

## CONSOLIDATED BALANCE SHEETS

Konica Minolta Holdings, Inc. and Consolidated Subsidiaries  
March 31, 2006 and 2005

	Millions of yen		Thousands of U.S. dollars (Note 3)
	March 31		March 31
	2006	2005	2006
<b>Assets</b>			
<b>Current Assets:</b>			
Cash on hand and in banks (Note 4)	¥ 80,878	¥ 59,330	\$ 688,499
Notes and accounts receivable—trade	246,264	243,098	2,096,399
Marketable securities (Note 5)	—	155	—
Inventories	149,428	177,505	1,272,052
Deferred tax assets (Note 7)	43,242	37,850	368,111
Other accounts receivable	10,048	12,845	85,537
Other current assets	19,681	20,045	167,541
Allowance for doubtful accounts	(9,393)	(8,102)	(79,961)
<b>Total current assets</b>	<b>540,152</b>	<b>542,728</b>	<b>4,598,212</b>
<b>Property, Plant and Equipment:</b>			
Buildings and structures	171,000	175,734	1,455,691
Machinery and equipment	245,502	252,222	2,089,912
Tools and furniture	140,494	145,089	1,195,999
Land	35,871	36,374	305,363
Construction in progress	13,128	7,672	111,756
Rental business-use assets	71,008	61,868	604,478
	677,005	678,961	5,763,216
Accumulated depreciation	(460,877)	(456,344)	(3,923,359)
	216,127	222,617	1,839,848
<b>Intangible Fixed Assets:</b>			
Consolidation goodwill	80,789	88,212	687,742
Other intangible fixed assets	22,694	21,413	193,190
	103,483	109,625	880,931
<b>Investments and Other Assets:</b>			
Investment securities (Note 5)	37,459	33,194	318,881
Long-term loans	1,051	1,442	8,947
Long-term prepaid expenses	4,462	5,257	37,984
Deferred tax assets (Note 7)	29,135	27,049	248,021
Other	13,328	15,163	113,459
Allowance for doubtful accounts	(1,146)	(1,536)	(9,756)
	84,291	80,570	717,553
<b>Total assets</b>	<b>¥944,054</b>	<b>¥955,542</b>	<b>\$8,036,554</b>

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

	Millions of yen		Thousands of U.S. dollars (Note 3)
	March 31		March 31
	2006	2005	2006
<b>Liabilities and Shareholders' Equity</b>			
<b>Current Liabilities:</b>			
Short-term debt (Note 6)	¥135,362	¥157,174	\$1,152,311
Current portion of long-term debt (Note 6)	22,123	24,483	188,329
Notes and accounts payable—trade	117,974	138,074	1,004,290
Accrued expenses	77,044	75,958	655,861
Accrued income taxes (Note 7)	8,778	18,838	74,725
Reserve for discontinued operations (Note 12)	58,078	—	494,407
Other current liabilities	57,196	45,517	486,899
Total current liabilities	476,559	460,047	4,056,857
<b>Long-Term Liabilities:</b>			
Long-term debt (Note 6)	79,075	64,688	673,151
Accrued retirement benefits (Note 14)	64,869	63,044	552,218
Accrued retirement benefits for directors and statutory auditors	442	1,189	3,763
Deferred tax liabilities on land revaluation (Note 7)	4,042	3,926	34,409
Other long-term liabilities	22,493	21,196	191,479
Total long-term liabilities	170,924	154,044	1,455,044
<b>Minority Interest</b>	<b>2,753</b>	<b>1,720</b>	<b>23,436</b>
<b>Shareholders' Equity (Note 9, 17):</b>			
Common stock:			
Authorized—1,200,000,000 shares in 2006 and 2005			
Issued—531,664,337 shares in 2006 and 2005	37,519	37,519	319,392
Additional paid-in capital	226,069	226,069	1,924,483
Less: Treasury stock, at cost; Common stock, 825,124 shares in 2006 and 719,416 shares in 2005	(915)	(791)	(7,789)
Retained earnings	20,088	79,491	171,005
Unrealized gains on securities	10,180	4,780	86,660
Foreign currency translation adjustments	875	(7,339)	7,449
Total shareholders' equity	293,817	339,729	2,501,209
<b>Commitments and Contingent Liabilities (Note 10)</b>			
Total liabilities and shareholders' equity	¥944,054	¥955,542	\$8,036,554