

Consolidated Balance Sheets

Konica Minolta Holdings, Inc. and Consolidated Subsidiaries
March 31, 2007 and 2006

	Millions of yen		Thousands of U.S. dollars (Note 3)
	March 31		March 31
	2007	2006	2007
Assets			
Current Assets:			
Cash on hand and in banks (Note 4)	¥ 85,677	¥ 80,878	\$ 725,769
Notes and accounts receivable—trade	257,380	246,264	2,180,263
Short-term investments (Note 5)	909	—	7,700
Inventories	133,550	149,428	1,131,300
Deferred tax assets (Note 7)	41,336	43,242	350,157
Other accounts receivable	10,999	10,048	93,172
Other current assets	19,489	19,681	165,091
Allowance for doubtful accounts	(5,106)	(9,393)	(43,253)
Total current assets	544,237	540,152	4,610,224
Property, Plant and Equipment:			
Buildings and structures	163,895	171,000	1,388,352
Machinery and equipment	215,227	245,502	1,823,185
Tools and furniture	143,672	140,494	1,217,044
Land	33,065	35,871	280,093
Construction in progress	12,406	13,128	105,091
Rental business-use assets	73,793	71,008	625,100
Total	642,060	677,005	5,438,882
Accumulated depreciation	(411,965)	(460,877)	(3,489,750)
Net property, plant and equipment	230,094	216,127	1,949,123
Intangible Fixed Assets:			
Goodwill	82,074	80,789	695,248
Other intangible fixed assets	15,897	22,694	134,663
Total intangible fixed assets	97,971	103,483	829,911
Investments and Other Assets:			
Investment securities (Note 5)	33,948	37,459	287,573
Long-term loans	614	1,051	5,201
Long-term prepaid expenses	4,393	4,462	37,213
Deferred tax assets (Note 7)	27,306	29,135	231,309
Other	13,037	13,328	110,436
Allowance for doubtful accounts	(552)	(1,146)	(4,676)
Total investments and other assets	78,748	84,291	667,073
Total assets	¥ 951,052	¥ 944,054	\$ 8,056,349

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
	2007	2006	2007
Liabilities, Minority Interests and Shareholders' Equity/Net Assets			
Current Liabilities:			
Short-term debt (Note 6)	¥ 79,927	¥ 135,362	\$ 677,061
Current portion of long-term debt (Note 6)	17,105	22,123	144,896
Notes and accounts payable—trade	121,707	117,974	1,030,978
Accrued expenses	50,563	39,027	428,319
Accrued income taxes (Note 7)	14,171	8,778	120,042
Reserve for discontinued operations (Note 12)	28,097	58,078	238,009
Other current liabilities	65,496	95,214	554,816
Total current liabilities	377,069	476,559	3,194,147
Long-Term Liabilities:			
Long-term debt (Note 6)	132,331	79,075	1,120,974
Accrued retirement benefits (Note 14)	57,947	64,869	490,868
Accrued retirement benefits for directors and statutory auditors	459	442	3,888
Deferred tax liabilities on land revaluation (Note 7)	4,028	4,042	34,121
Other long-term liabilities	10,590	22,493	89,708
Total long-term liabilities	205,358	170,924	1,739,585
Minority Interests	—	2,753	—
Contingent liabilities (Note 10)			
Shareholders' Equity (Notes 9, 18):			
Common stock:			
Authorized—1,200,000,000 shares in 2006 and 2005			
Issued—531,664,337 shares in 2006 and 2005	—	37,519	—
Additional paid-in capital	—	226,069	—
Less: Treasury stock, at cost; Common stock, 825,124 shares in 2006 and 719,416 shares in 2005	—	(915)	—
Retained earnings	—	20,088	—
Unrealized gains on securities	—	10,180	—
Foreign currency translation adjustments	—	875	—
Total shareholders' equity	—	293,817	—
Net Assets (Notes 2, 9, 18):			
Common stock:			
Authorized—1,200,000,000 shares in 2007 and 2006			
Issued—531,664,337 shares in 2007 and 2006	37,519	—	317,823
Capital surplus	204,143	—	1,729,293
Retained earnings	115,704	—	980,127
Less: Treasury stock, at cost; Common stock, 939,214 shares in 2007 and 825,124 shares in 2006	(1,097)	—	(9,293)
Unrealized gains on securities, net of taxes	7,454	—	63,143
Unrealized losses on hedging derivatives, net of taxes	(90)	—	(762)
Foreign currency translation adjustments	3,834	—	32,478
Share subscription rights	108	—	915
Minority interests	1,048	—	8,878
Total net assets	368,624	—	3,122,609
Total liabilities, minority interests and shareholders' equity / net assets	¥ 951,052	¥ 944,054	\$ 8,056,349