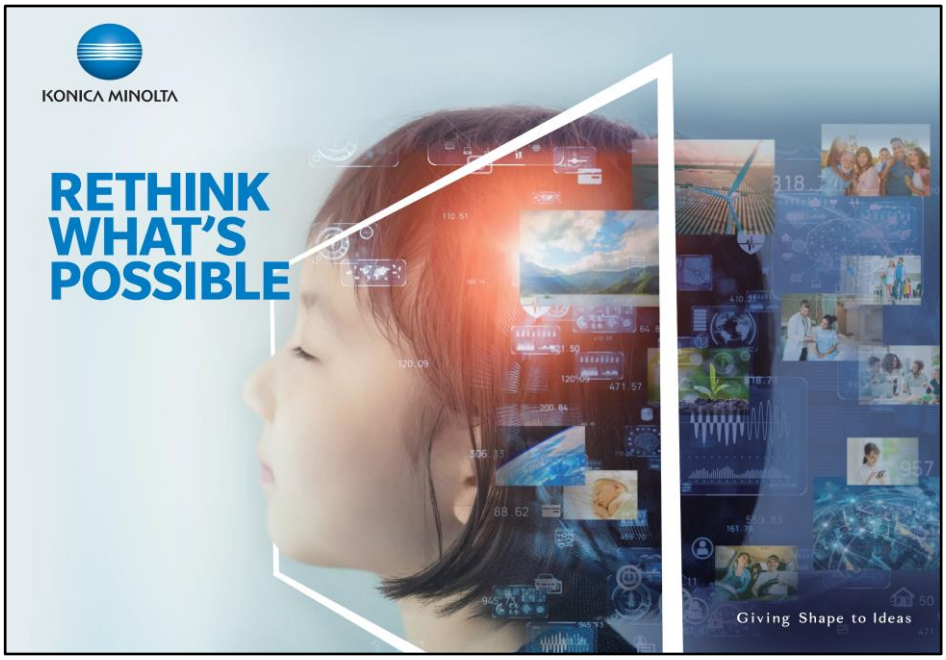
KONICA MINOLTA
RETHINK
WHAT'S
POSSIBLE
Giving Shape to Ideas

KONICA MINOLTA
KONICA MINOLTA IR DAY
INDUSTRY BUSINESS
BRIEFING SESSION
October 6, 2021
Giving Shape to Ideas

Today's Agenda

	Time	Duration (minutes)	Theme	Speaker
	13:00–13:05	5	Today's Objective and Agenda	
1	13:05–13:20	15	**Business Portfolio Strategy**	**Toshimitsu Taiko, Senior Executive Vice President and Executive Officer**
2	13:20–14:00	40	**Materials and Components Business**	**Noriyasu Kuzuhara, Executive Vice President and Executive Officer**
3	14:00–14:40	40	**Imaging-IoT Solutions Business**	**Toshiya Eguchi, Executive Vice President and Executive Officer**
4	14:40–15:20	40	**Sensing Business**	**Hitoshi Kamezawa, Corporate Senior Vice President**
	15:20–15:30	10	Q&A and Closing Remarks	

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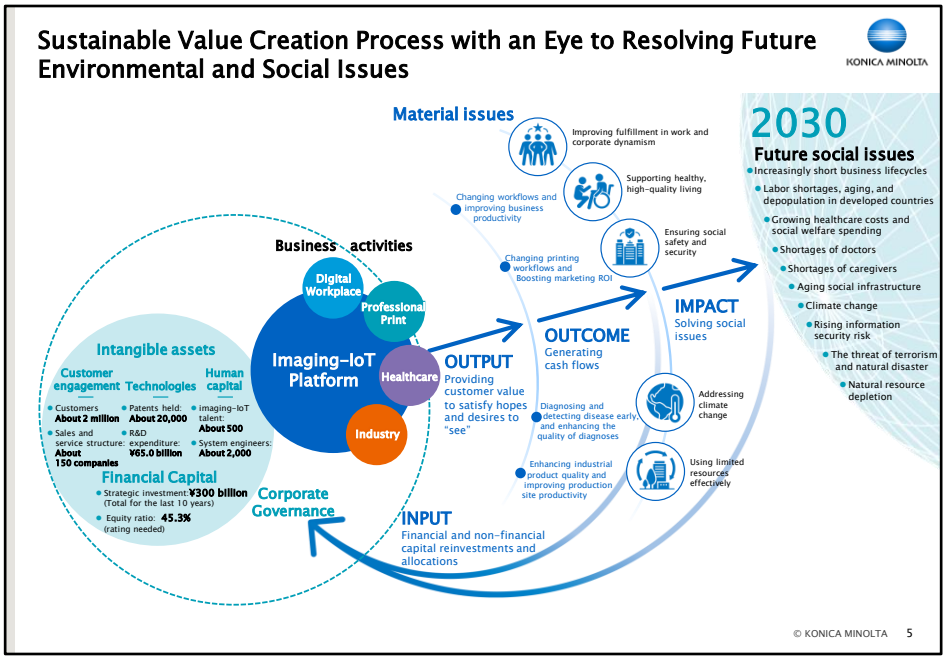
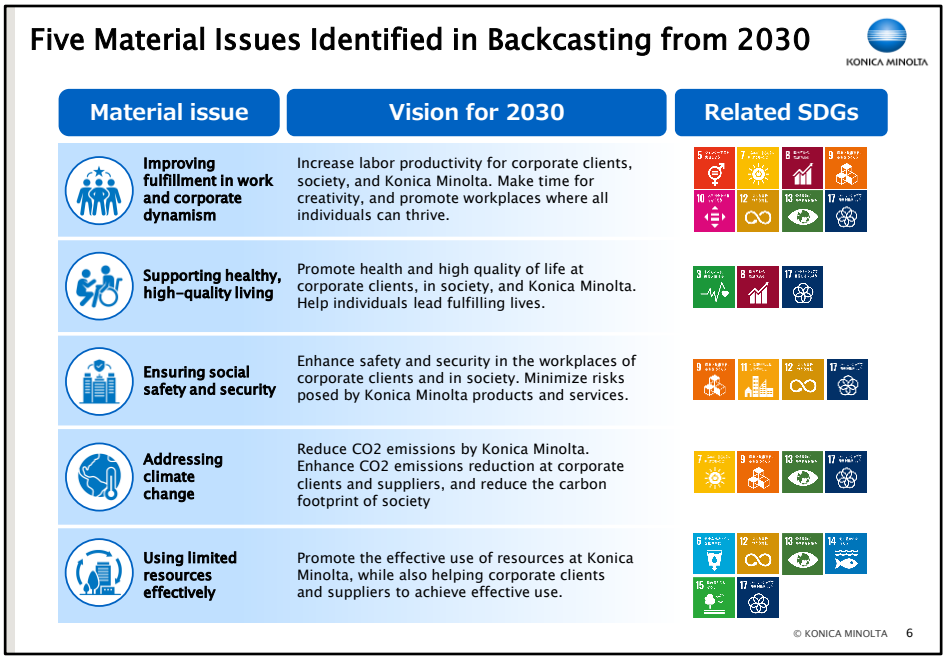
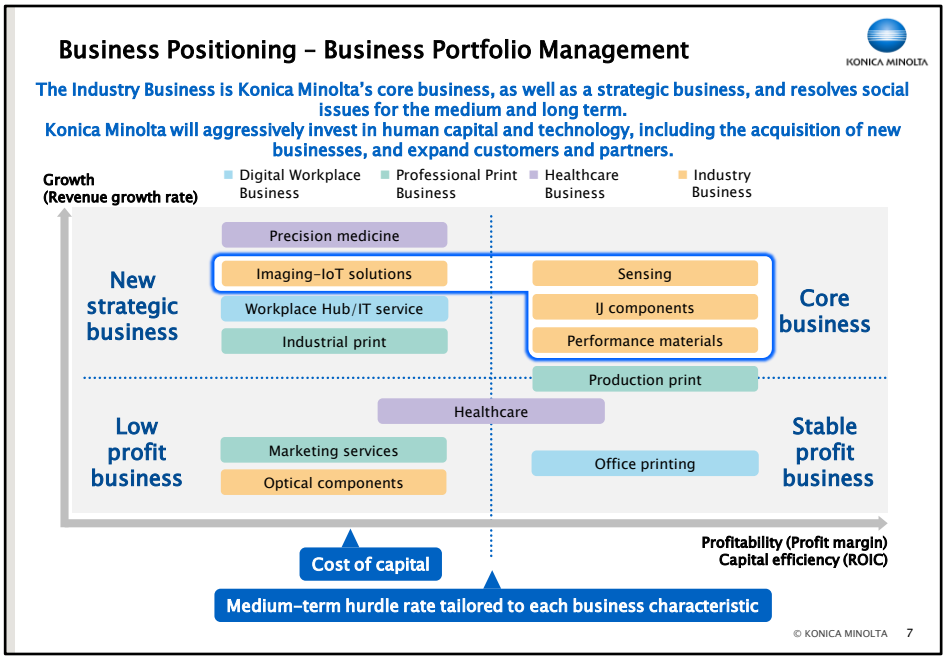
Thank you for participating in our business briefing today.
I'll explain the idea of balancing environmental and social value with economic value through our value creating processes and businesses from a company-wide perspective. In addition, I will explain the business portfolio based on this and the positioning of the Industry Business today.



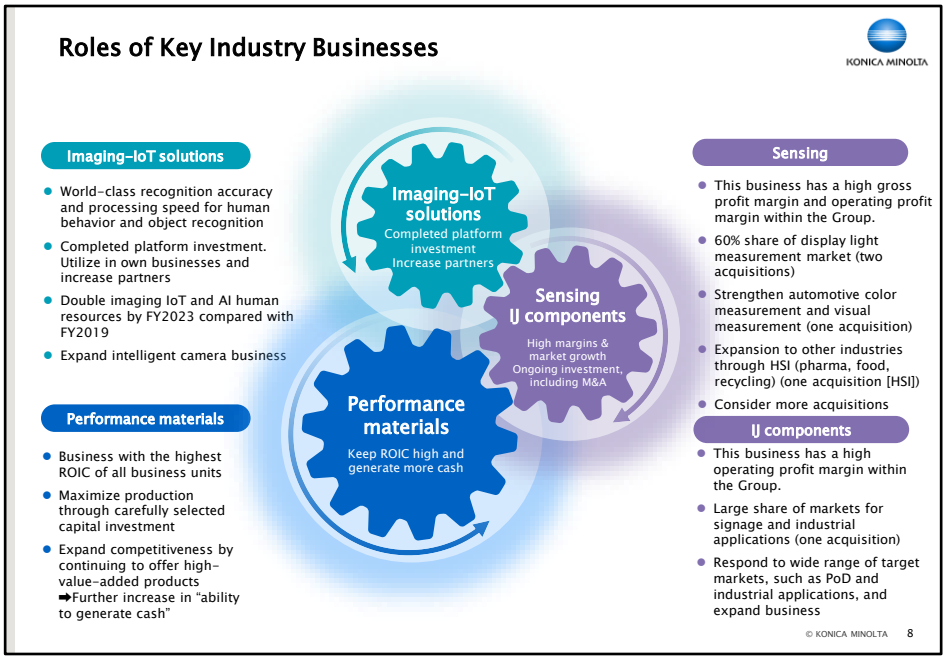
This slide illustrates our value creation process. In anticipation of environmental and social issues in 2030 and beyond, we will make full use of our strengths in intangible assets, such as customers engagement, technologies, including intellectual property, and human capital. By leveraging our business model, which utilizes our unique imaging-IoT platform that combines the imaging technologies we have cultivated over many years with IoT and AI, we have identified 5 material issues, by determining how we can leverage our business to provide value that solves environmental and social issues. These material issues have 2 aspects: the environmental and social benefits we have and the economic benefits of our own efforts. We believe that these will have a long-term impact on the environment and social. At the same time, the economic value generated is cash flow. We will return profits to shareholders while conducting growth investments, including intangible assets.



Our five material issues are identified by backcasting since 2030. These material issues are broadly grouped into 5 themes that we can create significant value. We have also used SDGs framework to identify these in terms of 2 axes: their degree of importance to our stakeholders and their importance to our business.
I hope that each head of Industry business will explain the relationship between their businesses and the five material issues, namely, “improving fulfillment in work and corporate dynamism”, “supporting healthy, high-quality living”, “ensuring social safety and security”, “addressing climate change”, and “using limited resources effectively”, for your further understanding.



These business portfolio management matrices are relisted on the content explained in last year's IR day. The positioning of each business unit for the entire company is shown again. The Industry Business we will explain today is surrounded by blue frames. This business is positioned as a core business and new strategic business that will drive us in terms of profitability and growth. It is also a business that solves environmental and social issues over the medium to long term. We will continue to invest aggressively in human resources and technology, including acquisitions, and expand our customers and partners at the same time.



I would like to clearly communicate the roles of each of the 4 business units within the Industry Business, which is surrounded by the blue frame in the previous slide. First of all, performance materials business boasts the highest capital-efficiency among us.
In this business, we will continue to maximize production through carefully selected CAPEX and continue to develop and provide high value-added products to expand our ability to generate cash and reallocate cash to other businesses. The sensing business and the inkjet (IJ) component business enjoy overwhelming market shares in their current target markets through high value-added solutions, and realize high profit margins in our group. By further expanding this to other industries and target markets, we will work to expand our top line while maintaining a high profit margin.
In the sensing business in particular, past acquisitions have also contributed significantly to business growth, and we will accelerate growth with a view to additional acquisitions in the future. Imaging-IoT solutions business leverages our world-class image recognition accuracy and processing speed. In addition to our business, we aim to dramatically expand scalability and contribute to revenues at an early stage by having our partners utilize platformed FORXAI.

In the slides I just mentioned, I explained the roles of each business, and I will explain from the perspective of how we face our customers as the Industry Business.

For the mainstay display industries such as TVs and ICT/smartphones, we are deeply involved in the processes of customers by light source color inspection in sensing business, phase differential and protective films in performance materials business, and heads for display substrate printing in inkjet(IJ) components business. In ICT-related equipment, the sensing business is engaged in the visual surface inspection of cabinets and IJ component business is engaged in the development of heads for printed circuit board. In the expanding automotive and mobility industries, the sensing business conducts color inspections for interior/exterior decorations and visual surface inspection, performance materials business also conducts films for automotive displays, and inkjet (IJ) components business conducts IJ heads for automotive painting. We will not explain it today, but optical components business will also join it. Imaging-IoT solutions business contributes in areas such as transportation monitoring. In these 2 major industries, we will strengthen cooperation between businesses to further deepen added value of the value chain and supply chain. This will contribute to the innovation of industries, the improvement of production efficiency, and

the effective utilization of energy efficiency and resources in our customers. At the same time, we will further strengthen our initiatives in every business, including investment, and horizontal deployment of our businesses in the fields of pharmaceuticals, foods, recycling, and energy. It will take full advantage of the technology of hyperspectral imaging, which we acquired last year, and FORXAI.

As a result, we will widely deploy solutions that have already been realized, such as solutions that contribute to the effective use of the environment and resources like gas monitoring, ingredient and foreign substance inspections, formulation analysis and printing on everything. Today, the person in charge of each business will explain the strengths in more detail and how they can grow each year in the future.

This is end of my presentation. Thank you very much.

KONICA MINOLTA