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Konica Minolta, Inc.

Shoei Yamana

Director, President and CEO

Representative Executive Officer

Contact: CSR, Corporate Communications, & Branding Division

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Securities Code: 4902

<http://konicaminolta.com>

The corporate governance of Konica Minolta, Inc. (the “Company”) is described below.

1. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

1. Basic Views

The Company has formulated “Basic Policy on Corporate Governance” as basic views and guidelines on the corporate governance of the Company. Please refer to the Company’s website.

<http://www.konicaminolta.com/about/investors/management/governance/index.html>

2. The reason for non-compliance with Japan’s Corporate Governance Code

The Company complies with every principle of Japan’s Corporate Governance Code based on the above Basic Views.

[Disclosure Based on the Principles of the Japan’s Corporate Governance Code]

【Principle 1-4 Cross-shareholdings】

The Company has prepared a policy for cross-shareholdings and standards for voting cross-shareholdings. The policy and standards have been disclosed. In addition, the Company examines the economic justification for its major cross-shareholdings from a medium to long-term perspective every year.

(1) Policy for cross-shareholdings

The basis for cross-shareholdings is expectations for collaboration with these issuers and business synergies. The goal is to increase the Company’s corporate value by maintaining and strengthening the business relationship and smoothing transactions with each issuer.

(2) Standard for voting cross-shareholdings

- In principle, the Company approves resolutions submitted to shareholders. However, proposals that are believed to be contrary to the policy for cross-shareholdings are properly evaluated and decided by exercising voting rights.
- At the management council meeting in June 2015, the medium to long-term economic justification for major cross-shareholdings and the outlook were examined based on risk vs. return and other parameters. This study was confirmed by the Board of Directors the same month.
- At the end of March 2015, the Company had cross-shareholdings with 46 companies. These investments had a book value of 16.3 billion yen and a market value of 27.9 billion yen. For all companies involved with the major cross-shareholdings, the Company has business relationships or is working jointly with these companies or anticipates collaboration involving business activities in the future. As a result, the Company believes that the ownership of these cross-shareholdings can be adequately justified.
- The goals of individual major cross-shareholdings are listed in the Securities Report.

【Principle 1-7 Related Party Transactions】

If the Company, by any chance, engages in transactions with conflicting interests as prescribed in the Companies Act with executives (Directors and Executive Officers), the Board of Director rules require a resolution of approval by the Board of Directors. In addition, to identify conflict-of-interest transactions by executives, every year on a regular basis there are confirmations with these executives to determine if there were any transactions (except compensation) between the Konica Minolta Group and an executive or close relative (relatives within the second degree) . Furthermore, with regard to transactions between the Company and its related parties, including major shareholders, subsidiaries and related companies, the Company has created internal approval procedures based on its authority rules equivalent to those governing transactions with third parties to ensure such transactions do not harm the interests of the Company or the common interests of its shareholders.

【Principle 3-1 Full Disclosure】

The Company discloses information properly in accordance with laws and regulations. In addition, to ensure that decisions are made with transparency and fairness, the following information is disclosed from the standpoint of maintaining an effective corporate governance system. The Company discloses information proactively. Specifically, the Company uses its website, CSR report, corporate governance report, annual report, business report and other reports, and reference materials at general shareholder meeting to disclose information. In addition, there are proactive measures to supply information by using Management Policy Briefings, Investor Briefings for Individual Investors and other activities.

(1) Management Philosophy and Business Plan

The Company's management philosophy and business plan are disclosed in the annual report. In addition, a link to the Corporate Governance Report is also provided to give detailed information. Furthermore,

explanation is also actively provided through Management Policy Briefings and Investor Briefings for Individual Investors and other activities.

Management Philosophy

Please refer to the “Konica Minolta Philosophy” on the Company’s website.

<http://www.konicaminolta.com/about/corporate/vision.html>

Business Plan

Please refer to the Medium-Term Business Plan on the Company’s website.

http://www.konicaminolta.com/about/investors/management/midterm_plan_presentations/index.html

(2) Basic views on corporate governance

Please refer to the “Basic Policy on Corporate Governance” on the Company’s website.

<http://www.konicaminolta.com/about/investors/management/governance/index.html>

(3) Policy and procedure for determining compensation for senior management and Directors

Please refer to the Supplementary Explanation of “Incentives” and the Policy on Determining Compensation Amounts and Calculation Methods of “Compensation for Directors and Executive Officers” in section II.1 of this report.

(4) Policy and procedure for selection of Executive Officers by the Board of Directors

The Board of Directors uses a fair, timely and appropriate method to select people who have the capabilities to serve as Executive Officers. These individuals must be able to create new value for the Group and earn the support of internal and external stakeholders. Standards for making these judgments about capabilities are defined in “Standards for the Selection of Executive Officers”. These standards include qualification standards. Individuals must have the ability and experience for the internal and external management of the Group’s business operations. Qualification standards also take into consideration knowledge about specialized fields and technologies, an individual’s age when the time for renewing the appointment comes, and other items. In addition, the Board of Directors selects individuals with a strong commitment to ethics, the ability to put customers first, the ability to drive innovation, strong motivation to achieve goals, and other characteristics.

To select new Executive Officers, candidates who have completed senior executive candidate training must do the first stage of the selection process, which involves submitting documents and completing an interview. Next, an assessment is performed in order to reach a highly objective and appropriate decision. This process includes input from both an external perspective and from the perspective of people at the Group who frequently interact with these candidates as part of their jobs. An evaluation conference, which consists of the President and CEO and the Executive Officer responsible for personnel, is held to examine the results of this process. This results in the selection of candidates to become Executive Officers.

To determine the new team of Executive Officers, the President and CEO selects from the list of Executive Officer candidates the individuals who are believed to be well suited to serve as Executive Officers. Next, a proposal for the selection of Executive Officers for the new fiscal year is prepared and submitted to the Board of Directors with a list of the duties for each Executive Officer. Prior to the submission of this proposal to the Board of Directors, the Nominating Committee performs oversight of the whole process, including a

confirmation that a suitable process was used. Oversight includes receiving the proposal for the new Executive Officer team (including the proposed new Executive Officer selections from the President and CEO) and a report about the proposed duties of each Executive Officer.

(5) Reasons for Nomination of individual Directors

Please refer to the Notice of Convocation of the 111TH Ordinary General Shareholder Meeting and its reference documents on the Company's website.

<http://www.konicaminolta.com/about/investors/event/stock/meeting.html>

The reasons for selecting Executive Officers in charge of the Company's main responsibility are the followings.

Mr. Shoei Yamana (President and CEO, Representative Executive Officer)

He has extensive experience and accomplishment as the responsible person in charge of Business Technologies Business and the management strategy of the Konica Minolta Group. He is the most suitable person as the top management of the Company to strongly drive midterm business plan contemplating transformation of the Company's business.

Mr. Ken Osuga (Senior Executive Officer in charge of Corporate Accounting Division and Corporate Finance Division)

He has extensive experience and accomplishment as the responsible person in charge of Business Technologies Business in EU and business management. In addition, he has knowledge about accounting and financing.

Mr. Seiji Hatano (Senior Executive Officer in charge of Corporate Strategy Division)

He has extensive experience and accomplishment as preparation for the Company's midterm business plan and the handle of growing business and the M&A after he performed various kinds of financial businesses at the mega bank in Japan, America and Asia.

Mr. Kunihiro Koshizuka (Senior Executive Officer in charge of Corporate R&D Division)

He has extensive experience and accomplishment as the responsible person in charge of R&D and the strategy of technologies. In addition, he has knowledge about the development of new business and the trend of technologies outside the Company.

Supplementary rule 4-1-1

Since the Company is a company with three committees, the Board of Directors delegates to Executive Officers as much authority as allowed by laws and regulations for making operational decisions. This contributes to the speed and flexibility of managing business operations. The Board of Directors makes decisions solely about items, such as fundamental management policies, that can be determined only by the Directors, according to laws and regulations. In addition, the Board of Directors makes decisions about investments larger than a certain amount and such other items that will have a significant impact on the Konica Minolta Group.

【Principle 4-8 Effective Use of Independent Outside Directors】

Four Directors of the Company, which are at least one-third of the total number of Directors, are Independent Outside Directors. These Directors strengthen the management oversight function and can perform supervision from the standpoint of ordinary shareholders.

The role of the Independent Outside Directors is to supervise management from a perspective that is independent of senior management team and special stakeholders (large shareholders, suppliers and customers, related companies, etc.). In particular, Independent Outside Directors protect ordinary shareholders and the common interests of shareholders with respect to conflicts of interest between shareholders and senior management team. At meetings of the Board of Directors, Independent Outside Directors make statements from the perspective of ordinary shareholders concerning proposals from Executive Officers for business operations and reports about studies for important issues. In addition, these Independent Outside Directors make statements that utilize their extensive management experience for the purpose of upgrading management strategies and improving the efficiency of management. Furthermore, to increase transparency, an Outside Director chairs each of the three committees (Nominating, Audit and Compensation).

【Principle 4-9 Independence Standards and Qualifications for Independent Outside Directors】

Please refer to the Other relating to Independent Directors of “Independent Directors” in section II.1 of this report.

Supplementary rule 4-11-1

The Board of Directors is composed of a number of Directors within the scope provided in the Articles of Incorporation, taking into account the management issues the Board of Directors is required to address.

- (1) To ensure management transparency and supervisory objectivity, one-third or more of Directors are Independent Outside Directors, and Directors who do not concurrently serve as Executive Officers constitute the majority of the total number of Directors.
- (2) To enhance the management supervision function, liaise with the Independent Outside Directors and strengthen communication and cooperation with Executive Officers, more than one Inside Directors not concurrently serving as Executive Officers will be appointed.
- (3) To further enhance deliberations on important decisions from a management standpoint, in addition to the President and CEO, several Executive Officers in charge of principal duties will be appointed as Directors.
- (4) The Company has formulated the “Director Election Standards” in order for the Board of Directors to fulfill its roles and responsibilities effectively. These standards provide appointment standards to ensure that Directors have diverse and well balanced knowledge, experience and capabilities by providing in the “Director Election Standards” that “people with organizational management experience in industry,

government or academia, or specialists in technology, accounting, law or some other field” and “Outside Directors who have a history of performance and insight in that person’s field”.

Supplementary rule 4-11-2

For the selection standards for Outside Directors, individuals must “be able to spend sufficient time to perform their duties” and candidates are selected after thoroughly examining their other jobs and duties. The other jobs and duties of the Outside Directors who were elected at the 111th Ordinary General Shareholder Meeting on June 2015 are as follows.

Name	Main position concurrently held (as of June 26 th)	Position
Shoji Kondo	Hino Motors, Ltd.	Senior Corporate Advisor
Takashi Enomoto	NTT DATA Corporation	Executive Advisor
Kazuaki Kama	IHI Corporation Kyokuto Boeki Kaisha, Ltd. NSK Ltd.	Representative Director and Chairman Outside Director Outside Director
Hiroshi Tomono	Nippon Steel & Sumitomo Metal Corporation Sumitomo Chemical Company, Limited	Senior Advisor Outside Director

Supplementary rule 4-11-3

In 2003, the Company became a company with three committees (then, a company with committees). Thereafter, the Company has conducted “Board of Directors Self-evaluation Survey” every year.

(1) Survey target

All members of the Board of Directors, including the Chairman of the Board.

(2) Survey objective

To analyze and assess the overall effectiveness of the Board of Directors, identify issues and make improvements as needed

(3) Survey issues

- Composition of the Board of Directors and the three committees
- Agenda and operation of the Board of Directors
- Self-evaluation by each director, etc.

(4) Outline of the results of analysis and assessment of the effectiveness of the Board of Directors for 2015

- The Board of Directors effectively carries out business supervisory functions by holding active and appropriate deliberations and exchange opinions and by providing advice on significant management issues, medium- to long-term strategies and other matters.
- The method of operation, agenda, composition, number of members, etc. of the Board of Directors and the three committees are by and large appropriate and there are no urgent issues to be addressed.
- It is necessary for the Board of Directions and three committees to strive to enhance the more effective

operations by elaborating and improving materials and methods for explanation.

- Deliberations on assuring diversity of the Board of Directors shall be continued at the Nominating Committee which is responsible for nominating directors with balanced experience and ability to supervise and advice on the Company's business strategies.

Supplementary rule 4-14-2

In accordance with the Director Election Standards, the Nominating Committee selects candidates for election as Director who have the qualities needed to be a Director. The Company confirms whether new Directors require training judging from each individual's knowledge, experience and other characteristics. If training is needed, the Company provides suitable opportunities to receive this training.

- (1) For new Independent Outside Directors, the Company provides information about the group's structure, business activities and finances as well as information about the Medium-Term Business Plan and its progress and other subjects.
- (2) For Independent Outside Directors, the Company arranges visits to the development, manufacturing, sales, service and other operations of every business unit. The Executive Officer of each business unit provides the Directors with the latest information about that business.

【Principle 5-1 Policy for Constructive Dialogue with Shareholders】

The Company encourages constructive dialogues with shareholders and other investors with the goal of using these dialogues to contribute to sustained growth and the medium and long-term growth of corporate value. The Company will conduct extensive investor relations activities. Based on this commitment, the following actions are taken.

- (1) Designation of a senior management in charge of shareholder dialogues

Activities for a constructive dialogue with shareholders and other investors are centered on the President and CEO. The Executive Officer for investor relations and the department responsible for investor relations assist the President and CEO.

- (2) Measures for seamless cooperation among departments

The Corporate Business Management Division, which is responsible for investor relations, plays the primary role in encouraging dialogues with shareholders and other investors. The accounting, finance and legal affairs departments and all business units work together to support this division. In addition, the Corporate Business Management Division works seamlessly with the management council meetings and other major councils as well as the Corporate Information Disclosure Committee for the purpose of ensuring that dialogues are timely and appropriate.

- (3) Measures used for dialogues other than individual meetings

The Company positions general shareholder meeting as an important opportunity for a dialogue with shareholders. The goal is to operate these meetings in a manner that can earn the trust of shareholders. This involves the disclosure of information about business operations so that information is supplied in a

sufficient volume and in a format that is easy to understand. In addition, there are quarterly Financial Results Briefing Session, Management Policy Briefings from the President and CEO, and Investor Briefings for Individual Investors. All these activities are aimed at maintaining strong lines of communication with shareholders and other investors.

(4) Reporting system for shareholders' opinions and concerns

The President and CEO submits reports on investor relations activities to the Board of Directors, management council meetings and other major councils in order to maintain the proper framework. These reports include opinions and concerns about the Company that were received through dialogues with shareholders and other investors.

(5) Management of insider information

The Company has a Corporate Information Disclosure Committee for the purpose of ensuring that the disclosure of important corporate information is timely, appropriate and fair. This Committee establishes a procedure for the disclosure of information. In addition, as stated in Rules for the Prevention of Group Insider Trading, the managers of departments that have information about significant facts are responsible for managing this information. Disclosure must be timely, appropriate and fair. Information must be managed to prevent the provision of information only to some shareholders and investors.

(6) Other activities

The Company performs investigations and other activities in order to identify effective shareholders. The purpose is to know all shareholders, both registered and effective shareholders, who make investment decisions and stock voting decisions. Dialogue with these effective shareholders is one of the Company's priorities.

For shareholders and other investors, the Company plans to further upgrade the provision of financial information, the President and CEO's medium and long-term stance about management, information about the environment, society and governance, and other non-financial information. Another goal is to increase the amount of information provided by Independent Outside Directors.

2. Capital Structure

Percentage of Foreign Shareholders	More than 30%
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[Status of Major Shareholders]

Name / Company Name	Number of Shares Owned	Percentage (%)
Japan Trustee Services Bank, Ltd. (Trust account)	27,846,900	5.44
The Master Trust Bank of Japan, Ltd. (Trust account)	24,702,900	4.82
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	13,945,007	2.72
JPMorgan Chase Bank 385167 (Standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	11,948,500	2.33

Japan Trustee Services Bank, Ltd. (Sumitomo Mitsui Trust Bank, Limited ReTrust Portion, Sumitomo Mitsui Banking Corporation Pension Trust Account)	11,875,000	2.32
Nippon Life Insurance Company	10,809,234	2.11
The Nomura Trust and Banking Co., Ltd. (Holder in Retirement Benefit Trust for the Bank of Tokyo- Mitsubishi UFJ, Ltd.)	10,801,500	2.11
JPMorgan Chase Bank 385632 (Standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	10,480,553	2.04
Daido Life Insurance Company (Standing proxy: Japan Trustee Services Bank, Ltd.)	9,040,518	1.76
Mellon Bank, N.A. as agent for its client Mellon Omnibus US Pension (Standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	8,190,891	1.60

Controlling Shareholder (except for Parent Company)	—
Parent Company	None

Supplementary Explanation

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3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange, First Section
Fiscal Year-End	March
Type of Business	Electric Appliances
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1,000
Sales (consolidated) as of the End of the Previous Fiscal Year	More than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 100 to less than 300

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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5. Other Special Circumstances which may have Material Impact on Corporate Governance

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II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Organization Form	Company with three committees (Nominating, Audit and Compensation)
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[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	15
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Other Director
Number of Directors	11

[Outside Directors]

Number of Outside Directors	4
Number of Independent Directors	4

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*											
		a	b	c	d	e	f	g	h	i	j	k	
Shoji Kondo	From another company									△			
Takashi Enomoto	From another company									△			
Kazuaki Kama	From another company									○			
Hiroshi Tomono	From another company									△			

* Categories for "Relationship with the Company"

* "○" when the Director presently falls or has recently fallen under the category;

"△" when the Director fell under the category in the past

- * “●” when a close relative of the Director presently falls or has recently fallen under the category;
“▲” when a close relative of the Director fell under the category in the past

- a. Executive of the Company or its subsidiaries
- b. Non-executive Director or Executive of a parent company of the Company
- c. Executive of a fellow subsidiary company of the Company
- d. A party whose major client or supplier is the Company or an Executive thereof
- e. Major client or supplier of the listed company or an Executive thereof
- f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/*kansayaku*
- g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)
- i. Executive of a company, between which and the Company Outside director/*kansayaku* are mutually appointed (the Director himself/herself only)
- j. Executive of a company or organization that receives a donation from the Company (the director himself/herself only)
- k. Others

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Selection
Shoji Kondo	○	<p>Senior Corporate Advisor of Hino Motors, Ltd.</p> <p>The sales between Hino Motors, Ltd. and the Company accounted for less than 1% of the consolidated net sales of each company.</p>	<p>Reasons for selection as an Outside Director: 1) accomplishments and knowledge about the industry where he has worked; 2) highly independent because there is no relationship as a significant supplier or customer of the Company; and 3) priority placed in ability to spend sufficient time to perform duties as a Director and committee member.</p> <p>Mr. Shoji Kondo has many years of experience in the management of manufacturers at Toyota Motor Corporation and Hino Motors, Ltd. He was involved primarily in production and purchase activities, which are the main components of manufacturing. He has extensive experience and a broad range of knowledge as a corporate executive.</p>

			<p>The Company believes that Mr. Kondo can continue contributing to the maintenance and upgrading of the Company's corporate governance.</p> <p>Reasons for selection as an Independent Director: meets the standards for independence specified by the Nominating Committee. Also, as explained in the column to the left, Mr. Kondo is not a business executive or other significant person at a major supplier or customer or a major shareholder. There are no conflicts of interest with ordinary shareholders concerning his role as an Outside Director. As a result, Mr. Kondo is designated an Independent Director.</p>
Takashi Enomoto	○	<p>Executive Advisor of NTT DATA Corporation</p> <p>The Company has a business relationship with NTT DATA Corporation that includes the payment to this company of ERP software licensing fees and maintenance fees. However, these sales accounted for less than 1% of the consolidated net sales of each company.</p>	<p>Reasons for selection as an Outside Director: Same as above for 1) to 3). Mr. Takashi Enomoto has many years of experience in the management of IT solutions businesses at NTT DATA Corporation. He has extensive experience and a broad range of knowledge as a corporate executive.</p> <p>The Company believes that Mr. Enomoto can continue contributing to the maintenance and upgrading of corporate governance.</p> <p>Reasons for selection as an Independent Director: meets the standards for independence specified by the Nominating Committee. Also, as explained in the column to the left, Mr. Enomoto is not a business executive or other significant person at a major supplier or customer or a major shareholder. There are no conflicts of</p>

			interest with ordinary shareholders concerning his role as an Outside Director. As a result, Mr. Enomoto is designated an Independent Director.
Kazuaki Kama	○	<p>Representative Director and Chairman of IHI Corporation</p> <p>The sales between IHI Corporation and the Company accounted for less than 1% of the consolidated net sales of each company.</p>	<p>Reasons for selection as an Outside Director: Same as above for 1) to 3). At IHI Corporation, Mr. Kazuaki Kama was involved for many years in the management of the heavy machinery manufacturing business, including progress of the focus of resources on strategic business activities. He has extensive experience and a broad range of knowledge as a corporate executive. The Company believes that Mr. Kama can continue contributing to the maintenance and upgrading of corporate governance.</p> <p>Reasons for selection as an Independent Director: meets the standards for independence specified by the Nominating Committee. Also, as explained in the column to the left, Mr. Kama is not a business executive or other significant person at a major supplier or customer or a major shareholder. There are no conflicts of interest with ordinary shareholders concerning his role as an Outside Director. As a result, Mr. Kama is designated an Independent Director.</p>
Hiroshi Tomono	○	<p>Senior Advisor of Nippon Steel & Sumitomo Metal Corporation</p> <p>The sales between Nippon Steel & Sumitomo Metal Corporation and the</p>	<p>Reasons for selection as an Outside Director: Same as above for 1) to 3). Mr. Hiroshi Tomono has many years of experience at Sumitomo Metal Industries, Ltd. and Nippon Steel & Sumitomo Metal Corporation in the management of the materials manufacturing sector, including having overseen activities at</p>

		<p>Company accounted for less than 1% of the consolidated net sales of each company.</p>	<p>steelmakers ranging from technology and manufacturing to planning, administration and new business. He has extensive experience and a broad range of knowledge as a corporate executive.</p> <p>The Company believes that Mr. Tomono can contribute to the maintenance and upgrading of corporate governance.</p> <p>Reasons for selection as an Independent Director: meets the standards for independence specified by the Nominating Committee. Also, as explained in the column to the left, Mr. Tomono is not a business executive or other significant person at a major supplier or customer or a major shareholder. There are no conflicts of interest with ordinary shareholders concerning his role as an Outside Director. As a result, Mr. Tomono is designated an Independent Director.</p>
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[Committees]

Committee's Composition and Attributes of Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Chairperson
Nominating Committee	5	2	2	3	Outside Director
Remuneration Committee	5	2	2	3	Outside Director
Audit Committee	5	2	2	3	Outside Director

[Executive Officers (Shikkoyaku)]

Number of Executive Officers	21
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Status of Additional Duties

Name	Representative Authority	Additional Duties as Director			Additional Duties as Employee
			Nominating Committee Member	Remuneration Committee Member	
Shoei Yamana	Yes	Yes	×	×	No
Takashi Sugiyama	No	No	×	×	No
Nobuyasu Ieuji	No	No	×	×	No
Yoshitsugu Shiraki	No	No	×	×	No
Jun Haraguchi	No	No	×	×	No
Tsukasa Wakashima	No	No	×	×	No
Kunihiro Koshizuka	No	Yes	×	×	No
Ken Osuga	No	Yes	×	×	No
Seiji Hatano	No	Yes	×	×	No
Shingo Asai	No	No	×	×	No
Toyotsugu Ito	No	No	×	×	No
Kazuyoshi Hata	No	No	×	×	No
Hiroyuki Suzuki	No	No	×	×	No
Tomio Nakamura	No	No	×	×	No
Kenichi Sanada	No	No	×	×	No
Akira Tai	No	No	×	×	No
Ikuo Nakagawa	No	No	×	×	No
Yuji Ichimura	No	No	×	×	No
Noriyasu Kuzuhara	No	No	×	×	No
Toshimitsu Taiko	No	No	×	×	No
Atsuo Takemoto	No	No	×	×	No

[Auditing Structure]

Appointment of Directors and/or Staff to Support the Audit Committee	Appointed
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Matters Related to the Independence of Such Directors and/or Staff from Executive Officers (Shikkoyaku)

The Company set up the Audit Committee Office with a full-time staff to support the Audit Committee, and, besides being the secretariat of the Audit Committee, the Audit Committee Office shall perform its duties in accordance with the instructions of the Audit Committee. Furthermore, this principle is to be clearly specified in Company rules and made common knowledge. To ensure the independence of the Audit Committee Office from Executive Officers and the effectiveness of instructions received from the Audit Committee, personnel

matters regarding the Audit Committee Office including appointment, personnel changes and disciplinary action, shall be approved in advance by the Audit Committee.

Cooperation among Audit Committee, Accounting Auditors and Internal Audit Departments

The Audit Committee holds meetings with the External Accounting Auditor many times each year. Committee members receive thorough explanations of the External Accounting Auditor its policy and plans for audits. Committee members hear explanations and receive other information to be certain that the External Accounting Auditor is performing its duties properly. In addition, members of the Audit Committee state their views, including requests to place emphasis on certain audit items, and actively exchange other information. The aim is to perform audits that are appropriate and strict. Committee members also ask questions about the auditing system and internal controls of the accounting auditor's company to confirm various items. Receiving detailed reports from the External Accounting Auditor about the audit method and results is not the only task of the Audit Committee but also Committee members receive frequent audit implementation reports and monitor progress of the External Accounting Auditor's audit. The Audit Committee compares information from the External Accounting Auditor with information obtained by Committee members to reach decisions regarding the suitability of the External Accounting Auditor's audit.

As a company with three committees, the Company has an Audit Committee. All subsidiaries in Japan are companies with *Kansayaku*. The Company has a Corporate Audit Division to perform internal audits. Furthermore, while preserving its independence as an audit organization, the Audit Committee, Corporate Audit Division and *Kansayaku* of the subsidiaries cooperate with each other to make audits even more efficient and effective.

The Corporate Audit Division prepares internal audit reports, periodic audit activity reports and monitoring reports. These reports are submitted at the same time to the President and CEO and the Audit Committee.

Rules stipulate that the Audit Committee has the right to ask the Corporate Audit Division to perform special audits.

[Independent Directors]

Number of Independent Directors	4
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Matters relating to Independent Directors

All Outside Directors who are qualified to be Independent Directors are designated Independent Directors. In 2007, the Nominating Committee established "Independence Standards for Outside Directors". Regarding such standards, the Nominating Committee selects Outside Director candidates for whom none of the following items are applicable.

(1) Person affiliated with Konica Minolta

- Former employee of the Konica Minolta Group

- Having a family member (spouse, child, or any blood or marital relative within the second degree) that has served as a Director, Executive Officer, Auditor or senior management in the Konica Minolta Group during the past five years
- (2) Person affiliated with a major supplier/client
- Currently serving as a Managing Director, Executive Officer, or employee of a major supplier/client company/group that receives 2% or more of its consolidated sales from the Konica Minolta Group or vice versa
- (3) Specialized service provider (lawyer, accountant, consultant, etc.)
- Specialized service provider that received annual compensation of ¥5 million or more from the Konica Minolta Group for the past two years
- (4) Other
- A shareholder holding more than 10% of the voting rights in the Company (Executive Director, Executive Officer, or employee in the case of a corporate body)
 - A Director taking part in a Director exchange
 - A Director, Executive Officer, *Kansayaku* or equivalent position-holder of a company that competes with the Konica Minolta Group, or a person holding 3% or more of the shares of a competing company
 - Having some other significant conflict of interest with the Konica Minolta Group

[Incentives]

Incentive Policies for Directors and/or Executive Officers (Shikkoyaku)	Performance-linked Remuneration/Stock Options
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Supplementary Explanation

Please refer to the Disclosure of Policy on Determining Compensation Amounts and Calculation Methods of “Compensation for Directors and Executive Officers” in section II.1 of this report.

Recipients of Stock Options	Inside Directors/Executive Officers (Shikkoyaku)
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Supplementary Explanation

None

[Remuneration for Directors and Executive Officers (Shikkoyaku)]

Disclosure of Individual Directors’ Remuneration	Selected Directors
Disclosure of Individual Executive Officers’ (Shikkoyaku) Remuneration	Selected Executive Officers

Supplementary Explanation

Compensation for Directors and Executive Officers in fiscal 2014 was as shown below. The Securities Report, in addition to the following, discloses compensation for individuals who receive total compensation of at least 100 million yen.

(1) The 10 Directors received aggregate base salary of 188 million yen. There were no performance-based cash bonuses.

(Breakdown)

The 5 Outside Directors: Base salary of 45 million yen

The 5 Inside Directors: Base salary of 143 million yen

(2) The 19 Executive Officers received aggregate base salary of 448 million yen and performance-based cash bonuses of 233 million yen.

(3) The 5 Inside Directors received compensation-type stock options totaling 39 million yen.

(4) The 18 Executive Officers received compensation-type stock options totaling 119 million yen.

Notes

1. At the end of the period (March 31, 2015), the Company has four (4) Outside Directors, three (3) Inside Directors (not concurrently holding Executive Officer posts) and nineteen (19) Executive Officers.

2. In addition to the five (5) Inside Directors shown above, the Company has another four (4) Inside Directors who concurrently hold Executive Officer posts, and the compensation to these Directors is included in compensation to Executive Officers.

3. Regarding the performance-based cash bonus, the amounts which should be recorded as expense in the period are stated.

4. Regarding the compensation-type stock options, the amounts which should be recorded as expense based on an estimation of the fair value of the stock subscription rights issued to Directors (excluding Outside Directors) and Executive Officers (excluding non-Japan residents) as part of their compensation are stated.

5. In addition to the compensation shown in this table, the following payments were made during the fiscal year that ended in March 2015 due to a resolution by the Compensation Committee based on the retirement payment system that was terminated in June 2005.

- Directors (two): 35 million yen (Retired on June 19, 2014)
- Executive Officers (two): 21 million yen (Retired on March 31, 2014)

Policy on Determining Remuneration Amounts and Calculation Methods	Established
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Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The Company, which has adopted the company-with-three-committees system, has established a Compensation Committee. Outside Directors account for the majority of members of the committee and the

committee is chaired by an Outside Director to ensure transparency and to determine compensation in a fair and appropriate manner.

The Company's Directors' compensation system is intended to strengthen the motivation of Directors and Executive Officers to strive for the continuous medium-to-long-term improvement of the Group performance in line with management policies to meet shareholder expectations, and to contribute to the optimization of the Group value. The Company aims for a level of compensation that enables it to attract and retain talented people to take responsibility for the Company's development.

In keeping with these aims, the Compensation Committee has established a policy for determining the individual compensation entitlement of Directors and Executive Officers as set out below, and determines the amount, etc. of individual compensation entitlement of Directors and Executive Officers in line with this policy.

(1) Compensation system

- Compensation packages for Directors (excluding Directors who concurrently hold Executive Officer posts) exclude a short-term performance-based cash bonus because Directors have a supervisory role, and consist of a "base salary" component in the form of a base salary and long-term incentives in the form of "compensation-type stock options." Outside Directors receive base salary only.
 - Executive officer compensation packages consist of "base salary," "performance-based cash bonus," which reflects the short-term performance of the Group and the short-term performance of the business of which they are in charge, and "compensation-type stock options" as a long-term incentive.
- (2) The total amount of individual compensation entitlement and "base salary" are set at an appropriate level for each position, based upon objective data, evaluation data and other data collected at regular intervals.
- (3) The amount of the "performance-based cash bonus" is determined according to the level of performance result for the fiscal year (consolidated operating income) and the degree of attainment of annual performance targets. The amount based on the degree of attainment of annual performance targets is determined in the 0 % to 150 % range of the standard amount of compensation. The targets are major consolidated performance indicators (sales, operating income, ROE and others) associated with results of operations.
- (4) Regarding the "compensation-type stock options," the Company grants stock subscription rights to Inside Directors and Executive Officers as share-price based incentives from a shareholder perspective. The number of rights granted is determined based on the position.
- (5) The standard for compensation to Executive Officers is a 60:25:15 mix of "base salary," "performance-based cash bonus" and "compensation-type stock options." For the high-ranked Executive Officers, the "base salary" ratio is lowered while the ratio of "performance-based cash bonus" is increased.
- (6) The Company reviews the level of compensation and the compensation structure in a timely and appropriate manner in response to changes in the business environment.

[Supporting System for Outside Directors]

Outside Directors receive prior explanations of items to be submitted to the Board of Directors from the Executive Officer associated with the item or the secretariat. Providing these explanations helps enable the Board of Directors to have thorough discussions and operate efficiently. In addition, the Board of Directors Office has been established to function as the secretariat for the Board of Directors, Nominating Committee and Compensation Committee just as the Audit Committee Office functions as the Audit Committee secretariat. The staff members of these two offices provide support to Outside Directors to help facilitate the proper functioning of the Board of Directors and the three committees.

2. Matters on Functions of Business Execution, Auditing, Oversight, Nominating and Remuneration Decisions (Overview of Current Corporate Governance System)

(1) Business execution

(a) Transfer of authority to Executive Officers by the Board of Directors

The Board of Directors delegates significant authority concerning decisions about business operations to the President and CEO. The Board of Directors concentrates on fundamental items involving business operations, such as “Fundamental Policies for Management” as well as on the oversight of how business operations are managed.

(b) Framework for business operations

The Board of Directors appoints Executive Officers and selects from these Executive Officers the President and CEO and senior Executive Officers. In addition, the Board of Directors assigns specific duties to the Executive Officers and determine the flow of orders and instructions. The President and CEO and the other Executive Officers make decisions and conduct business operations for the business operations they have been given responsibility by a resolution of the Board of Directors.

(c) Management council meeting

The management council meeting provides assistance to the President and CEO for making decisions and discusses important items concerning management of the Group.

(2) Functions and roles of Outside Directors involving corporate governance

Upgrading an oversight function from the perspective of ordinary shareholders is one of the priorities of the Company. The Nominating Committee selects highly independent Outside Director candidates based on “Independence Standards for Outside Directors” established by this committee and the standards for Independence in Rule 436-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc. The primary role of Outside Directors is to use the perspective of ordinary shareholders, which is independent from the perspective of senior management team and certain stakeholders (large shareholders, suppliers and customers, related companies, and others). In particular, the Outside Directors are responsible for supervising management in order to protect ordinary shareholders and ensure the common interests of shareholders when there is a conflict of interest with senior management team. At meetings of the Board

of Directors, Outside Directors make statements from the perspective of ordinary shareholders concerning proposals from Executive Officers and reports about studies involving significant issues. Furthermore, Outside Directors use their many years of corporate management experience to give appropriate advice. All of these activities contribute to upgrading management strategies and improving the efficiency of management. In addition, an Outside Director chairs the Nominating, Audit and Compensation Committees in order to heighten transparency.

The Company has contractual agreements with the Outside Directors that limit the liability of these Directors. These agreements are for the purposes of attracting highly qualified individuals as Outside Directors and enabling these Directors to perform their roles as expected.

(3) Three committees

(a) The Nominating Committee has three Outside Directors and two Inside Directors who do not concurrently serve as Executive Officers. The committee is chaired by one of the Outside Directors. The committee met seven (7) times during fiscal 2014.

(b) The Audit Committee has three Outside Directors and two Inside Directors who do not concurrently serve as Executive Officers. The committee is chaired by one of the Outside Directors. The committee met thirteen (13) times during fiscal 2014.

(c) The Compensation Committee has three Outside Directors and two Inside Directors who do not concurrently serve as Executive Officers. The committee is chaired by one of the Outside Directors. The committee met six (6) times during fiscal 2014.

(4) Nominating

The Nominating Committee selects candidates for election as Directors. For the selection of Executive Officers, the President and CEO submits a report to the committee prior to the approval of these selections by the Board of Directors.

(5) Audits and supervision

(a) Auditing Structure

This information is in the previous “Auditing Structure” section.

(b) Name of Certified Public Accountant

For fiscal 2014, the Company signed an audit contract with KPMG AZSA LLC to perform Companies Act audits and Financial Instruments and Exchange Act audits. The names of the Certified Public Accountants who performed these tasks and the individuals who provided assistance are listed below.

(Certified Public Accountants who conducted the audit)

Designated Engagement Partner Yoshihiko Nakamura

Designated Engagement Partner Hiroo Iwaide

Designated Engagement Partner Shinji Someha

(Individuals who assisted with the audit)

32 Certified Public Accountants and 27 others, a total of 59

(6) Policy on determining compensation

The policy for the determination of compensation for Directors and the Executive Officers is described in the previous explanation of “Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods”.

3. Reasons for Adoption of Current Corporate Governance System

The Company views strengthening corporate governance as an important management issue. Accordingly, the Company has adopted a “company with three committees”: the Nominating, Audit and Compensation Committees. The Company has established a governance “system” excluding personal characteristics in the aim of enhancing corporate value. The Company’s basic approach with regard to its governance system is as follows.

- Reinforcement of business supervisory functions by separating the supervisory and execution functions in order to increase the corporate value.
- Faster decision-making by delegating substantial authority to the Executive Officers.
- Election of an Independent Outside Director who can provide supervision from an ordinary shareholder perspective.
- Improvement of the transparency, integrity and efficiency of management through the above mentioned points.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Shareholder Meeting	The Company sends the convocation notices at least three weeks in advance of the scheduled date of the General Shareholder Meeting to shareholders in order to enable them to have sufficient time to deliberate on the proposed Agenda of Items. Simultaneously, the convocation notices and its English translation is posted on the Company’s website.
Scheduling AGMs to Avoid the Peak Day	The meeting is scheduled to avoid the peak day so that as many shareholders as possible can attend.

Allowing Electronic Exercise of Voting Rights	Shareholders can exercise voting rights via the Internet by accessing the website for exercising voting rights designated by the Company through a personal computer, smartphone or cellular phone. Japanese and overseas institutional investors can vote by using ICJ's electronic voting platform. However, pre-registration is required for the use of the platform.
Participation in Electronic Voting Platform	The Company posts convocation notices and its English translation on ICJ's electronic voting platform. Japanese and overseas institutional investors who have pre-registered for the use of the platform can directly access the contents of the convocation notices for deliberation, thus enhancing their convenience.
Providing Convocation Notice in English	As explained above, the Company posts English translations of convocation notices on the website. In addition English translations of convocation notices are also placed on the electronic voting platform.
Other	

2. IR Activities

	Supplementary Explanations	Presentation by President
Preparation and Publication of Disclosure Policy	For the purpose of ensuring prompt, accurate, and impartial disclosures of important corporate information concerning the Konica Minolta Group, the Konica Minolta Group has adopted principles relating to the disclosure of important corporate information in accordance with the "Konica Minolta Group Charter of Corporate Behavior", which applies to the Group and all of its employees. The Konica Minolta Group has also established information disclosure controls and procedures and takes measures to ensure that all employees are thoroughly familiar with information disclosure controls and procedures.	
Regular Investor Briefings for Individual Investors	The Company holds Investor Briefings for Individual Investors several times a year.	Yes
Regular Investor Briefings for Analysts and Institutional Investors	The Company holds quarterly Financial Results Briefing Session for analysts and institutional investors. The Company also holds Business Presentation Meetings from time to time.	Yes
Regular Investor Briefings for Overseas Investors	The Company holds Presentation Meetings for foreign investors several times a year.	Yes

Posting of IR Materials on Website	Financial Results, Securities Report, Presentation Materials for Financial Results, Shareholder's correspondence, Annual Report, Annual Financial Data, CSR Report, Intellectual Property Report and Company Brochures, are posted on the website.	
Establishment of Department and/or Manager in Charge of IR	The Company has established the IR Group within the Corporate Business Management Division.	
Other		

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	Regarding general principles concerning respect for stakeholders, the Company sets forth rules extensively in the "Konica Minolta Group Charter of Corporate Behavior." Regarding respect for individual stakeholders, the Company sets forth concrete rules under specific policies. For instance, the Konica Minolta Quality Policy calls for adherence to the "Customer First" principle. Furthermore the booklet of "Konica Minolta Group Charter of Corporate Behavior" contains translation in nine languages and is distributed to each employee of group companies worldwide to ensure familiarity with these policies.
Implementation of Environmental Activities, CSR Activities etc.	The Company believes that CSR activities are an integral part of management. The Company's CSR activities are based on the pursuit of its corporate philosophy and the practice of "Konica Minolta Group Charter of Corporate Behavior". In order to continue to grow as a global enterprise, the Company will continue to create "value" in order to realize a high-quality society while not losing sight of international issues. The Company formulated "Eco Vision 2050" as its long-term environmental vision to 2050. As a global enterprise, the Company aims at realizing a sustainable environment and society through Eco Vision 2050. The Company created the "Medium-Term Environmental Plan 2016" as a milestone marker toward the goals outlined in its Eco Vision 2050. The Company is conducting three Green Activities (Green Products, Green Factories, and Green Marketing) as a part of its action plan to realize the goals in the Medium-Term Environmental Plan 2016. The Company continues to take actions to build in environmental innovation in all business processes from product development, to procurement, production, distribution, sales, service,

	<p>recollection and recycling in order to reach targets for sustainable corporate growth and reduction in environmental load.</p> <p>The Company believes that development of a sustainable society where human rights are respected is essential. Based on this policy, the Company in its pursuit of CSR procurement established the “Konica Minolta Supplier Code of Conduct” and works with its suppliers to promote human rights, ethics, and health and safety throughout the supply chain. In addition, the Company also institutes the “Conflict Minerals Compliance Policy” to handle issues involving human rights violations at the upstream of the supply chain by investigating suppliers for compliance.</p>
Development of Policies on Information Provision to Stakeholders	<p>In the Konica Minolta Group Charter of Corporate Behavior, the Company declares “the Company communicates with society at large and discloses corporate information in fairly and adequately”. A Corporate Information Disclosure Committee is established to ensure that important corporate information of the Group is disclosed in a timely, appropriate and impartial manner.</p>
Other	

IV. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development

The Board of Directors of the Company adopted resolutions on the matters prescribed by the applicable Ordinance of the Ministry of Justice as those necessary for the execution of the duties of the Audit Committee (Article 416, Paragraph 1, Item 1 (b) of the Companies Act), and on the establishment of systems necessary to ensure that the execution of duties by Executive Officers complies with laws and regulations and the Articles of Incorporation, and other systems prescribed by the applicable Ordinance of the Ministry of Justice as systems necessary to ensure the properness of operations of a Stock Company (Article 416, Paragraph 1, Item 1 (e) of the Companies Act). A summary of the resolutions is as follows.

(1) Requirements for the execution of duties by the Audit Committee

(a) The Company set up the Audit Committee Office with a full-time staff to support the Audit Committee, and, besides being the secretariat of the Audit Committee, the Audit Committee Office shall perform its duties in accordance with the instructions of the Audit Committee. Furthermore, this principle is to be clearly specified in Company rules and made common knowledge.

(b) To ensure the independence of the above Audit Committee Office from Executive Officers and the effectiveness of instructions received from the Audit Committee, personnel matters regarding the Audit

Committee Office including appointment, personnel changes and disciplinary action, shall be approved in advance by the Audit Committee.

- (c) The Company's Executive Officers in charge of the Group's internal control, including the Corporate Audit Division, Risk Management Committee and the Compliance Committee, shall report on the status of operation to the Audit Committee on a regular basis and without delay if an urgent situation that must be reported has arisen or if requested to make a report by the Audit Committee. The subsidiaries' internal audit division, risk management division, compliance division and auditors shall report on the status of operation to the Audit Committee without delay if requested to make a report by the Company's Audit Committee.
 - (d) The Company will secure and manage a budget that is necessary and appropriate for paying expenses arising from the execution of work duties by the Audit Committee members.
 - (e) The Company will provide opportunity for Audit Committee members elected by the Audit Committee to attend management council meetings and other important meetings. The Executive Officers in charge of internal control, including the Corporate Audit Division, Risk Management Committee and the Compliance Committee shall report without delay if requested to make investigations, reports, etc. by the Audit Committee members.
- (2) Systems for ensuring compliance of execution of duties by Executive Officers with laws, regulations and the Articles of Incorporation and other required systems of the Group for ensuring the properness of business operations
- (a) Each Executive Officer shall manage the minutes of management council meetings and other important meetings, documents requesting formal approval and other information concerning the performance of their duties to ensure that documents are preserved in an appropriate manner and made available for inspection in accordance with the provisions of the Executive Officer document management rules and internal rules concerning the management of other documents.
 - (b) The Company set up the Risk Management Committee which is in charge of managing the various risks that arise in connection with the Group's business activities, and the Executive Officer nominated by the Board of Directors shall be responsible for the development of risk management systems including the following, in accordance with the Risk Management Committee Regulations.
 - With respect to management of the business risks and operational risks, each Executive Officer shall be responsible in accordance with respective assigned area. The Risk Management Committee shall provide support to each Executive Officer. Further, the Risk Management Committee shall periodically conduct selection, assessment and review of risks material to Group management, develop measures, and confirm management status.

- The Executive Officer in charge of risk management nominated by the Board of Directors shall be responsible for establishing the contingency plans and countermeasures to minimize the damages by a crisis which is supposed to adversely affect the corporate value.
 - Provide support to the development and strengthening of risk management systems at each group company.
- (c) The Company set up a Corporate Audit Division which is in charge of the internal auditing of the Group to evaluate and improve the status of execution of business operations in all business activities from the viewpoint of legality and rationality, and which shall be responsible for establishing and operating internal auditing systems in accordance with the Internal Auditing Regulations.
- (d) The Company shall be responsible for establishing and operating a system of internal control over financial reporting in the Group and a system for evaluating the efficacy of their operation.
- (e) The Company set up the Compliance Committee which is in charge of establishing and operating the Group's compliance systems, and the Executive Officer nominated by the Board of Directors shall be responsible for establishing and operating the compliance systems including the following, in accordance with the Compliance Committee Regulations.
- Defining compliance in the Group as the observance of laws and regulations applicable to corporate activities, corporate ethics and internal regulations and policies, and making this known to every individual working for the Group.
 - Establishing the Konica Minolta Group Charter of Corporate Behavior, familiarizing this through the Group, and enacting compliance conduct guidelines, etc. based on the philosophy of the Charter of Corporate Behavior.
 - Establishing and operating systems to promote compliance at each group company.
 - Establishing and operating a whistle blowing system that allows employees to report any compliance violations that are discovered or anticipated. Make this system clear common knowledge in Company rules to halt unfair treatment through the reporting of infractions. Furthermore, the department in charge of the whistle blowing system will regularly inform the Audit Committee of report details and status.
- (f) The Company established the Corporate Organization Basic Regulations, and shall develop the corporate governance mechanisms of the Company and the Group, including the foregoing systems. The Company shall also work to establish and operate a system for ensuring the appropriateness of business operation through the management council and other meeting bodies, authority regulations and other internal regulations, and shall endeavor to ensure the legality, rationality and efficiency of business execution by reviewing as necessary systems for management and administration across all the business activities of the Group. Furthermore, based on internal rules, etc. such as Authorization Regulations, the Company will make subsidiaries regularly report and seek preapproval on matters concerning the execution of important work duties, accounting, financial execution, human resources and other important information pertaining to such subsidiaries through Management Consultation Committee and other meetings.

2. Basic Views on Eliminating Anti-Social Forces and Progress of System Development

(1) Basic views

The Group's "Konica Minolta Code of Conduct" is based on the spirit of "Konica Minolta Group Charter of Corporate Behavior," the Group's highest Code on corporate. The Konica Minolta Corporate Compliance Behavior stipulates that the Company shall not deal with anti-social forces and shall take a resolute stance against all illegal demands.

(2) Progress of System Development

The Company is delegated the responsibility for implementation to its Corporate Legal Division. In addition to familiarizing all employees regarding the "Konica Minolta Code of Conduct" against anti-social forces through the Compliance Manual, a system of cooperation is established with concerned company divisions and external expert organizations.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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Supplementary Explanation

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2. Other Matters Concerning to Corporate Governance System

(1) Resolution requirements concerning appointment of Directors

As stipulated in the Articles of Incorporation, resolutions for the appointment of Directors shall be adopted by the majority of the voting rights of those shareholders who attend the General Shareholder Meeting, where shareholders with voting rights having one-third or more of the total voting rights of shareholders shall attend. Resolutions for the appointment of directors shall not be based on cumulative votes.

(2) Decision-making organizations on distribution of surplus, etc.

The Company's Articles of Incorporation stipulate that unless otherwise provided in any laws or regulations, the Company shall decide on the distribution of surplus and other matters provided in Article 459, Paragraph 1 of the Companies Act by resolution of the Board of Directors, and not by resolution of the General Shareholder Meeting.

The Company's Articles of Incorporation stipulate that the Company shall decide on the distribution of surplus and other matters provided in Article 459, Paragraph 1 of the Companies Act by resolution of the Board of Directors, and not by resolution of the General Shareholder Meeting and may in order to

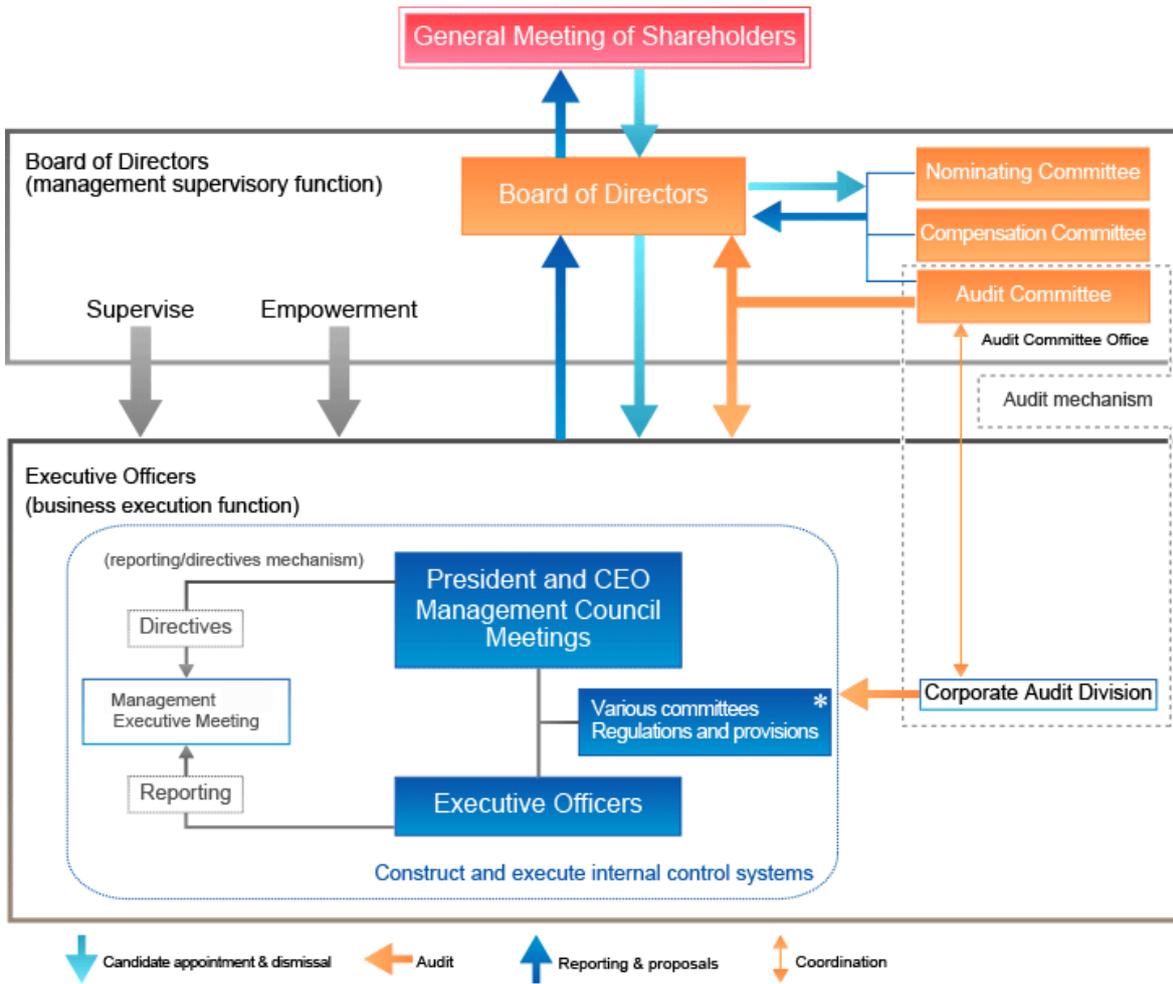
harmonize with the preceding provision repurchase its shares from the market, etc. provided in Article 165, Paragraph 2 of the Companies Act by a resolution of the Board of Directors.

(3) Requirements for special resolution

As stipulated in the Articles of Incorporation, in order to ensure smooth management of the General Shareholder Meeting, a special resolution provided in Article 309, Paragraph 2 of the Companies Act shall be adopted by two-thirds or more of the voting rights of those shareholders who attend the General Shareholder Meeting, where shareholders with voting rights having one-third or more of the total voting rights of shareholders shall attend.

(4) Exemptions of Directors and Executive Officers from their Liabilities

The Company's Articles of Incorporation stipulate that the Company may, pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, and by resolution of the Board of Directors, exempt the Directors (including former Directors) and Executive Officers (including former Executive Officers) from their liabilities for payment of damages with respect to the acts mentioned in Article 423, Paragraph 1 of the Companies Act to the extent permitted by laws and regulations in order to enable Directors and Executive Officer to fully play their expected roles.



*** Committees related to internal controls**

- Risk Management Committee
- Compliance Committee
- Corporate Information Disclosure Committee
- Investment Assessment Committee
- Business Assessment Committee