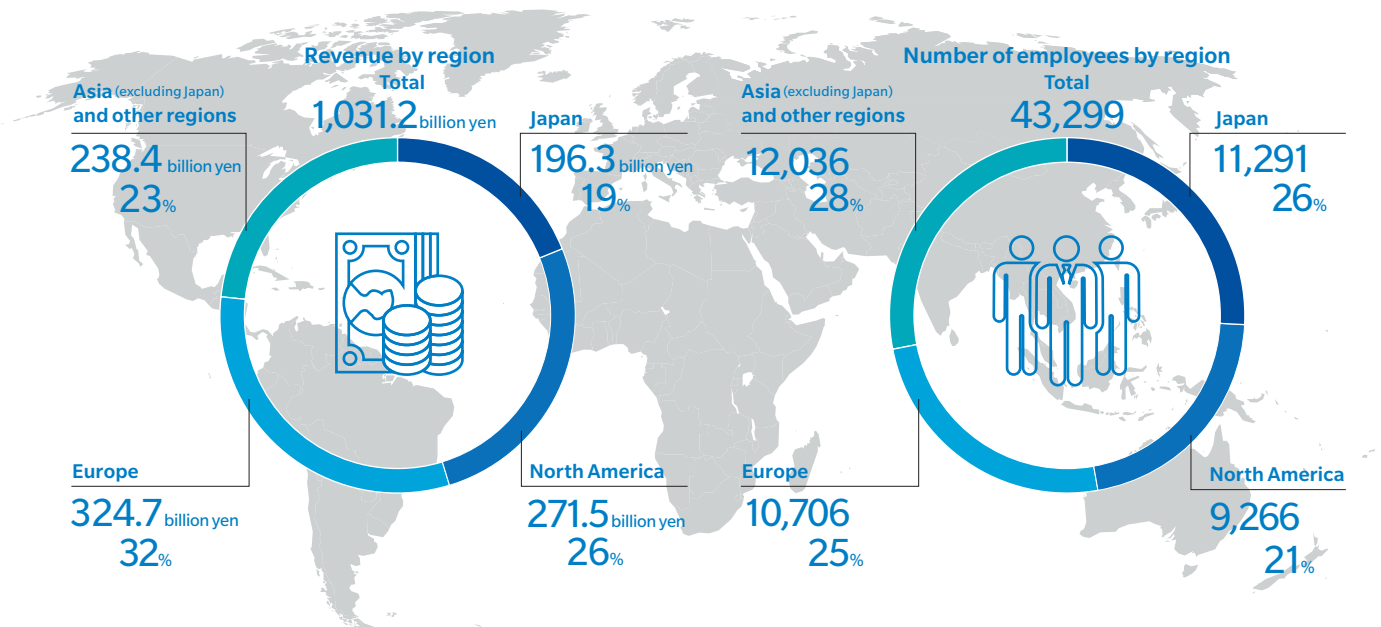
Since our foundation, we have developed and refined our core technologies such as imaging, materials, optics, and nanofabrication. We have forged an important bond with approximately two million corporate clients from all parts of the globe.

To grow as a global company, we must continue to help society move forward. This means doing our part to solve global environmental issues and improve quality of life. More than 40,000 Konica Minolta employees around the world are dedicated to improving their individual skills to maximize performance and openly connect with external companies and people, including customers, suppliers, and business partners.

We are committed to creating new value to evolve our society for the better. I personally remain passionate about what the future holds and I greatly appreciate your continued support of the Konica Minolta Group.

# New value creation for our global network of clients

## Global operations



Global sites (countries)

49



In sales and service (countries)

Approx. 150



Consolidated subsidiaries

163



### Solid customer base

Our customers

Approx. **2 million** companies



Our direct sales model attracts new customers, retains current ones, and builds strong relationships.

### Rich technological resources

Our patents

**21,276**



We continue to create new value by making the most of our technological resources — the source of innovation.

### Financial strength

Equity ratio attributable to owners of the parent

**43.6%**

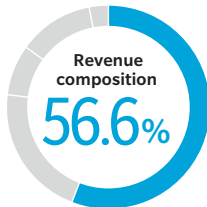


We invest in growth strategies and maintain a strong balance sheet with zero net debt.

As of March 31, 2018

# Forward a better society, our four key businesses

## Office Business



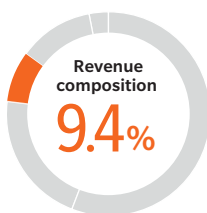
Our problem-solving solutions combine MFPs and IT services, optimize the workplace, and address the challenges unique to each environment.

## Professional Print Business



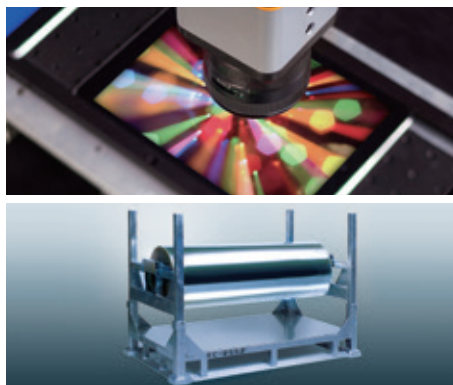
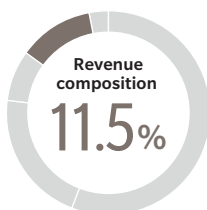
Digital printing systems and more: our range of other services helps streamline the printing operation process and maximize the advantages of digital printing.

## Healthcare Business



Our innovative diagnostic imaging solutions facilitate digitalization and networking for hospitals and clinics.

## Industrial Business



World-leading core technologies help us develop high-added-value materials and devices that surpass industry expectations.

\*Revenue compositions based on actual fiscal 2017 results

## High-added-value products and services with the power to transform business

As one of the leading MFP manufacturers in the world, we provide high-performance, high-quality products to offices around the world to help our clients improve productivity. In particular, we achieved the leading share in the global A3 color MFP market — one of our initial focus areas. We also offer a range of other high-added-value products and services including an information security solution combining advanced IT technologies, mobile printing solutions, intuitive operations, and environmentally-friendly services with low-power consumption design.



The bizhub MFP Series

## A combination of MFPs and IT services to solve any operational challenge

We offer more than MFPs. Our range of solutions helps our clients transform the way they work and improve their operational efficiency and productivity. These solutions take into account our customers' unique styles and workflows and include information technologies to improve business processes, integrated management tools for IT environments, and technologies for improving security.

Our global network of clients consists of about two million companies. Each one faces operational hurdles unique to their size, industry, and business model. We work together with our clients to visualize opportunities for operational improvement by carefully addressing areas of waste and risk. Approximately 40 companies providing IT services are already operating under the Konica Minolta Group in Europe and the US, whose consolidated sales account for over 10% of our global Office Business Sales.

## Office Business

# Transforming the way we work

### In Action

#### Boosting our presence in emerging markets

Since Konica and Minolta merged in 2003, our Business Technologies Business has continued to pursue a strategy focusing on color MFPs to achieve the top market share. This has allowed us to expand our share in the emerging markets where we expect the demand for color MFPs to grow. Based on the number of units sold, we have the largest presence in China and Central/Eastern Europe and the second largest presence in India, where we lead market expansion (based on our estimates).



## Professional Print Business

# New value, redefining professional printing

### Digital printing unlocks new potential in commercial and industrial printing

On-demand printing prints and delivers exactly what you need, wherever you need it. Konica Minolta was one of the first to recognize the importance of this service and has since led the expansion of the digital printing market in toner-based digital printing. We have digitalized our printing clients' services by offering B2 digital inkjet presses that can produce high-quality images, which match offset printing on a wide variety of applications spanning from general commercial printing to labels and packaging. We have also offered this small-lot, multi-product inkjet printing solution for digital textile printing to help our clients expand and add further value to their business.



AccurioJet KM-1 B2 digital inkjet press

### Printing solutions for better market performance

The world of marketing is placing more and more emphasis on developing products that respond to the needs of individual consumers, increasing the demand for small-lot labels and personalized packaging such as gift wine label with the name and date printed on a gold leaf. Based in France, MGI is one of a small number of printing solutions providers in the world offering decorative digital printing services. Konica Minolta has invested significantly in their pursuits and we have combined our printing experience with MGI's technologies to improve the value of printed products. We aim to help our printing clients expand both the scope and revenue of their operations by boosting the overall market performance of printing solutions.

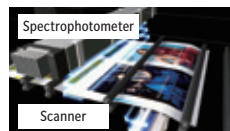


We work with our clients to produce appealing products by offering high-value-added printing solutions such as gilding and embossing.

### In Action

#### The IQ-501 achieves consistent production quality without manual input

The IQ-501 Intelligent Quality Optimizer automatically performs density correction, color calibration, and front-to-back registration. It renders manual input obsolete with smart measurements and automated numerical input. Color tone and front-to-back registration are monitored in real-time, even while printing, to correct errors without affecting productivity. This significantly improves printing process efficiency, while ensuring consistent quality — regardless of the operator's skill level.



IQ-501



The AccurioPress C6100 digital printing system



## Healthcare Business

# Accurate diagnoses, digitalized

### Optimal diagnoses achieved through digital device development

When our Healthcare Business launched, it was one of the few businesses in the world that manufactured X-ray films. Since then, we've remained committed to creating new value in diagnostics by "making the invisible visible." Our leading cassette-type digital X-ray imaging systems features an immediate display of highly precise digital images, which enable more accurate diagnoses — while the smaller radiation dose reduces the burden on the patient. We have also expanded into the ultrasound diagnostic market in recent years. Our advanced diagnostic tools help primary diagnosis healthcare professionals achieve earlier detection and treatments of diseases.



The AeroDR cassette-type digital X-ray system

The SONIMAGE HS1 diagnostic ultrasound system

### Healthcare IT solutions for higher-quality diagnoses

Our healthcare IT solutions are designed to support the digitalization of medical devices and all related healthcare processes and services to help innovate workflow in medical institutions. We help expedite healthcare industry innovation by supporting collaboration and networking between regional clinics and medical centers and by offering image diagnostic services at remote facilities with limited medical resources. In addition, we are developing a platform to manage patients' diagnostic images, which will transform the way healthcare professionals work and deliver care.



Picture Archiving and Communication Systems (PACS)



Supporting remote healthcare services in rural Bangladesh

### In Action

#### Dynamic Digital Radiography systems, better X-ray imaging

Earlier detection and treatment of serious lung diseases — we believe achieving this will have a global impact in the healthcare industry. Now X-ray images are only available as still images, but our X-ray solution will bring motion to chest imaging technology and enable more accurate diagnoses.

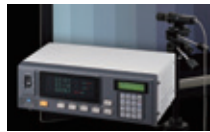
The KINOSIS, Workstation for Dynamic X-ray features proprietary image processing technology, designed to provide healthcare professionals with relevant and useful information.



## Industrial Optical System Business

### **Optical measuring solutions to support quality management of all industries**

We're leveraging our knowledge of optical technologies and metrology developed for cameras to deliver two types of measuring solutions. The first is light and display measurements of illuminance, brightness, and the color of light itself for smartphone and television displays. Secondly, we're offering high-accuracy color and appearance measurements of color on material surfaces, like automotive interiors and exteriors. These solutions help those required to meet strict color criteria improve productivity and ensure consistent quality. Some of our products are used as the world standard, especially in the display image quality testing market, and they have achieved a 50% share worldwide.



Display Color Analyzer



Image luminance measuring device



Spectrophotometer

## Industrial Business

# Transforming the way products are made

## Material & Component Business

### **Key devices and advanced technologies, essential to all industries**

Our expertise in chemical and optical technologies developed over more than a century are still being used for the continued development of cutting-edge scientific innovation. We help our clients create product roadmaps and contribute to the further development of their industries with our unrivaled technical capabilities, such as the TAC film for protecting the polarizer for LCD displays, optical units for digital cinema, and printheads for industrial inkjet printers.



TAC film for LCD polarizers



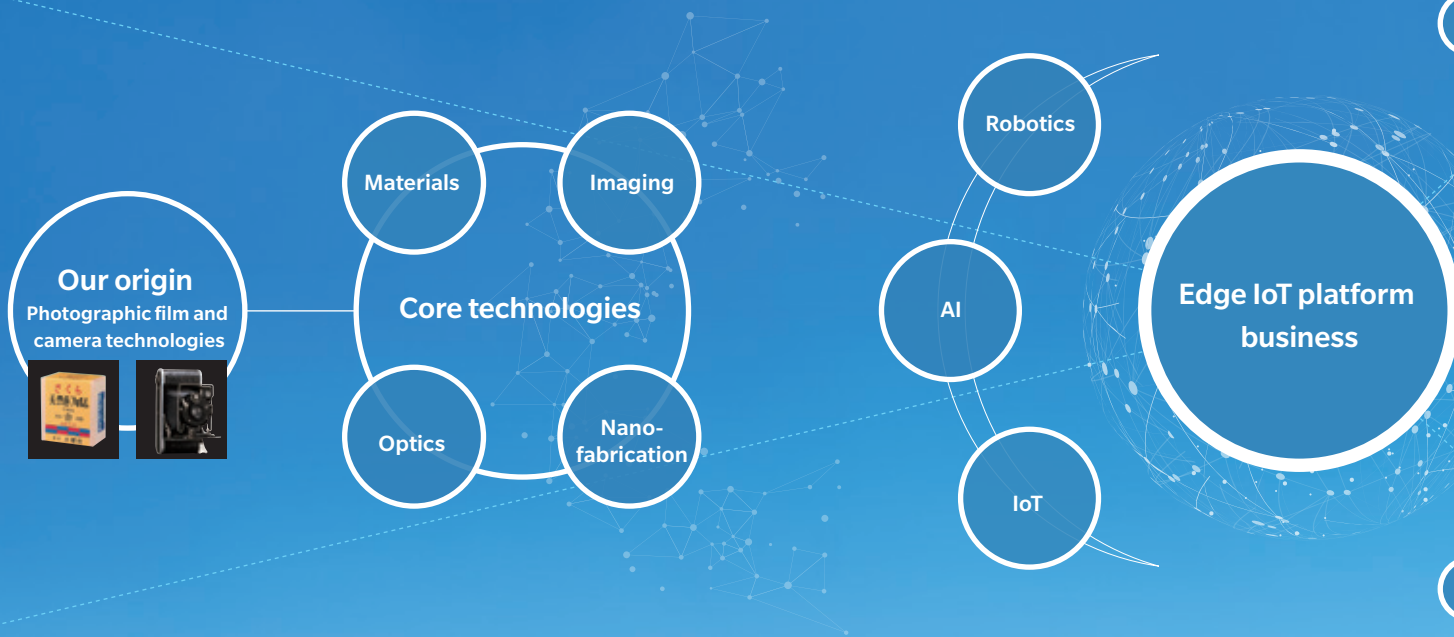
Optical units for projectors



Inkjet printheads

# Providing our clients with valuable insights through our digital evolution

At Konica Minolta, we aim to leverage our cutting-edge digital technologies to transform from a traditional hardware provider to a company that provide solutions to social challenges. For example, we will help identify and improve workflow concerns for people in the business, manufacturing, healthcare, and nursing care sectors.



## Driving R&D and open innovation at Konica Minolta Tokyo site Hachioji SKT

We utilize our core technologies in materials, imaging, optics, and nano-fabrication to develop new businesses that can help address social challenges. To do so, we opened Konica Minolta Tokyo site Hachioji SKT in 2014. This R&D facility provides a space for intelligent co-creation, where cross-divisional research and development, as well as open innovation between external research institutes and companies can take place.



## Promoting new global businesses at our Business Innovation Centers

Business Innovation Centers (the BICs) are operated in five major regions around the world: North America, Europe, Asia Pacific, China, and Japan. They are facilities focused on developing new businesses, with each center led by professionals with vast experience across different industries. The BICs can promote around 100 projects at once through collaboration with universities and startup companies. This has helped them incorporate diverse and fresh ideas, while remaining aware of environmental changes in each region.



Go to our website to find out more about the BICs' projects  
<https://bic.konicaminolta.com/>



Helping  
**the manufacturing sector**

- improve product quality
- improve production efficiency
- achieve work style reform

Helping  
**the office service sector**

- achieve work style reform
- promote collaboration
- speed up decision-making

Helping  
**the healthcare sector**

- improve medical services
- improve accuracy of diagnoses
- streamline hospital administration

Prediction and forecasting support

Productivity improvement support

Operation efficiency enhancement support

Decision-making support

Creativity improvement support

Optimization support

Providing solutions for different industries and businesses

Helping  
**the retail and distribution sector**

- improve quality of sales promotion tools
- improve ROI in marketing activities

Helping  
**the nursing care sector**

- improve quality of nursing care
- reduce burden on nursing care staff
- provide peace of mind to people receiving nursing care

Helping  
**the security sector ensure**

- safety and security of society
- safety and security of workers
- safety and security of drivers



**Creating new possibilities for cancer treatment with precision medicine**

SOCIAL ISSUE

**Reducing the physical and economic burden on patients**

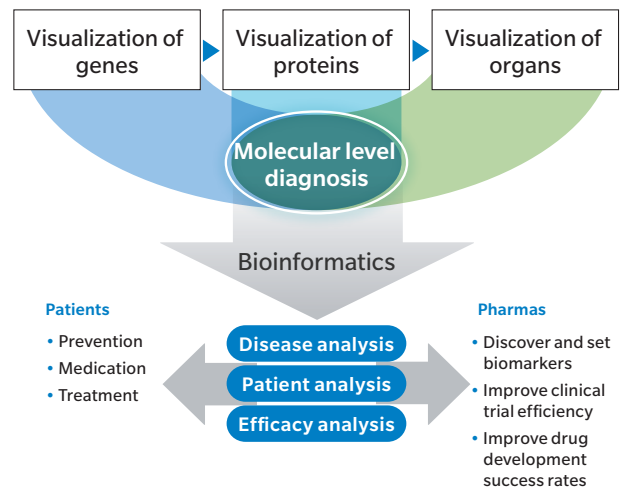
It is always best to match patients with the right medicines prior to treatment. This helps reduce needless side effects and healthcare costs, while contributing to improving a patient's quality of life. Precision medicine is a concept attracting much interest recently because it helps determine the appropriate medicines based on a patient's pathological and genetic makeup. Consequently, more and more pharmaceutical companies are developing molecular-targeted drugs that only attack specific cancer cells.

SOLUTION

Leveraging our visualization technologies for wide-ranging health benefits

Our proprietary fluorescent nano-imaging technology can play an indispensable role in the development of molecular-targeted drugs. The technology capitalizes on our expertise in materials and image processing and enables accurate and quantitative detection of cancer cells by allowing healthcare professionals to see the proteins within those cells. By combining this technology with cutting-edge technologies, which were provided by two US companies, and visualizing genes and organs, we can accurately understand the internal workings of a patient's body. This will help improve the success rate of drug development and help reduce healthcare costs.

**Precision medicine Konica Minolta aims to achieve**





**Utilizing the power of IT  
to transform  
how people work**

SOCIAL ISSUE

**Transforming workflows at small and medium-sized enterprises with IT**

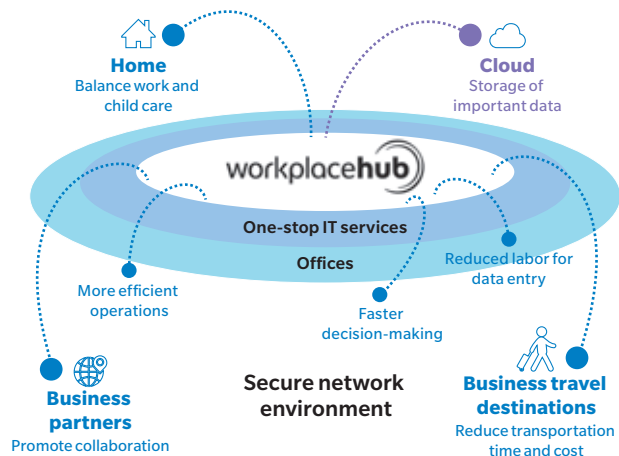
More and more businesses wish to improve efficiency and productivity through digital innovation. However, SMEs are more likely to face challenges in ensuring the effective use, operation, and security of IT assets. This is due to the lack of skilled IT staff, as well as the cost to deploy and manage IT.

SOLUTION

**Improving productivity with our all-in-one IT solution**

We help our SME clients utilize their IT assets and sustainable growth through the Workplace Hub (WPH). The WPH consists of hardware, software, and services to provide an all-in-one IT solution that helps our clients' operational challenges. It can help boost productivity by supporting various work styles or by reducing the manual input of data. It also improves the quality and operation of production sites by monitoring and analysing the movement of operators, as well as the status of production.

**The Workplace Hub transforms the way people work**





**Improving the efficiency and quality of nursing care**

Reducing the workload in nursing care by transforming operations

The aging population has brought social challenges such as an increasing need for nursing care, a shrinking workforce, and a lack of care workers.

We are focused on addressing these challenges head-on, which is why we work closely with staff at care facilities to identify their needs. For example, we aim to boost productivity by reducing their excessive workload, while ensuring operation processes — from on-site care delivery to administration — are more efficient.

We therefore combined IT with our proprietary sensor technology and image processing technology to develop the Care Support Solution. Powered by sensors and smartphones, this solution has transformed the workflow of care workers by making it more productive and efficient.



Go to our website to find out more about the Care Support Solution

[https://www.konicaminolta.com/us-en/future/care\\_support/index.html](https://www.konicaminolta.com/us-en/future/care_support/index.html)

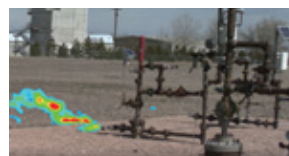


**Supporting safety and efficiency at plants**

Achieving efficient maintenance by visualizing and analysing small gas leaks

Fire incidents at factories can cause not only economic losses but also significant, life-threatening injuries. Many petrochemical complexes and power plants face challenges in ensuring the safe management of combustible gases. We offer the innovative Gas Monitoring Solution to address these challenges. The solution visualizes otherwise difficult-to-detect gas leaks by using the latest technologies in infrared spectroscopic imaging and image processing. It also enables the organized management of complex data

concerning leaks. In addition, systems to predict failures, gas leaks, and equipment deterioration are currently being developed to help our clients achieve their maintenance goals and ensure the safe and efficient operation of plants.



A gas cloud image will show the location and density of a leak

# Providing new value for a sustainable world

## Our contribution to achieving the SDGs



Today, businesses are expected to create value not just for their own company, but for society as well. With this in mind, Konica Minolta works with stakeholders across the globe to create “new value” that provides innovation required by societies everywhere.

To achieve this, we have identified six material issues to address as our core CSR strategy: the environment, social innovation, customer satisfaction and product safety, responsible supply chain, human capital, and diversity. We will also focus on improving corporate governance. By addressing these issues at a global level, we aim to contribute to the evolution of our business and society, while helping achieve the Sustainable Development Goals (SDGs) by 2030.



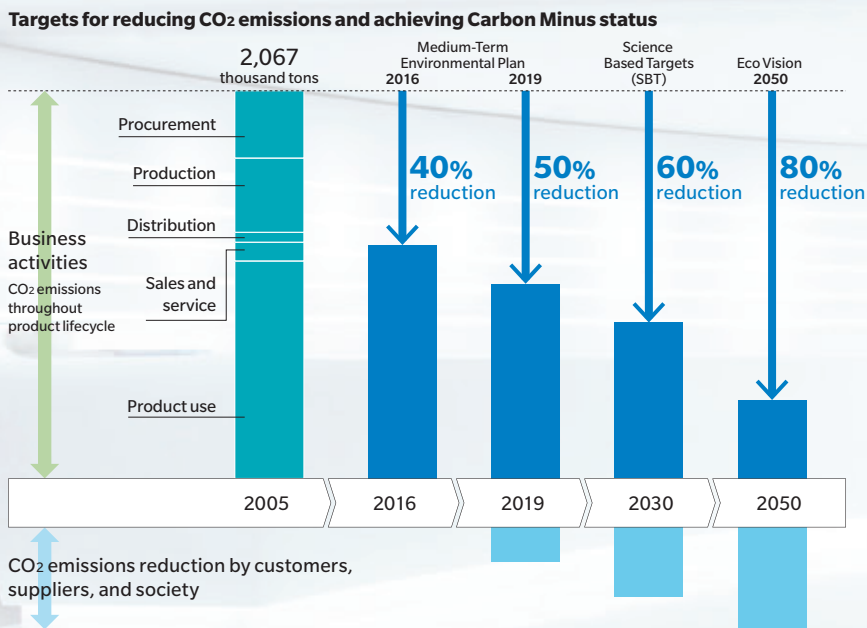
Go to our CSR website for details  
<https://www.konicaminolta.com/about/csr/index.html>



# Building on our corporate value while achieving a sustainable society

## Striving for Carbon Minus status by 2050

At Konica Minolta, we are determined to reduce environmental impact and help create a sustainable society for everyone. We will do so by pursuing the goals set out in our long-term environmental mission, Eco Vision 2050, as well as the milestones provided in our Medium-Term Environment Plan. Carbon Minus is a unique concept introduced by Eco Vision 2050 and remains a key goal for us. By providing stakeholders with our environmental technologies and experienced knowhow, the concept aims to achieve a broad-based reduction in CO<sub>2</sub> emissions that exceeds Konica Minolta's own by 2050. In doing so, we aim to achieve an impact beyond the reach of just one company.

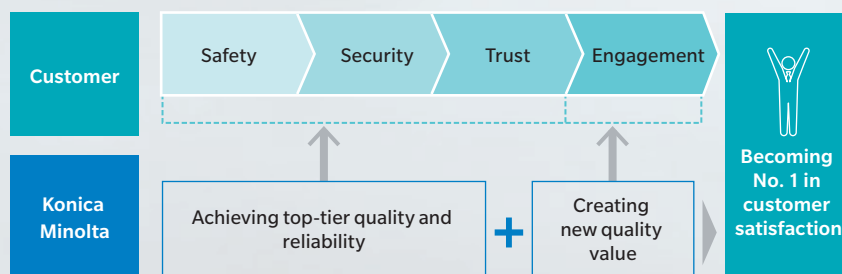


## Achieving high quality that exceeds customers' expectations

Under our 2017-2019 Medium-Term Quality Plan, we aim to provide highly reliable quality to give our customers peace of mind, as well as creating new value by delivering outstanding products and services that exceeds expectations. As we transition from a product provider to a service provider, we are developing quality improvement procedures to ensure the continued excellence of our services and products for our customers. This involves

listening to what customers want, as well as discovering and addressing challenges that even they may be

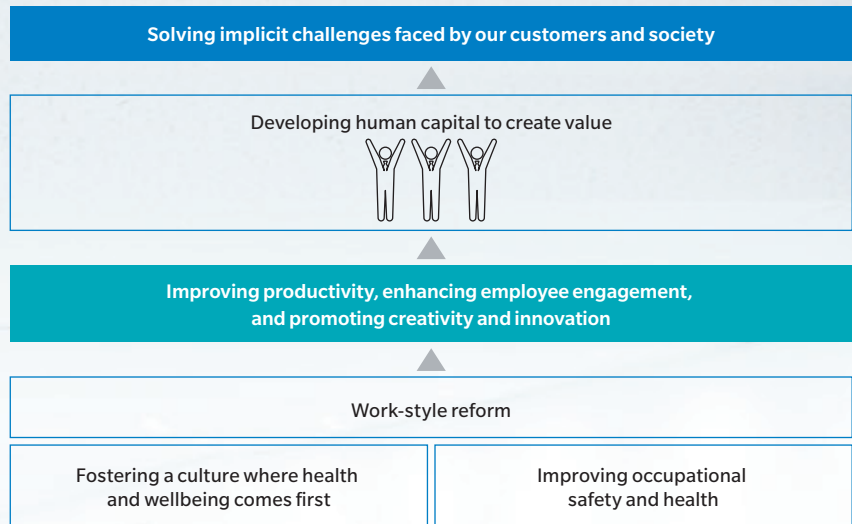
unaware of. In doing so, we are aiming to attain a No. 1 position in customer quality satisfaction.





# Our talented staff contribute new value to society

Currently, we have over 40,000 talented employees of different nationalities, cultures, languages, genders, and expertise. It is this diverse mix that brings forth innovative ideas and provides a source of new value. All of which helps address the challenges our clients and society face. To make sure our talent achieves such potential, we are focused on developing a work environment that encourages our employees to respect and inspire each other, as well as looking after their physical and psychological health. After all, a healthy and safe workplace is often the most successful and productive one.



## Enhancing the effectiveness of corporate governance

We believe that corporate governance should contribute to sustainable corporate growth and an increased corporate value over the medium- to long-term. This can be achieved by encouraging appropriate risk-taking as part of management execution. To create such an environment, we have established a corporate governance

system from the standpoint of the supervisory side.

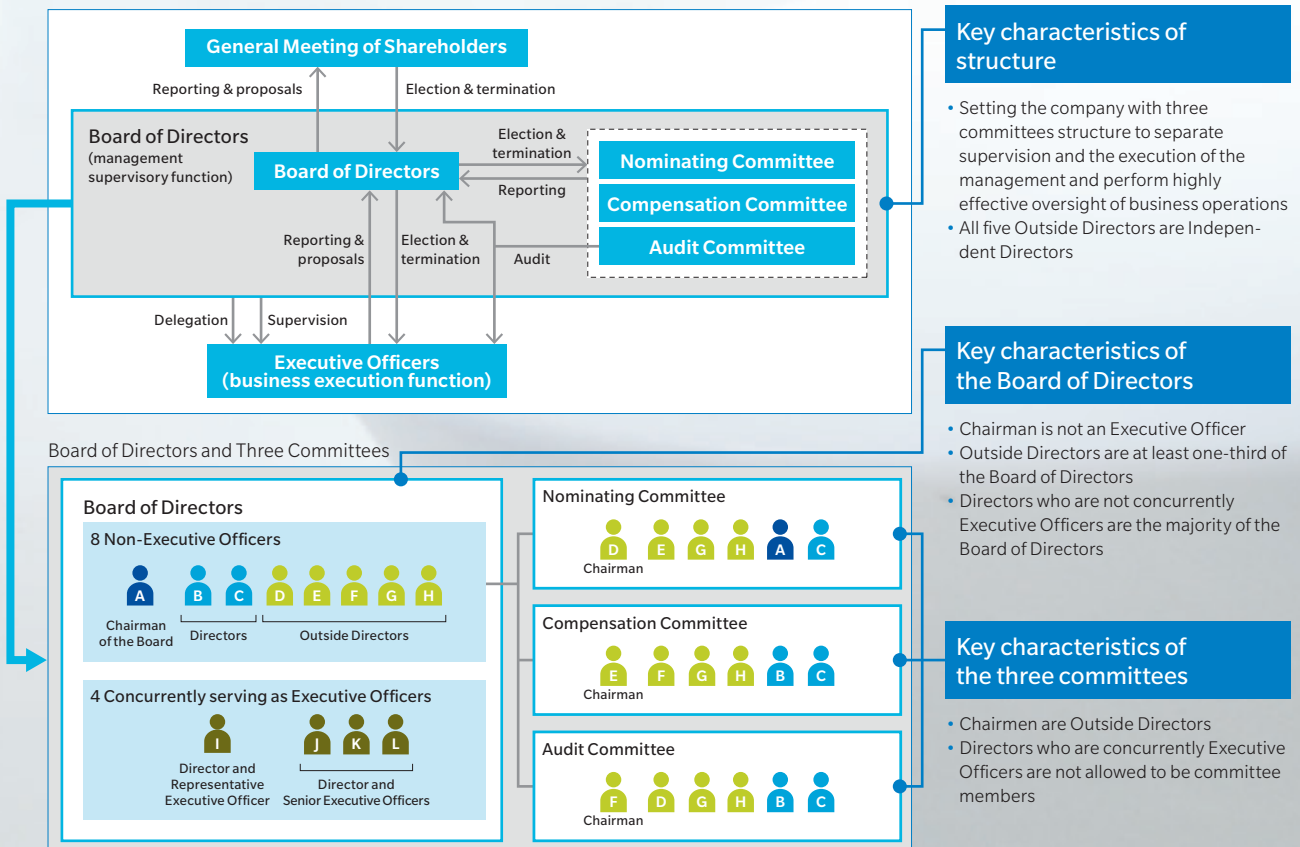
We have adopted the company-with-three-committees system in compliance with the Companies Act in 2003 to provide a foundation for our governance structure, which is based on three objectives:

- Ensuring business supervisory functions by separating the supervisory

and execution functions in order to increase the corporate value.

- Appointment of independent outside directors who can assume supervisory responsibilities from the shareholders' viewpoint.
- Improvement of the transparency, integrity and efficiency of management though the above mentioned points.

### Structure of Corporate Governance Systems (As of June 19, 2018)

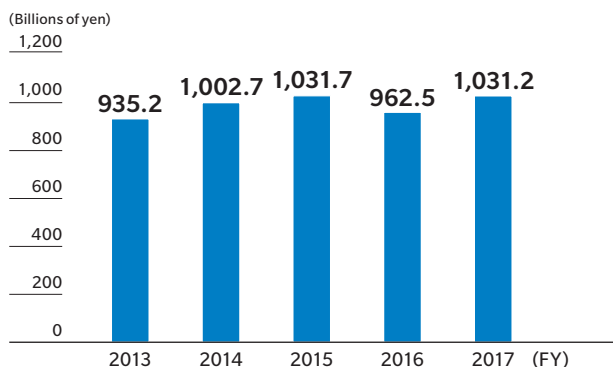


Corporate data

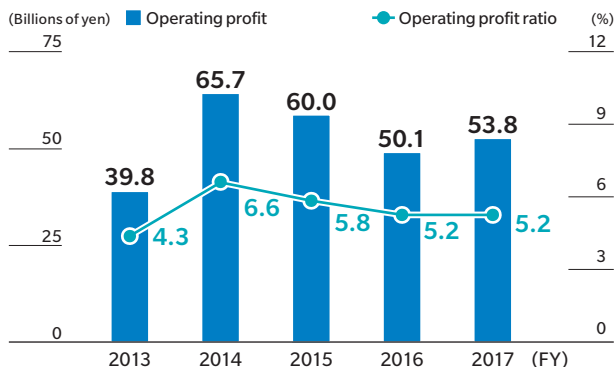
**Head office:** JP TOWER, 2-7-2 Marunouchi, Chiyoda-ku, Tokyo, Japan  
**President and CEO:** Shohei Yamana  
**Date established:** 1873  
**Establishment as joint-stock company:** December 22, 1936

**Capital:** 37,519 million yen  
**Fiscal year-end:** March 31  
**Number of employees:**  
 Non-consolidated: 5,282 (as of March 31, 2018)  
 Consolidated: 43,299 (as of March 31, 2018)

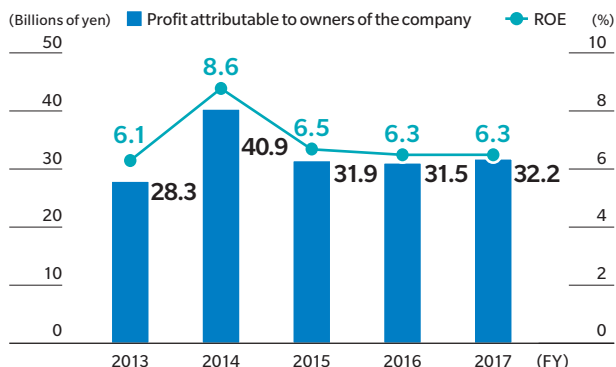
Consolidated revenue



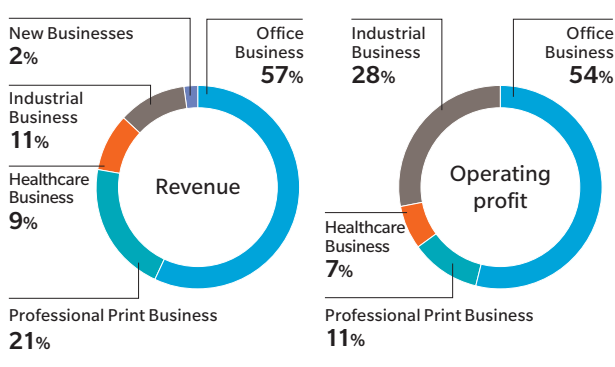
Consolidated operating profit / Operating profit ratio



Profit attributable to owners of the company / ROE



Revenue / profit shares of business units (FY2017)



Note: At Konica Minolta, we have adopted the International Financial Reporting Standards (IFRS).

Note: New businesses and other corporate businesses are not included

Independent valuation of Konica Minolta's management

<p>Named an Industry Group Leader in the Dow Jones Sustainability World Index for two consecutive years</p> <p>MEMBER OF  <b>Dow Jones Sustainability Indices</b>          In Collaboration with RobecoSAM</p>	<p>Ranked Gold Class CSR by RobecoSAM — a world-leading ESG research and rating company</p>	<p>Maintained inclusion in the MSCI ESG Leaders Indexes for nine consecutive years</p>
<p>Maintained inclusion in the FTSE4Good Index Series for 15 consecutive years</p>	<p>Eighth consecutive year of being awarded Prime Status (a CSR rating) by ISS-oekom.</p>	<p>Ranked among Corporate Knights' 2019 Global 100 Most Sustainable Corporations in the World</p> <p>The world's top 100 companies are announced each year at the World Economic Forum (WEF) in Davos</p>

## Corporate History

### Since 1873: KONICA

**1873:** Rokusaburo Sugiura begins selling photographic and lithographic materials at Konishiya Rokubeiten in Kojimachi, Tokyo (the beginnings of Konica Corporation) **-1**



1

**1903:** The Cherry Hand Camera — the first Japanese branded camera is marketed **-2**



2

**1933:** Sakura X-ray Film — the internally developed and produced X-ray film is released



3

**1940:** Sakura Natural Color Film — the first Japanese-made color film is announced **-3**

**1971:** U-Bix 480 — the first Japanese-made indirect dry type electrophotographic copying machine is launched

**1975:** Konica C35EF — the world's first 35mm camera with built-in flash is launched



4

**1977:** Konica C35AF — the world's first 35mm compact autofocus camera is launched **-4**

**1984:** Ultra-high-precision aspheric plastic lens for CD players is developed **-5**



5

**2000:** Fully launched business for TAC films for LCD polarizers

### Since 1928: MINOLTA

**1928:** Kazuo Tashima establishes Nichi-Doku Shashinki Shoten (Japan-Germany Camera Company, later known as Minolta Co., Ltd.) to produce cameras in Japan, and launches Nifcalette, its first camera product, the following year **-6**



6

**1957:** The company's first planetarium unit is completed and opened to the public the following year at a science exposition in Hanshin Park



7

**1960:** Minolta Copymaster (a wet-process diazo copier) — the company's first wet-process diazo copier is completed **-7**

**1962:** Minolta Hi-Matic camera is used on Friendship 7, the first US manned spacecraft to orbit the Earth. Later, Minolta's exposure meter, Space Meter, is used during Apollo 8, 10, and 11 missions.

**1968:** TV Color Analyzer — a device to analyze and adjust the colors displayed by TVs is launched

**1977:** OXIMET MET-1471 — the world's first finger-measurement type pulse oximeter is launched

**1983:** EP450Z — the world's first copier with stepless zoom magnification/reduction function is launched

**1985:** Minolta 7000 — SLR camera with an autofocus function is launched **-8**



8

**1990:** CF70 — a digital full-color copier is launched

**2000:** Konica Minolta Supplies Manufacturing Co., Ltd. is established as a joint venture for the production of polymerized toner



### Since 2003: KONICA MINOLTA

**2003:** Konica Minolta Holdings, Inc. is established by integrating the management of Konica Corporation and Minolta Co., Ltd.

**2004:** Nassenger V — a next-generation inkjet textile printer is launched

**2007:** Konica Minolta withdraws from the photo and camera business

**2010:** bizhub PRESS C8000 — a digital printing system is launched

**2011:** AeroDR — a cassette-type digital radiography system is launched

**2011:** Organic Light Emitting Diode (OLED) — the world's first light panels using only phosphorescent materials are released

**2013:** The group management system is reorganized and the company name changed to Konica Minolta, Inc.

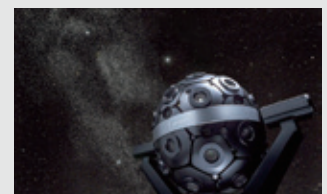
**2016:** AccurioJet KM-1 — a B2 digital inkjet press is launched

**2018:** Konica Minolta Precision Medicine, Inc. is established

## We are members of the Konica Minolta Group

### KONICA MINOLTA PLANETARIUM

By utilizing our reliable technologies and expertise amassed over the years, we have been involved in every aspect of planetarium production, from projector development and manufacturing to content production and building state of the art facilities. Not only do we build these facilities, but we also manage them as well.



<https://www.konicaminolta.com/planetarium/index.html>





**KONICA MINOLTA**

**KONICA MINOLTA, INC.**

JP TOWER, 2-7-2 Marunouchi, Chiyoda-ku,  
Tokyo 100-7015, Japan

<https://konicaminolta.com>