



KONICA MINOLTA

The essentials of imaging

Konica Minolta Acquires Danka Office Imaging

Tokyo (April 9, 2008) -- Konica Minolta Holdings, Inc. announced that the company has decided to acquire Danka Office Imaging Company (DOIC), a wholly-owned U.S. operating subsidiary of Danka Business Systems PLC (Danka), a company headquartered in London, UK, through Konica Minolta Business Solutions U.S.A., Inc.(KMBUS), a U.S. operating subsidiary of the group's core business company, Konica Minolta Business Technologies, Inc. (Konica Minolta).

DOIC is one of the largest independent suppliers of office imaging equipment, software, support, and related services and supplies in the United States. Having strong distribution network covering enterprise customers, DOIC serves over 45,000 promising customers across the United States. DOIC generated approximately \$450 million in total revenue for the fiscal year ending March 31, 2007.

Konica Minolta, the group's core business company, deals mainly with multi-function peripherals (MFPs) and printers. Ever since management integration of Konica and Minolta in 2003, Konica Minolta, foreseeing that the market will eventually shift to color and high-end machines, steadily reinforced its business infrastructure – namely, increasing mechanical and controller researchers, promoting technological innovation of chemical supplies focused on the unique polymerized toner, reinforcing production and distribution structures, and so on.

On April 4, 2008, Konica Minolta Holdings, Inc. entered into a strategic business alliance agreement with Oce, a company headquartered in Venlo, The Netherlands, having various cutting-edge technologies in the field of high-end printers and strong direct distribution and service network in both office and production print fields.

This acquisition, together with the above business alliance, is also a part of strategic investment with a view to further expanding its business, targeting to significantly expand its office equipment business and its presence in the U.S.

Through this acquisition, Konica Minolta aims to further increase its share in the office color equipment. In the production print field, our competitiveness will be further bolstered by making the most of DOIC's sales and support organization. Efficiently integrated management resources of KMBUS and DOIC will surely expedite our overall North American growth strategy with our independent dealers and branch network.

Taking maximum advantage of the acquisition, Konica Minolta will strengthen its business infrastructure and will begin servicing MFPs and printers through DOIC distribution network beginning in mid-2008.

Under the terms of the agreement, the total purchase price is expected to be approximately US \$240 million, subject to certain adjustment. The acquisition is subject to customary regulatory and other closing conditions, in both the United States and the UK, including the approval of the transaction by Danka's shareholders, and will be completed around June, 2008. Upon the consummation of the transaction, DOIC will be a wholly owned subsidiary of KMBUS, and will continue operation at its current offices in St. Petersburg, Florida.

Konica Minolta will promote the "genre top strategy" (a strategy to concentrate the management resources on the most promising business fields and markets to ensure global leadership in such fields and markets) in the evermore expanding office and production print fields, especially in the respective color segments. In this way, Konica Minolta aims to attain group-wide growth and maximize its corporate value.