Consolidated Statements of Income

Konica Minolta Holdings, Inc. and Consolidated Subsidiaries For the fiscal years ended March 31, 2008 and 2007

	Millions of yen		Thousands of U.S. dollars (Note 3)
	Ma	rch 31 2007	March 31 2008
Net Sales	¥1,071,568	¥1,027,630	\$10,695,359
Cost of Sales (Note 8)	540,225	532,714	5,392,005
Gross profit	531,343	494,916	5,303,354
Selling, General and Administrative Expenses (Note 8)	411,736	390,909	4,109,552
Operating income	119,606	104,006	1,193,792
Other Income (Expenses):	117,000	101,000	1,170,772
Interest and dividend income	2,643	2,316	26,380
Interest expenses	(4,465)	(5,088)	(44,565)
Foreign exchange gain (loss), net	(7,637)	3,432	(76,225)
Gain (loss) on sales and disposals of property, plant and equipment, net	(3,224)	4,484	(32,179)
Write-down of investment securities	(313)	(26)	(3,124)
Write-down of investment in affiliated companies	(54)	_	(539)
Loss on disposal of inventories	(7,065)	(7,054)	(70,516)
Gain on sales of investment securities, net	19	2,744	190
Gain on sales of investments in affiliated companies, net	47	580	469
Loss on impairment of fixed assets (Note 11)	(5,702)	(640)	(56,912)
Gain on discontinued operations (Note 12)	590	_	5,889
Loss on discontinued operations (Note 12)	_	(935)	_
Equity in net income (losses) of unconsolidated subsidiaries and affiliates	182	(160)	1,817
Patent-related income (Note 13)	8,080	_	80,647
Environmental expenses	(1,856)	_	(18,525)
Other extraordinary losses of overseas subsidiaries (Note 14)	(1,731)	_	(17,277)
Other, net	(120)	1,233	(1,198)
Total	(20,609)	884	(205,699)
Income before income taxes and minority interests	98,996	104,890	988,083
Income Taxes (Note 7):			
Current	29,496	27,307	294,401
Deferred	544	4,827	5,430
Total	30,040	32,135	299,830
Minority Interests in Net Income of Consolidated Subsidiaries	126	213	1,258
Net Income	¥ 68,829	¥ 72,542	\$ 686,985
	,	Von	U.S. dollars (Note 3)
	Yen March 31		March 31
	2008	2007	2008
Per Share Data (Notes 9 and 21):			
Net income—Basic	¥129.71	¥136.67	\$1.29
—Diluted	122.44	134.00	1.22
Cash dividends	15	10	0.15

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