Consolidated Statements of Income

Konica Minolta Holdings, Inc. and Consolidated Subsidiaries For the fiscal years ended March 31, 2007 and 2006

	Millions of yen		Thousands of U.S. dollars (Note 3)
		rch 31	March 31 2007
N. C.	2007	2006	
Net Sales	¥1,027,630	¥1,068,390	\$8,705,040
Cost of Sales (Note 8)	532,714	575,163	4,512,613
Gross profit	494,916	493,227	4,192,427
Selling, General and Administrative Expenses (Note 8)	390,909	409,811	3,311,385
Operating income	104,006	83,415	881,033
Other Income (Expenses):			
Interest and dividend income	2,316	1,756	19,619
Interest expenses	(5,088)	(5,427)	(43,100)
Foreign exchange gains, net	3,432	5,413	29,072
Gain (loss) on sales and disposals of property, plant and equipment, net	4,484	(2,434)	37,984
Write-down of investment securities	(26)	(8)	(220)
Loss on disposal of inventories	(7,054)	(7,540)	(59,754)
Loss on impairment of goodwill	_	(2,361)	_
Gain on sales of securities, net	2,744	1,107	23,244
Gain on sales of investments in affiliated companies, net	580	549	4,913
Loss on impairment of fixed assets (Note 11)	(640)	(4,143)	(5,421)
Loss on discontinued operations (Note 12)	(935)	(96,625)	(7,920)
Provision for special outplacement program	_	(6,484)	_
Equity in losses of affiliates	(160)	(2,507)	(1,355)
Other, net	1,233	(645)	10,445
Total	884	(119,350)	7,488
Income (loss) before income taxes and minority interests Income Taxes: (Note 7)	104,890	(35,934)	888,522
Current	27,307	24,650	231,317
Deferred	4,827	(7,116)	40,889
Total	32,135	17,533	272,215
Minority Interests in earnings of consolidated subsidiaries	(213)	(837)	(1,804)
Net Income (loss)	¥ 72,542	¥ (54,305)	\$ 614,502
	Yen		U.S. dollars (Note 3)
	March 31		March 31
Par Share (Alatas 0, 40).	2007	2006	2007
Per Share (Notes 9, 18):	\\\\	\//4.02.20\	* * * * *
Net income (loss)—Basic	¥136.67	¥(102.29)	\$1.16
—Diluted	134.00	_	1.14
Cash dividends	10	_	0.08

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