


Report of Independent Certified Public Accountants

KONICA CORPORATION AND CONSOLIDATED SUBSIDIARIES

ChuoAoyama Audit Corporation

PRICEWATERHOUSECOOPERS 

Kasumigaseki Bldg. 32nd Floor
3-2-5, Kasumigaseki, Chiyoda-ku,
Tokyo 100-6088, Japan

**To: The Board of Directors of
KONICA CORPORATION**

We have audited the accompanying consolidated balance sheets of KONICA CORPORATION and its consolidated subsidiaries as of March 31, 2000 and 1999, and the related consolidated statements of income and retained earnings and cash flows for the years then ended, all expressed in Japanese Yen. Our audits were made in accordance with auditing standards, procedures and practices generally accepted and applied in Japan and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the consolidated financial statements referred to above present fairly the consolidated financial position of KONICA CORPORATION and its consolidated subsidiaries as of March 31, 2000 and 1999, and the consolidated results of their operations and their cash flows for the years then ended, in conformity with accounting principles and practices generally accepted in Japan (see Note 1) applied on a consistent basis.

As described in Note 1, effective the year ended March 31, 2000, KONICA CORPORATION and its consolidated subsidiaries have adopted new Japanese accounting standards for the preparation of consolidated financial statements and research and development costs.

The amounts expressed in U.S. Dollars, provided solely for the convenience of the reader, have been translated on the basis set forth in Note 2 to the accompanying consolidated financial statements.

ChuoAoyama Audit Corporation

Tokyo, Japan
June 29, 2000