

Konica Minolta, Inc. 2nd Quarter/FY2023 ending in March 2024 Consolidated Financial Results

Toshimitsu Taiko
President and CEO

Three months : July 1, 2023 - September 30, 2023

Six months : April 1, 2023 – September 30, 2023

- Announced on November 2, 2023 -

Giving Shape to Ideas



FY2023 Q2 Result

- Company overall YoY: Revenue increased and profit decreased in Q2, revenue and profit increased in H1
- Business contribution profit: ¥6.4 billion in Q2, returned to profitability in H1 totaling ¥2.3 billion
(operating profit: ¥5.2 billion in Q2, returned to profitability in H1 totaling ¥0.8 billion)
Increase: office, precision medicine
Decrease: production print, sensing
- Versus plan: Overall, results slightly exceeded the company's expectations

Medium-Term Business Plan Progress

- Business selection and concentration:
 - Non-focused business: Conclusion of Strategic Alliance Agreement for optical components unit
 - Direction changing business: Ongoing review based on evaluation criteria and considering execution status of FY2023 budget
- Reinforcement of financial foundation
 - Operating CF returned to profitability (+¥31.8 billion) due to reduction of working capital

FY2023 Q2 PERFORMANCE OVERVIEW



FY2023 Q2 Performance | Summary

Q2 Revenue

- Increased revenue
- By segment Increase: Digital Workplace, Industry
Decrease: Professional Print, Healthcare

Q2 Profit/cash flow

- SG&A: Flat YoY in real terms due to SG&A control despite increase in personnel expenses with higher wages
- Business contribution profit*: Returned to profitability due to improvement in gross profit ratio due to production cost reductions, lower logistics expenses, and other factors
- FCF: Significant improvement due to better operating CF

[¥ billions]

	FY2023 6M	vs FY2022			FY2023 Q2	vs FY2022		
		FY2022 6M	YoY	YoY (w/o FOREX)		FY2022 Q2	YoY	YoY (w/o FOREX)
Revenue	552.8	530.7	+4%	-1%	286.4	282.9	+1%	-4%
Gross Profit	237.2	226.0	+5%	-1%	125.3	121.3	+3%	-3%
Gross Profit ratio	42.9%	42.6%	+0.3pt		43.8%	42.9%	+0.9pt	
SG & A	235.0	225.3	+4%	+0%	119.0	114.6	+4%	-1%
Business Contribution Profit	2.3	0.7	+211%	-312%	6.4	6.7	-4%	-47%
Operating Profit	0.8	-5.1	-	-	5.2	5.9	-11%	-60%
to owners of the Company Profit attributable	-4.5	-6.7	-	-	1.1	2.0	-46%	
FCF	9.4	-25.4	-	-	20.2	-0.5	-	-
FOREX [Yen]								
USD	141.00	133.97	+7.03		144.62	138.37	+6.25	
EUR	153.39	138.73	+14.66		157.30	139.34	+17.96	

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

FY2023 Q2 Performance | Revenue & Profit by Segment

[¥ billions]

Revenue	FY23 6M	vs FY22			FY23 Q2	vs FY22		
		FY22 6M	YoY	w/o FOREX		FY22 Q2	YoY	w/o FOREX
Digital Workplace	294.5	278.5	+6%	-0%	151.2	149.6	+1%	-5%
Professional Print	124.0	119.9	+3%	-1%	63.8	64.8	-1%	-6%
Healthcare	63.9	64.0	-0%	-3%	34.5	35.3	-2%	-5%
Industry *1	69.4	67.3	+3%	-0%	36.2	32.5	+11%	+8%
Corporate, etc. *1	1.0	1.1	-8%	-8%	0.6	0.7	-19%	-19%
Company overall	552.8	530.7	+4%	-1%	286.4	282.9	+1%	-4%

Business Contribution Profit	FY23 6M	rate	vs FY22 After adjustment for head-office expenses *2			FY23 Q2	rate	vs FY22 After adjustment for head-office expenses *2		
			FY22 6M	YoY	w/o FOREX			FY22 Q2	YoY	w/o FOREX
Digital Workplace	10.7	4%	7.3	+48%	+17%	8.4	6%	7.4	+12%	-11%
Professional Print	3.6	3%	3.8	-5%	-45%	2.8	4%	3.6	-22%	-49%
Healthcare	-4.0	-	-7.8	-	-	-0.8	-	-2.1	-	-
Industry *1	6.0	9%	12.2	-51%	-55%	3.4	10%	5.2	-34%	-40%
Corporate, etc. *1	-14.1	-	-14.8	-	-	-7.5	-	-7.6	-	-
Company overall	2.3	0%	0.7	+211%	-312%	6.4	2%	6.7	-4%	-47%

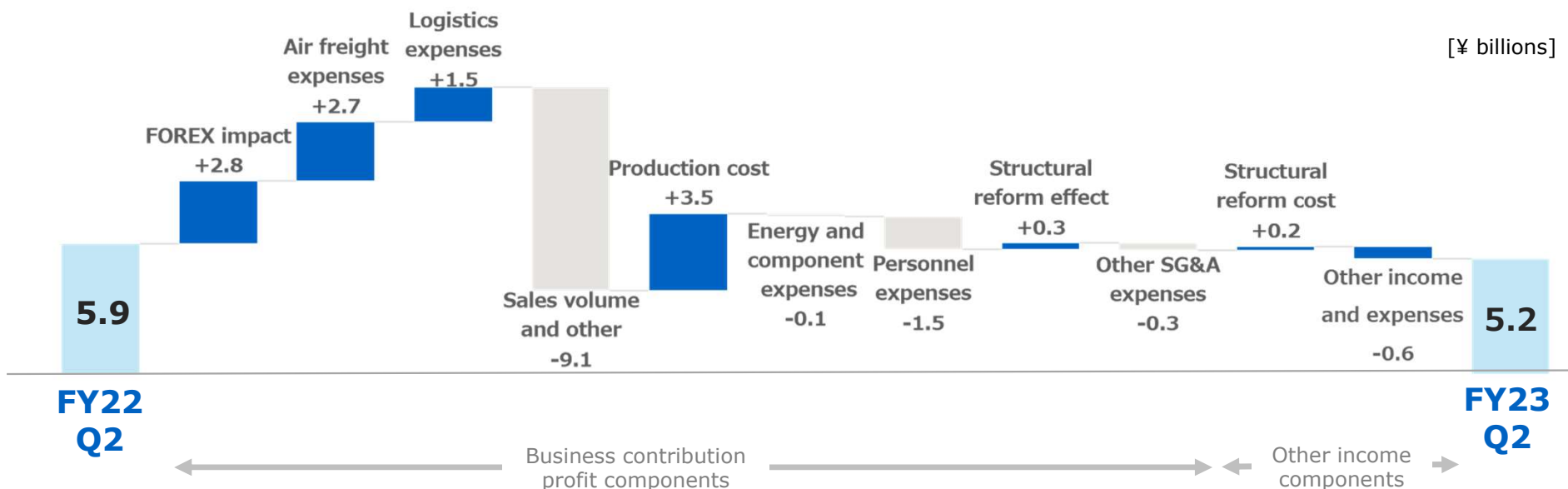
Operating Profit	FY23 6M	rate	vs FY22 After adjustment for head-office expenses *2			FY23 Q2	rate	vs FY22 After adjustment for head-office expenses *2		
			FY22 6M	YoY	w/o FOREX			FY22 Q2	YoY	w/o FOREX
Digital Workplace	10.0	3%	2.7	+266%	+187%	8.0	5%	7.0	+15%	-10%
Professional Print	3.7	3%	3.5	+5%	-38%	2.7	4%	3.6	-24%	-51%
Healthcare	-4.3	-	-8.6	-	-	-0.9	-	-2.3	-	-
Industry *1	5.5	8%	12.1	-54%	-59%	2.9	8%	5.2	-45%	-50%
Corporate, etc. *1	-14.2	-	-14.9	-	-	-7.6	-	-7.6	-	-
Company overall	0.8	0%	-5.1	-	-	5.2	2%	5.9	-11%	-60%

*1 FORXAI's revenue, business contribution profit, and operating profit are included in Industry Business in FY2022 and in Corporate, etc. in FY2023. These figures in FY2022 are included in Corporate, etc. in this material.

*2 Adjustment for head-office expenses: Some part of expenses regarding the whole corporate had been transferred to each business segment until FY2022 and has not been 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.

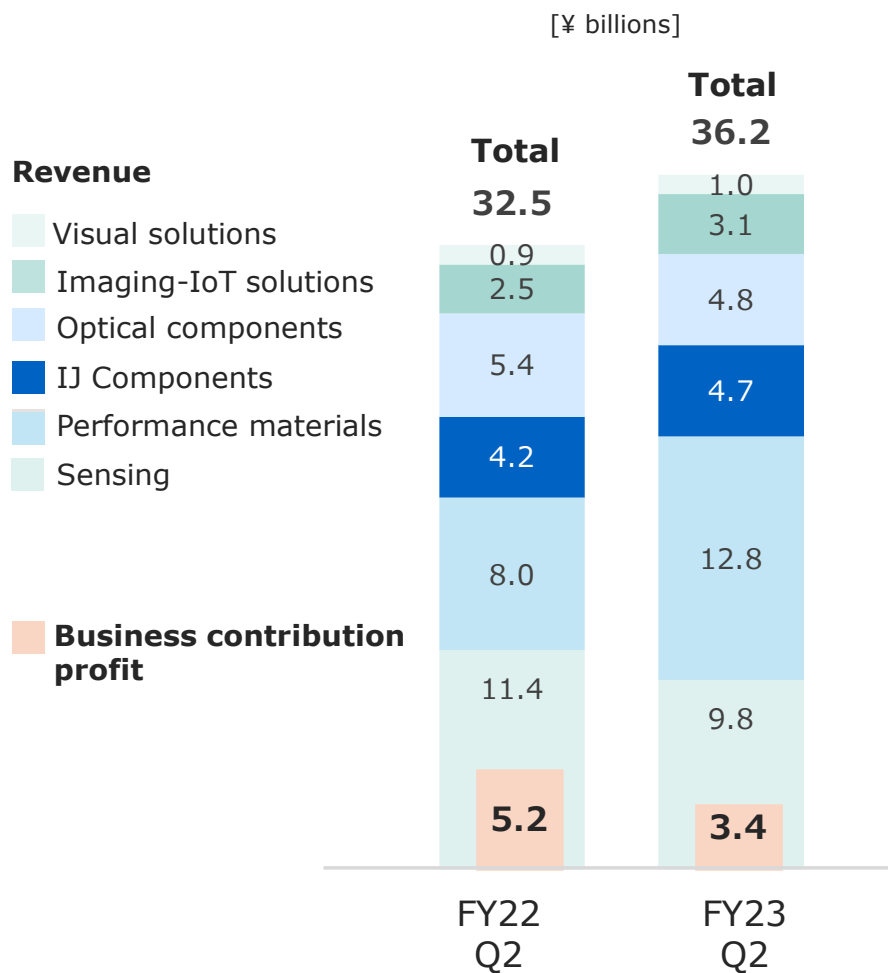
FY2023 Q2 Performance | Factors of Increase/Decrease of Operating Profit(Q2)

[¥ billions]



	FY22 Q2	FOREX impact	Air freight expenses	Logistics expenses	Sales volume and other	Production cost	Energy and component expenses	Personnel expenses	Structural reform effect	Other SG&A expenses	Structural reform cost	Other income and expenses	FY23 Q2
Digital Workplace	7.0	+1.7	+1.3	+1.5	-5.3	+2.0	-	-1.2	+0.3	+0.6	+0.1	+0.0	8.0
Professional Print	3.6	+1.0	+1.4	-	-2.9	+0.2	+0.1	-0.4	-	-0.2	-	-0.0	2.7
Healthcare	-2.3	-0.1	-	-	+0.6	+0.8	-0.2	+0.2	-	-0.0	+0.1	-0.0	-0.9
Industry	5.2	+0.2	-	-	-1.4	+0.4	-	-0.1	-	-0.9	-	-0.5	2.9
Corporate, etc.	-7.6	+0.0	-	-	-0.1	-	-	-	-	+0.2	-	-0.1	-7.6
Company overall	5.9	+2.8	+2.7	+1.5	-9.1	+3.5	-0.1	-1.5	+0.3	-0.3	+0.2	-0.6	5.2

FY2023 Q2 Performance | Business Trends of Industry



Revenue

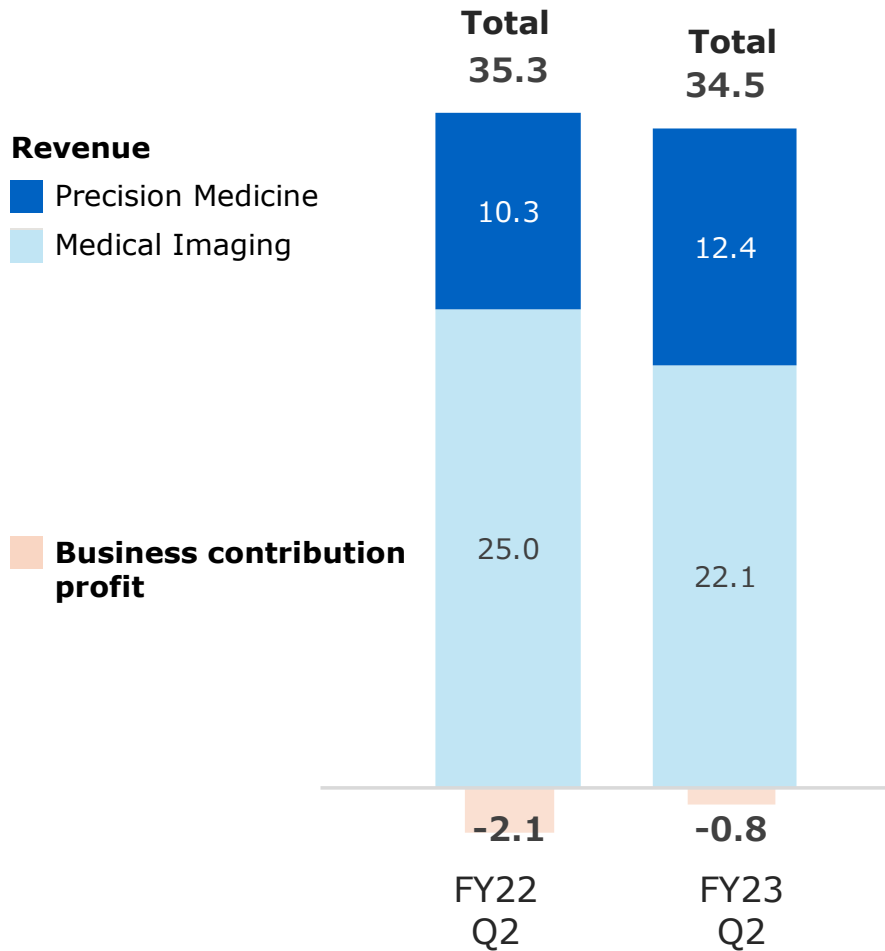
Sensing	<ul style="list-style-type: none"> Light source color: Weak demand, especially among major customers, affected by restrained capital investments in displays Object color: Maintained solid performance Automotive visual inspection: Maintained strong performance due to the growth in Asia including Japan
Performance materials	<ul style="list-style-type: none"> TV (VA phase difference films): Growth in "SANUQI" films for large-size TVs in addition to sales increase due to the market recovery IT/smartphones (thin films): Progress in adjustments of surplus stock in supply chains
IJ components	<ul style="list-style-type: none"> Strong performance in inkjet heads for sign graphics applications
Optical components	<ul style="list-style-type: none"> Stagnation in sales of lenses for projectors due to market conditions
Imaging-IoT solutions	<ul style="list-style-type: none"> Monitoring camera solution: Revenue increased in our European and U.S. sales companies Acquisition of Force Security, a U.S. system integrator
Visual solutions	<ul style="list-style-type: none"> Directly managed planetariums: Delayed recovery to pre-COVID levels

Business Contribution Profit

Industry Business	<ul style="list-style-type: none"> IJ components & performance materials: Profit increased Sensing: Profit decreased
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FY2023 Q2 Performance | Business Trends of Healthcare

[¥ billions]



Revenue

(YoY)

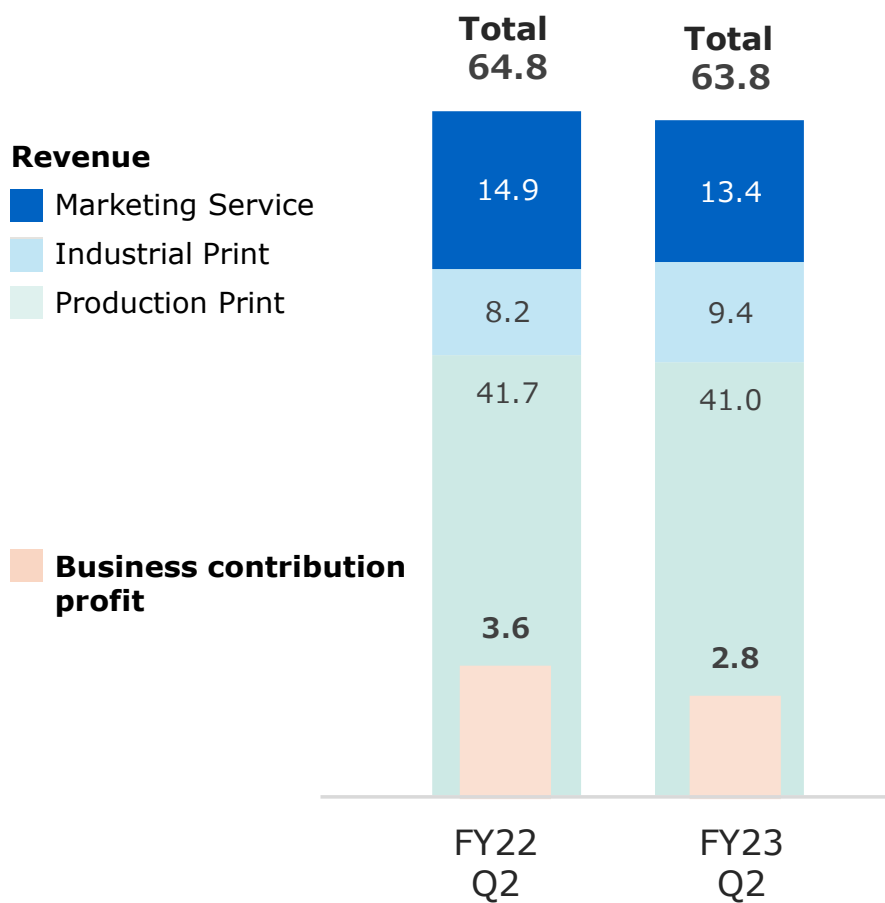
Medical Imaging	<ul style="list-style-type: none"> X-ray: In Japan, decrease in hospital market and strong in clinic market. Slowdown in the U.S. hospital market due to restraint in investments Dynamic Digital Radiography: Growth in the U.S. based on high value-added imaging Diagnostic ultrasound: Growth in orthopedics and obstetrics in Japan, and growth in Asia
Precision Medicine	<ul style="list-style-type: none"> Genetic testing: Ambry's profit continued due to increase in received samples Drug discovery support: Invicro returned to profitability as a result of expanded contracts for both clinical trials and preclinical trials Business in Japan: GenMineTOP panel test services launched in August

Business Contribution Profit

Healthcare Business	<ul style="list-style-type: none"> Medical imaging: profit decreased Precision Medicine: deficit improved significantly
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FY2023 Q2 Performance | Business Trends of Professional Print

[¥ billions]



Revenue

(YoY)

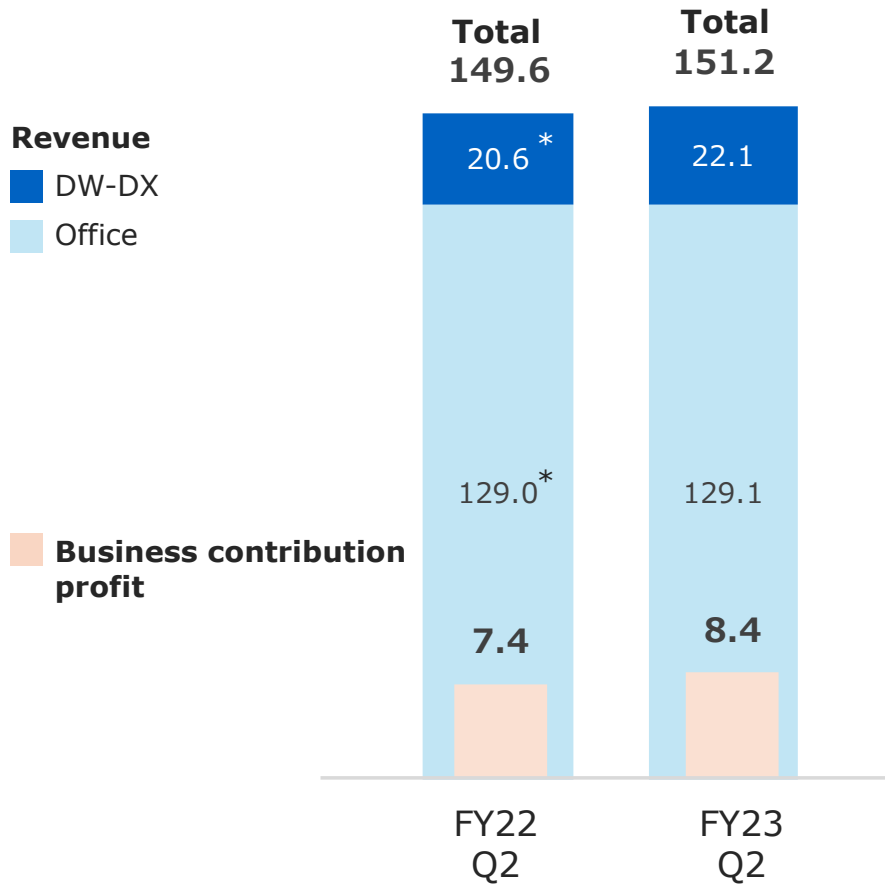
Production Print	<ul style="list-style-type: none"> Hardware: 88% Unit sales of color models 85% (HPP 140%) Unit sales of monochrome models 79% Non-hard: 97% with decrease in Europe and U.S. and strong performance in China and India
Industrial Print	<ul style="list-style-type: none"> Hardware: Volume growth in KM-1 and label press and others. Delayed implementation of a part of large-sized presses. Non-hard: Continued QoQ sales growth

Business Contribution Profit

Professional Print Business	<ul style="list-style-type: none"> Production print: profit decreased Industrial print: deficit improved Marketing service: profit increased
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FY2023 Q2 Performance | Business Trends of Digital Workplace

[¥ billions]



Revenue

(YoY)

Office	<ul style="list-style-type: none"> Hardware: 89% Unit sales of A3 color models 81% (A4 131%) Unit sales of A3 monochrome models 52% Non-hard: 95% with decrease in Japan, the U.S. and Europe, with increase in China and India
DW-DX	<ul style="list-style-type: none"> Operation optimizing service (IIM business*): Strong performance IT management service (IMS business*): Slowdown in the U.S.

Business Contribution Profit

Digital Workplace Business	<ul style="list-style-type: none"> Office: Profit increased due to the effect of production cost reduction and the reduction of logistics costs, lower air transport expenses and others
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*IIM business: Provides business content management and business process management

*IMS business: Provides IT management service

*FY22 Revenue includes allocation of sales regarding application services with MFP

MEDIUM-TERM BUSINESS PLAN PROGRESS



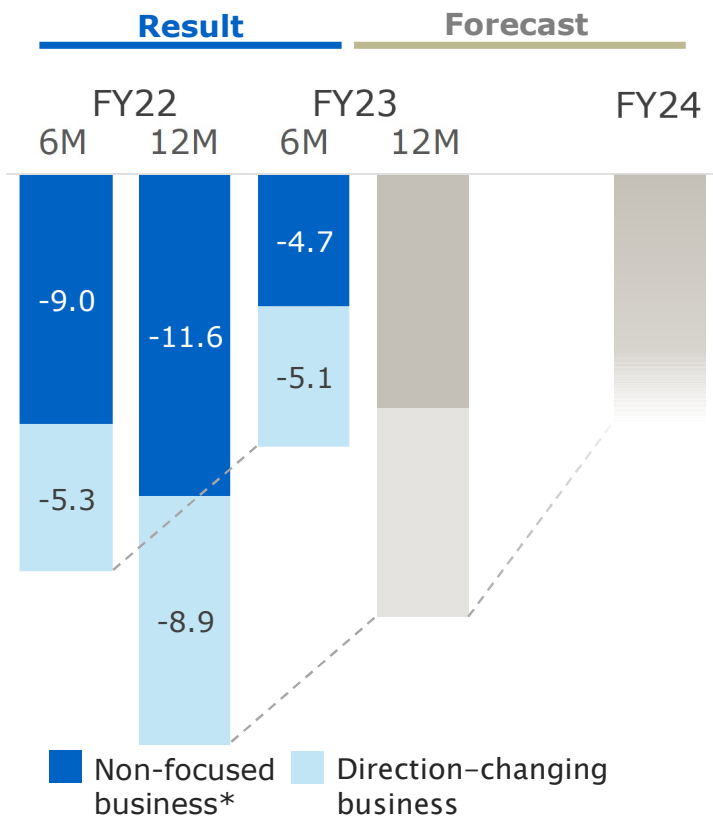
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YEARS



Medium-Term Business Plan Progress | Non-focused business and Direction-changing business

Business Contribution Profit transition

[¥ billions]



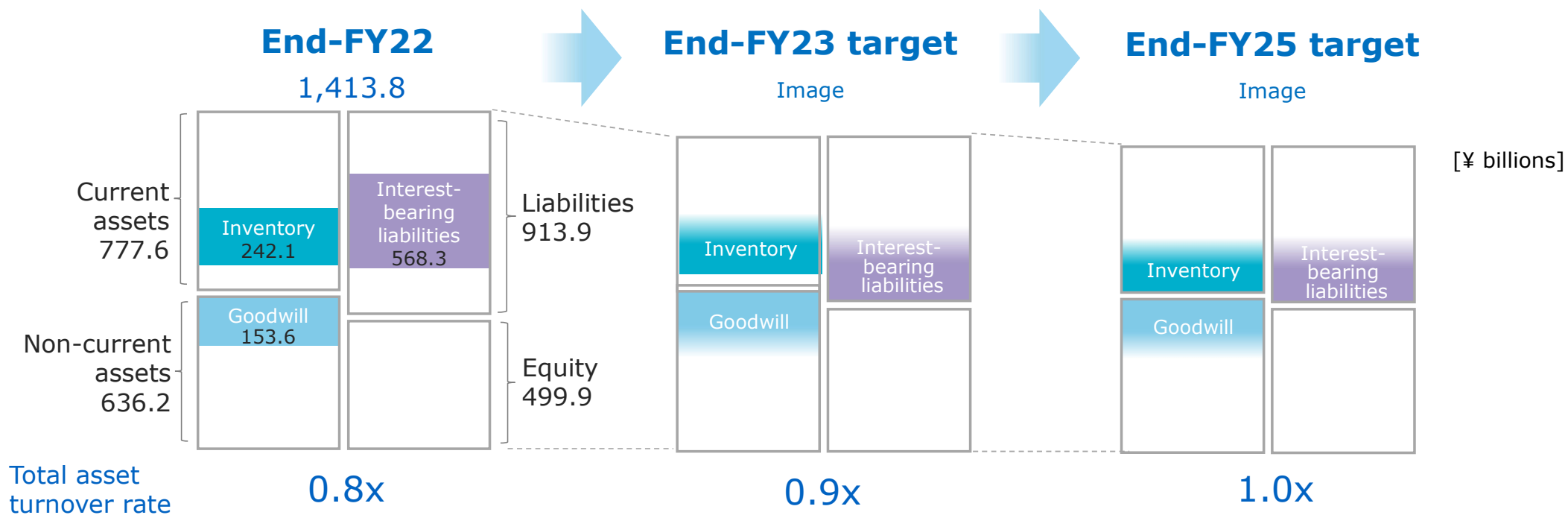
Progress of business selection and concentration



*Non-focused business: Total amount of Precision Medicine and Marketing Service

Cost Structure Reform | Progress in B/S Improvement

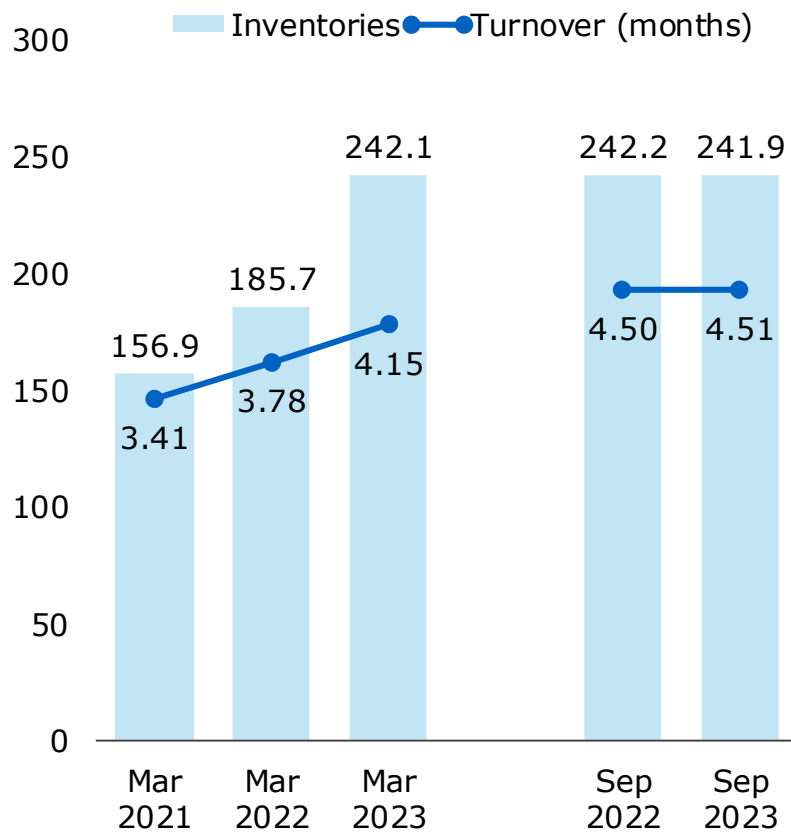
Target	<ul style="list-style-type: none"> Total asset turnover of 1.0x at the end of FY2025
Results up to FY23 Q2	<ul style="list-style-type: none"> Total assets: Reduced by ¥36.0 billion (¥116.6 billion reduction excluding FOREX impact) due to payment of borrowings, reduction of working capital, etc. Inventories: Decreased ¥0.2 billion (¥13.9 billion reduction excluding FOREX impact) by reducing finished goods inventories, optimizing safety stocks Trade receivables: Increased ¥4.3 billion (¥18.0 billion reduction excluding FOREX impact)



Reinforcement of Financial Foundation | Inventories and Operating Cash Flow

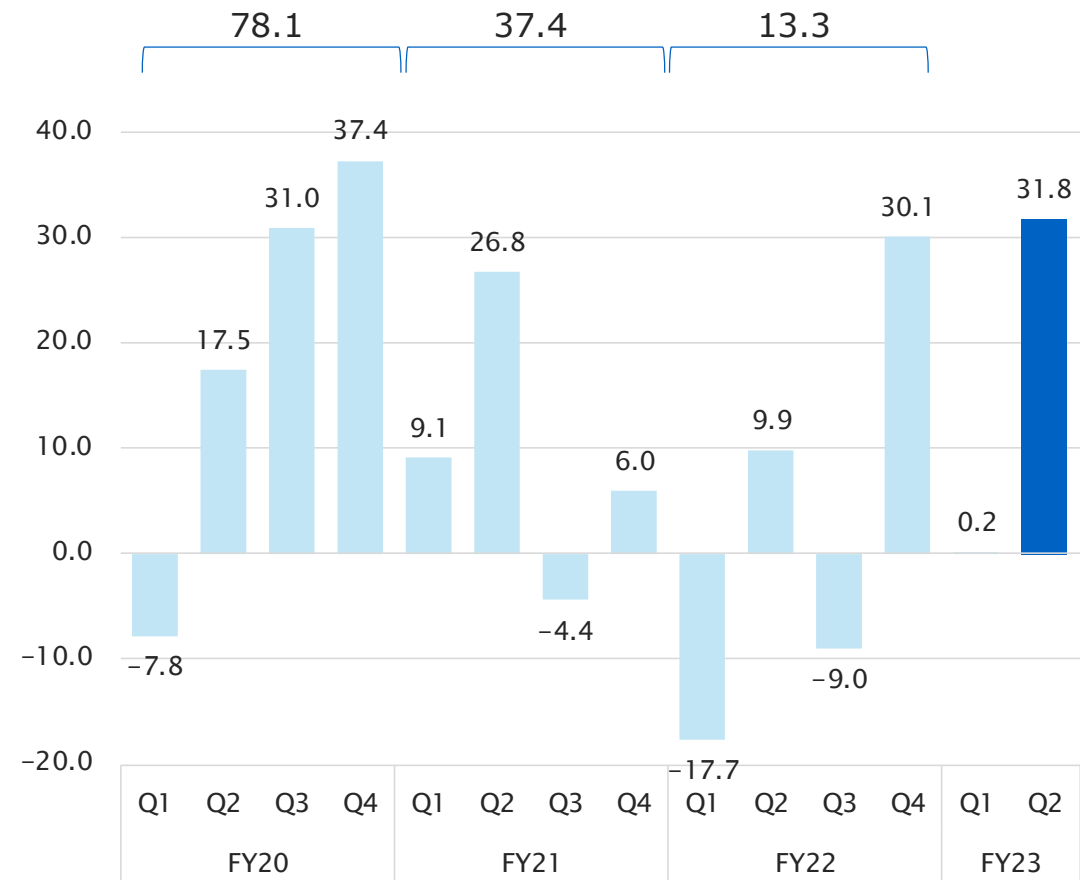
Inventories

[¥ billions]



Operating cash flow

[¥ billions]



FY2023 Earnings Forecast | Summary

- Revised only revenue forecast upward, profit left unchanged from the beginning of this fiscal year (after factoring in some risk factors)
- FOREX assumption changed only for U.S. dollar
- Annual dividend left unchanged as ¥5/share (interim dividend of ¥0 and year-end dividend of ¥5)

[¥ billions]

	FY23 Forecast	vs Previous Forecast			vs FY22				
		FY23 Previous Forecast	Change	Change rate	Result	Change	Change rate	Revenue	OP
Revenue	1,150.0	1,140.0	+10.0	+ 1%	1,130.4	+19.6	+ 2%		
Business Contribution Profit	24.0	24.0	-	-	29.7	-5.7	-19%		
Operating Profit	18.0	18.0	-	-	-95.1	+113.1	-		
Profit attributable to owners of the Company	4.0	4.0	-	-	-103.2	+107.2	-		
CAPEX	52.0	52.0	-		43.8	+8.2			
Depreciation and Amortization Expenses *1	55.0	55.0	-		55.2	-0.2			
R&D expenses	68.0	68.0	-		63.9	+4.1			
FCF	24.0	24.0	-		-24.2	+48.2			
Investment and lending	6.0	6.0	-		2.5	+3.5			
								FOREX Sensitivity*2	
FOREX [Yen]									
USD	140.0	135.0	+5.0		135.5	+4.5		+3.2	- 0.3
EUR	140.0	140.0	-		141.0	-1.0		+1.8	+0.6
CNY	19.0	19.0	-		19.7	-0.7		+3.4	+1.0

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

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

FY2023 Earning Forecast | by segments

[¥ billions]

Revenue	FY23 Forecast	vs Previous Forecast			vs FY22		
		FY23 Previous Forecast	Change	Change rate	FY22 Result *	Change	Change rate
Digital Workplace	603.0	590.0	+13.0	+2%	600.3	+2.7	+0%
Professional Print	260.0	255.0	+5.0	+2%	252.6	+7.4	+3%
Healthcare	141.0	140.0	+1.0	+1%	137.8	+3.2	+2%
Industry	145.0	154.0	-9.0	-6%	137.1	+7.9	+6%
Corporate, etc.	1.0	1.0	0.0	+0%	2.6	-1.6	-62%
Company overall	1,150.0	1,140.0	+10.0	+1%	1,130.4	+19.6	+2%

Business contribution profit	FY23 Forecast	Ratio	vs Previous Forecast				vs FY22			
			FY23 Previous Forecast	Change	Change rate	FY22 Result *	Change	Change rate		
Digital Workplace	24.0	4%	20.0	3%	+4.0	+20%	30.7	5%	-6.7	-22%
Professional Print	12.0	5%	11.5	5%	+0.5	+4%	15.1	6%	-3.1	-20%
Healthcare	-3.5	-	-3.5	-	0.0	-	-7.0	-	+3.5	-
Industry	18.5	13%	22.0	14%	-3.5	-16%	21.7	16%	-3.2	-15%
Corporate, etc.	-27.0	-	-26.0	-	-1.0	-	-30.7	-	+3.7	-
Company overall	24.0	2%	24.0	2%	0.0	+0%	29.7	3%	-5.7	-19%

Operating profit	FY23 Forecast	Ratio	vs Previous Forecast				vs FY22			
			FY23 Previous Forecast	Change	Change rate	FY22 Result * (w/o Impairment loss)	Change	Change rate		
Digital Workplace	21.0	3%	17.0	3%	+4.0	+24%	24.4	4%	-3.4	-14%
Professional Print	11.5	4%	11.0	4%	+0.5	+5%	14.4	6%	-2.9	-20%
Healthcare	-4.0	-	-4.0	-	0.0	-	-8.0	-	+4.0	-
Industry	18.5	13%	21.0	14%	-2.5	-12%	21.6	16%	-3.1	-14%
Corporate, etc.	-29.0	-	-27.0	-	-2.0	-	-30.9	-	+1.9	-
Company overall	18.0	2%	18.0	2%	0.0	+0%	21.5	2%	-3.5	-16%

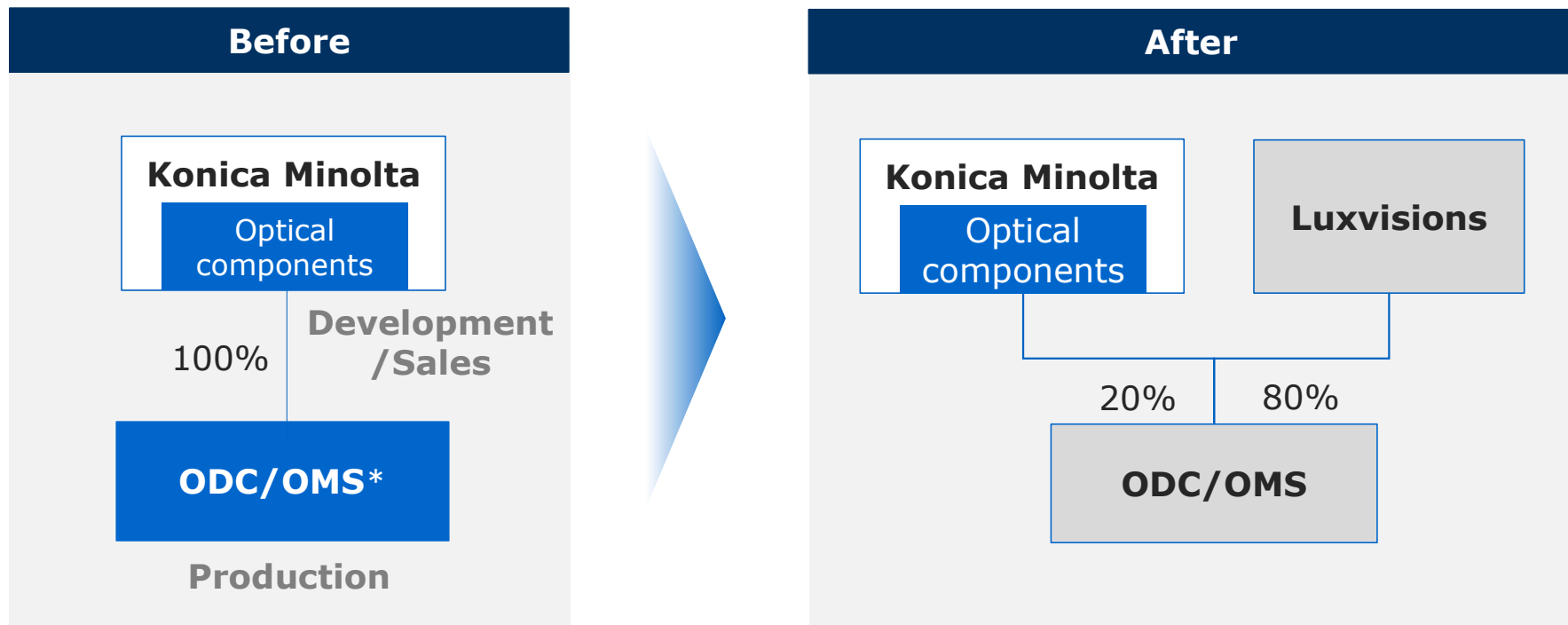
*FY2022 results are the amount after rearrangement of FOXAI and adjustment for head-office expenses

**MEDIUM-TERM
BUSINESS PLAN
PROGRESS IN THE
INDUSTRY BUSINESS**



Strategic Alliance with Luxvisions* for Optical Components Business

- Luxvisions: Major electronic components manufacturer headquartered in Guangzhou, China, and operates worldwide primarily in the camera module business.
- Konica Minolta transferred 80% of the equity interests of two of its Chinese manufacturing subsidiaries to Luxvisions.



*Luxvisions: Guangzhou Luxvisions Innovation Technology Limited

*ODC: Konica Minolta Opto (Dalian) Co., Ltd.

*OMS: Konica Minolta Optical Products (Shanghai) Co., Ltd.

Our Vision for Strengthening Areas for Industry*

Be the first call to be approached as a precision solution provider in the upper to midstream of manufacturing supply chains

Industry Business so far

- Built businesses **with success factors including medium-scale stable markets, high market share, and high profit**
- Business operation **based on "Products"**

Sensing

Performance materials

Optical components

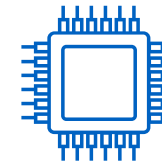
IJ (Inkjet) components

Ongoing strengthening areas for Industry

- Enter and strengthen **domains that meet success factors and lead the global economy in the future**
- **Shift from a traditional product-based to customer-based organization**



Display



Semiconductor manufacturing



Mobility

2023

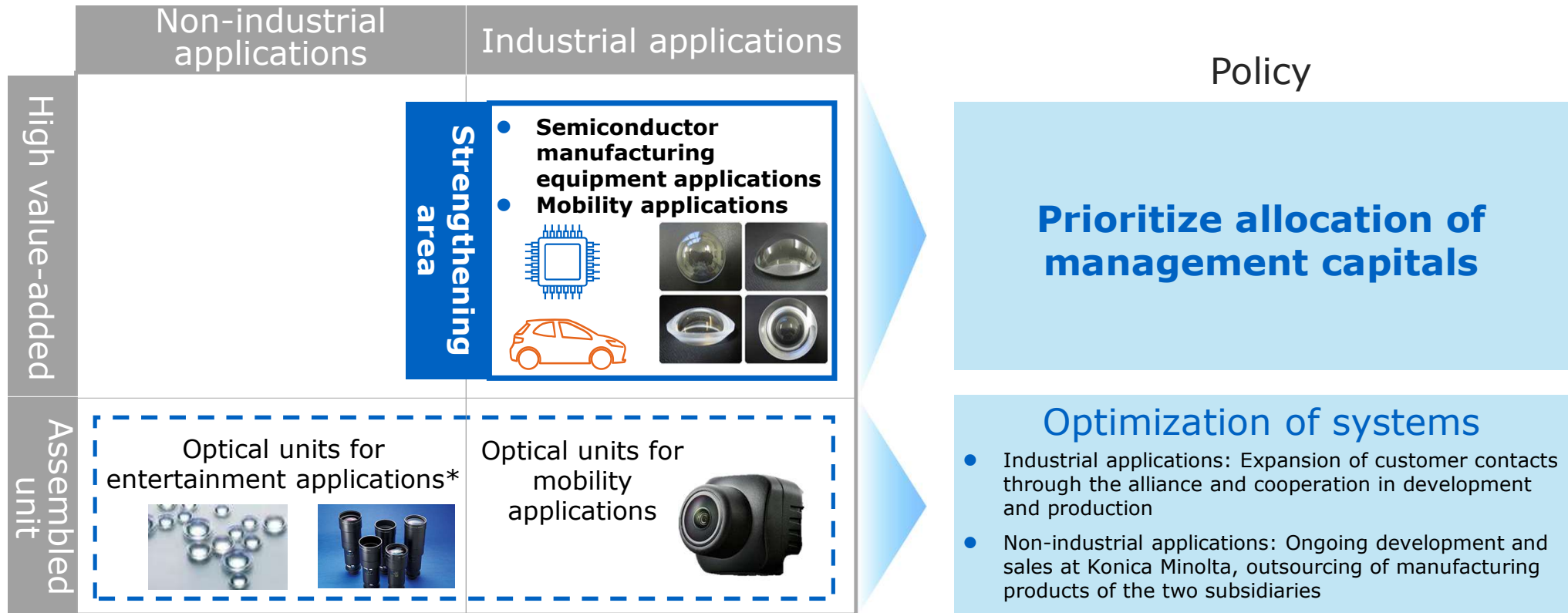


"Prioritize allocation of management capitals (personnel and cash)" to focused areas for growth

*Strengthening Areas for Industry: Generic terms of sensing unit, performance materials unit, optical components unit(industrial applications) and inkjet components unit positioned as strengthening

Toward Maximizing the Value of the Optical Components Business

- Shift to high value-added areas in semiconductor, mobility, and other industrial applications where we can differentiate ourselves by leveraging technologies and customer contacts
- Optimize systems through the strategic alliance and aim to offer new value that meets the evolving and diverse needs of customers



*Entertainment applications: Optical units for projectors, pickup lenses for optical discs, interchangeable lenses for cameras, etc.

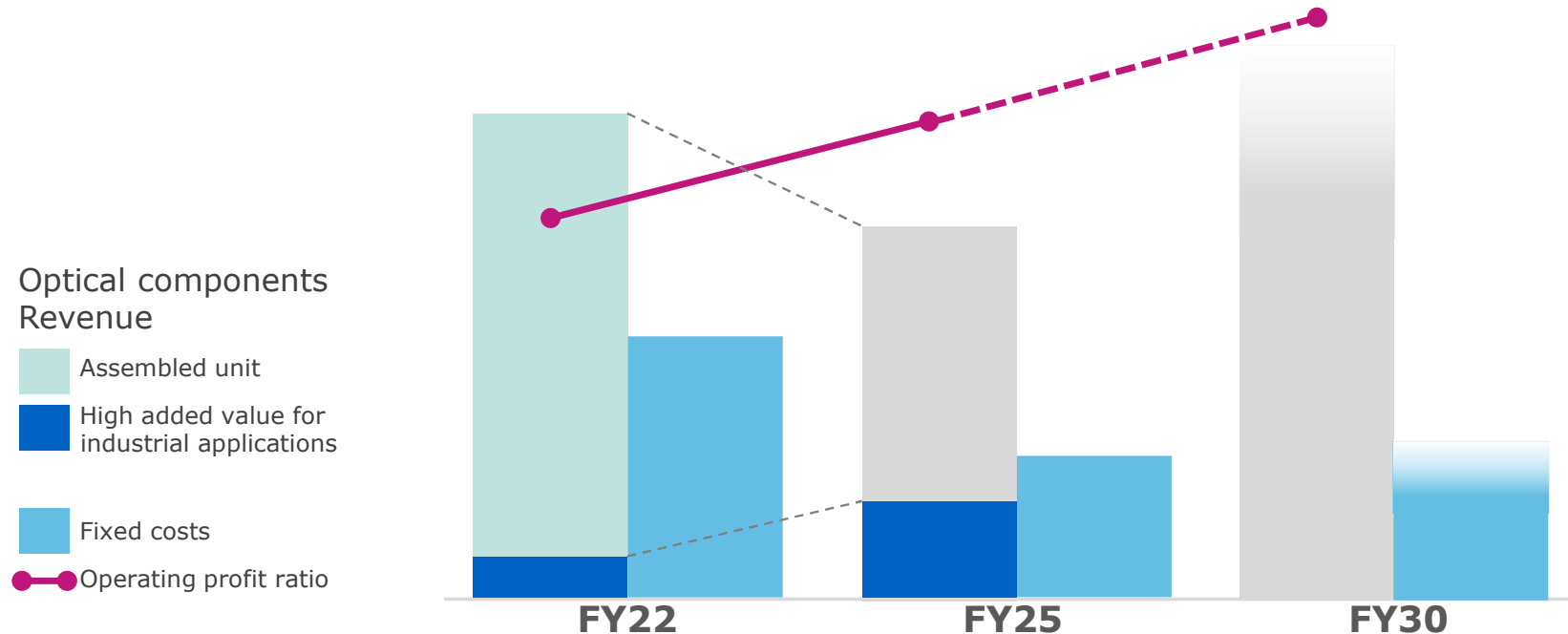
Earnings Impact of Optical Components Business in Medium to Long Term

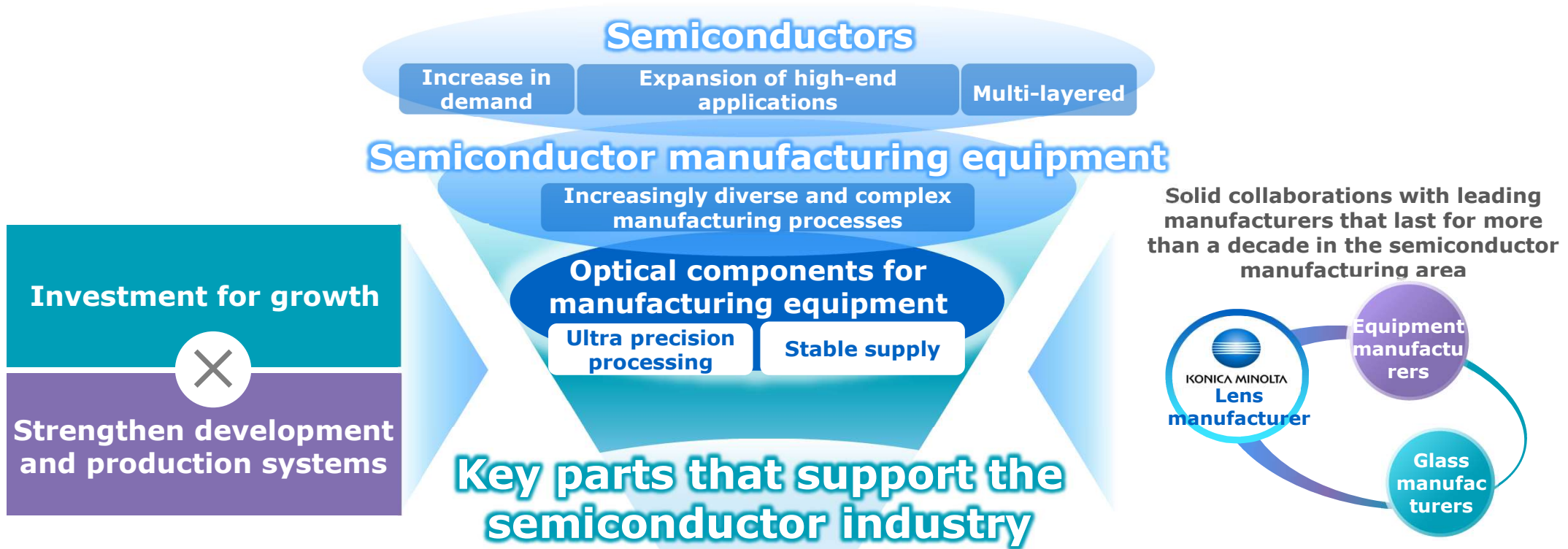
Transfer of equity interests:

- Two Chinese manufacturing subsidiaries becoming affiliated companies accounted for using the equity method through transfer of equity interests to Luxvisions
- Transfer price: To be determined by making adjustments to the base price of ¥9.5 billion for factors, including working capital
- Scheduled date of execution of transfer of equity interests: After January 2024 (planned)

Optical components business:

- Expect higher profit in optical components business despite lower revenue until FY2025 versus Medium-Term Business Plan
- Aim to improve operating profit ratio in mid to long term by improving capital efficiency and industrial applications growth as an focusing area





Focusing on high value-added areas that can fully maximize core technologies and customer contacts

SUSTAINABILITY INITIATIVES



Initiatives of FY2023 Q2

Release of various reports

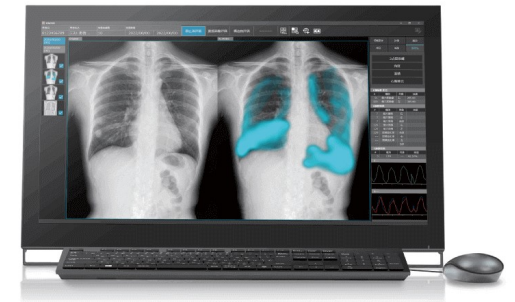
- Integrated Report 2023 (Coming soon)
- Sustainability Report 2023 ([click here](#))



Konica Minolta Wins the Good Design Award 2023 for the KINOSIS, Dynamic Digital Radiography

~Improving the value of diagnosis by dynamic radiography analysis, Konica Minolta's proprietary technology~

【Comments from Screening Committee of Japan Institute of Design Promotion】
Dynamic Digital Radiography (DDR) is the first system in the world to visualize in-vivo movement. The system was developed through serious co-creation and research with hospitals and clinics, taking some 15 years. **This initiative sets an example for designing a new standard in the medical field.** The system is impressive and deserves the Good Design Award. **We strongly hope that the system will spread in society.**



Konica Minolta Day ~ Sustainability Briefing Session ~

- **Date: 12th December, 2023**
- **Agenda:**

Theme	Speaker (planned)	
Sustainability management	President and CEO	Toshimitsu Taiko
Human capital	Executive Vice President and Executive Officer	Shinichiro Oka
Environment	Sustainability Group Leader, Management Planning Division	Masahiro Tokuchi
Technology	Executive Vice President and Executive Officer	Toshiya Eguchi
Intellectual property	General Manager, Intellectual Property Division	Motohiro Makino
Outside Directors' panel discussion	Outside Director, Chairperson of the Board	Chikatomo Kenneth Hodo
	Outside Director, Chairperson of Corporate Governance Committee	Soichiro Sakuma
	Outside Director, Chairperson of the Compensation Committee	Masumi Minegishi



KONICA MINOLTA

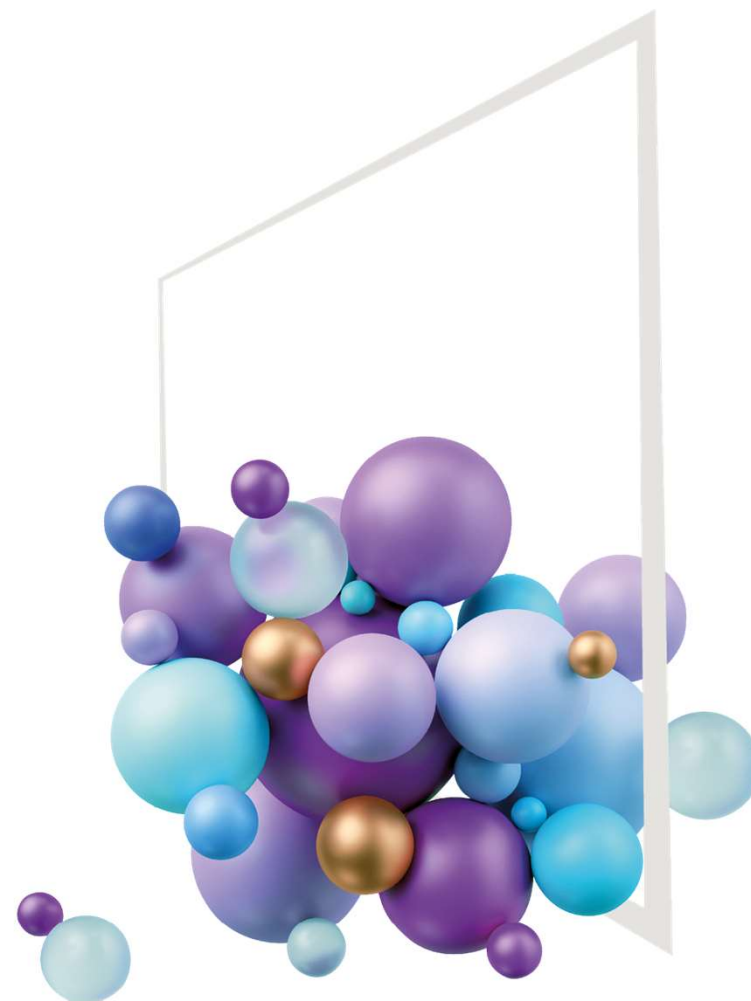
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YEARS

APPENDIX

Some of the materials that had been disclosed on this presentation slides have been changed to disclosure on the website. You can download and check it from below.

https://www.konicaminolta.com/shared/changeable/investors/include/fr/pdf/2024/2024_2q_presentation_supplementary.xlsx



Digital Workplace

- **Hardware:** Despite concerns about market deterioration in Germany and France, remains steady in North America and Japan, and decreased demand in China due to economic slump
- **Non-hard:** Despite ongoing changes in work styles, sales decline is limited due to a recovery in the office attendance rate and the reduction of market inventory through resale.
- **IT/DX:** Solid demand

Professional Print

- No change in shift to digital printing
- **Hardware:** Prolonged business negotiations due to slowdown in European and Chinese economies
- **Non-hard:** Increase in print volume demand led by midsize and major companies, driven by India and China markets

Industry

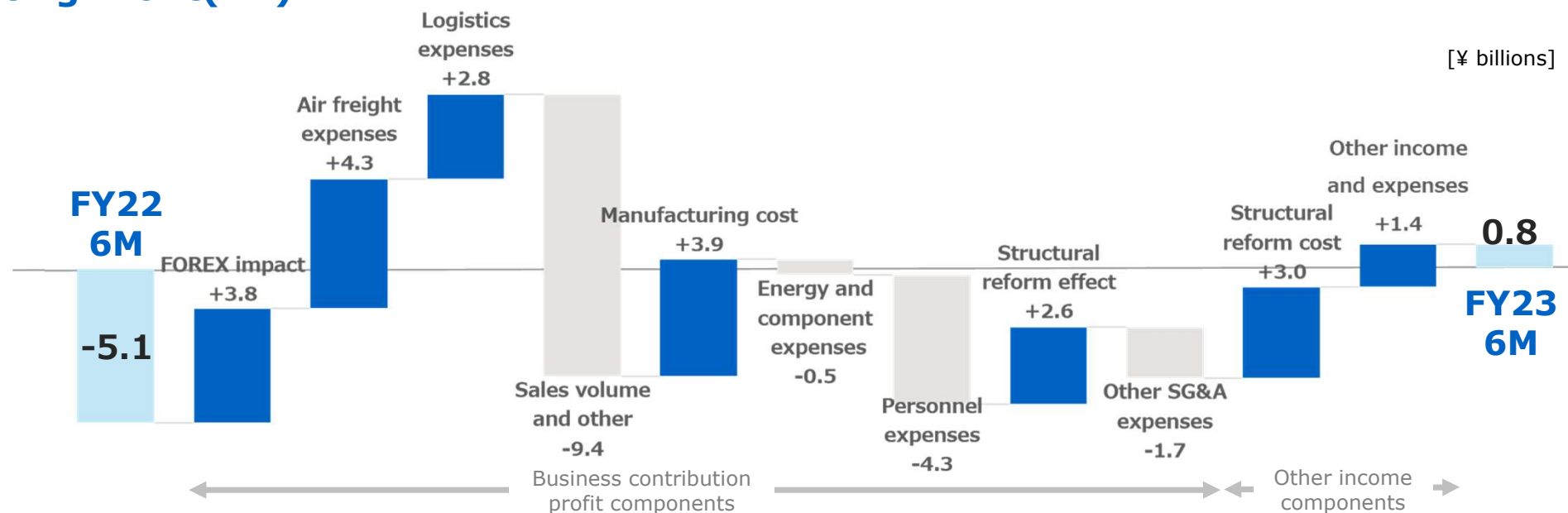
- Display area:**
- **Films:** TV applications recovered from impact of previous year's adjustments in market inventories in H1 but slowdown expected from H2 due to lower demand for final products. In IT/mobile applications of our thin films the adjustments of market inventories progressed but maintaining flat from the drop by rebound from stay-at-home demand
 - **Light source color measurement:** Sluggish demand affected by restrained capital investments in displays; however, signs of demand recovery from late H2 to FY24 with recent improvement

Healthcare

- **Medical imaging:** Higher needs for higher quality and greater efficiency of medical and IT services, reaction from increased demand attributable to pandemic subsidies (Japan), and the trend of restrained capital investments due to concerns over economic downturn (U.S.)
- **Precision Medicine:** Moderate recovery from impact of pandemic

FY2023 Q2 Performance | Factors of Increase/Decrease of Operating Profit(H1)

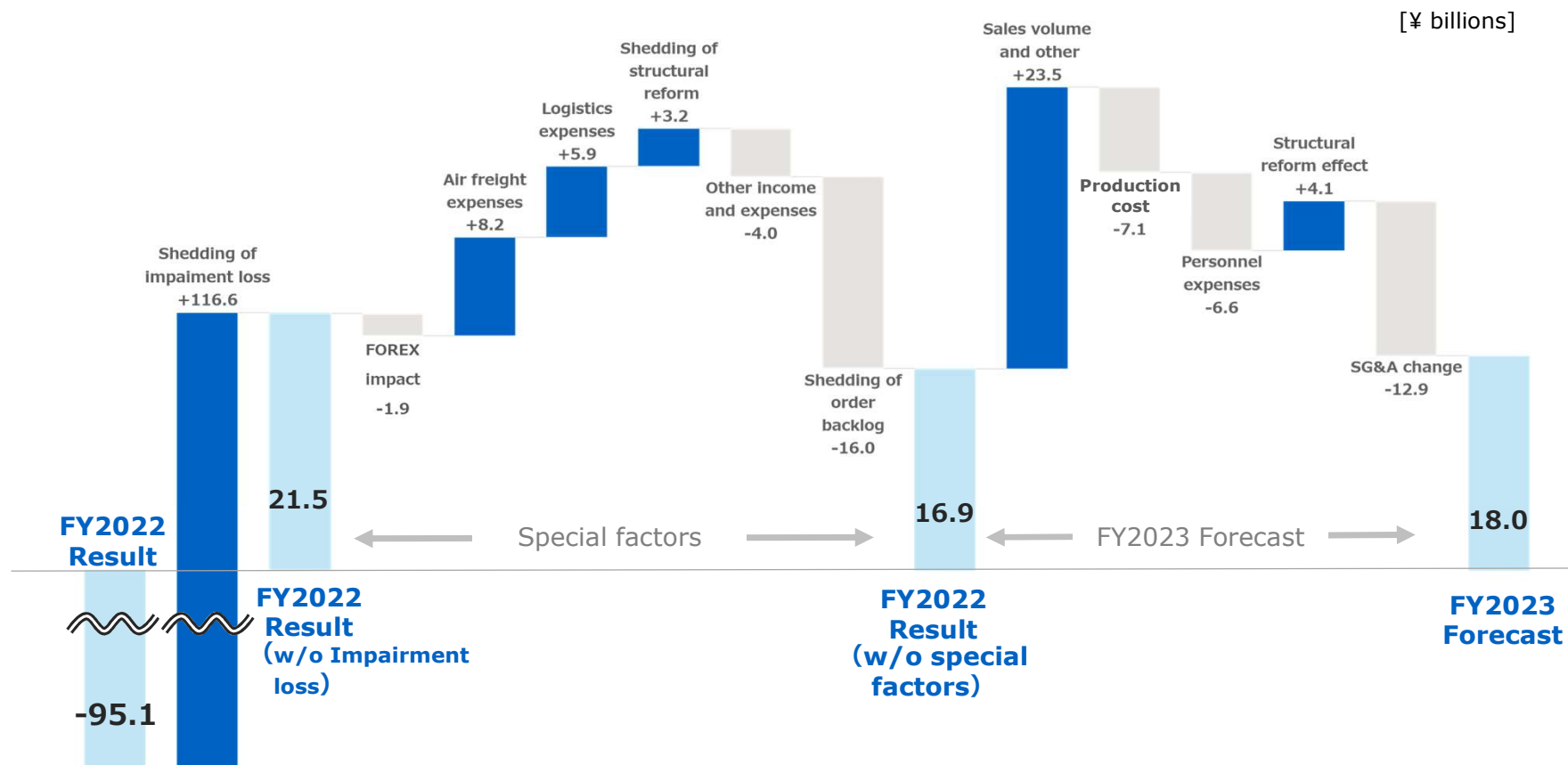
[¥ billions]



	FY22 6M	FOREX impact	Air freight expenses	Logistics expenses	Sales volume and other	Production cost	Energy and component expenses	Personnel expenses	Structural reform effect	Other SG&A expenses	Structural reform cost	Other income and expenses	FY23 6M
Digital Workplace	2.7	+2.2	+3.3	+2.8	-5.5	+2.8	+0.4	-2.9	+2.2	-1.8	+2.9	+1.0	10.0
Professional Print	3.5	+1.5	+1.0	-	-2.4	+0.2	+0.2	-0.8	-	+0.1	-	+0.4	3.7
Healthcare	-8.6	-0.3	-	-	+2.5	+0.8	-0.2	-0.2	+0.4	+0.7	+0.1	+0.5	-4.3
Industry	12.1	+0.5	-	-	-3.9	+0.0	-0.9	-0.4	-	-1.6	-	-0.4	5.5
Corporate, etc.	-14.9	-0.1	-	-	-0.1	-	-	-0.0	-	+0.9	-	+0.0	-14.2
Company overall	-5.1	+3.8	+4.3	+2.8	-9.4	+3.9	-0.5	-4.3	+2.6	-1.7	+3.0	+1.4	0.8

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

- 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



Financial Result - Overview

[¥ billions]

	FY23 6M	vs FY22		FY23 Q2	vs FY22	
		FY22 6M	YoY		FY22 Q2	YoY
Revenue	552.8	530.7	+4%	286.4	282.9	+1%
Gross Profit	237.2	226.0	+5%	125.3	121.3	+3%
Gross Profit ratio	42.9%	42.6%	+0.3pt	43.8%	42.9%	+0.9pt
SG & A	235.0	225.3	+4%	119.0	114.6	+4%
Business Contribution Profit	2.3	0.7	+211%	6.4	6.7	-4%
Business Contribution Profit ratio	0.4%	0.1%		2.2%	2.4%	
Other income and costs	-1.5	-5.9	-	-1.2	-0.8	-
Operating Profit	0.8	-5.1	-	5.2	5.9	-11%
Operating Profit ratio	0.1%	-		1.8%	2.1%	
Finance income and costs	-4.4	2.2	-	-3.1	-1.3	-
Profit before tax	-3.7	-3.1	-	2.0	4.5	-54%
Profit before tax ratio	-	-		0.7%	1.6%	
Profit attributable to owners of the Company	-4.5	-6.7	-	1.1	2.0	-46%
Profit attributable to owners of the Company ratio	-	-	-	0.4%	0.7%	-
EPS [Yen]	-9.09	-13.66		2.17	4.03	
CAPEX	18.9	17.9		11.1	9.5	
Depreciation and Amortization Expenses *	27.1	27.8		13.8	14.0	
R&D expenses	32.5	31.1		16.4	15.9	
FCF	9.4	-25.4		20.2	-0.5	
Investment and lending	0.7	1.6		0.7	0.7	
FOREX [Yen] USD	141.00	133.97	+7.03	144.62	138.37	+6.25
EUR	153.39	138.73	+14.66	157.30	139.34	+17.96

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

Analysis of Increase/ Decrease of Operating Profit

[¥ billions]

Comparison of YoY FY23/6M vs. FY22/6M	Digital Workplace	Professional Print	Healthcare	Industry	corporate, etc.	Total
[Operating Profit]						
FOREX impact	+ 2.2	+ 1.5	- 0.3	+ 0.5	- 0.1	+ 3.8
Sales volume change, and other	+ 0.3	- 1.3	+ 3.1	- 4.9	- 0.1	- 2.9
Price adjustment	+ 1.2	+ 0.4	+ 0.0	+ 0.2	-	+ 1.9
SG&A expenses	- 0.3	- 0.8	+ 0.9	- 2.0	+ 0.9	- 1.3
Other income and expenses	+ 3.9	+ 0.4	+ 0.6	- 0.4	+ 0.0	+ 4.4
Total	+ 7.3	+ 0.2	+ 4.3	- 6.6	+ 0.7	+ 5.9

Comparison of YoY FY23/Q2 vs. FY22/Q2	Digital Workplace	Professional Print	Healthcare	Industry	corporate, etc.	Total
[Operating Profit]						
FOREX impact	+ 1.7	+ 1.0	- 0.1	+ 0.2	+ 0.0	+ 2.8
Sales volume change, and other	- 1.9	- 1.9	+ 1.2	- 0.9	- 0.1	- 3.7
Price adjustment	+ 0.2	+ 0.1	-	- 0.1	-	+ 0.3
SG&A expenses	+ 0.9	- 0.0	+ 0.2	- 1.0	+ 0.2	+ 0.2
Other income and expenses	+ 0.1	- 0.0	+ 0.1	- 0.5	- 0.1	- 0.4
Total	+ 1.1	- 0.8	+ 1.4	- 2.3	+ 0.0	- 0.7

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

[¥ billions]

	FY23 6M	vs FY22		FY23 Q2	vs FY22	
		FY22 6M	YoY		FY22 Q2	YoY
SG&A						
Selling expenses - variable	22.3	25.2	-2.9	11.3	12.5	-1.2
R&D expenses	32.5	31.1	+1.4	16.4	15.9	+0.6
Personnel expenses	115.4	107.0	+8.4	58.6	54.8	+3.7
Others	64.7	61.9	+2.8	32.7	31.5	+1.2
SG&A total	235.0	225.3	+9.7	119.0	114.6	+4.4
		<i>* FOREX impact:</i>				
		+9.6bn. (Actual: +0.1bn.)			+5.2bn. (Actual: -0.8bn.)	
Other income:						
Insurance income	0.3	1.2	-0.8	0.3	0.2	+0.1
Other income	2.4	1.7	+0.7	1.0	0.9	+0.1
Other income total	2.8	2.9	-0.1	1.3	1.1	+0.2
Other expenses						
Loss on sales and disposals of property, plant and equipment, and intangible assets	1.1	0.4	+0.7	1.1	0.4	+0.7
Business structure improvement costs	0.8	3.6	-2.9	0.2	0.1	+0.0
Settlement payments	-	1.6	-1.6	-	-	-
Other expenses	2.4	3.1	-0.7	1.3	1.4	-0.1
Other expenses total	4.3	8.8	-4.5	2.5	1.9	+0.6
Finance income/loss:						
Interest income/Dividends received/Interest expense	-5.0	-2.3	-2.7	-2.6	-1.3	-1.3
Foreign exchange gain/loss (net)	0.8	4.3	-3.5	-0.7	0.1	-0.8
Others	-0.2	0.1	-0.3	0.2	-0.1	+0.3
Finance income/loss, net	-4.4	2.2	-6.5	-3.1	-1.3	-1.8

Consolidated Statements of Cash Flows

[¥ billions]

	FY21 6M	FY22 6M	FY23 6M
Profit (loss) before tax	-2.7	-3.1	-3.7
Depreciation and amortization expenses	37.8	37.7	37.8
Increase/decrease in trade and other receivables ("-" is increase)	21.8	1.1	28.5
Increase/decrease in inventories ("-" is increase)	1.5	-39.2	16.9
Increase/decrease in trade and other payables ("-" is decrease)	-14.3	6.6	-25.7
Others	-8.2	-10.9	-21.7
Cash flows from operating activities	35.9	-7.8	32.0
Purchase of property, plant and equipment	-18.3	-10.6	-11.5
Purchase of intangible assets	-8.9	-8.8	-9.0
Purchase of investments in subsidiaries	-	-0.7	-1.4
Others	3.3	2.5	-0.7
Net cash provided by (used in) investing activities	-23.9	-17.6	-22.6
Free cash flows	11.9	-25.4	9.4

Consolidated Statements of Financial Position

[¥ billions]

	Mar 2022	Mar 2023	Sep 2023
Cash and cash equivalents	117.7	180.6	111.0
Trade and other receivables	280.2	313.5	316.0
Inventories	185.7	242.1	241.9
Other current assets	35.3	41.4	44.5
Total current assets	618.9	777.6	713.4
Property, plant and equipment	287.7	289.1	294.3
Goodwill and intangible assets	354.1	258.9	277.6
Other non-current assets	77.4	88.2	92.6
Total non-current assets	719.3	636.2	664.4
Total assets	1,338.1	1,413.8	1,377.8

	Mar 2022	Mar 2023	Sep 2023
Trade and other payables	182.1	200.5	191.0
Bonds and borrowings	354.3	469.1	396.4
Lease liabilities	94.3	99.2	103.0
Other liabilities	145.9	145.1	153.0
Total liabilities	776.6	913.9	843.4
Equity attributable to owners of the Company	549.8	487.4	520.4
Non-controlling interests	11.7	12.5	14.0
Total equity	561.5	499.9	534.4
Total liabilities and equity	1,338.1	1,413.8	1,377.8

	Mar 2022	Mar 2023	Sep 2023
Equity ratio (%)	41.1	34.5	37.8
Equity ratio for company rating (%)	44.8	37.9	41.3
D/E ratio	0.82	1.17	0.96

FOREX Impact on Revenue and Operating Profit

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

	FY22	FY23	YoY Impact		FX Sensitivity*2	
	6M	6M	Revenue	OP	Revenue	OP
USD	133.97	141.00	+10.7	- 0.6	+3.2	- 0.3
EUR	138.73	153.39	+11.5	+4.4	+1.8	+0.6
GBP	162.89	177.49	+1.8	- 0.0	+0.3	+0.1
European Currency*1	-	-	+14.4	+4.5	+2.6	+0.9
CNY	19.89	19.75	- 0.2	+0.1	+3.4	+1.0
Other	-	-	+1.0	+0.0	-	-
Exchange contract effect	-	-	-	- 0.2	-	-
Total	-	-	+25.8	+3.8	-	-

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

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

FY2023 Q2 Performance | Revenue and Profit by Segment YoY

[¥ billions]

Revenue	FY23 6M	vs FY22			vs FY22 After adjustment*			FY23 Q2	vs FY22			vs FY22 After adjustment*		
		FY22 6M	YoY	w/o FOREX	FY22 6M	YoY	w/o FOREX		FY22 Q2	YoY	w/o FOREX	FY22 Q2	YoY	w/o FOREX
Digital Workplace	294.5	278.5	+6%	-0%	278.5	+6%	-0%	151.2	149.6	+1%	-5%	149.6	+1%	-5%
Professional Print	124.0	119.9	+3%	-1%	119.9	+3%	-1%	63.8	64.8	-1%	-6%	64.8	-1%	-6%
Healthcare	63.9	64.0	-0%	-3%	64.0	-0%	-3%	34.5	35.3	-2%	-5%	35.3	-2%	-5%
Industry	69.4	67.5	+3%	-1%	67.3	+3%	-0%	36.2	32.5	+11%	+7%	32.5	+11%	+8%
Corporate, etc.	1.0	1.0	+4%	+4%	1.1	-8%	-8%	0.6	0.7	-9%	-9%	0.7	-19%	-19%
Company overall	552.8	530.7	+4%	-1%	530.7	+4%	-1%	286.4	282.9	+1%	-4%	282.9	+1%	-4%

Business Contribution Profit	FY23 6M	rate	vs FY22			vs FY22 After adjustment*			FY23 Q2	rate	vs FY22			vs FY22 After adjustment*		
			FY22 6M	YoY	w/o FOREX	FY22 6M	YoY	w/o FOREX			FY22 Q2	YoY	w/o FOREX	FY22 Q2	YoY	w/o FOREX
Digital Workplace	10.7	4%	1.1	+854%	+657%	7.3	+48%	+17%	8.4	6%	4.6	+57%	+43%	7.4	+12%	-11%
Professional Print	3.6	3%	5.4	-32%	-60%	3.8	-5%	-45%	2.8	4%	4.2	-8%	-56%	3.6	-22%	-49%
Healthcare	-4.0	-	-8.2	-	-	-7.8	-	-	-0.8	-	-2.3	-	-	-2.1	-	-
Industry	6.0	9%	10.8	-44%	-49%	12.2	-51%	-55%	3.4	10%	4.5	+169%	-30%	5.2	-34%	-40%
Corporate, etc.	-14.1	-	-8.3	-	-	-14.8	-	-	-7.5	-	-4.4	-	-	-7.6	-	-
Company overall	2.3	0%	0.7	+211%	-312%	0.7	+211%	-312%	6.4	2%	6.7	-89%	-47%	6.7	-4%	-47%

Operating Profit	FY23 6M	rate	vs FY22			vs FY22 After adjustment*			FY23 Q2	rate	vs FY22			vs FY22 After adjustment*		
			FY22 6M	YoY	w/o FOREX	FY22 6M	YoY	w/o FOREX			FY22 Q2	YoY	w/o FOREX	FY22 Q2	YoY	w/o FOREX
Digital Workplace	10.0	3%	-3.4	-	-	2.7	+266%	+187%	8.0	5%	4.2	-34%	+51%	7.0	+15%	-10%
Professional Print	3.7	3%	5.0	-27%	-57%	3.5	+5%	-38%	2.7	4%	4.1	-15%	-57%	3.6	-24%	-51%
Healthcare	-4.3	-	-9.0	-	-	-8.6	-	-	-0.9	-	-2.5	-	-	-2.3	-	-
Industry	5.5	8%	10.7	-48%	-54%	12.1	-54%	-59%	2.9	8%	4.5	+171%	-42%	5.2	-45%	-50%
Corporate, etc.	-14.2	-	-8.4	-	-	-14.9	-	-	-7.6	-	-4.4	-	-	-7.6	-	-
Company overall	0.8	0%	-5.1	-	-	-5.1	-	-	5.2	2%	5.9	-	-60%	5.9	-11%	-60%

*FY2022 results(after adjustment) are the amount after rearrangement of FOXAI and adjustment for head-office expenses

Quarterly Financial Results by Segments : Revenue

[¥ billions]

[Revenue]	FY22 *					FY23	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
Digital Workplace	128.9	149.6	158.7	163.1	600.3	143.3	151.2
Office	110.9	129.0	137.7	141.6	519.1	122.6	129.1
DW-DX	18.0	20.6	20.9	21.6	81.1	20.7	22.1
Professional Print	55.1	64.8	65.1	67.7	252.6	60.2	63.8
Production print	35.5	41.7	42.9	41.9	161.9	37.7	41.0
Industrial print	6.0	8.2	7.2	11.0	32.3	7.7	9.4
Marketing services	13.6	14.9	15.1	14.8	58.4	14.8	13.4
Healthcare	28.7	35.3	32.9	40.9	137.8	29.3	34.5
Medical imaging	19.1	25.0	21.3	29.1	94.6	18.0	22.1
Precision medicine	9.5	10.3	11.6	11.8	43.3	11.3	12.4
Industry	34.9	32.5	33.1	36.6	137.1	33.2	36.2
Sensing	13.5	11.4	11.3	10.8	46.9	9.1	9.8
Performance materials	11.3	8.0	8.3	11.6	39.2	11.4	12.8
IJ components	3.7	4.2	4.7	4.5	17.1	4.5	4.7
Optical components	3.6	5.4	5.4	5.3	19.8	4.7	4.8
Imaging-IoT solutions	1.9	2.5	2.6	2.7	9.8	2.7	3.1
Visual solutions	0.8	0.9	0.9	1.8	4.3	0.8	1.0
Corporate, etc.	0.3	0.7	0.5	1.0	2.6	0.4	0.6
Company overall	247.8	282.9	290.3	309.4	1130.4	266.4	286.4

*FY2022 results are the amount after rearrangement of FOXAI and adjustment for head-office expenses

Quarterly Financial Results by Segments : Profit

[¥ billions]

[Business Contribution Profit]	FY22 *					FY23	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
Digital Workplace	-0.2	7.4	9.4	14.0	30.7	2.4	8.4
Professional Print	0.2	3.6	5.5	5.7	15.1	0.8	2.8
Healthcare	-5.7	-2.1	-0.4	1.1	-7.0	-3.2	-0.8
Industry	7.0	5.2	4.1	5.5	21.7	2.6	3.4
Corporate, etc.	-7.2	-7.6	-8.4	-7.5	-30.7	-6.6	-7.5
Company overall	-5.9	6.7	10.2	18.8	29.7	-4.1	6.4

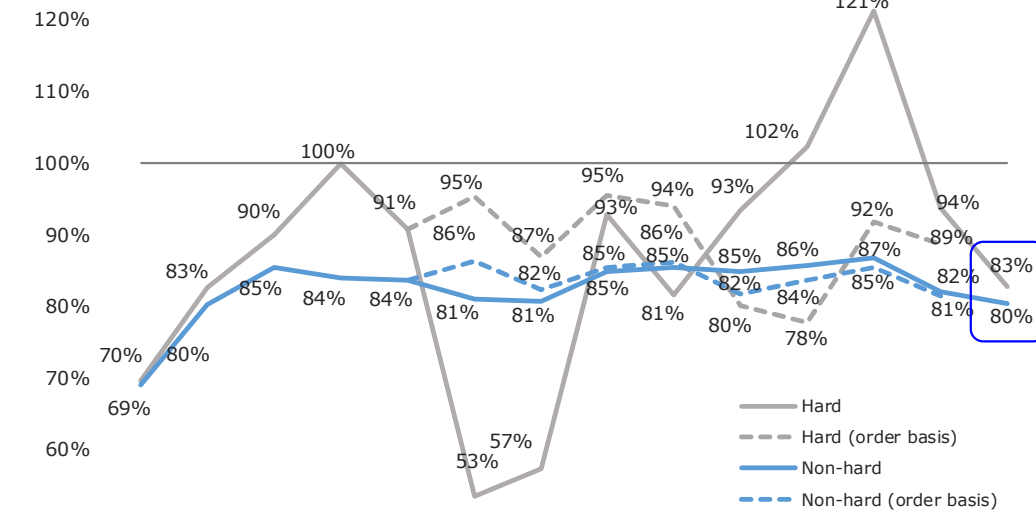
[Operating Profit]	FY22 *					FY23	
	Q1	Q2	Q3	Q4	Total	Q1	Q2
Digital Workplace	-4.3	7.0	8.0	10.8	21.5	2.0	8.0
Professional Print	-0.1	3.6	5.4	4.7	13.6	0.9	2.7
Healthcare	-6.3	-2.3	-0.4	-102.5	-111.5	-3.4	-0.9
Industry	7.0	5.2	4.0	-2.6	13.5	2.7	2.9
Corporate, etc.	-7.3	-7.6	-8.4	-8.8	-32.1	-6.6	-7.6
Company overall	-11.0	5.9	8.5	-98.5	-95.1	-4.4	5.2

*FY2022 results are the amount after rearrangement of FOXAI and adjustment for head-office expenses

FY23 Performance | Hard and Non-hard Revenue comparing with FY19

Eliminated excess order backlog to normal levels.

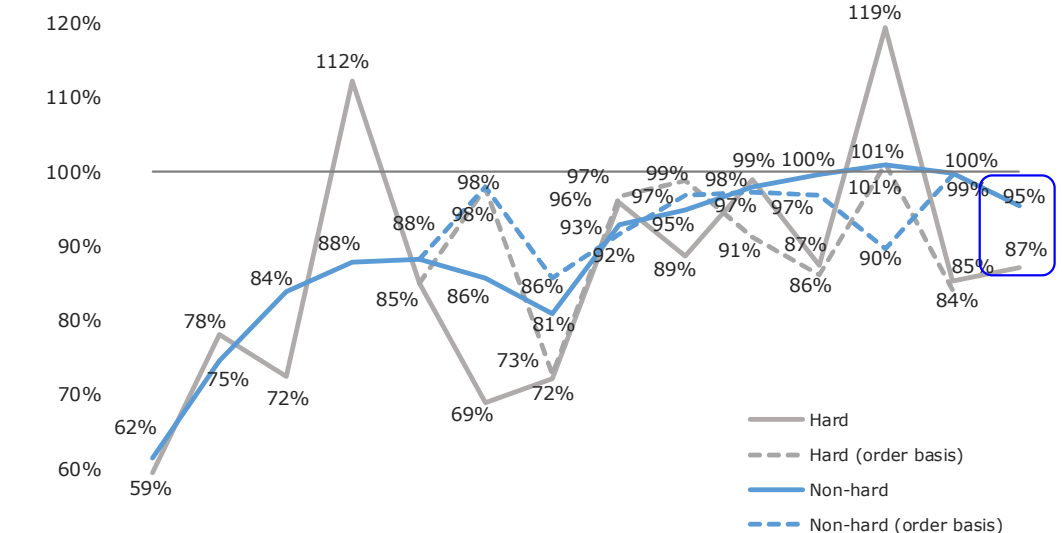
Office



Non-hard By region	FY20				FY21				FY22				FY23	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Japan	85%	90%	94%	92%	92%	87%	91%	89%	89%	87%	89%	89%	88%	84%
U.S.	62%	73%	78%	81%	77%	75%	74%	82%	77%	80%	81%	82%	71%	74%
Europe	66%	82%	83%	78%	83%	82%	77%	82%	87%	82%	78%	87%	82%	78%
China	107%	105%	115%	140%	109%	111%	75%	110%	114%	107%	104%	127%	108%	134%
India	52%	68%	98%	113%	73%	103%	127%	108%	143%	128%	159%	144%	180%	149%
Overall	69%	80%	85%	84%	84%	81%	81%	85%	85%	85%	86%	87%	82%	80%

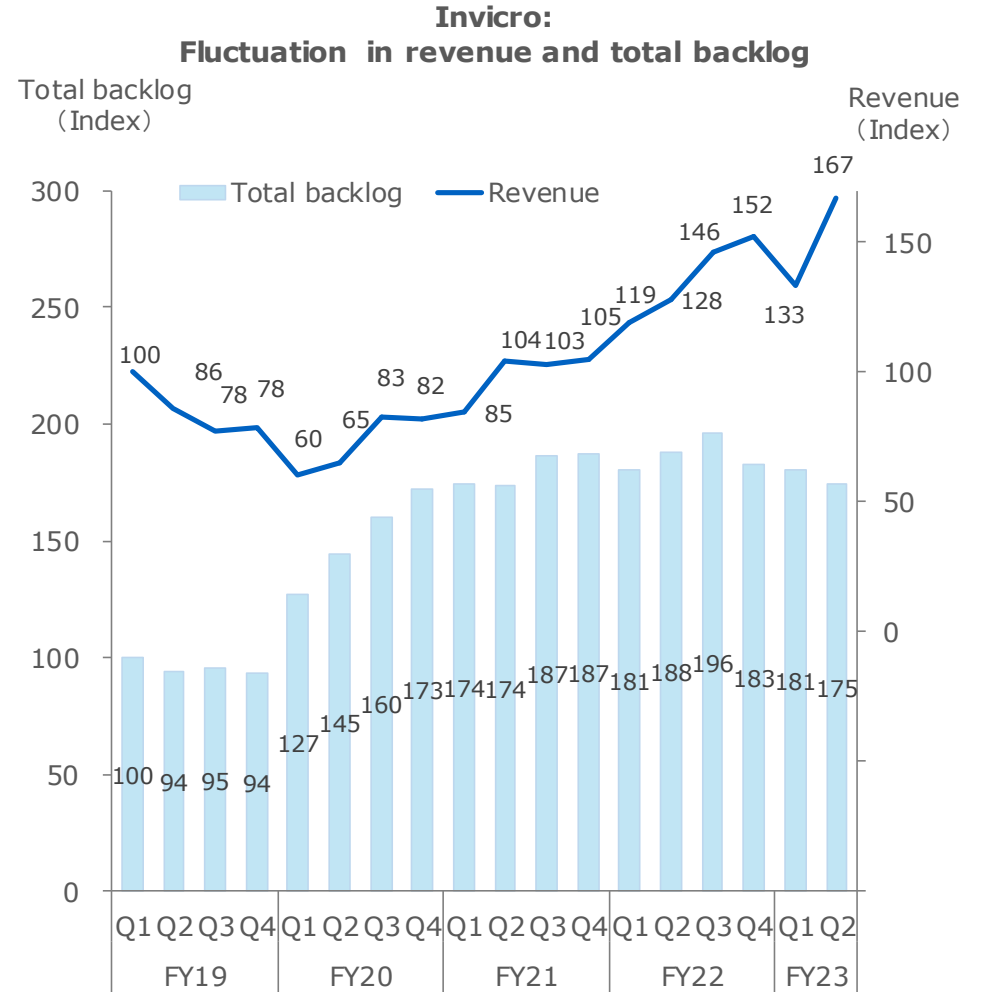
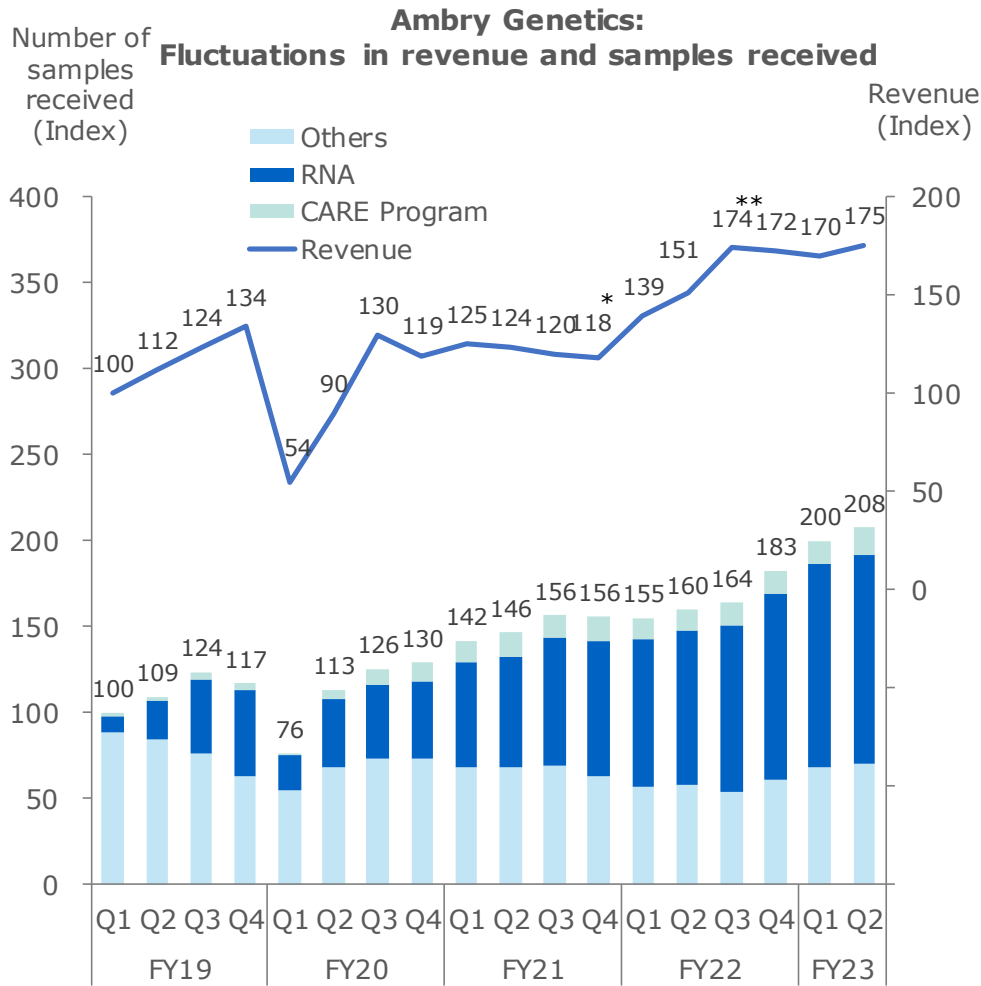
Production Print

Indexed with FY2019 Q1 as 100



Non-hard By region	FY20				FY21				FY22				FY23	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Japan	76%	82%	88%	87%	81%	76%	66%	78%	75%	72%	77%	80%	76%	77%
U.S.	52%	67%	77%	82%	76%	75%	76%	90%	81%	83%	86%	82%	75%	71%
Europe	64%	77%	79%	78%	88%	94%	77%	86%	98%	105%	96%	97%	95%	91%
China	113%	117%	140%	138%	176%	138%	98%	127%	120%	143%	144%	196%	204%	200%
India	34%	71%	105%	113%	83%	107%	121%	114%	136%	127%	152%	140%	180%	160%
Overall	62%	75%	84%	88%	88%	86%	81%	93%	95%	98%	100%	101%	100%	95%

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

Segment information

Before March 31, 2023	
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	

After April 1, 2023	
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	<ul style="list-style-type: none"> ■ Sensing(SE) ■ Performance materials(PM) ■ Optical components(OC) ■ IJ components(IJ) ■ 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** : 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.