

CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS

KONICA CORPORATION AND CONSOLIDATED SUBSIDIARIES
For the fiscal years ended March 31, 2001 and 2000

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2001	2000	2001
Net Sales (Note 6)	¥543,719	¥560,900	\$4,388,370
Cost of Sales (Note 6)	319,163	323,710	2,575,973
Gross profit	224,555	237,190	1,812,389
Selling, General and Administrative Expenses	194,012	204,058	1,565,876
Operating income	30,543	33,131	246,513
Other Income (Expenses):			
Interest and dividend income	1,198	1,722	9,669
Interest expenses	(9,267)	(10,454)	(74,794)
Foreign currency gains (loss), net	1,606	(4,739)	12,962
Equity in earnings (loss) of unconsolidated subsidiaries and affiliates	(248)	52	(2,002)
Gains on sales of fixed assets	8,587	288	69,306
Write-down on investment securities	(2,603)	—	(21,009)
Amortization of unrecognized obligation at transition (Note 13)	(22,096)	—	(178,337)
Gains on securities contribution to retirement benefit trust (Note 13)	8,873	—	71,614
Other, net	(5,534)	(4,793)	(44,665)
Total	(19,483)	(17,924)	(157,248)
Income before income taxes	11,059	15,206	89,257
Provision for Income Taxes (Note 8):			
Current	4,593	4,774	37,070
Deferred	(0)	2,808	(0)
Total	4,593	7,582	37,070
Minority Interests in Earnings of Consolidated Subsidiaries	(8)	3	(65)
Net Income	6,457	7,627	52,115
Retained Earnings at Beginning of the Year:	45,932	41,880	370,718
Cumulative effect on prior years of change in accounting for income taxes	—	—	—
Appropriations:			
Cash dividends	(3,576)	(3,576)	(28,862)
Retained Earnings at End of the Year	¥48,813	¥45,932	\$393,971
	Yen		U.S. dollars (Note 3)
Per Share of Common Stock:			
Net income	¥ 18.1	¥ 21.3	\$ 0.15
Cash dividends	10.0	10.0	0.08

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.