



KONICA MINOLTA



August 20, 2024

To whom it may concern,

Company Name: Konica Minolta, Inc.
Representative: Toshimitsu Taiko, President and CEO
Stock Exchange Listing: Tokyo Prime Market
Local Securities Code Number: 4902
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Notice Regarding Ending Production at a Manufacturing Subsidiary in China

Konica Minolta, Inc. (the “Company”) announces that its Representative Executive Officer today has decided to end production at its manufacturing subsidiary in China, Konica Minolta Business Technologies (WUXI) Co., Ltd. (“Konica Minolta WUXI”).

1. Reasons for ending production

Under the Medium-term Business Plan, the Company has been driving its manufacturing strategy in the Business Technologies Business, including the Digital Workplace and Professional Print units, to strengthen profitability and build a supply system that can respond quickly to environmental changes. After examining the production system in the Asian region from the viewpoint of stable supply and production efficiency, the Company decided to end production at Konica Minolta WUXI.

In China, the Company began manufacturing in Dongguan in 1994, and established Konica Minolta WUXI in 2004 in line with further market growth. Following the technology transfer from Japan, the two bases in China have played a central role in the global production of business technologies products. In order to avoid the risk of production concentration in a single country, the Company established a manufacturing subsidiary in Malaysia in 2014 and expanded production, transferred partial production of Professional Print machines to Japan in 2022. Along with these and other initiatives, the Company have worked on building a global supply network with multiple sources and routes.

As a result of today’s decision, the Company plans to end manufacturing activities at Konica Minolta WUXI during the first half of 2025. The Company will transfer production of Konica Minolta WUXI to its other own production bases (Malaysia, Japan, and Dongguan in China) and continue to ensure a stable supply of the products, while

accelerating optimization of its production system and further strengthening the profitability in the Business Technologies Business.

2. Overview of subsidiary to end production

(1)	Name	Konica Minolta Business Technologies (WUXI) Co., Ltd.	
(2)	Address	No. 2, Changjiang South Road, Xinwu District, Wuxi, Jiansu, China	
(3)	Name and title of representative	Tsuyoshi Umemura, Chairman	
(4)	Line of business	Manufacturing and sales of products for business technologies	
(5)	Capital	RMB 289,678,000	
(6)	Establishment	December 29, 2004	
(7)	Ownership	Konica Minolta, Inc.: 15% Konica Minolta (China) Investment Ltd.: 85%	
(8)	Relationship between the Company and Konica Minolta WUXI	Capital relationship	The Company owns Konica Minolta WUXI 100% (85% is indirect ownership).
		Personnel relations	Three employees of the Company are appointed officers of Konica Minolta WUXI, and five employees of the Company are seconded to Konica Minolta WUXI.
		Business relationship	Konica Minolta WUXI procures materials in and out of China, manufactures products, and sells them to the Company.
		Applicable status as the relevant party	Konica Minolta WUXI is a consolidated subsidiary of the Company.

3. Timeline

Date of decision: August 20, 2024

End of production: during the first half of CY2025 (planned)

4. Amount of loss due to the end of production and financial outlook

In the fiscal year ending March 2025, the Company forecasts a loss of approximately 6 billion yen, which was included in the consolidated forecasts announced on July 31, 2024. The Company will promptly announce any matters that require disclosure in the future.

(Reference) The Company's consolidated forecasts for the fiscal year ending March 31, 2025 (announced on July 31, 2024) and consolidated financial results for the fiscal year ended March 31, 2024 (in millions of yen)

	Revenue	Business contribution profit	Operating profit	Profit attributable to owners of the Company
Consolidated forecasts for the fiscal year ending March 31, 2025	1,160,000	40,000	13,000	0
Consolidated financial results for the fiscal year ended March 31, 2024	1,159,999	26,019	26,091	4,521