

Fiscal year ending March 31, 2004

Consolidated Financial Results
For the First Quarter
(From April 1, 2003 to June 30, 2003)
---- Flash Report ----

Listed company name: Minolta Co., Ltd. (<http://www.minolta.com>)
 Security code: 7753
 Stock Listings: First sections of Tokyo, Osaka, and Nagoya
 Head Office: 3-13, Azuchi-machi 2-chome, Chuo-ku, Osaka 541-8556, Japan
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1. Notes to Consolidated Financial Results

(1) Change in accounting policies: None

(2) Changes in Scope of Consolidation and Companies Accounted for by the Equity Method

Newly consolidated companies:	1
Newly non-consolidated companies:	---
Companies newly accounted for by the equity method:	---
Companies no longer accounted for by the equity method:	---

2. Financial Results (From April 1, 2003 to June 30, 2003)

Amounts less than ¥1 million, except per share amounts, have been omitted in the following tables.

(1) Operating Results

(in millions)

	Net sales	Operating income	Recurring income
1 st quarter ended June 30, 2003	¥123,677 --- %	¥5,700 --- %	¥5,727 --- %
1 st quarter ended June 30, 2002	¥ --- --- %	¥ --- --- %	¥ --- --- %
Year ended March 31, 2003	¥528,154	¥34,382	¥21,912

	Net income	Net income per share (Yen)	Net income per share Assuming full dilution (Yen)
1 st quarter ended June 30, 2003	¥4,360 --- %	¥15.58	¥ ---
1 st quarter ended June 30, 2002	¥ --- --- %	¥ ---	¥ ---
Year ended March 31, 2003	¥12,696	¥45.33	¥ ---

Notes:

Percentages shown for net sales, operating income, recurring income, and net income represent the increase or decrease compared with the previous period.

Financial figures for the 1st quarter ended June 30, 2002 are not provided because the Company adopted the quarterly disclosure system in fiscal 2003.

(2) Financial Position

(in millions)

	Total assets	Total Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share (Yen)
As of June 30, 2003	¥365,095	¥62,788	17.2%	¥224.34
As of June 30, 2002	¥ ---	¥ ---	¥ ---	¥ ---
As of March 31, 2003	¥367,278	¥57,947	15.8%	¥207.03

Cash Flows

(in millions)

	Operating Activities	Investing Activities	Financing Activities	Cash and cash equivalents at end of period
1 st quarter ended June 30, 2003	¥12,491	¥(1,051)	¥(13,838)	¥31,696
1 st quarter ended June 30, 2002	¥ ---	¥ ---	¥ ---	¥ ---
Year ended March 31, 2003	¥79,026	¥(15,275)	¥(69,389)	¥33,359

3. Projected Operating Results (Year ending March 31, 2004)

(in millions)

	Net Sales	Recurring income	Net income	Net income per share (Yen)
Interim period ending September 30, 2003	¥265,000	¥8,500	¥5,500	19.65
Fiscal year ending March 31, 2004	¥ ---	¥ ---	¥ ---	¥ ---

Remarks:

Above projected operating results are unchanged since the announcement on May 15, 2003. Projected operating results for the full year are not provided due to the management integration with Konica Corporation through stock swaps scheduled in August 2003.

* The above-mentioned forecasts are the results of estimations based on currently available information, and accordingly, contain risks and uncertainties. The actual results of business performance may sometimes differ from these forecasts due to various factors.

Consolidated Balance Sheets

(As of June 30, 2003)

ASSETS	(in millions)			
	1st quarter ended		Year ended	
	June 30, 2003		March 31, 2003	
	Amount	% of total	Amount	% of total
Current assets:				
Cash, including time deposits	¥ 31,907		¥ 33,585	
Notes and accounts receivable	92,804		99,747	
Marketable securities	6		5	
Inventories	84,733		77,247	
Deferred tax assets	6,749		5,413	
Other current assets	12,252		12,115	
Allowance for doubtful receivables	(4,531)		(4,258)	
Total current assets	223,924	61.3	223,856	61.0
Fixed assets:				
Tangible fixed assets:				
Buildings and structures	24,904		24,935	
Machinery, equipment and vehicles	10,985		10,558	
Tools, furniture and fixtures	24,813		25,181	
Land	27,554		27,503	
Construction in progress	329		259	
	88,587	24.3	88,438	24.1
Intangible fixed assets:				
Consolidation goodwill	4,045		4,214	
Other intangible fixed assets	11,197		11,369	
	15,242	4.2	15,584	4.2
Investments and other assets:				
Investments in securities	18,493		18,806	
Long-term loans receivable	1,399		1,413	
Deferred tax assets	10,774		11,873	
Other investments	7,298		7,932	
Allowance for doubtful receivables	(624)		(625)	
	37,341	10.2	39,398	10.7
Total fixed assets	141,171	38.7	143,421	39.0
Total assets	¥ 365,095	100.0	¥ 367,278	100.0

LIABILITIES AND SHAREHOLDERS' EQUITY	(in millions)			
	1st quarter ended June 30, 2003		Year ended March 31, 2003	
	Amount	% of total	Amount	% of total
Liabilities:				
Current liabilities:				
Notes and accounts payable	¥ 58,291		¥ 51,418	
Short-term loans payable	123,950		133,784	
Accrued income taxes	3,294		2,742	
Allowance for bonuses	2,596		4,957	
Allowance for product warranty	1,620		1,547	
Other current liabilities	35,864		38,595	
Total current liabilities	225,618	61.8	233,045	63.4
Long-term liabilities:				
Straight bonds	11,300		11,300	
Long-term loans payable	24,728		25,587	
Deferred income taxes	91		99	
Deferred income taxes on revaluation reserve for land	5,976		5,974	
Accrued retirement and severance benefits	24,004		23,048	
Accrued retirement and severance benefits for directors and corporate auditors	449		435	
Other long-term liabilities	8,627		8,489	
Total long-term liabilities	75,178	20.6	74,933	20.4
Total liabilities	300,796	82.4	307,978	83.8
Minority interests	1,510	0.4	1,351	0.4
Shareholders' equity:				
Common stock	25,832	7.1	25,832	7.0
Capital surplus	40,325	11.0	40,325	11.0
Consolidated retained earnings	(6,143)	(1.7)	(9,587)	(2.6)
Revaluation reserve for land	8,744	2.4	8,741	2.4
Net unrealized holding gain (loss) on securities	453	0.1	(346)	(0.1)
Translation adjustments	(6,270)	(1.7)	(6,876)	(1.9)
Less treasury stock, at cost	(152)	(0.0)	(141)	(0.0)
Total shareholders' equity	62,788	17.2	57,947	15.8
Total liabilities and shareholders' equity	¥ 365,095	100.0	¥ 367,278	100.0

Notes:

	1st quarter ended June 30, 2003	Year ended Mar. 31, 2003
1. Accounted depreciation of tangible fixed assets:	¥ 187,436 million	¥ 185,806 million
2. Notes discounted:	¥ 302 million	¥ 359 million
3. Guarantees for indebtedness for subsidiaries:	¥ 2,257 million	¥ 2,237 million
4. Treasury stock:	321,635 shares	304,184 shares

Consolidated Statements of Income

(1st quarter ended June 30, 2003)

(in millions)

	1st quarter ended June 30, 2003		Year ended March 31, 2003	
	Amount	% of total	Amount	% of total
Net sales	¥ 123,677	100.0	¥ 528,154	100.0
Cost of sales	68,307	55.2	293,075	55.5
Gross profit	55,369	44.8	235,078	44.5
Selling, general and administrative expenses	49,668	40.2	200,695	38.0
Operating income	5,700	4.6	34,382	6.5
Non-operating revenues:				
Interest and dividend income	204		714	
Equity in earnings of unconsolidated subsidiaries and affiliates	36		72	
Other	2,082		6,951	
	2,323	1.9	7,737	1.4
Non-operating expenses:				
Interest expenses	1,308		7,074	
Loss on inventory valuation and disposition	93		5,702	
Other	894		7,431	
	2,296	1.9	20,208	3.8
Recurring income	5,727	4.6	21,912	4.1
Special gains:				
Gain on sales of fixed assets	24		368	
Gain on sales of securities	229		56	
Gain on return of substituted portion of employee retirement benefits	---		2,632	
	253	0.2	3,057	0.6
Special losses:				
Loss on dispositions of fixed assets	209		1,477	
Loss on sales of securities	78		47	
Loss on valuation of investments in securities	114		6,448	
Restructuring charges	---		1,680	
	402	0.3	9,653	1.8
Income before income taxes	5,578	4.5	15,316	2.9
Corporate, inhabitant and corporate taxes	1,919		2,977	
Adjustments of income tax and others	(701)		69	
	1,218	1.0	3,046	0.6
Minority interests-loss	(0)	(0.0)	426	0.1
Net income	¥ 4,360	3.5	¥ 12,696	2.4

Consolidated Statements of Surplus

(1st quarter ended June 30, 2003)

(in millions)

	1st quarter ended June 30, 2003	Year ended March 31, 2003
Capital surplus:		
Balance at beginning of period	¥ 40,325	¥ 51,198
Decrement of capital surplus:		
Transfer to retained earnings	---	10,873
Decrement of capital surplus	---	10,873
Balance at end of period	40,325	40,325
Retained earnings:		
Balance at beginning of period	(9,587)	(33,149)
Increment of retained earnings:		
Net income	4,360	12,696
Adjustment resulting from change in fiscal year-end of consolidated subsidiaries	---	11
Transfer from capital surplus	---	10,873
Increment of retained earnings	4,360	23,580
Decrement of retained earnings:		
Cash dividends	839	---
Adjustment resulting from change in fiscal year-end of consolidated subsidiaries	74	---
Transfer from revaluation reserve for land	3	18
Decrement of retained earnings	917	18
Balance at end of period	¥ (6,143)	¥ (9,587)

Consolidated Statements of Cash Flows

(1st quarter ended June 30, 2003)

	(in millions)	
	1st quarter ended June 30, 2003	Year ended March 31, 2003
I. Cash flow from operating activities		
1. Income (loss) before income taxes and minority interests	¥ 5,578	¥ 15,316
2. Depreciation and amortization	5,432	25,337
3. Amortization of goodwill on consolidation	169	895
4. Increase in accrued retirement and severance benefits	871	(7,957)
5. Interest and dividend income	(204)	(714)
6. Interest expense	1,308	7,074
7. Equity in loss of unconsolidated subsidiaries and affiliates	(36)	(72)
8. Loss (gain) on sales of investments in securities	(151)	(8)
9. Loss on valuation of investments in securities	114	6,448
10. Gain on sales of property, plant and equipment	(24)	(368)
11. Decrease (increase) in notes and accounts receivable	8,710	15,403
12. Decrease (increase) of inventory	(5,633)	19,852
13. Increase (decrease) in notes and accounts payable	6,459	(611)
14. Decrease in accrued consumption taxes	(557)	222
15. Other, net	(6,956)	6,482
Subtotal	15,082	87,300
16. Interest and dividend income received	202	713
17. Interest expense paid	(1,406)	(7,310)
18. Income taxes paid	(1,386)	(1,678)
Net cash provided by (used in) operating activities	12,491	79,026
II. Cash flows from investing activities		
1. Purchases of property, plant and equipment	(2,938)	(12,331)
2. Proceeds from sales of property, plant and equipment	781	2,567
3. Purchases of investments in securities	(365)	(3,018)
4. Proceeds from sales of investments in securities	2,124	1,171
5. Additional acquisition of subsidiaries' shares	---	(2)
6. Repayment for loan receivable	(0)	(34)
7. Collections of loan receivable	11	334
8. Other, net	(665)	(3,962)
Net cash used in investing activities	(1,051)	(15,275)
III. Cash flow from financing activities		
1. Increase in short-term bank loans	(10,145)	(51,067)
2. Proceeds from long-term borrowings	---	14,402
3. Repayment of long-term borrowings	(2,271)	(15,659)
4. Redemption of unsecured bonds	---	(15,500)
5. Dividends paid	(680)	(9)
6. Dividends paid to minority interests	(17)	(88)
7. Other, net	(722)	(1,467)
Net cash (used in) provided by financing activities	(13,838)	(69,389)
IV. Effect of exchange rate changes on cash and cash equivalents		
IV. effect of exchange rate changes on cash and cash equivalents	365	(649)
V. Increase (Decrease) in cash and cash equivalents	(2,032)	(6,288)
VI. Cash and cash equivalents at beginning of year	33,359	38,505
VII. Cash and cash equivalents of initially consolidated subsidiaries at beginning of year	368	1,143
VIII. Cash and cash equivalents at end of year	¥ 31,696	¥ 33,359

Segment Information

1. Information by Industry Segment

1st quarter ended June 30, 2003

(in millions)

	Image information products	Optical Products	Other	Total	Elimination or corporate	Consolidated total
I. Net sales & operating income and loss						
Net sales:						
(1) External sales	¥ 94,077	¥ 29,453	¥ 146	¥ 123,677	---	¥ 123,677
(2) Inter-segment sales	335	73	1,351	1,760	(1,760)	---
Total sales	94,413	29,526	1,497	125,437	(1,760)	123,677
Operating expenses	87,547	30,855	1,390	119,793	(1,817)	117,976
Operating income (loss)	¥ 6,865	¥ (1,329)	¥ 107	¥ 5,643	¥ 57	¥ 5,700

Year ended March 31, 2002

(in millions)

	Image information products	Optical products	Other	Total	Elimination or corporate	Consolidated total
I. Net sales & operating income and loss						
Net sales:						
(1) External sales	¥ 389,935	¥ 114,040	¥ 24,178	¥ 528,154	---	¥ 528,154
(2) Inter-segment sales	164	465	8,120	8,749	(8,749)	---
Total sales	390,099	114,505	32,299	536,903	(8,749)	528,154
Operating expenses	360,147	111,297	31,271	502,715	(8,944)	493,771
Operating income	¥ 29,952	¥ 3,208	¥ 1,027	¥ 34,188	¥ 194	¥ 34,382

Notes:

1. Method of Classification of Categories

Based on consideration of similarities and other characteristics regarding product end-users, manufacturing processes and markets and marketing methods, business operations have been classified into the categories of image information product operations and optical product operations. Products that do not fall into these categories are classified as other operations.

2. Principal Products by Operational Category

Image information products.....Photocopiers, and printers
 Optical products.....Cameras, lenses, and radiometric instruments
 Other operations.....Products not included in the above categories

3. Change of Classification of Categories

The segment information for the 1st quarter ended June 30, 2003 has been calculated based on the new categorization applied to consolidated subsidiaries that is adopted in April 2003.

Segment information for the 1st quarter ended June 30, 2003 using the original classification

(in millions)

	Image information products	Optical products	Other	Total	Elimination or corporate	Consolidated total
Net sales & operating income and loss						
Net sales:						
(1) External sales	¥ 93,638	¥ 25,146	¥ 4,892	¥ 123,677	---	¥ 123,677
(2) Inter-segment sales	334	210	2,429	2,974	(2,974)	---
Total sales	93,972	25,357	7,322	126,652	(2,974)	123,677
Operating expenses	87,028	26,797	7,137	120,963	(2,987)	117,976
Operating income (loss)	¥ 6,944	¥ (1,440)	¥ 184	¥ 5,688	¥ 12	¥ 5,700

2. Information by Geographic Area

1st quarter ended June 30, 2003

	(in millions)						
	Japan	North America	Europe	Other areas	Total	Elimination or corporate	Consolidated total
I. Net sales & operating income and loss							
Net sales							
(1) External sales	¥ 40,639	¥ 34,929	¥ 40,673	¥ 7,434	¥ 123,677	---	¥ 123,677
(2) Inter-segment sales	47,307	770	320	25,491	73,890	(73,890)	---
Total sales	87,947	35,699	40,993	32,926	197,567	(73,890)	123,677
Operating expenses	79,494	36,345	40,970	32,389	189,199	(71,223)	117,976
Operating income (loss)	¥ 8,453	¥ (645)	¥ 22	¥ 537	¥ 8,367	¥ (2,666)	¥ 5,700

Year ended March 31, 2003

	(in millions)						
	Japan	North America	Europe	Other areas	Total	Elimination or corporate	Consolidated total
I. Net sales & operating income and loss							
Net sales							
(1) External sales	¥ 168,345	¥ 163,592	¥ 162,872	¥ 33,344	¥ 528,154	---	¥ 528,154
(2) Inter-segment sales	174,684	4,115	1,810	98,232	278,843	(278,843)	---
Total sales	343,030	167,707	164,682	131,577	806,997	(278,843)	528,154
Operating expenses	317,452	163,786	160,783	128,719	770,740	(276,968)	493,771
Operating income (loss)	¥ 25,577	¥ 3,921	¥ 3,899	¥ 2,857	¥ 36,256	¥ (1,874)	¥ 34,382

Notes:

1. Classification of areas is made according to the geographical neighborhood.
2. Details of areas in the classification excluding Japan are as follows:
 - (1) North America.....the United States, Canada
 - (2) Europe.....European countries including Germany, France, and the United Kingdom
 - (3) Other areas.....All other areas excluding the above (1) and (2)

3. Overseas Sales

1st quarter ended June 30, 2003

	(in millions)			
	North America	Europe	Other areas	Total
Overseas sales	¥ 40,154	¥ 46,223	¥ 15,421	¥ 101,799
Consolidated sales				123,677
Overseas sales as a percentage of consolidated net sales	32.5%	37.4%	12.4%	82.3%

Year ended March 31, 2003

	(in millions)			
	North America	Europe	Other areas	Total
Overseas sales	¥ 188,982	¥ 186,821	¥ 62,374	¥ 438,178
Consolidated sales				528,154
Overseas sales as a percentage of consolidated net sales	35.8%	35.4%	11.8%	83.0%

Notes:

1. Classification of areas is made according to the geographical neighborhood.
2. Details of areas in the classification excluding Japan are as follows:
 - (1) North America.....the United States, Canada
 - (2) Europe.....European countries including Germany, France, and the United Kingdom
 - (3) Other areas.....All other areas excluding the above (1) and (2)
3. Areas of overseas sales means destination of sales excluding Japan.