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Securities Code: 4902
May 29, 2009

To Our Shareholders

Masatoshi Matsuzaki
Director, Representative Executive Officer
and President
Konica Minolta Holdings, Inc.
1-6-1 Marunouchi, Chiyoda-ku, Tokyo

**NOTICE OF CONVOCATION OF
THE 105TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

KONICA MINOLTA HOLDINGS, INC. (“the Company”) respectfully requests your attendance at the 105th Ordinary General Meeting of Shareholders (“the Meeting”), which will be held as detailed below.

If you are unable to attend the Meeting, you may exercise your voting rights in writing or by an electronic method (via the Internet). In this case, please examine the attached Reference Documents for the Meeting of Shareholders, indicate your approval or disapproval on the enclosed Voting Form and return it so it reaches us by 5.40 p.m., Monday, June 22, 2009, or vote on the website for exercising voting rights designated by the Company (<http://www.evotep.jp/>) no later than the above-mentioned deadline.

1. Date and Time: Tuesday, June 23, 2009 at 10.00 a.m.

2. Place: Grand Prince Hotel Akasaka, Banquet Building 5F Royal Hall

3. Objectives:

- Matters to be Reported:**
1. Reports on the Business Report, the Consolidated Financial Statements for the 105th Fiscal Year (from April 1, 2008 to March 31, 2009); and Audit Reports by the Accounting Auditor and the Auditing Committee on the Consolidated Financial Statements
 2. Reports on the Non-consolidated Financial Statements for the 105th Fiscal Year (from April 1, 2008 to March 31, 2009)

Matters to be Resolved:

- First Agenda Item:** Partial Changes to the Articles of Incorporation
Second Agenda Item: Election of Twelve (12) Directors

4. Guide to the Exercise of Voting Rights, etc.

Please refer to “Guide to the Exercise of Voting Rights, etc.”

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- If you plan to attend the Meeting, please submit the enclosed Voting Form to the receptionist at the Meeting.
 - In case of any changes to the Reference Documents for the Meeting of Shareholders, the Business Report, Non-consolidated Financial Statements or Consolidated Financial Statements, the changes will be posted on the Company's website (<http://konicaminolta.jp/about/investors/index.html>).
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Guide to the Exercise of Voting Rights, etc.

1. **Deadline for exercise of voting rights**

As specified in the opening statement of this notice, for those unable to attend the Meeting, the deadline for receipt of votes by mail and the deadline for the exercise of voting rights on the website for exercising voting rights designated by the Company (<http://www.evot.jp/>) is 5.40 p.m., Monday, June 22, 2009.

2. **Treatment of votes without indication of approval or disapproval**

Any voting right exercised without indicating approval or disapproval for a particular proposal will be counted as a vote for approval of the proposal.

3. **Treatment of votes cast more than once by mail**

If any voting right is exercised more than once by mail, the latest exercise will be upheld as a valid exercise of the voting right.

4. **Diverse exercise of voting rights**

Shareholders are respectfully requested to notify the Company in writing of any diverse exercising of voting rights and the reason therefore not later than three days before the Shareholders' Meeting.

Using the Internet to exercise voting rights

1. **Treatment of votes cast both by mail and via the Internet**

If any voting right is exercised both by mail and by the Internet, the exercise via the Internet will be upheld as valid exercise of the voting right.

2. **Treatment of votes cast more than once via the Internet**

If any voting right is exercised more than once via the Internet, the latest exercise will be upheld as a valid exercise of the voting right. If any voting right is exercised by personal computer and by cellular phone, the latest exercise will be upheld as a valid exercise of the voting right.

3. **Guide to using the Internet to exercise voting rights**

If you decide to use the Internet to exercise your voting rights, please read the following in advance. If you intend to attend the Meeting in person, voting in writing or using the Internet is unnecessary.

(1) **Site for Exercising Voting Rights**

- (i) You may only exercise voting rights via the Internet by accessing the website for exercising voting rights designated by the Company (<http://www.evot.jp/>) through a personal computer or cellular phone (i-mode, EZweb or Yahoo! Mobile)*. Please note that you will not be able to access the above URL from 2.00 a.m. to 5.00 a.m. each day during the exercise period.

* ("i-mode" is a trade mark or registered trademark of NTT DoCoMo Inc., "EZweb" is a trademark or registered trademark of KDDI Corporation and "Yahoo!" is a trademark or registered trademark of Yahoo! Inc. in the United States.)

- (ii) With respect to exercising voting rights via the Internet using a personal computer, in some network environments (including, but not limited to, the case in which you use firewall, etc. antivirus programs or a Proxy Server for Internet access), you may not be able to exercise voting rights.

- (iii) With respect to the exercise of voting rights via the Internet by using a cellular phone, please use the service by i-mode, EZweb or Yahoo! Mobile. For security purposes, the website is only compatible with cellular phones that have functions of an encrypted communication (SSL communication) and transmission of cellular phone information.

- (iv) Although the exercise of voting rights via the Internet will be acceptable until 5.40 p.m. on Monday, June 22, 2009, we recommend that you exercise your voting rights earlier. If you have any enquiries, please contact the helpdesk shown below.

(2) Method of Exercising Voting Rights via the Internet

- (i) On the website for exercising voting rights (<http://www.evotep.jp/>), please enter your approval or disapproval for the proposals by using your “Login ID” and “Temporary Password” described in the Voting Form and by following the instructions on the screen.
- (ii) Please note that if you wish to exercise your voting rights via the internet, you will be asked to change your “Temporary Password” on the website for exercising voting rights in order to prevent unauthorized access (web spoofing) or alteration of the voting by non-shareholders.
- (iii) The “Login ID” and the “Temporary Password” will be renewed and sent to you for each general meeting of shareholders to be held in the future.

(3) Costs Arising from Access to the Website for Exercising Voting Rights

Any costs arising from access to the website for exercising voting rights (such as dial-up access fees and phone charges, etc.) shall be paid by you. In addition, with respect to accessing the website by using a cellular phone, packet communication fees and any other phone charges shall also be paid by you.

For enquiries with respect to systems

Mitsubishi UFJ Trust and Banking Corporation
Stock Transfer Agency Department (helpdesk)
Telephone: 0120-173-027 (toll-free number)
Operating Hours: 9.00 to 21.00 (Japanese language only)

To Institutional Investors

As an additional method for exercising your voting rights at the General Meeting of Shareholders using electronic means, made available in addition to the method of exercise via the Internet described above, any trust management bank or other nominal shareholders (including standing proxies) may use the electronic voting platform for institutional investors operated by ICJ, Inc., a joint venture established by the Tokyo Stock Exchange, Inc. and others, subject to prior request for the use of the platform.

BUSINESS REPORT

From April 1, 2008 to March 31, 2009

1. Overview of Konica Minolta Group business activities

(1) Konica Minolta Group developments and results of business activities

Konica Minolta Holdings, Inc. and its group companies (“the Company” or “the Group”) has worked as one to achieve sustainable growth and maximize the corporate value of the Group based on its three-year medium-term business plan FORWARD 08, which was created in May 2006. The Group has effectively implemented the “genre-top strategy,” which calls for concentrating resources in specified fields and growth markets to establish the top brand in those fields, consolidating its position among the leading companies in color multifunctional peripheral (MFP) products for general-office use and production print applications in the MFP markets of Europe and North America in Business Technologies Business. It has also sought to gain a dominant market share in the markets for VA-TAC film (viewing angle expansion films) used in large LCD TVs and optical pickup lenses used with DVDs in the Optics Business. These strategic products are the drivers of the Group’s growth and in previous fiscal years the Group has achieved consistent performance improvements at a pace exceeding initial projections.

In the fiscal year under review, we continued to adhere to this strategy. In the Business Technologies Business, we launched new products such as general office-use color MFP products and high-speed MFP products for production print applications and endeavored to expand sales in these strategic fields. In addition, as part of a global strategy for further accelerating the growth of MFP business, we aggressively moved forward with collaboration with leading companies outside the Group and acquisitions to expand sales channels, signing a strategic business alliance agreement with Océ N.V., a leading information equipment manufacturer in Europe specializing in high-end products, in April 2008, and acquiring Danka Office Imaging, a leading information equipment sales company in North America in June 2008. In the Optics Business, we sought to expand sales of strategic products in which we have a clear competitive edge, energetically marketing new VA-TAC film products and expanding applications for optical pickup lenses used with Blu-Ray Discs.

In contrast, at the beginning of the third quarter, the financial crisis deepened, creating profound implications for the real economy and a sharp drop in global economic activity. The markets in which the Group operates were also affected, and in the Business Technologies Business the number of newly installed MFPs showed slow growth, reflecting restrained investment and cost-cutting by companies and stricter credit checks for new lease contracts due to tight credit markets. The Optics Business faced a sharp drop in orders for the Company’s mainstay products because of the rapid downward adjustment of production volumes by companies in response to a sudden slackening of commercial demand in the digital consumer electronics industry. This rapid worldwide economic downturn had serious repercussions for the business and the performance of the Group from the third quarter. Moreover, because overseas sales account for a high share of total sales, the significant appreciation of the yen from the third quarter also dealt a severe blow to the Company’s performance.

Given this dramatic change in the business environment, the Group took aggressive steps to bolster the profitability of the Group in both the current and next fiscal years, seeking to lower the breakeven point through urgent action to enhance our capabilities. This action consisted primarily of steps to improve productivity, slash manufacturing costs, scale back capital investment and reduce selling, general and administrative (SG&A) expenses, and by immediately introducing more far-reaching structural reform measures including the reorganization and integration of domestic production bases in response to contraction in domestic demand, the further acceleration of overseas expansion, and the optimization of offices and staff in overseas sales divisions, including acquired companies.

As a result, Konica Minolta's consolidated net sales for the fiscal year under review amounted to ¥947.8 billion, a decrease of 12% year on year. In terms of profit, operating income fell 53% to ¥56.2 billion, reflecting the abrupt slackening in global demand which became particularly noticeable from the third quarter as well as the yen's surge of 20% or more against the Euro. Ordinary income sank 56% to ¥45.4 billion, primarily due to the posting of loss on foreign exchange of ¥7.2 billion under non-operating expenses. Net income decreased 78% to ¥15.1 billion, largely owing to the posting of business restructuring expense of ¥10.0 billion under extraordinary losses.

Regarding the payment of year-end dividends from retained earnings, to reward shareholders for their support, the Company intends to distribute year-end dividends of ¥10 per share as planned. This will bring annual dividends, including interim dividends to shareholders of record as of September 30, 2008, to ¥20 per share.

Overview of Business Segments

Segment	[Billions of yen]					
	Net sales to outside customers			Operating income		
		YoY change			YoY change	
Business Technologies Business	623.6	(77.2)	(11%)	52.5	(37.5)	(42%)
Optics Business	173.4	(8.8)	(5%)	12.5	(18.7)	(60%)
Medical and Graphic Imaging Business	125.8	(35.2)	(22%)	3.0	(4.6)	(60%)
Sensing Business	8.3	(1.5)	(15%)	0.3	(0.8)	(71%)

Business conditions in each segment during the fiscal year under review are as follows.

Business Technologies Business

Regarding general office-use color MFPs, we renewed our bizhub series product lineup during the previous fiscal year with the introduction of five new models, and we enhanced the line-up's merchandise competitiveness in the low-to-medium speed market segment with the launch in August 2008 of the strategic bizhub C200 with color printing output capabilities of 20ppm. We focused on expanding sales in the European market, where we have a strong marketing base, and NIC markets in Asia and other regions where demand is expected to increase. As a result, we maintained year-on-year growth in unit sales of color MFPs. With respect to black-and-white MFPs, we sought to strengthen product competitiveness in the high volume, medium-to-high speed segment, launching five new products.

Regarding high-speed MFPs for production printing applications, in August 2008 we began sales of our two new high-speed color MFP models the bizhub PRO C5501 and the bizhub PRO C6501, which offer greatly improved image quality stability and solid mechanical durability. Also in February 2009 we launched the bizhub PRO C65hc, the first high-speed color MFP with High Chroma toner in the industry. Moreover, based on the alliance with Océ N.V, in November 2008 we expanded our lineup of high-speed black & white MFP products to include three ultra high-speed models the bizhub PRO 1600P, 2000P and 2500P with black & white printing output capabilities ranging from 160ppm duplex to 250ppm duplex. We worked to leverage these new products to expand the scope of our operations in the production printing-use MFP market.

In the LBP field, we are focusing on stepping up marketing of products to ordinary offices that anticipate considerable printing volumes. We have sought to expand and improve our product lineup, launching the A4 high-speed color printer the bizhub C31P/magicolor 5670EN in

June 2008. These high added-value color MFP products have been well received by the market and in the fiscal year under review we reported year on year growth in unit sales of color printers.

Consequently, in the Business Technologies Business, the Group focused on expanding sales of general office-use color MFP products and high-speed MFP products for production printing applications, especially in the markets of Europe and North America, in line with its “genre top strategy”. However, in a global recession sparked by the financial crisis, sales of MFP products were sluggish, particularly from the third quarter onwards, reflecting further reductions in investment and credit tightening. With the rapid appreciation of the yen against other currencies also having the effect of reducing the yen value of sales made by the business, sales of this business to outside customers during the period under review declined 11% year on year, to ¥623.6 billion. Operating income fell 42%, to ¥52.5 billion, because of reduced sales volume from the third quarter and the negative impact of the strong yen on gross profit, despite intensified cost-saving and cost-cutting efforts in response to the rapid changes taking place in the operating environment.

◇**Strategic alliance with Océ N.V.**

In April 2008, we concluded a strategic alliance agreement with Netherlands-based Océ N.V., a leading information equipment manufacturer in Europe, concerning the development and marketing of products in the office and production printing fields. Both sides will supply each other with existing products and jointly develop future products. The alliance will enable us to speed up implementation of the “genre-top strategy” in the production printing field.

◇**Acquisition of Danka Office Imaging Company**

In June 2008, we completed the acquisition of Danka Office Imaging Company (DOIC), a leading U.S.-based office equipment sales company. DOIC is an independent supplier of office imaging equipment, software, support, and related services. It has a strong distribution network covering enterprise customers and serves a large number of promising customers across the United States. Since DOIC has also accumulated vast knowledge about the production printing field, Konica Minolta’s acquisition of DOIC is also aimed at strengthening the Group’s marketing infrastructure for MFP products in general in the United States.

◇**High Chroma toner technology**

The color material and structure of the toner particles have been developed based on Konica Minolta’s exclusive polymerized toner technology. This innovative technology enables reproduction of a spectrum of colors close to the color gamut displayed on computer monitors - something difficult to achieve with traditional digital photo printing.

Optics Business

Regarding display materials, the Company reported an expansion of market share driven by new VA-TAC film products for large-size LCD TVs, which have been designated a strategic field, and expanded production capacity also contributed to robust growth in sales volume during the first two quarters. Though sales were affected by the rapid downward adjustment of production volumes by LCD panel manufacturers from the third quarter, the Company maintained year-on-year growth in sales volume.

In the memory-related product field, sales of mainstay optical pickup lenses were strong during the first two quarters, reflecting the full-start up of business in optical pickup lenses for Blu-ray discs, an area in which we successfully developed products ahead of rivals and have established an overwhelmingly strong market. However, from the third quarter, demand for these and other products dropped sharply and although the Company maintained sales volume comparable with the previous fiscal year for optical pickup lenses used with Blu-ray discs, the volume of sales of current-generation products such as optical lenses used with CDs and DVDs

decreased significantly. Glass hard disk substrate business also entered a period of adjustment at the beginning of the fourth quarter and sales volume was unchanged from the previous fiscal year.

Also in the image input/output component field, sales of products such as micro-camera modules for camera-equipped mobile phones and zoom lens units for digital cameras were affected by the downward adjustment of production volumes by manufacturers from the third quarter, and generally sales were lackluster.

As a consequence, in the Optics Business, the Group sought to expand sales of strategic products such as VA-TAC film and optical pickup lenses used with Blu-Ray discs, taking advantage of its clear competitive edge, and sales during the first two quarters remained brisk. Starting in the third quarter, however, orders for these core products fell sharply, affected by the abrupt downward adjustment of production volumes across the entire digital consumer electronics industry. Sales of this business to outside customers slipped 5% year on year, to ¥173.4 billion. From the third quarter, which saw an abrupt drop in sales following a strong performance in the first six months, the Group stepped up its structural reform efforts, notably with the optimization of domestic production bases in response to rapidly failing demand, and sought to reduce fixed expenses. Unfortunately, this was not enough to offset the negative impact of the sharp decrease in sales volume and a rise in depreciation expenses as a result of tax system reforms effective from the fiscal year under review. Consequently, Operating income fell 60%, to ¥12.5 billion.

◇ **Increase of production capacity for TAC film products**

In June 2008, we completed construction of our sixth TAC film plant (Kobe, Hyogo Prefecture), undertaken to increase production capacity for mainstay TAC film products. This boosted our annual output capacity from 170 million square meters to 220 million square meters. We also began construction of a seventh plant in anticipation of further expansion in demand, but, in light of the sudden downward adjustment of production volumes from the third quarter, decided to put construction of the new plant temporarily on hold.

Medical and Graphic Imaging Business

In the medical/health care field, we strengthened our marketing of digital radiography input/output equipment/systems. We concentrated on marketing the REGIUS MODEL 110, a compact CR (Computed Radiography) unit that meets the IT needs of clinics and other small medical establishments, and its peripheral terminal system. These products have become widely accepted systems both in Japan and overseas. In the fiscal year under review we recorded year-on-year growth in unit sales of CR systems and, as hospitals switch to filmless radiology, these products also helped to expand our new service businesses, such as remote care contracts.

In the (graphic) printing segment, we strove to increase sales of digital printing equipment such as the Pagemaster Pro 6500 on-demand printing system. However, as economic conditions worsened, customers tended to freeze or postpone investment decisions, severely affecting sales of such products.

Consequently, in the Medical and Graphic Imaging Business, the Group aimed to expand sales of digital printing products, but in both the medical/healthcare and the graphic imaging segments, the contraction in global demand for film products became even more pronounced, and the volume of sales of film products fell sharply. Add to the negative effect of the strong yen on the yen value of the business's sales, and sales of this business to outside customers during the period contracted 22% year on year, to ¥125.8 billion. Operating income declined 60%, to ¥3.0 billion, reflecting lower gross profit due to lower sales volume for film products, which offset exhaustive cost-cutting efforts.

◇ **Withdrawal from manufacture and sale of film products in graphic imaging segments**

Given the continuing contraction in demand for film products reflecting the shift toward digital products, we made the strategic decision to withdraw from the manufacture of film products

at the end of March 2009 and to phase out sales. We have already communicated our policy to our customers worldwide and will take all possible measures to minimize inconvenience to our customers.

Sensing Business

During the period under review, the Company sought to expand sales of the CS-2000 spectroradiometer, the CM-700 spectrophotometer, and the RANGE7 3D digitizer, which are its mainstay products in the three strategic segments of light source color, object color and 3-D shapes. The Company also worked to enhance its capability, reviewing its marketing structure in the markets of Europe and North America and bolstering profitability. As of result of these developments, sales of this business to outside customers during the period fell 15%, to ¥8.3 billion, and operating income declined 71%, to ¥300 million.

(2) Konica Minolta Group financing, capital expenditure and significant restructuring

a. Financing

The Company, which is the holding company of the Group, is mainly responsible for financing, and, in the fiscal year under review, we funded capital expenditure and the repayment of loans, etc. ourselves and did not raise any new funds by means such as capital increase or bond issue.

b. Capital expenditure

The capital expenditure of the Group during the fiscal year under review totaled ¥61.1 billion, with the emphasis on expenditure for the development and manufacture of new products mainly in the Business Technologies Business and the Optics Business. Significant expenditure included investment in the new TAC film plant in Kobe, a glass hard disk substrate manufacturing facility in Malaysia, and new research and development facilities at the Osakasayama site, all in Optics Business.

c. Significant restructuring

In the Business Technologies Business, we acquired Danka Office Imaging Company, one of the largest dealers in the United States, in June 2008, with the aim of strengthening our marketing structure in both the general office and production printing fields in the U.S. market. We also acquired a distributor of Konica Minolta products and turned it into a subsidiary in October 2008, with a view to increasing direct sales in the Netherlands.

(3) Business results of the last three fiscal years

	102nd Term Fiscal Year Ended March 31, 2006	103rd Term Fiscal Year Ended March 31, 2007	104th Term Fiscal Year Ended March 31, 2008	105th Term Fiscal Year Ended March 31, 2009 (Fiscal year under review)
Net sales (Millions of yen)	1,068,390	1,027,630	1,071,568	947,843
Operating income (Millions of yen)	83,415	104,006	119,606	56,260
Ordinary income (Millions of yen)	76,838	98,099	104,227	45,403
Net income (Millions of yen)	(54,305)	72,542	68,829	15,179
Net income per share (yen)	(102.29)	136.67	129.71	28.62
Total assets (Millions of yen)	944,054	951,052	970,538	918,058
Net assets (Millions of yen)	293,817	368,624	418,310	414,284
Net assets per share (yen)	553.50	692.39	786.20	779.53
Dividend per share (yen)	-	10	15	20
[of which, interim dividend per share]	[-]	[-]	[7.5]	[10]

Notes 1. The Company reported a net loss for the 102nd Term due to the posting of extraordinary losses,

including losses accompanying the decision to exit the Photo Imaging Business, an impairment loss on noncurrent assets relating to Photo Imaging Business, and extra retirement payment under the special retirement transition assistance program.

2. The decrease in net sales for the 103rd term reflects the fact that, as a result of the decision to exit the Photo Imaging Business, sales of this business fell ¥139.3 billion year on year.
3. Beginning with the 103rd Term, the Company adopted the Accounting Standard for Presentation of Net Assets on the Balance Sheet (Corporate Accounting Standard No. 5, issued by the Accounting Standards Board of Japan on December 9, 2005) and the Guidance on Accounting Standard for Presentation of Net Assets on the Balance Sheet (Corporate Accounting Standard Guidelines No. 8, issued by the Accounting Standards Board of Japan on December 9, 2005).

(4) Issues to be handled

The outlook for the domestic and global economy in the year ahead is impossible to predict, and it is feared that conditions will remain extremely challenging. Looking at the markets in which we operate, although there are signs of recovery in certain fields such as LCD-related products, it is likely to take time before demand for our products is restored to previous levels given that firms are expected to keep up efforts to curtail investment and cut expenses for the time being and that B2B business such as MFP products for offices makes up the bulk of our business. We also need to pay attention to the impact that movements in the yen against the U.S. dollar, the euro and other major currencies has on our business and performance.

The Group recognizes the dramatic environmental change it is now facing not as a transitory economic slowdown but as a major turning point that is going to change everything and, if anything, sees this time of dramatic change as a chance to strengthen its position, and is implementing measures to create new more robust processes that will lead to growth. The Group has formulated Management Policy <09-10> which positions the coming two years fiscal 2009 and fiscal 2010 as the period for such measures and adopts three basic strategies: a. Enhance corporate capabilities, b. Achieve strong growth and, c. Reform the corporate culture. The new plan is outlined below.

Management Policy <09-10>

<Basic Policies>

a. Enhance corporate capabilities

We believe that during fiscal 2009, when the economic environment is expected to remain as challenging as in the third and fourth quarters of the period under review, we must urgently improve our corporate capabilities to be capable of consistently generating free cash flow without relying on growth in sales, and to achieve this we are focusing our efforts on

1. measures to reduce fixed costs, notably the implementation of structural reforms and the enforcement of expense management,
2. measures to slim down the balance sheet and generate free cash flow by means such as scaling back inventories and pushing for improvement in accounts receivable/accounts payable terms, and
3. measures to improve business profitability through assessing existing businesses and concentrating on key businesses.

Moreover, the Group sees

4. measures to strengthen environmental management as an important management issue and will aim to establish a green corporate group that uses environmental strategy to build competitive advantage for growth. We will implement measures that place us in the top class of companies in all our operations, including offering products incorporating environmental technologies, production processes that apply environmental technologies and compliance with environmental programs, and we will also work to create environmentally friendly new businesses.

b. Achieve strong growth

For the Group to be an agile company that does not miss opportunities and can find its growth trajectory in the recovery phase that is bound to come, it must have core growth-driving businesses. To do this, it is important not only to be more ruthless in picking out the best of its existing businesses but also to create new core businesses that will be the next growth drivers.

1) Strengthening of existing businesses

Regarding existing businesses, the Group aims to further consolidate its current position and expand business by picking out “genre top” products through selection and concentration and further honing the Group’s current strengths to build them into an overwhelming advantage. To achieve this, in the Business Technologies Business the Group is moving forward measures to further enhance its competitiveness in the field of color MFPs for offices and MFPs for production print applications. In the Optics Business we are putting effort into measures such as the marketing of next-generation products and entry into new areas in the display materials field and drastic improvement of cost competitiveness in the lens-related product field.

2) Development of new businesses

Regarding new businesses, the Group is implementing measures for the early launch of new businesses involving the advanced application and combination of the Group’s core technologies in the Material Field, the Optical Field, the Nano-fabrication Field and the Imaging Field, and for the development of these new businesses into the pillars of profit of next-generation business. More specifically, in the areas of Environment & Energy and Health, Security & Safety, where public demand continues to rise, the Group will develop new businesses that harness its strengths and offer products unique to the Group. Through these businesses the Group will not only make a substantial contribution to society but will also evolve into a company that is more indispensable to society. To step up such measures, the Company also intends to actively exploit collaboration with companies outside the Group. In the “Environment & Energy” field, the Group is now preparing to start up organic EL light source business based on a strategic alliance with U.S.-based GE (General Electric) during fiscal 2010.

c. Reform the corporate culture

To overcome the dramatic changes in the business environment we are now facing and to survive the global competition, the Group needs to create a vibrant corporate culture that enables it to tolerate difficulties while at the same time producing repeated innovations and being the driving force behind a paradigm shift. The Group has condensed its determination to achieve this into the slogan “simply BOLD” (means “Challenges born of courage and daring ideas” and is reforming corporate culture and awareness at all group companies worldwide. Alongside this, the Group is reforming its personnel programs and organizational management to train and deploy global human resources with autonomy and challenging spirit and creating a new Konica Minolta.

(5) Main businesses of Konica Minolta Group at the fiscal year end

The main businesses of the Group are as follows.

Business segment	Principal products
Business Technologies Business	MFP (multifunction peripheral) products, printers, etc.
Optics Business	Optical devices, electronic materials, etc.
Medical and Graphic Business	Medical products, printing products, etc.
Sensing Business	Measuring instruments for industrial and medical fields, etc.
Other Business	Products not included the above product groups

(6) Major business offices, plants, etc. and employees of the Konica Minolta Group at the fiscal year end

a. Main business offices, plants, etc. of the Group

The Group carries out operations throughout the world. The Group consists of the Company, which is the holding company of the Group, 123 subsidiaries and seven affiliated companies, which include the business companies responsible for each business segment and common-function companies.

a) Offices of the Company

Head Office: Chiyoda-ku, Tokyo

Kansai Office: Osaka

b) Other domestic offices

The offices of the business companies and the common function companies are located in Chiyoda-ku, Tokyo, Hino City (Tokyo), Hachioji City (Tokyo), Toyokawa City (Aichi Prefecture), Sakai City (Osaka), Osakasayama City (Osaka), Kobe City (Hyogo Prefecture) and other sites.

c) Overseas offices

The Group has plants, development facilities and sales offices throughout the world, including the United States, Germany and China.

b. Employees of the Group

Number of employees	Compared with end of previous fiscal year
36,875	Increase of 5,158

Notes 1. The number of employees indicates the number of employees currently on duty.

2. The number of employees excludes employees seconded by the Group to outside the Group and includes employees seconded to the Konica Minolta Group.

3. The number of employees increased by 5,158 compared with the end of the previous fiscal year primarily due to the establishment of a manufacturing subsidiary in China and the acquisition of dealers in Europe and North America in the Business Technologies business.

(7) Significant subsidiaries at end of period

Company name	Capital	Ratio of voting rights held by the Company	Description of principal businesses
Konica Minolta Business Technologies, Inc.	Millions of yen 500	100%	Manufacture, sale and related services of office equipment including MFPs and printers, and related supplies
Konica Minolta Opto, Inc.	Millions of yen 500	100%	Manufacture and sale of optical products and electronic materials
Konica Minolta Medical & Graphic, Inc.	Millions of yen 500	100%	Manufacture and sale of processing equipment and materials for medical and graphic imaging
Konica Minolta Sensing, Inc.	Millions of yen 495	100%	Manufacture and sale of measuring instruments for industrial and medical purposes
Konica Minolta Photo Imaging, Inc.	Millions of yen 100	100%	—
Konica Minolta Technology Center, Inc.	Millions of yen 50	100%	R&D, promotion of commercialization of new technologies, control management of intellectual property
Konica Minolta Business Expert, Inc.	Millions of yen 495	100%	Provision of management support and indirect function services

Konica Minolta IJ Technologies, Inc.	Millions of yen 10	100%	Manufacture and sale of print heads for industrial inkjet printers and textile print systems
Konica Minolta Business Solutions Japan Co., Ltd.	Millions of yen 497	*100%	Sale of office equipment including MFPs and related supplies in Japan
Konica Minolta Health Care Co., Ltd.	Millions of yen 397	*100%	Sale of medical equipment and materials in Japan
Konica Minolta Technoproducts Co., Ltd.	Millions of yen 350	*100%	Manufacture and sale of medical and graphic imaging equipment
Konica Minolta Supplies Manufacturing Co., Ltd.	Millions of yen 1,500	*100%	Manufacture and sale of supplies for MFPs and printers
Konica Minolta Business Solutions U.S.A., Inc.	Thousand US dollar 40,000	*100%	Sale of office equipment including MFPs, printers and related supplies in the U.S.
Konica Minolta Business Solutions Europe GmbH	Thousand euro 88,100	*100%	Sale of office equipment including MFPs, printers and related supplies in Europe
Konica Minolta Business Solutions Deutschland GmbH	Thousand euro 10,025	*100%	Sale of office equipment including MFPs, printers and related supplies in Germany
Develop GmbH	Thousand euro 1,540	*100%	Sale of office equipment including MFPs, printers and related supplies
Konica Minolta Business Solutions France S.A.S.	Thousand euro 26,490	*100%	Sale of office equipment including MFPs, printers and related supplies in France
Konica Minolta Business Solutions (UK) Ltd.	Thousand British pound 8,000	*100%	Sale of office equipment including MFPs, printers and related supplies in the U.K.
Konica Minolta Business Solutions (CHINA) Co., Ltd.	Thousand RMB 96,958	*100%	Sale of office equipment including MFPs, printers and related supplies in China
Konica Minolta Opto (SHANGHAI) Co., Ltd.	Thousand RMB 8,119	*100%	Sale of optical products and electronic materials in China
Konica Minolta Business Technologies Manufacturing(HK) Ltd.	Thousand HK dollar 195,800	*100%	Manufacture and sale of office equipment including MFPs and printers, and related supplies
Konica Minolta Business Technologies (Wuxi) Co., Ltd.	Thousand RMB 289,678	*100%	Manufacture and sale of office equipment including MFPs and printers, and related supplies
Konica Minolta Business Technologies (DONGGUAN) Co., Ltd.	Thousand RMB 141,201	*100%	Manufacture and sale of office equipment including MFPs and printers, and related supplies
Konica Minolta Opto (DALIAN) Co., Ltd.	Thousand RMB 244,675	*100%	Manufacture and sale of optical products and electronic materials

Note: The ratio of voting rights marked with * include those held by subsidiaries.

(8) Principal lenders and the amount of loans of the Konica Minolta Group at end of period
[Millions of yen]

Lender	Outstanding amount of loan
The Bank of TokyoMitsubishi UFJ, Ltd.	43,157
Sumitomo Mitsui Banking Corporation	21,553
Resona Bank, Limited.	8,492
Mizuho Corporate Bank, Ltd.	6,540

(9) Policy on exercise of authority if Articles of Incorporation allow distribution of dividends from retained earnings by the resolution of the Board of Directors (Article 459, Paragraph 1 of the Company Law)

The policy regarding resolutions on the payment of dividends from retained earnings, etc. calls for the basic approach of making a comprehensive evaluation of consolidated performance and funding requirements for promoting strategic investments in growth fields while seeking to sustain shareholder returns. Regarding the specific dividend target, the Group is aiming to

sustain a dividend payout ratio of 25% or higher over the medium-to-long term. With respect to the acquisition of treasury stock, the Company intends to make appropriate decision regarding treasury stock acquisition as a means of profit distribution while giving due attention to such factors as the Company's financial condition and stock price trends.

(10) Other significant matters of the Konica Minolta Group

No significant matters worth mentioning.

2. State of shares at end of period

(1) Total number of shares authorized to be issued 1,200,000,000 shares

(2) Total number of shares issued: 531,664,337 shares

(of which, treasury stock 1,370,709 shares)

(3) Number of shareholders at end of period: 29,336

(4) Major shareholders (shareholders holding not less than one tenth of the total number of shares issued excluding treasury stock)

Not applicable

The top ten shareholders are as follows:

Name of shareholder	Number of shares held (thousand shares)	Ratio of shares held (%)
Japan Trustee Services Bank, Ltd. (Trust account)	50,189	9.5
The Master Trust Bank of Japan, Ltd. (Trust account)	46,177	8.7
Japan Trustee Services Bank, Ltd. (Trust account 4G)	33,494	6.3
JPMorgan Chase Bank 380055	30,602	5.8
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	15,494	2.9
State Street Trust & Banking Co., Ltd.	13,384	2.5
Nippon Life Insurance Company	12,009	2.3
Japan Trustee Services Bank, Ltd. (Chuo Mitsui Asset Trust and Banking Company, Limited ReTrust Portion, Sumitomo Mitsui Banking Corporation Pension Trust Account)	11,875	2.2
The Nomura Trust and Banking Co., Ltd. (Holder in Retirement Benefit Trust for the Bank of Tokyo-Mitsubishi UFJ, Ltd.)	10,801	2.0
DAIDO LIFE INSURANCE COMPANY	9,040	1.7

Notes 1. Although significant shareholder reports from three joint shareholders including The Bank of Tokyo-Mitsubishi UFJ, Ltd., member of the Mitsubishi UFJ Financial Group, claim that they hold shares in the Company as set out below, the Company is unable to confirm the exact number of shares held at period end. For this reason only the top ten shareholders as per the shareholders' register have been listed.

Companies submitting significant shareholder reports	Reporting obligation accrual date	Number of shares held	Percentage of shares held
Mitsubishi UFJ Financial Group, Inc. (Joint holding)	February 24, 2009	54,452 thousand shares	10.2%

2. Although significant shareholder reports from the following companies claim that they hold substantial numbers of shares in the Company, the Company is unable to confirm the exact number of shares held at period end and hence these companies have not been included in the top ten shareholders.

Companies submitting significant shareholder reports	Reporting obligation accrual date	Number of shares held	Percentage of shares held
Fidelity Investments Japan Limited (Joint holding)	March 13, 2009	35,777 thousand shares	6.7%
Templeton Asset Management Ltd. (Joint holding)	February 27, 2009	26,683 thousand shares	5.0%
Barclays Global Investors (Joint holding)	March 9, 2009	23,168 thousand shares	4.4%

3. Stock acquisition rights, etc. of the Company

(1) Summary of stock acquisition rights, etc., issued to/held by directors and officers of the Company as compensation for the execution of duties at the end of the period

Starting in fiscal 2005, the Company began issuing stock acquisition rights to directors (excludes outside directors) and executive officers in the form of a compensation-type stock option plan, in accordance with its compensation policy.

Upon the exercise of stock acquisition rights, treasury stock owned by the Company will be transferred.

	First Series Fiscal Year Ended March 31, 2006	Second Series Fiscal Year Ended March 31, 2007	Third Series Fiscal Year Ended March 31, 2008	Fourth Series Fiscal Year Ended March 31, 2009	
Number of stock acquisition rights	389	211	226	256	
Type and number of shares under stock acquisition rights	Common shares 194,500 shares	Common shares 105,500 shares	Common shares 113,000 shares	Common shares 128,000 shares	
Amount to be paid upon exercise of the stock acquisition rights	One (1) yen per share	One (1) yen per share	One (1) yen per share	One (1) yen per share	
Exercise period of stock acquisition rights	August 23, 2005 - June 30, 2025	September 2, 2006 - June 30, 2026	August 23, 2007 - June 30, 2027	August 19, 2008 - June 30, 2028	
Primary condition for exercise of stock acquisition rights	The Optionee shall exercise stock acquisition rights during the period from one (1) year after the date of retirement from the post of director or executive officer of the Company up until five (5) years from that starting date.				
Primary events and conditions for acquisition of stock acquisition rights	The Company may acquire stock acquisition rights without any compensation if the General Meeting of Shareholders approves merger agreement in which the Company becomes the dissolving company, etc.				
Holdings of directors and executive officers	Number of holders	16	19	22	25
	Number of rights	239	182	210	256
	Number of shares	119,500 shares	91,000 shares	105,000 shares	128,000 shares

(2) Other significant matters regarding stock acquisition rights, etc. at end of period

a. Stock acquisition rights incorporated in Euro-Yen base convertible type bonds with stock acquisition rights (with the Company's acquisition rights) due 2009 (issued December 7, 2006; total amount of issue being ¥30 billion)

Number of stock acquisition rights	6,000
Type of shares under stock acquisition rights	Common shares
Number of shares under stock acquisition rights	13,793,103 shares
Amount to be paid per share upon exercise of the stock acquisition rights	2,175 yen

b. Stock acquisition rights incorporated in Euro-Yen base convertible type bonds with stock acquisition rights due 2016 (issued December 7, 2006; total amount of issue being ¥40 billion)

Number of stock acquisition rights	8,000
Type of shares under stock acquisition rights	Common shares

Number of shares under stock acquisition rights 16,785,564 shares
Amount to be paid per share upon exercise of the stock acquisition rights 2,383 yen

4. Status of the Company's management members

(1) Names, etc. of directors and executive officers

a. Directors

Name	Responsibilities, representation of other companies, important positions currently held
Fumio Iwai	Chairman of the Board
Yoshikatsu Ota	(Representative Executive Officer and President)
Tadao Namiki	Representative of Namiki Office
Tadaaki Jagawa	Advisor to the Board, Hino Motors, Ltd.
Takeo Higuchi	Chairman and CEO, Daiwa House Industry Co., Ltd.
Tohru Tsuji	Senior Corporate Advisor
Masanori Hondo	
Hisao Yasutomi	
Hiroshi Ishiko	(Senior Executive Officer)
Shoei Yamana	(Senior Executive Officer)
Akio Kitani	(Senior Executive Officer)
Yasuo Matsumoto	(Senior Executive Officer)
Masatoshi Matsuzaki	(Senior Executive Officer)

Notes 1. The four directors Mr. Tadao Namiki, Mr. Tadaaki Jagawa, Mr. Takeo Higuchi and Mr. Tohru Tsuji are outside directors, as provided for in Article 2, Item 15 of the Company Law.

2. At the 104th Ordinary General Meeting of Shareholders held on June 19, 2008, the terms of office of all thirteen (13) directors expired. The following eleven directors were reelected: Mr. Fumio Iwai, Mr. Yoshikatsu Ota, Mr. Tadao Namiki, Mr. Tadaaki Jagawa, Mr. Takeo Higuchi, Mr. Masanori Hondo, Mr. Hiroshi Ishiko, Mr. Shoei Yamana, Mr. Akio Kitani, Mr. Yasuo Matsumoto and Mr. Masatoshi Matsuzaki; and Mr. Tohru Tsuji and Mr. Hisao Yasutomi were newly elected and assumed office the same day.

3. Upon the close of the 104th Ordinary Meeting of Shareholders held on June 19, 2008, the term of office of Mr. Hisashi Nakayama and Mr. Yoshihiko Someya expired and they retired from the office of directors.

4. The members of each of the committees under the company-with-committees-system provided for in Article 2, Item 12 of the Company Law were appointed as follows at the Board meeting held on June 19, 2008, and assumed office the same day.

Auditing Committee	Tadao Namiki (Chairman), Takeo Higuchi, Tohru Tsuji, Masanori Hondo, Hisao Yasutomi
Nomination Committee	Tadaaki Jagawa (Chairman), Tadao Namiki, Tohru Tsuji, Fumio Iwai, Masanori Hondo
Compensation Committee	Takeo Higuchi (Chairman), Tadaaki Jagawa, Tohru Tsuji, Masanori Hondo, Hisao Yasutomi

5. Auditing Committee member Mr. Masanori Hondo had been in charge of the corporate accounting and corporate finance of the Company for many years and has considerable knowledge of corporate finance and corporate accounting.

6. Mr. Fumio Iwai retired from the post of chairman of the board as of March 31, 2009 and, in accordance with director and executive officer changes, effective April 1, 2009, Mr. Yoshikatsu Ota took over as chairman of the board.

b. Executive Officer

Position	Responsibilities, representation of other companies, important positions currently held	Name
* Representative Executive Officer and President		Yoshikatsu Ota
* Senior Executive Officer	In charge of Corporate Strategy Chairman of Risk Management Committee	Shoei Yamana
* Senior Executive Officer	In charge of CSR, Legal Affairs, General Affairs, and Compliance General Manager of Kansai Headquarters	Hiroshi Ishiko
Senior Executive Officer	In charge of Human Resources and Imaging Strategy	Yoshihiko Someya
Senior Executive Officer	Representative Director and President of Konica Minolta Opto, Inc.	Takashi Matsumaru
Senior Executive Officer	Representative Director and President of Konica Minolta Business Expert, Inc.	Toshifumi Hori
* Senior Executive Officer	In charge of Supply Chain Management (SCM) Representative Director and President of Konica Minolta Business Technologies, Inc.	Akio Kitani
Senior Executive Officer	Representative Director and President of Konica Minolta Medical & Graphic, Inc.	Kiyofumi Tanida
* Senior Executive Officer	In charge of Technology Strategy Representative Director and President of Konica Minolta Technology Center, Inc.	Masatoshi Matsuzaki
* Senior Executive Officer	In charge of Corporate Accounting, Corporate Finance, and Information Technology (IT) Innovation	Yasuo Matsumoto
Executive Officer	Director and Deputy General Manager of Sales and Marketing Headquarters (responsible for Printer) of Konica Minolta Business Technologies, Inc.	Tomohisa Saito
Executive Officer	Managing Director of Konica Minolta Business Technologies, Inc. President of Konica Minolta Business Solutions Europe GmbH	Hideki Okamura
Executive Officer	Managing Director and General Manager of Sales and Marketing Headquarters (responsible for MFP) of Konica Minolta Business Technologies, Inc.	Atsushi Kodama
Executive Officer	Managing Director in charge of Development and General Manager of Imaging Systems R & D Headquarters of Konica Minolta Business Technologies, Inc.	Takashi Sugiyama
Executive Officer	Director of Konica Minolta Business Technologies, Inc. Representative Director and President of Konica Minolta Business Solutions Japan Co., Ltd.	Takumi Kawakami
Executive Officer	In charge of New Business Development, General Manager of LA Business Division	Hisashi Tokumaru
Executive Officer	General Manager of Corporate Finance Division	Yoshiaki Ando
Executive Officer	Director and General Manager of Intellectual Property Center of Konica Minolta Technology Center, Inc.	Masaru Kamei
Executive Officer	General Manager of Corporate Audit Division	Yoshifumi Johno
Executive Officer	Managing Director and General Manager of Optical Electronics Materials Headquarters of Konica Minolta Opto, Inc.	Masami Akiyama
Executive Officer	In charge of Manufacturing Innovation Managing Director and General Manager of Manufacturing Headquarters of Konica Minolta Business Technologies, Inc.	Nobuyasu Ieuji
Executive Officer	Representative Director and President of Konica Minolta Sensing, Inc.	Toshihiko Karasaki

Notes 1. Executive officers marked with * hold concurrent director positions.

2. The above executive officers were, after the close of the 104th Ordinary General Meeting of Shareholders held on June 19, 2008, elected at the meeting of the board of directors held the same day.

3. The four executive officers Mr. Yoshikatsu Ota, Mr. Toshifumi Hori, Mr. Tomohisa Saito and Mr. Takumi Kawakami resigned as executive officers as of March 31, 2009.
4. In accordance with director and executive officer changes, effective April 1, 2009, executive officers changed as follows.

Position	Responsibilities, representation of other companies, important positions currently held	Name
Representative Executive Officer and President		Masatoshi Matsuzaki
Senior Executive Officer	In charge of Corporate Strategy, Investor Relations (IR), and Administrative Innovation Chairman of Risk Management Committee	Shoei Yamana
Senior Executive Officer	In charge of CSR, Legal Affairs, General Affairs, and Compliance General Manager of Kansai Headquarters	Hiroshi Ishiko
Senior Executive Officer	In charge of Human Resources, Corporate Communications and Branding, and Imaging Strategy	Yoshihiko Someya
Senior Executive Officer	Representative Director and President of Konica Minolta Opto, Inc.	Takashi Matsumaru
Senior Executive Officer	In charge of Supply Chain Management (SCM) Representative Director and President of Konica Minolta Business Technologies, Inc.	Akio Kitani
Senior Executive Officer	Representative Director and President of Konica Minolta Medical & Graphic, Inc.	Kiyofumi Tanida
Senior Executive Officer	In charge of Corporate Accounting, Corporate Finance, and Information Technology (IT)	Yasuo Matsumoto
Senior Executive Officer	In charge of Technology Strategy Managing Director and General Manager of R & D Headquarters of Konica Minolta Business Technologies, Inc.	Takashi Sugiyama
Executive Officer	Managing Director of Konica Minolta Business Technologies, Inc. President of Konica Minolta Business Solutions Europe GmbH	Hideki Okamura
Executive Officer	Managing Director and General Manager of Sales Headquarters of Konica Minolta Business Technologies, Inc.	Atsushi Kodama
Executive Officer	In charge of New Business Development General Manager of LA Business Division	Hisashi Tokumaru
Executive Officer	General Manager of Corporate Finance Division	Yoshiaki Ando
Executive Officer	Managing Director and General Manager of Intellectual Property Center of Konica Minolta Technology Center, Inc.	Masaru Kamei
Executive Officer	General Manager of Corporate Audit Division	Yoshifumi Johno
Executive Officer	Managing Director and General Manager of Performance Materials Headquarters of Konica Minolta Opto, Inc.	Masami Akiyama
Executive Officer	In charge of Manufacturing Innovation Managing Director and General Manager of Manufacturing Headquarters of Konica Minolta Business Technologies, Inc.	Nobuyasu Ieuji
Executive Officer	Representative Director and President of Konica Minolta Sensing, Inc.	Toshihiko Karasaki
Executive Officer	Managing Director and General Manager of Optical Business Headquarters of Konica Minolta Opto, Inc.	Hiroyuki Inoue
Executive Officer	Representative Director and President of Konica Minolta Technology Center, Inc.	Tawara Komamura
Executive Officer	Managing Director and General Manager of Corporate Planning & Managing Headquarters of Konica Minolta Business Technologies, Inc.	Yoshiaki Takei
Executive Officer	General Manager of Corporate Strategy Division	Kazuyoshi Hata
Executive Officer	Representative Director and President of Konica Minolta Business Expert, Inc.	Hirofumi Hogaki

5. Mr. Masatoshi Matsuzaki was promoted to Representative Executive Officer and President and Mr. Takashi Sugiyama was promoted to Senior Executive Officer as of April 1, 2009. The following five members: Mr. Hiroyuki Inoue, Mr. Tawara Komamura, Mr. Yoshiaki Takei, Mr. Kazuyoshi Hata and Mr. Hirofumi Hogaki were newly appointed as executive officers as of the same date.

(2) Total compensation to directors and executive officers

		Total	Compensation (Millions of yen)					
			Base salary		Performance-based cash bonus		Stock compensation-type stock options	
			Persons	Amount	Persons	Amount	Persons	Amount
directors	Outside	41	5	41	-	-	-	-
	Inside	139	3	112	-	-	3	26
	Total	180	8	153	-	-	3	26
Executive Officers		476	24	269	24	52	24	155

Notes 1. At the end of the period (March 31, 2009), the Company has four (4) outside directors, three (3) inside directors (not concurrently holding executive officer posts) and twenty-two (22) executive officers.

2. In addition to the three (3) inside directors shown above, the Company has another seven (7) inside directors who concurrently hold executive officer posts (six (6) at the end of the period), and the compensation to these directors is included in compensation to executive officers.
3. Regarding the performance-based cash bonus, the amounts which should be recorded as expense in the period are stated.
4. Regarding the compensation-type stock options, the amounts which should be recorded as expense based on an estimation of the fair value of the stock acquisition rights issued to directors (excluding outside directors) and executive officers as part of their compensation are stated.
5. The base salary and the performance-based cash bonus of the 14 executive officers who are primarily responsible for the company's subsidiaries are partially paid by the subsidiaries concerned, and the total of such amount plus the amount recorded as expense by the Company is as follows.

		Total	Compensation (Millions of yen)					
			Base salary		Performance-based cash bonus		Stock compensation-type stock options	
			Persons	Amount	Persons	Amount	Persons	Amount
Executive Officers		768	24	543	24	69	24	155

6. In addition to the compensation outlined above, the Company also paid compensation under the conventional retirement benefit system abolished in June 2005 as follows during the period under review in accordance with a resolution of the Compensation Committee.
 - Director (one) 1 million yen (retired June 19, 2008)
 - Executive officers (two) 34 million yen (one retiring March 31, 2008 and on retiring June 19, 2008)

(3) Summary of policy for determining amount of director or executive officer compensation and the method of calculation

The Company, which has adopted the company-with-committees system, has established a Compensation Committee. Outside directors account for the majority of members of the committee and the committee is chaired by an outside director to ensure transparency and to determine compensation in a fair and appropriate manner.

The Company's directors' compensation system is intended to strengthen the motivation of directors and executive officers to strive for the continuous medium-to-long-term improvement of Group performance in line with management policies to meet shareholder expectations, and to contribute to the optimization of Group value. The Company aims for a level of compensation that enables it to attract and retain talented people to take responsibility for the Company's development.

In keeping with these aims, the Compensation Committee has established a policy for determining the individual compensation entitlement of directors and executive officers as set out below, and determines the amount, etc. of individual compensation entitlement of directors and executive officers in line with this policy.

1. Compensation system
 - (1) Compensation packages for directors (excluding directors who concurrently hold executive officer posts) exclude a short-term performance-based cash bonus because directors have a supervisory role, and consist of a "base salary" component in the form of a base salary and long-term incentives in the form of "compensation-type stock options." Outside directors receive base salary only.
 - (2) Executive officer compensation packages consist of "base salary," "performance-based cash bonus," which reflects the short-term performance of the Group and the short-term performance of the business of which they are in charge, and "compensation-type stock options" as a long-term incentive.
2. "Base salary" is set at an appropriate level for each position, based upon objective data, evaluation data and other data collected at regular intervals, etc.
3. The amount of the "performance-based cash bonus" is determined according to the degree of attainment of annual performance targets. Targets currently place emphasis on profits.
4. Regarding the "compensation-type stock options," the Company grants stock acquisition rights to inside directors and executive officers as share-price based incentives from a shareholder perspective. The number of rights granted is determined for each optionee taking into account Group performance and the degree of attainment of the target performance in the business of which each optionee is in charge.
5. The standard for compensation to executive officers is a 60:20:20 mix of "base salary," "performance-based cash bonus" and "compensation-type stock options."
6. The Company reviews matters such as the level of compensation and the compensation structure in a timely and appropriate manner in response to changes in the business environment.

Regarding the conventional retirement benefit system abolished in June 2005, the Compensation Committee has determined individual entitlements within reason based upon certain criteria established by the Company, and will pay such entitlement upon the retirement of each director or executive officer in office prior to the abolition of this system.

(4) Matters regarding outside directors

a. Persons serving as executive officers at other companies

Name	Company name	Position
Takeo Higuchi	DAIWA HOUSE INDUSTRY CO., LTD.	Chairman and CEO

There are no material transactions with the Company.

b. Persons serving as outside directors at other companies

Name	Company name	Position
Tohru Tsuji	SEKISUI CHEMICAL CO., LTD. SOMPO JAPAN INSURANCE INC.	Outside director Outside auditor

c. Family relationship with an executive officer, etc. of the Company or of a specified related business operator of the Company

Not applicable

d. Primary activities of outside directors

Outside directors of the Company participate in Board of Directors meetings by making constructive statements on the decision-making and supervision of management, and they are also in charge of duties of the three committees: the Auditing Committee, the Nomination Committee and the Compensation Committee, as stated in “(1) Names, etc. of Directors and Executive Officers.” Also, where appropriate, outside directors also observe development, production and marketing and other actual operations as part of their supervision and auditing work, and exchange information with the President and the Chairman of the Board on various aspects including the running of Board of Directors meetings. The principal activities of outside directors are as follows.

a) Mr. Tadao Namiki

He attended all 13 Board of Directors meetings held during the fiscal year, and all 13 Auditing Committee meetings held during the same period. He also attended all five of the Nomination Committee meetings held after his appointment to the Nomination Committee in June 2008 and the one Compensation Committee held prior to expiration of his term of office as a member of the Compensation Committee in June 2008. At Board of Directors meetings, he primarily made statements as necessary and appropriate from the perspective of a highly experienced manager on areas such as financial strategy and shareholder benefits.

b) Mr. Tadaaki Jagawa

He attended 12 out of the 13 Board of Directors meetings held during the fiscal year, and all six of the Nomination Committee meetings and all six of the Compensation Committee meetings held during the same period. At Board of Directors meetings, he primarily made statements as necessary and appropriate from the perspective of a highly experienced manager on areas such as technical strategy and new business strategy.

c) Mr. Takeo Higuchi

He attended 12 out the 13 Board of Directors meetings held during the fiscal year, and all 13 Auditing Committee meetings and all six Compensation Committee meetings held during the same period. He also attended the one Nomination Committee meeting held prior to expiration of his term of office as a member of the Nomination Committee in June 2008. At Board of Directors meetings, he primarily made statements as necessary and appropriate from the perspective of a highly experienced manager on areas such as competitive strategy and M&A strategy.

d) Mr. Tohru Tsuji (assumed office following election at the Ordinary General Meeting of Shareholders held June 2008)

He attended 10 out of the 11 Board of Directors meetings held after his appointment, and all 10 Auditing Committee meetings, four out of five Nomination Committee meetings and all five Compensation Committee meetings held during the same period. At Board of Directors meetings, he primarily made statements as necessary and appropriate from the perspective of a highly experienced manager on areas such as medium-term management strategy and global business strategy.

e. Liability limitation agreements

To attract skillful people as outside directors and to enable them to fully demonstrate their expected role, the Company stipulates in its current Articles of Incorporation that the Company may, pursuant to the provisions of Article 427, Paragraph 1 of the Company Law, enter into an agreement with outside directors which limits their liabilities for payment of damages with respect to the acts mentioned in Article 423, Paragraph 1 of the Company Law to the extent permitted by laws and regulations. Based on these stipulations, the four outside directors Mr. Tadao Namiki, Mr. Tadaaki Jagawa, Mr. Takeo Higuchi and Mr. Tohru Tsuji have entered into an agreement with the Company limiting their liabilities for payment of damages, and the content of this agreement is summarized as follows.

The maximum amount of liability of an outside director who, with the best of intentions and without gross negligence, fails to execute his or her duties while in office and causes damage to the Company shall be limited to the aggregate sum of the amounts prescribed in Article 113 of the Company Law Enforcement Regulations multiplied by two (Article 425, Paragraph 1, Item 1 (c) of the Company Law).

5. Status of Independent Auditor

(1) Name of Independent Auditor

KPMG AZSA & Co.

(2) Compensation to the Independent Auditor

a. Compensation paid by the Company to the Independent Auditor during the fiscal year under review

Compensation for audit certification in accordance with Article 2, Section 1 of the Certified Public Accountants Law	100 millions of yen
Compensation for services other than those stipulated in Article 2, Section 1 of the Certified Public Accountants Law	— millions of yen
Total	100 millions of yen

Note Compensation is the total of compensation for the Independent Auditor’s audit under the Company Law and audit compensation under the Financial Instruments and Exchange Law, as there is no clear separation between the two.

b. Total amount of other property benefits paid by the Company and its subsidiaries

301 Millions of yen

(3) Details of services other than auditing

Not applicable

(4) Policy regarding decisions to dismiss or deny reappointment to Independent Auditor

The Auditing Committee will examine dismissing or denying reappointment of the Independent Auditor if the Independent Auditor has committed a serious violation or infringement of the Company Law, the Certified Public Accountants Law or other relevant laws or regulations, or if the Independent Auditor is deemed to have committed a serious breach of public order or custom. If, as a result of this examination, it is deemed appropriate to dismiss or

deny reappointment, the Auditing Committee will request the Board of Directors to submit a proposition calling for the dismissal or denial of reappointment of the Independent Auditor to the General Meeting of Shareholders pursuant to the provisions of Article 339, Paragraph 1 and Article 404, Paragraph 2, Item 2 of the Company Law.

6. Establishment of system to ensure appropriate business operations

The Board of Directors of the Company adopted resolutions on the matters prescribed by the applicable Ordinance of the Ministry of Justice as those necessary for the execution of the duties of the Audit Committee (Article 416, Paragraph 1, Item 1 (b) of the Company Law), and on the establishment of systems necessary to ensure that the execution of duties by executive officers complies with laws and regulations and the Articles of Incorporation, and other systems prescribed by the applicable Ordinance of the Ministry of Justice as systems necessary to ensure the properness of operations of a Stock Company (Article 416, Paragraph 1, Item 1 (e) of the Company Law). A summary of the resolutions is as follows.

<I. Requirements for the execution of duties by the Auditing Committee>

1. The Company set up the Auditing Committee Office with a full-time staff to support the Auditing Committee, and, besides being the secretariat of the Auditing Committee, the Auditing Committee Office shall perform its duties in accordance with the instructions of the Auditing Committee.
2. To ensure the independence of the above Auditing Committee Office from executive officers, personnel matters regarding the Auditing Committee Office including appointment, personnel changes and disciplinary action, shall be approved in advance by the Auditing Committee.
3. The executive officers with jurisdiction over internal control, including the Corporate Audit Division, Risk Management Committee and the Compliance Committee, shall report on the status of operation to the Auditing Committee on a regular basis and without delay if an urgent situation that must be reported has arisen or if requested to make a report by the Auditing Committee.
4. Auditing Committee members elected by the Auditing Committee may attend management council meetings and other important meetings if necessary and may request investigations, reports, etc. from the executive officers with jurisdiction over internal control, including the Corporate Audit Division, Risk Management Committee and the Compliance Committee.

<II. Systems for ensuring compliance of execution of duties by executive officers with laws, regulations and the Articles of Incorporation and other required systems for ensuring the properness of business operations>

5. Each executive officer shall manage the minutes of management council meetings and other important meetings, documents requesting formal approval and other information concerning the performance of their duties to ensure that documents are preserved in an appropriate manner and made available for inspection in accordance with the provisions of document management regulations.
6. The Company set up the Risk Management Committee which is in charge of managing the various risks that arise in connection with the Group's business activities, and the executive officer nominated by the Board of Directors shall be responsible for the development of risk management systems including the following, in accordance with the Risk Management Committee Regulations.
 - (1) Seeking to integrate risks arising in connection with business opportunities such as business strategy risk and risks arising in connection with the execution of business activities such as operational risk and seeking to maximize profits, while at the same time conducting risk assessments and reassessments and

- taking appropriate measures to provide reasonable assurance that operations will be executed in an appropriate and efficient manner.
- (2) Managing and responding to crises including the formulation of contingency plans, crisis management, and post-crisis response.
 - (3) Supporting the development and strengthening of risk management systems at each group company.
7. The Company set up the Compliance Committee which is in charge of establishing the Group's compliance systems, and the executive officer nominated by the Board of Directors shall be responsible for the development of compliance systems including the following, in accordance with the Compliance Committee Regulations.
 - (1) Defining compliance in the Group as the observance of laws and regulations applicable to corporate activities, corporate ethics and internal regulations and policies, and making this known to every individual working for the Group.
 - (2) Establishing the Konica Minolta Group Charter of Corporate Behavior, making this percolate down through the Group, and enacting compliance conduct guidelines, etc. based on the philosophy of the Charter of Corporate Behavior.
 - (3) Developing systems to promote compliance at each group company.
 - (4) Developing and operating a whistle blowing system that allows employees to report any compliance violations that are discovered or anticipated.
 8. The Company set up a Corporate Audit Division which is in charge of the internal auditing of the Group to evaluate and improve the status of execution of business operations in all business activities from the viewpoint of legality and rationality, and which shall be responsible for developing internal auditing systems in accordance with the Internal Auditing Regulations.
 9. The Company shall be responsible for developing a system of internal control over financial reporting in the Group and a system for evaluating the efficacy of their operation.
 10. The Company established the Corporate Organization Basic Regulations, and shall develop the corporate governance mechanisms of the Company and the Group, including the foregoing systems. The Company shall also work to develop a system for ensuring the appropriateness of business operation through the management council and other meeting bodies, authority regulations and other internal regulations, and shall endeavor to ensure the legality, rationality and efficiency of business execution by reviewing as necessary systems for management and administration across all the business activities of the Group.

*Amounts and numbers of shares shown in this business report are rounded down to the nearest whole unit.

Consolidated Balance Sheets
(As of March 31, 2009)

[Millions of yen]

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	504,919	Current liabilities	310,889
Cash and deposits	85,753	Notes and account payable - trade	87,105
Notes and accounts receivable-trade	171,835	Short-term loans payable	64,980
Lease receivables and lease investment assets	13,598	Long-term loans due within one year	12,102
Short-term investment securities	48,000	Bonds due within one year	30,066
Inventories	129,160	Unpaid expenses	36,443
Deferred tax assets	25,326	Accrued expenses	27,770
Accounts receivable-other	16,531	Income taxes payable	2,534
Other current assets	19,463	Provision for bonuses	11,736
Allowance for doubtful accounts	(4,749)	Provision for D & O's bonuses	85
		Provision for product warranties	2,496
		Provision for loss on withdrawal from operation	7,268
		Notes payable-facilities	2,444
		Other current liabilities	25,853
Noncurrent assets	413,138	Noncurrent liabilities	192,884
Tangible noncurrent assets	227,860	Bonds payable	40,000
Buildings and structures	71,937	Long-term loans payable	83,259
Machinery, equipment and vehicles	69,726	Deferred tax liabilities for land revaluation	3,889
Tools, furniture and fixtures	26,875	Provision for retirement benefits	57,962
Land	35,033	Provision for D & Os' retirement benefits	534
Lease assets	196	Other noncurrent liabilities	7,238
Construction in progress	11,522		
Assets for business-use rent	12,568	Total liabilities	503,773
Intangible noncurrent assets	111,623	Net assets	
Goodwill	81,374	Shareholder's equity	425,451
Other intangible noncurrent assets	30,248	Capital stock	37,519
Investments and other assets	73,654	Capital surplus	204,140
Investment securities	18,068	Retained earnings	185,453
Long-term loans receivable	461	Treasury stock	(1,662)
Long-term prepaid expenses	3,438	Valuation and translation adjustments	(12,070)
Deferred tax assets	39,608	Valuation difference on securities	(513)
Other investments	12,596	Deferred gains or losses on hedges	198
Allowance for doubtful accounts	(519)	Foreign currency translation adjustment	(11,755)
		Subscription rights to shares	460
		Minority interests	444
		Total net assets	414,284
Total assets	918,058	Total liabilities and net assets	918,058

Consolidated Statements of Income
(From April 1, 2008 to March 31, 2009)

[Millions of yen]

Item	Amount	
Net sales		947,843
Cost of sales		520,206
Gross profit		427,637
Selling, general and administrative expenses		371,376
Operating income		56,260
Non-operating income		
Interest and dividends income	2,176	
Other	5,748	7,925
Non-operating expenses		
Interest expenses	4,866	
Equity in losses of affiliates	99	
Foreign exchange losses	7,272	
Other	6,544	18,782
Ordinary income		45,403
Extraordinary income		
Gain on sales of noncurrent assets	249	
Gain on sales of investment securities	6	
Gain on sales of subsidiaries and affiliates' stocks	2,803	
Patent-related income	560	
Gain on transfer of business	3,063	
Reversal of provision for loss on withdrawal from operation	932	
Other extraordinary income	458	8,073
Extraordinary losses		
Loss on sales and retirement of noncurrent assets	3,115	
Loss on sale of investment securities	0	
Loss on valuation of investment securities	3,826	
Impairment loss	1,168	
Business structure improvement expenses	10,094	
Loss on revision of retirement benefit plan	2,046	20,252
Income before income taxes and minority interests		33,224
Income taxes-current	13,183	
Income taxes-deferred	4,857	18,040
Minority interests in income		5
Net income		15,179

Consolidated Statements of Changes in Shareholder's Equity

(From April 1, 2008 to March 31, 2009)

[Millions of yen]

	Shareholder's Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholder's equity
Balance at March 31, 2008	37,519	204,140	176,684	(1,340)	417,003
Effect of changes in accounting policies applied to foreign subsidiaries			5,210		5,210
Changes during the period					
Dividends from surplus			(9,283)		(9,283)
Net income			15,179		15,179
Change of scope of consolidation			96		96
Purchase of treasury stock				(665)	(665)
Disposal of treasury stock			(117)	343	226
Amortization of net retirement benefit obligation in foreign subsidiaries			(2,316)		(2,316)
Changes, net, in items other than shareholder's equity					
Total changes during the period	-	-	3,558	(321)	3,236
Balance at March 31, 2009	37,519	204,140	185,453	(1,662)	425,451

	Valuation and Translation Adjustments				Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total valuation and translation adjustments			
Balance at March 31, 2008	2,913	(319)	(2,431)	162	286	858	418,310
Effect of changes in accounting policies applied to foreign subsidiaries							5,210
Changes during the period							
Dividends from surplus							(9,283)
Net income							15,179
Change of scope of consolidation							96
Purchase of treasury stock							(665)
Disposal of treasury stock							226
Amortization of net retirement benefit obligation in foreign subsidiaries							(2,316)
Changes, net, in items other than shareholder's equity	(3,426)	517	(9,323)	(12,232)	174	(414)	(12,473)
Total changes during the period	(3,426)	517	(9,323)	(12,232)	174	(414)	(9,236)
Balance at March 31, 2009	(513)	198	(11,755)	(12,070)	460	444	414,284

Notes to Consolidated Financial Statements

< BASIS OF PRESENTING CONSOLIDATED FINANCIAL STATEMENTS >

I. Scope of Consolidation

1. Number of consolidated subsidiaries and names of principal consolidated subsidiaries

Number of consolidated subsidiaries: 105 companies

Names of principal consolidated subsidiaries:

Konica Minolta Business Technologies, Inc.
Konica Minolta Opto, Inc.
Konica Minolta Medical & Graphic, Inc.
Konica Minolta Sensing, Inc.
Konica Minolta Photo Imaging, Inc.
Konica Minolta Technology Center, Inc.
Konica Minolta Business Expert, Inc.

Changes in scope of consolidation

(Included due to increased significance)

Konica Minolta Business Solutions Greece S.A.
Konica Minolta Business Solutions Romania s.r.l.
Konica Minolta Business Solutions Russia LLC

(Included due to acquisition)

Konica Minolta Danka Imaging Company
Konica Minolta Business Solutions Nederland B.V.
Develop Nederland B.V.
Holding Kantoor Communicatiesystemen B.V.
Flexi Technologies B.V.
Konica Minolta Business Solutions (Ideal) Ltd.

(Excluded due to merger integration)

Konica Minolta Printing Solutions Nordic AB
Plankopie Gesellschaft für Burosysteme (Monchengladbach) mbH
Konica Minolta Headquarters North America, Inc.

(Excluded due to liquidation)

Minolta Business Equipment Australia Pty. Ltd.
Konica Minolta Business Solutions (WUHAN) Co., Ltd.
A.B.E. Rentals Pty. Ltd.
Konica Minolta Photo Imaging (UK) Ltd.
Konica Minolta Manufacturing U.S.A., Inc.
Konica Minolta Photo Imaging (HK) Ltd.
Konica Minolta Photo Imaging Malaysia Sdn. Bhd.
Konica Minolta Photo Imaging Australia Pty. Ltd.

(Excluded due to sale)

Konica Minolta ID System Co., Ltd.

2. Names of principal unconsolidated subsidiaries

ECS Buero-und Datensysteme GmbH

Unconsolidated subsidiaries have not been included in consolidation because they are relatively small and their total assets, sales, net income and retained earnings (in proportion to scale of equity ownership), etc. do not have a material impact on the consolidated financial statements.

II. Scope of the Use of Equity Accounting

1. Number of unconsolidated subsidiaries and affiliated companies accounted for by the equity method and names of principal companies

Number of companies accounted for by the equity method:

9 companies (6 unconsolidated subsidiaries, 3 affiliated companies)

Principal companies accounted for by the equity method:

ECS Buero-und Datensysteme GmbH

Changes in scope of application of equity method

(Excluded due to conversion into consolidated subsidiary)

Konica Minolta Business Solutions Russia LLC

(Excluded due to liquidation)

Konica Minolta Photo Imaging (Thailand) Co., Ltd.

2. Names of principal unconsolidated subsidiaries and affiliated companies that are not accounted for by the equity

method

Konica Minolta Software Laboratory Co., Ltd. is an unconsolidated subsidiary not accounted for by the equity method.

Companies that are not accounted for by the equity method are excluded from the scope of the equity method because they have an insignificant effect on consolidated net income and consolidated retained earnings and also lack overall materiality.

III. Changes Regarding Consolidated Subsidiaries during the Fiscal Year under Review

Some consolidated subsidiaries have fiscal years ending on December 31, and consolidated financial statements are prepared using the financial statements of those companies as of that fiscal year-end date. Adjustments are made to consolidated accounts to account for important transactions involving those companies that occur between the end of those companies' fiscal year-end date and the end of the consolidated fiscal year.

(Consolidated Subsidiaries with Fiscal Years Ending on December 31)

Konica Minolta Business Solutions (Shenzhen) Co., Ltd.

Konica Minolta Medical & Graphic (SHANGHAI) Co., Ltd.

Konica Minolta Business Solutions do Brazil Ltda.

Konica Minolta Business Solutions de Mexico SA de CV.

Konica Minolta Medical Systems Russia

Konica Minolta Business Solutions Romania s.r.l.

Konica Minolta Business Solutions Russia LLC

(Change to Accounting Policy)

Among consolidated subsidiaries, Veenman Deutschland GmbH has a fiscal year ending on December 31, and consolidated financial statements were previously prepared using the financial statements of Veenman Deutschland GmbH as of that fiscal year-end date. Adjustments were previously made to consolidated accounts to account for important transactions involving Veenman Deutschland GmbH that occur between Veenman Deutschland GmbH's fiscal year-end date and the end of the consolidated fiscal year. To increase the appropriateness of consolidated accounting information, from the fiscal year under review, Veenman Deutschland GmbH changed its fiscal year-end date to March 31, which is the end of the consolidated fiscal year. Because of this change, the results of Veenman Deutschland GmbH are the results for the 15-month period from January 1, 2008, through March 31, 2009. Also, Konica Minolta Business Solutions Greece S.A., which had a fiscal year ending on December 31, changed its fiscal year-end date to March 31 on being made into a consolidated subsidiary. Because of this change, the results of Konica Minolta Business Solutions Greece S.A. are the results for 15-month period from January 1, 2008, through March 31, 2009.

IV. Accounting Standards and Methods

1. Valuation of Assets

(1) Securities

Other securities

Securities with fair market value are stated using the mark-to-market method based on the market price at the balance sheet date. (Total net unrealized gains or losses after tax effect adjustments are directly recorded in shareholders' equity, and the cost of securities sold is computed based on the moving-average method.)

Other securities that do not have fair market values are primarily stated at cost using the moving value average.

(2) Derivatives

Derivatives are stated using the mark-to-market method.

(3) Inventories

Domestic consolidated subsidiaries' inventories are, in the main, recorded at cost as determined by the periodic-average method (method of reducing book value when the contribution of inventories to profitability declines). Overseas consolidated subsidiaries' inventories are recorded at the lower of cost or market value, with cost determined by the first-in, first-out method.

(Change to Accounting Policy)

Beginning with the fiscal year under review, Accounting Standard for Measurement of Inventories (No.9, issued by The Accounting Standards Board of Japan (ASBJ) on July 5, 2006) has been applied to domestic consolidated subsidiaries, and the main method of measurement of inventories was changed from the cost method determined by the periodic-average method to the cost method (method of reducing book value when the contribution of inventories to profitability declines), where cost is determined by the periodic-average method. As a result, compared with the previous

method, the introduction of the new method had the effect of decreasing both gross profit and operating income for the fiscal year under review by ¥3,644 million and of decreasing both ordinary income and income before income taxes and minority interests by ¥865 million.

2. Amortization Method for Noncurrent Assets

(1) Tangible noncurrent assets (excluding lease assets)

The depreciable assets of Konica Minolta Holdings, Inc. (“the Company”) and its domestic consolidated subsidiaries are depreciated using the declining-balance method. Overseas consolidated subsidiaries adopt the straight-line method. However, the Company and its domestic consolidated subsidiaries have used the straight-line method for their buildings (excluding annexed structures) acquired since April 1, 1998.

(Additional Information)

The Company and its domestic consolidated subsidiaries reviewed the useful life and classification of depreciable assets in response to revisions to the Corporate Tax Act (Act on Partial Revision of the Income Tax Act, Act No. 23, April 30, 2008), and, with respect to machinery, have shifted to the use of the post-reform method of amortizing assets over the applicable useful life and classification of those assets beginning with the fiscal year under review. As a result, compared with the method used in the previous fiscal year, the introduction of the new method had the effect of decreasing operating income, ordinary income, and net income before income taxes and minority interests by ¥6,587 million each during the fiscal year under review.

(2) Intangible noncurrent assets

We have adopted the straight-line method based on an estimated in-house working life of five years for the software we use.

(3) Lease assets

Lease assets arising from finance lease transactions not involving transfer of ownership
Depreciation is computed using the straight-line method based on the assumption that the useful life equals the lease term and the residual value equals zero. Finance lease transactions not involving transfer of ownership commencing before the first year of application of the Accounting Standards for Lease Transactions are continuously accounted for based on methods applicable to ordinary rental transactions.

3. Standards for Key Allowances

(1) Allowance for doubtful accounts

To prepare for possible losses on uncollectable receivables, for general receivables, an amount is provided according to the historical percentage of uncollectables. For specific receivables for which there is some concern regarding collectability, an estimated amount is recorded by investigating the possibility of collection for each individual account.

(2) Provision for bonuses

To prepare for the payment of employee bonuses, an amount corresponding to the current portion of estimated bonus payments to employees is recorded.

(3) Provision for D & O’s bonuses

To prepare for the payment of directors and officers’ bonuses, an amount corresponding to the projected value of bonus payments to directors and officers for the fiscal year under review is recorded.

(4) Provision for product warranties

The provisioning of free after-sales service for products is recorded based on past after-sales service expenses as a percentage of net sales.

(5) Provision for loss on withdrawal from operation

To provide for losses when the Company exits a business, provisions to this reserve are made in the amount of the estimated losses.

(6) Provision for retirement benefits

In order to provide employee retirement benefits, the amount recorded by the Company is based on projected benefit obligations and pension assets at the end of the fiscal year.

Prior service cost is being amortized as incurred by the straight-line method over periods (principally 10 years) which are shorter than the average remaining years of service of the employees at the time when the service cost is generated.

Actuarial gains and losses are amortized in the year following the year in which the gains or losses are recognized, primarily by the straight-line method over periods (principally 10 years) which are shorter than the average remaining years of service of the employees at the time when the service cost is generated.

(7) Provision for D & O's retirement benefits

Consolidated subsidiaries, to provide for the payment of directors and officers' retirement benefits, record provision for benefits for retired directors and officers in an actual amount equal to the need at the end of the year period under review based on those subsidiaries' regulations.

4. Principal accounting methods for hedge transactions

(1) Hedge accounting methods

The deferred hedge method is used. Special accounting methods are used for interest rate swaps that meet certain conditions.

(2) Hedge methods and hedge targets

The hedge methods are forward exchange contracts, and interest rate swaps.

The hedge targets are scheduled foreign currency denominated transactions, corporate bonds, and borrowings.

(3) Hedge policy

The Company and consolidated subsidiaries enter into forward foreign exchange contracts as hedging instruments only, not for trading purpose to make profits, within the limit of actual foreign transactions to reduce risk arising from future fluctuations of foreign exchange rates.

In addition, the Company and consolidated subsidiaries enter into interest rate swaps to make interest rates on bonds and borrowings stable or reduce costs fluctuations for future capital procurement, both as hedging instruments only, not for speculation purpose, within the limit of actual financial or operating transactions.

(4) Methods for evaluating the effectiveness of hedges

Verification is made to ascertain a high correlation between value fluctuations of cash flows and hedging instruments.

5. Consumption tax

The tax-exclusion method is used to account for consumption taxes. In addition, asset-related consumption tax that cannot be excluded is accounted for as deferred consumption taxes, etc., in the long-term prepaid expenses item and amortized over a five-year period by the straight-line method.

6. Consolidated tax payment system

The consolidated tax payment system is applied.

7. Valuation of consolidated subsidiary's assets and liabilities

The market value method is used to value the assets and liabilities of consolidated subsidiaries.

8. Amortization of goodwill

Amortization of goodwill is carried out separately for each goodwill item over a rational time period of 20 years or less.

9. Other significant changes in the basis of presenting consolidated financial statements

(Accounting policy changes)

(1) Application of "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements"

Beginning with the fiscal year under review, the Group has applied Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements (Practical Issues Task Force No.18, issued by ASBJ on May 17, 2006), and the necessary revisions have been made

in the consolidated statements. As a result, the effect on profit and loss for the fiscal year under review was not material. The main impact of the change on the Company's consolidated balance sheets for the fiscal year under review is to increase lease receivables and lease investment assets by ¥13,598 million.

(2) Application of Accounting Standard for Lease Transactions

Beginning with the fiscal year under review, the Company and its domestic consolidated subsidiaries have undertaken the application of the Accounting Standard for Lease Transactions (ASBJ No. 13, issued by the First Subcommittee of the Business Accounting Council on June 17, 1993, and revised on March 30, 2007) and Guidance on Accounting Standard for Lease Transactions (ASBJ Guidance No. 16, issued by the Accounting Practice Committee of the Japan Institute of Certified Public Accountants on January 18, 1994, and revised on March 30, 2007). Under these standards, the accounting treatment for finance leases for which ownership is not transferred to the lessee has been changed from methods applicable to ordinary rental transactions to methods applicable to ordinary purchase and sale transactions. This change did not affect profit and loss for the fiscal year under review.

(3) Accounting items of service expense

Previously, a portion of the consolidated subsidiaries accounted for service expenses (related to digital multifunction devices and other products) within SG&A expenses, but as a result of Group accounting policy adjustments undertaken in response to the introduction of internal control reporting systems from the current fiscal year, the Group has uniformly accounted for such service expenses within the cost of sales beginning with the fiscal year under review. The change has the effect of decreasing gross profit for the fiscal year under review by ¥28,126 million.

(4) Accounting items for loss on disposal of inventories

Beginning from the fiscal year under review, Accounting Standard for Measurement of Inventories (No.9, issued by ASBJ on July 5, 2006) has been applied to consolidated subsidiaries in Japan, and the Company responded to this by reevaluating Group accounting policy. As a result, beginning with the fiscal year under review, the Group has uniformly accounted for losses on the disposal of inventory within the cost of sales. Consequently, a portion of overseas consolidated subsidiaries that previously accounted for such losses within non-operating expenses have changed to the method of accounting for such losses within cost of sales. As a result, compared with the previous method, the introduction of the new method had the effect of decreasing both gross profit and operating income for the fiscal year under review by ¥2,606 million.

<Notes to Consolidated Balance Sheets>

1. Assets used for collateral and Secured Obligations

(1) Assets used for collateral

Receivable Notes	¥ 753 million
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(2) Secured Obligations

Short-term Loans payable	¥ 198 million
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Long-term Loans payable	¥ 146 million
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Total	¥ 344 million
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2. Accumulated depreciation on tangible noncurrent assets

¥ 426,193 million

3. Breakdown of inventories

Merchandise and Finished Goods	¥ 87,796 million
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Work in Process	¥ 19,003 million
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Raw Materials and Stores	¥ 22,360 million
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4. Balance of guaranteed obligations

Guaranteed obligations (guarantees for bank loans and lease obligations, etc. of unconsolidated companies, etc.)	¥ 2,012 million
Commitments to guarantee, etc. (guarantees for bank loans of suppliers/customers)	¥ 63 million
Total	¥ 2,076 million

<Notes to Consolidated Statements of Changes in Shareholders' Equity>

1. Issued Shares

Type of shares	End of previous fiscal year	Increase	Decrease	End of fiscal year under review
	shares	shares	shares	shares
Common shares	531,664,337	-	-	531,664,337

2. Treasury stock

Type of shares	End of previous fiscal year	Increase	Decrease	End of fiscal year under review
	shares	shares	shares	shares
Common shares	1,055,317	576,424	261,032	1,370,709

(Summary of reasons for change)

The principal reasons for increase were as follows:

Increase related to requests to purchase shares less than full trading units: 405,271 shares

Purchasing shares from shareholders whose whereabouts are unknown: 171,153 shares

The principal reasons for decrease were as follows:

Reduction related to shareholders' buying to complete full trading units: 244,532 shares

Reduction related to exercise of stock acquisition rights: 16,500 shares

3. Dividends

(1) Dividends paid

Decision	Type of shares	Total dividend value (millions of yen)	Dividend per share (yen)	Record date	Effective date
Board of Directors May 9, 2008	Common shares	3,979	7.50	March 31, 2008	May 28, 2008
Board of Directors October 30, 2008	Common shares	5,303	10.00	September 30, 2008	November 27, 2008

(2) Dividends for which the record date belonging to the current period will be effective in the next period

Decision	Type of shares	Total dividend value (millions of yen)	Dividend source	Dividend per share (yen)	Record date	Effective date
Board of Directors May 14, 2009	Common shares	5,302	Retained earnings	10.00	March 31, 2009	June 1, 2009

4. Stock acquisition rights

Breakdown of stock acquisition rights	Type of shares under stock acquisition rights	Number of shares under stock acquisition rights
First issue of stock compensation-type stock options for 2005	Common shares	151,000 shares
Second issue of stock compensation-type stock options for 2006	Common shares	98,500 shares
Third issue of stock compensation-type stock options for 2007	Common shares	112,500 shares
Fourth issue of stock compensation-type stock options for 2008	Common shares	128,000 shares
Total		490,000 shares

5. Change due to revision of accounting treatment for overseas subsidiaries reflects the application of Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements (Practical Issues Task Force No.18, issued by ASBJ on May 17, 2006) from the fiscal year under review.
6. The figure for provision of retirement allowance debt of overseas subsidiaries stems from provisions for the accounting treatment of retirement benefit payments that affected a portion of consolidated subsidiaries in the United States.

<Notes on Per-Share Information>

1. Net assets per share	¥779.53
2. EPS	¥28.62

<Significant Subsequent Events>

Not applicable

<Other Notes>

1. The cost of sales includes the cut-down of book values by ¥ 6,302 million, reflecting reduced profitability of inventory held for normal sales purposes.
2. Gain on the sale of shares of affiliated companies and gain on transfer of business resulted from the transfer of a domestic subsidiary belonging to the Medical & Graphic Business and related business assets to a company outside the Group.
3. Regarding patent-related revenue, patent royalties related to Photo Imaging business are recorded in a lump sum.
4. The reversal of the provision for loss on withdrawal from operations represents the net value of drawing down of the provision for loss on withdrawal from operations accompanying the withdrawal from the Photo Imaging business in the fiscal year under review, in response to changes in conditions, the environment, etc. and such loss.
5. Other extraordinary profit represents the reduction in refund obligation, etc. in accordance with US State laws at a U.S. sales subsidiary.
6. Impairment losses mainly represent the reduction of book values to recoverable values with respect to the manufacturing facilities in the Optics Business and the land and manufacturing facilities in the Medical & Graphic Business.
7. Business structure improvement expense consists mainly in retirement allowances, etc. associated with staff allocation/optimization in the Business Technologies Business, expenses on business reorganization in the Medical & Graphic Business, and expenses on the reorganization of manufacturing facilities in the Optics Business.
8. Loss on change of employees' retirement plan is the lump sum of the past service obligation resulting from a change of employees' retirement plan at a domestic subsidiary.
9. Figures given in the text have been rounded off to the nearest million.

Independent Auditors' Report

May 13, 2009

The Board of Directors

Konica Minolta Holdings, Inc.

KPMG AZSA & Co.		
Designated and Engagement Partner	Certified Public Accountant	Atuji Maeno
Designated and Engagement Partner	Certified Public Accountant	Tsutomu Takahashi
Designated and Engagement Partner	Certified Public Accountant	Yasuyuki Morimoto

We have audited the Consolidated Balance Sheet, Consolidated Statement of Income, Consolidated Statement of Changes in Shareholder's Equity and notes to consolidated financial statements of Konica Minolta Holdings, Inc. ("the Company") for the consolidated accounting fiscal year from April 1, 2008 to March 31, 2009 in accordance with Article 444 (4) of the Company Law. Preparation of the consolidated financial statements was the responsibility of the management of Konica Minolta Holdings, Inc. Our responsibility is to express an opinion on the consolidated financial statements based on our audit as independent auditors.

We conducted our audit in accordance with the auditing standards generally accepted in Japan. Those auditing standards require us to obtain reasonable assurance about whether the Consolidated Financial Statements are free of material misstatement. An audit is performed on a test basis, and includes assessing the accounting principles used, the method of their application and estimates made by management, as well as evaluating overall presentation of the Consolidated Financial Statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Consolidated Financial Statements referred to above present fairly, in all material aspects, the consolidated financial position and operating results of the corporate group composed of Konica Minolta Holdings, Inc. and its consolidated subsidiaries during the period reported in the consolidated financial statements in accordance with the corporate accounting principles generally applied in Japan.

There are no interests between the Company and KPMG AZSA & Co. or its Partners that should be disclosed pursuant to the provisions of the Certified Public Accountant Law.

Balance Sheets

(As of March 31, 2009)

[Millions of yen]

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets	264,916	Current liabilities	83,910
Cash and deposits	47,296	Notes payable	29
Accrued income	963	Short-term loans payable	30,010
Short-term investment securities	48,000	Long-term loans due within one year	12,102
Prepaid expenses	311	Bonds due within one year	30,066
Deferred tax assets	149	Lease obligations	4
Short-term loans receivable	194,638	Unpaid expenses	10,445
Accounts receivable-other	13,096	Accrued expenses	822
Income tax refund receivable	6,973	Income taxes payable	103
Other current assets	4,598	Advances received	2
Allowance for doubtful accounts	(51,110)	Provision for bonuses	230
		Provision for D & O's bonuses	32
		Other current liabilities	60
Noncurrent assets	225,487		
Tangible noncurrent assets	72,402	Noncurrent liabilities	137,652
Buildings	39,683	Bonds payable	40,000
Structures	2,711	Long-term loans payable	83,016
Machinery and equipment	1,079	Lease obligations	10
Vehicles	0	Deferred tax liabilities for land revaluation	5,390
Tools, furniture and fixtures	664	Provision for retirement benefits	8,797
Land	28,247	Other noncurrent liabilities	436
Lease assets	14		
Construction in progress	1	Total liabilities	221,562
		Net assets	
Intangible noncurrent assets	2,596	Shareholder's equity	260,313
Software	2,180	Capital stock	37,519
Other intangible noncurrent assets	415	Capital Surplus	135,592
		Capital reserve	135,592
Investments and other assets	150,488	Retained earnings	88,863
Investment securities	13,479	Other retained earnings	88,863
Stock of affiliated companies	126,632	Reserve for special depreciation	93
Investments-affiliated companies	3,794	Reserve for reduction entry	55
Long-term loans to employees	1	Unappropriated retained earnings	88,713
Long-term loans to affiliated companies	354	Treasury stock	(1,662)
Long-term prepaid expenses	513	Valuation and translation adjustments	8,067
Deferred tax assets	4,182	Valuation difference on securities	464
Other investments	1,598	Land revaluation difference	7,603
Allowance for doubtful accounts	(66)	Subscription rights to shares	460
		Total net assets	268,840
Total assets	490,403	Total liabilities and shareholders' equity	490,403

Statements of Income

(From April 1, 2008 to March 31, 2009)

[Millions of yen]

Item	Amount	
Operating revenue		45,489
Operating expense		31,593
Operating income		13,896
Non-operating income		
Interest and dividends income	3,463	
Miscellaneous income	343	3,806
Non-operating expenses		
Interest expenses	1,716	
Miscellaneous expense	434	2,151
Ordinary Income		15,551
Extraordinary income		
Gain on sales of noncurrent assets		7
Extraordinary losses		
Loss on sales and retirement of noncurrent assets	663	
Loss on valuation of investment securities	1,477	
Provision for allowance for doubtful receivables	543	2,685
Net income before taxes		12,874
Income taxes-current	(5,045)	
Income taxes-deferred	(409)	(5,455)
Net income		18,329

Statements of Changes in Shareholder's Equity

(From April 1, 2008 to March 31, 2009)

[Millions of yen]

	Shareholder's equity		
	Capital stock	Additional paid-in capital	
		Capital surplus	Total additional paid-in capital
Balance at March 31, 2008	37,519	135,592	135,592
Changes during the period			
Provision for reserve for special depreciation			
Reversal of reserve for special depreciation			
Reversal of reserve for advanced depreciation			
Dividends from surplus			
Net income			
Purchase of treasury stock			
Disposal of treasury stock			
Reversal of change in land value			
Changes, net, in items other than shareholders' equity			
Total changes during the period	-	-	-
Balance at March 31, 2009	37,519	135,592	135,592

	Shareholder's equity					
	Retained earnings				Treasury stock	Total shareholder's equity
	Other retained earnings			Total retained earnings		
	Reserve for special depreciation	Reserve for advanced depreciation	Increase in retained earnings			
Balance at March 31, 2008	96	60	79,568	79,725	(1,340)	251,497
Changes during the period						
Provision for reserve for special depreciation	11		(11)	-		-
Reversal of reserve for special depreciation	(13)		13	-		-
Reversal of reserve for advanced depreciation		(4)	4	-		-
Dividends from surplus			(9,283)	(9,283)		(9,283)
Net income			18,329	18,329		18,329
Purchase of treasury stock					(665)	(665)
Disposal of treasury stock			(117)	(117)	343	226
Reversal of change in land value			208	208		208
Changes, net, in items other than shareholders' equity						
Total changes during the period	(2)	(4)	9,145	9,137	(321)	8,815
Balance at March 31, 2009	93	55	88,713	88,863	(1,662)	260,313

	Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Valuation difference on securities	Change in land value	Total valuation and translation adjustments		
Balance at March 31, 2008	4,388	7,812	12,200	286	263,983
Changes during the period					
Provision for reserve for special depreciation					-
Reversal of reserve for special depreciation					-
Reversal of reserve for advanced depreciation					-
Dividends from surplus					(9,283)
Net income					18,329
Purchase of treasury stock					(665)
Disposal of treasury stock					226
Reversal of change in land value		(208)	(208)		-
Changes, net, in items other than shareholders' equity	(3,924)		(3,924)	174	(3,749)
Total changes during the period	(3,924)	(208)	(4,132)	174	4,856
Balance at March 31, 2009	464	7,603	8,067	460	268,840

Notes to Financial Statements

<Summary of Significant Accounting Policies>

1. Criteria and methods for evaluating securities

(1) Shares of subsidiaries and affiliates

Shares of subsidiaries and affiliates are stated at cost using the moving-average method.

(2) Other securities

Securities with fair market value are stated using the mark-to-market method based on the market price at the balance sheet date. (Total net unrealized gains or losses after tax effect adjustment are directly recorded in shareholders' equity, and the cost of securities sold is computed based on the moving-average method.)

Other securities that do not have fair market value are primarily stated at cost using the moving-value average.

2. Criteria and methods for evaluating derivatives

Derivatives are stated using the mark-to-market method.

3. Depreciation and amortization of noncurrent assets

(1) Tangible noncurrent assets (excluding lease assets)

The declining-balance method is used. However, the straight-line method is used for buildings (excluding annexed structures) acquired since April 1, 1998.

(Additional Information)

The Company reviewed the useful life and classification of machinery and equipment in response to revisions to the Corporate Tax Act (Act on Partial Revision of the Income Tax Act, Act No. 23, April 30, 2008), and, with respect to machinery and equipment, has shifted to the use of the post-reform method of amortizing assets over the applicable useful life and classification of those assets beginning with the business year under review. As a result, compared with the method used in the previous business year, the introduction of the new method had the effect of increasing operating income, ordinary income, and net income before income taxes and minority interests by ¥33 million each during the business year under review.

(2) Intangible noncurrent assets

The straight-line method is used. For software for internal use, the straight-line method is adopted based on a licensing period of five years.

(3) Lease assets

Lease assets arising from finance lease transactions not involving transfer of ownership

Depreciation is computed using the straight-line method based on the assumption that the useful life equals the lease term and the residual value equals zero. Finance lease transactions not involving transfer of ownership commencing before the first year of application of the Accounting Standards for Lease Transactions are continuously accounted for based on methods applicable to ordinary rental transactions.

(Accounting policy change)

Application of Accounting Standards for Lease Transactions

The Company applied the "Accounting Standards for Lease Transactions" (ASBJ Statement No. 13, issued on June 17, 1993 and last revised on March 30, 2007) and "Guidance on Accounting Standards for Lease Transactions" (ASBJ Guidance No. 16, issued on January 18, 1994 and last revised on March 30, 2007). Under these standards, the accounting treatment for finance leases for which ownership is not transferred to the lessee has been changed from methods applicable to ordinary rental transactions to methods applicable to ordinary buying and selling transactions, and lease assets are recognized in the balance sheet. This change had no effect on profit and loss for the fiscal year under review.

4. Standards for Allowances

(1) Allowance for doubtful accounts

To prepare for possible losses on uncollectable receivables, for general receivables, an amount is provided according to the historical percentage of uncollectables. For specific receivables for which there is some concern regarding collectability, an estimated amount is recorded by investigating the possibility of collection for each individual account.

(2) Provision for bonuses

To prepare for the payment of employee bonuses, an amount corresponding to the current portion of estimated bonus payments to employees is recorded.

(3) Provision for D&O' bonuses

To prepare for the payment of directors and officers' bonuses, an amount corresponding to the projected value of bonus payments to directors and officers for the fiscal year under review is recorded.

(4) Provision for retirement benefits

In order to provide employee retirement benefits, the amount recorded by the Company is based on projected benefit obligations and pension assets at the end of the fiscal year.

Prior service cost is being amortized as incurred by the straight-line method over periods (10 years) which are shorter than the average remaining years of service of the employees.

Actuarial gains and losses are amortized in the year following the year in which the gains or losses are recognized, primarily by the straight-line method over periods (10 years) which are shorter than the average remaining years of service of the employees.

5. Accounting methods for hedge transactions

(1) Hedge accounting methods

The deferred hedge method is used. Special accounting methods are used for interest rate swaps that meet certain conditions.

(2) Hedging methods and hedging targets

Interest rate swaps are used as the hedge method.

The hedge targets are corporate bonds, borrowings and loans.

(3) Hedge policy

The Company enters into interest rate swaps to make interest rates on bonds and borrowings stable, to reduce the risk of cost fluctuations for future capital procurement, or to make interest income from loans stable, not for speculation purpose, within the limit of actual financial or operating transactions.

(4) Methods for evaluating the effectiveness of hedges

Verification is made to ascertain a high correlation between value fluctuations of hedged items, cash flows and hedge instruments.

6. Consumption tax

The tax-exclusion method is used to account for consumption taxes. In addition, asset-related consumption tax that cannot be excluded is accounted for as deferred consumption taxes, etc., in the long-term prepaid expenses item and amortized over a five-year period by the straight-line method.

7. Consolidated tax payment system

Consolidated tax payment system is adopted.

<Notes to Balance Sheets>

1. Accumulated depreciation of tangible noncurrent assets	¥ 72,420 Million
2. Accumulated impairment on tangible noncurrent assets	¥ 2,803 Million
3. Receivables from affiliated companies and payables to affiliated companies	
Short-term receivables	¥209,387 Million
Short-term payables	¥23,987 Million

4. Land revaluation

Land for industrial purposes that had been revaluated based on the Law Concerning Land Revaluation (Law No. 34 implemented on March 31, 1998) was received from Minolta Co., Ltd. on October 1, 2003, at the time of the merger. The amount corresponding to taxes on the amount of the land revaluation is included under the item deferred tax liabilities for land revaluation. An amount equivalent to the amount of the revaluation less the deferred tax liability has been entered in shareholders' equity as the land revaluation difference.

(1) Method of revaluation

The value of the land has been evaluated according to the value appraisal method for land fronting major roads, as provided for in Article 2-4 of the Enforcement Orders for the Law Concerning Land Revaluation

(Enforcement Orders No. 119, implemented on March 31, 1998) and the method for valuation of noncurrent assets provided for in Article 2-3 of the Enforcement Orders.

- (2) Date of revaluation March 31, 2002
 (3) The difference between the market value of the revalued land at the end of the fiscal year under review and the book value following revaluation ¥ (7,383 Million)

5. Loan commitment

The Company has entered into loan agreements concerning group financing with nine subsidiaries, setting a loan limit. The available loan balance at the end of the fiscal year under review under these agreements is as follows.

Total loan limit	¥263,379 Million
<u>Disbursed loan balance</u>	<u>¥194,859 Million</u>
Available loan balance	¥68,519 Million

6. Pension assets in retirement benefit trust

The Company operates with two types of retirement benefit plans: a lump-sum payment plan and a defined contribution pension plan.

Provision for retirement benefits and pension assets in retirement benefit trust at year end by retirement benefit plan are as follows.

[Millions of yen]			
	Provision for retirement benefits (before deduction of pension assets in retirement benefit trust)	pension assets in retirement benefit trust	Provision for retirement benefits (After deduction of pension assets in retirement benefit trust)
Lump-sum payment plan	725	-	725
Defined contribution pension plan	10,474	2,403	8,071
Total	11,200	2,403	8,797

<Notes to Statements of Income>

Transactions with affiliated companies

Operating revenue	¥45,409 Million
Operating expense	¥18,855 Million
Other non-operating transactions	¥6,619 Million

<Notes to Statements of Changes in Shareholders' Equity>

Type and number of treasury stock at end of period

Common shares	1,370,709 shares
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<Notes on Tax Effect Accounting>

1. Breakdown by cause of deferred tax assets and liabilities

Deferred tax assets

Allowance for doubtful accounts	¥20,823 Million
Losses on stock of affiliated companies	¥13,757 Million
Net operating tax loss carried forward	¥7,481 Million
Provision for retirement benefits	¥6,169 Million
Excess of depreciation and amortization over deductible limit	¥653 Million
Provision for bonuses	¥93 Million
Other	¥1,594 Million
Deferred tax assets subtotal	¥50,572 Million
Valuation allowance	¥(44,850 Million)
Total deferred tax assets	¥5,722 Million

Deferred tax liabilities

Gain on establishment of employee pension trust	¥(970 Million)
Revaluation difference of marketable securities	¥(318 Million)
Reserve for special depreciation	¥(64 Million)
Reserve for advanced depreciation	¥(38 Million)
Total deferred tax liabilities	¥(1,391 Million)
Net deferred tax assets	¥4,331 Million

2. Deferred tax liabilities related to revaluation

Deferred tax liabilities related to revaluation of land	¥(5,390 Million)
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<Notes on Leased Noncurrent Assets>

In addition to the noncurrent assets recorded on the balance sheet, the Company has other significant noncurrent assets which it uses under lease contracts, notably computer equipment. Finance lease transactions not involving transfer of ownership commencing before the first year of application of the Accounting Standards for Lease Transactions are continuously accounted for based on methods applicable to ordinary rental transactions.

<Notes on Related-Party Transactions>

Subsidiaries, etc.

[Millions of yen]

Attribute	Name of company, etc.	Equity ownership percentage	Relationship with the Company		Description of transactions	Transaction amount	Account item	Ending balance
			Executive posts concurrently held	Business relationship				
Subsidiary	Konica Minolta Holdings U. S. A., Inc.	(Ownership) Direct 39% Indirect 61%	One Executive of the Company	U.S. holding company	Lending of funds (See Note 1.)	31,305	Short-term loans	37,327
Subsidiary	Konica Minolta Business Technologies, Inc.	(Ownership) Direct 100%	Seven Executives of the Company	Manufacture and sale of MFPs, printers and related supplies	Lending of funds (See Note 1.)	19,681	Short-term loans	15,482
					Borrowing of funds (See Note 1.)	5,000	Short-term borrowings	5,874
Subsidiary	Konica Minolta Opto, Inc.	(Ownership) Direct 100%	Two Executives of the Company	Manufacture and sale of optical devices, electronic materials, etc.	Lending of funds (See Note 1.)	69,053	Short-term loans	67,814
Subsidiary	Konica Minolta Medical & Graphic, Inc.	(Ownership) Direct 100%	One Executive of the Company	Manufacture and sale of medical equipment & materials, printing equipment & materials, etc.	Lending of funds (See Note 1.)	8,900	Short-term loans	9,651
Subsidiary	Konica Minolta Photo Imaging, Inc.	(Ownership) Direct 100%	One Executive of the Company	- (See Note 3.)	Lending of funds (See Note 1.)	62,582	Short-term loans (See Note 3.)	61,775

Independent Auditors' Report

May 13, 2009

The Board of Directors

Konica Minolta Holdings, Inc.

KPMG AZSA & Co.		
Designated and Engagement Partner	Certified Public Accountant	Atuji Maeno
Designated and Engagement Partner	Certified Public Accountant	Tsutomu Takahashi
Designated and Engagement Partner	Certified Public Accountant	Yasuyuki Morimoto

We have audited the Balance Sheet, Statement of Income, Statement of Changes in Shareholder's Equity and the related notes and supporting schedules of Konica Minolta Holdings, Inc. ("the Company") for the 105th business year from April 1, 2008 to March 31, 2009 in accordance with Article 436 (2) Item 1 of the Company Law. Preparation of the financial statements and supporting schedules was the responsibility of the management of Konica Minolta Holdings, Inc. Our responsibility is to express an opinion on the financial statements and supporting schedules based on our audit as independent auditors.

We conducted our audit in accordance with the auditing standards generally accepted in Japan. Those auditing standards require us to obtain reasonable assurance about whether the Financial Statements and supporting schedules are free of material misstatement. An audit is performed on a test basis, and includes assessing the accounting principles used, the method of their application and estimates made by management, as well as evaluating overall presentation of the Financial Statements and supporting schedules. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Financial Statements and supporting schedules referred to above present fairly, in all material aspects, the financial position and operating results of the Company during the period reported in the financial statements and supporting schedules in accordance with the corporate accounting principles generally applied in Japan.

There are no interests between the Company and KPMG AZSA & Co. or its Partners that should be disclosed pursuant to the provisions of the Certified Public Accountant Law.

AUDIT REPORT

We, the Auditing Committee of Konica Minolta Holdings, Inc. (“the Company”), have audited the performance of duties by directors and executive officers during the 105th business year from April 1, 2008 to March 31, 2009. We report the method and results as follows.

1. Method and details of audit

We, the Auditing Committee, have overseen and inspected the details of the board resolutions with respect to items prescribed in Article 416, Paragraph 1, Item 1, b) and e) of the Company Law, and the status of the system established based on the resolutions (internal control system). Also, in accordance with the audit standards, audit policy, audit plan, assignment of duties, etc. determined by the Auditing Committee and in cooperation with the internal audit division and other internal control divisions of the Company and the auditors of subsidiaries, we have attended the important meetings, received reports from directors, executive officers and others on the performance of their duties, sought explanations whenever the necessity arose, inspected important decision documents, etc. and investigated the status of business operations and assets. In addition, we received reports from the executive officers, etc. and KPMG AZSA & Co. on the status of assessment and auditing of internal controls in relation to financial reporting in accordance with the Financial Instruments and Exchange Law, and sought explanations when necessary.

With respect to subsidiaries, we communicated and exchanged information with directors, corporate auditors, etc. of the subsidiaries and inspected important decision documents, etc. and received reports from subsidiaries whenever the necessity arose.

Moreover, in addition to monitoring and examining whether the accounting auditor maintained an independent position and performed auditing appropriately, we received reports from the accounting auditor on the performance of its duties and requested explanations when necessary. In addition, we received notice from the accounting auditor that “The systems for ensuring the proper performance of duties” (set forth in each item of Article 131 of the Regulations of Corporate Financial Calculation) are organized in accordance with the “Standards for Quality Control of Audit” (Business Accounting Council, October 28, 2005) and other relevant standards, and sought explanations whenever necessity arose.

Based on the above methods, we examined the business report, financial statements (balance sheets, statements of income, statement of changes in shareholder’s equity, notes to financial statements), supporting schedules, and the consolidated financial statements (consolidated balance sheets, consolidated statements of income, consolidated statement of changes in shareholder’s equity, notes to consolidated financial statements) for the fiscal year under review.

2. Results of audit

(1) Results of audit of business report, etc.

- i) In our opinion, the Business Report and accompanying schedules fairly represent the condition of the Company in accordance with the laws, regulations and Articles of Incorporation of the Company.
- ii) We have determined that there were no serious occurrences of dishonest or false activity or violations of any laws, regulations or the Company's Articles of Incorporation by any directors or executive officers in carrying out their duties.
- iii) We believe the details of resolutions of the Board of Directors regarding the internal control system are appropriate. We found no matters of note with respect to the execution of duties of directors or executive officers regarding the internal controls system.

We have received reports from executive officers, etc. and KPMG AZSA & Co. stating that the internal controls relating to financial reporting in accordance with the Financial Instruments and Exchange Law were in effect at the time this Audit Report was produced.

(2) Results of audit of financial statements and accompanying schedules

In our opinion, the audit method and audit results received from the accounting auditor KPMG AZSA & Co. are appropriate.

(3) Results of audit of consolidated financial statements

In our opinion, the audit method and audit results received from the accounting auditor KPMG AZSA & Co. are appropriate.

May 14, 2009

Auditing Committee of Konica Minolta Holdings, Inc.

Auditing Committee Member	Tadao Namiki	(Seal)
Auditing Committee Member	Takeo Higuchi	(Seal)
Auditing Committee Member	Tohru Tsuji	(Seal)
Auditing Committee Member	Masanori Hondo	(Seal)
Auditing Committee Member	Hisao Yasutomi	(Seal)

Note: Mr. Tadao Namiki, Mr. Takeo Higuchi and Mr. Tohru Tsuji are outside directors as provided for in Article 2, Item 15 and Article 400, Paragraph 3 of the Company Law.

REFERENCE DOCUMENTS FOR THE MEETING OF SHAREHOLDERS

First Agenda Item Partial Changes to the Articles of Incorporation

1. Reasons for the changes

Following the dematerialization of share certificates of listed companies due to the enforcement of the “Law Concerning the Partial Amendments to the Law Concerning Book-entry Transfer of Corporate Bonds and Other Securities for the Purpose of Streamlining the Settlement for Trade of Stocks and Other Securities” (Law No. 88 of 2004; hereinafter “Settlement Streamlining Law”) on January 5, 2009 and etc., Konica Minolta Holdings, Inc. (“the Company”) will make deletions of provisions that assume the existence of share certificates and other required changes.

The Company will add supplementary provisions to provide for transitional measures in relation to the change to Article 12, Paragraph 3 of the current Articles of Incorporation.

2. Details of changes

The current Articles of Incorporation and the proposed changes are as follows. The Company shall be deemed to have adopted a resolution to abolish the provisions of Article 9, Paragraph 1 of the current Articles of Incorporation (Issue of Share Certificates) with effect January 5, 2009, which is the enforcement date of the Settlement Streamlining Law, pursuant to the provisions of Article 6, Paragraph 1 of the Supplementary Provisions of said law.

(Changes are underlined.)

Current Articles of Incorporation	Proposed Change
<p><u>(Issue of Share Certificates)</u> <u>Article 9</u> 1. <u>The Company shall issue share certificates representing shares.</u> 2. <u>Notwithstanding the provision of the immediately preceding paragraph, the Company shall not issue share certificates of less-than-one-voting-unit shares. This provision shall not apply to matters stipulated under the share handling rules.</u></p> <p>(Rights of Less-than-One-Voting-Unit Shares) <u>Article 10</u> Any shareholder <u>(the term “shareholder” being hereinafter defined as including beneficial shareholder)</u> having less-than-one-voting-unit shares of the Company cannot exercise any right other than the following rights regarding such less-than-one-voting-unit shares.</p> <ol style="list-style-type: none"> 1. Rights provided in Article 189, Paragraph 2 of the Company Law. 2. Rights to make demands as provided in Article 166, Paragraph 1 of the Company Law. 3. Rights to receive allotment of share offering to shareholders and allotment of share warrants corresponding to the number of shares owned. 4. Rights to make demands stipulated in the immediately following article. <p><u>Article 11</u> (Provisions omitted)</p>	<p>(Deleted)</p> <p>(Rights of Less-than-One-Voting-Unit Shares) <u>Article 9</u> Any shareholder having less-than-one-voting-unit shares of the Company cannot exercise any right other than the following rights regarding such less-than-one-voting-unit shares.</p> <ol style="list-style-type: none"> 1. Rights provided in Article 189, Paragraph 2 of the Company Law. 2. Rights to make demands as provided in Article 166, Paragraph 1 of the Company Law. 3. Rights to receive allotment of share offering to shareholders and allotment of share warrants corresponding to the number of shares owned. 4. Rights to make demands stipulated in the immediately following article. <p><u>Article 10</u> (Unchanged)</p>

Current Articles of Incorporation	Proposed Change
<p>(Transfer Agent) Article <u>12</u></p> <ol style="list-style-type: none"> The Company shall have a transfer agent. The transfer agent and its place of business <u>shall be determined by resolution of the Board of Directors and</u> shall be made public. The shareholder register (<u>the term “shareholder register” being hereinafter defined as including a register of beneficial shareholders), the register of share warrants and the lost-share-certificate register</u> of the Company shall be compiled and kept at the place of business of the transfer agent, and other matters relating to the shareholder register, <u>the register of share warrants and the lost-share-certificate register</u> of the Company shall be delegated to the transfer agent. The Company will not handle those matters provided in this paragraph. 	<p>(Transfer Agent) Article <u>11</u></p> <ol style="list-style-type: none"> (Unchanged) The transfer agent and its place of business shall be made public. The shareholder register <u>and the register of share warrants</u> of the Company shall be compiled and kept at the place of business of the transfer agent, and other matters relating to the shareholder register <u>and the register of share warrants</u> of the Company shall be delegated to the transfer agent. The Company will not handle those matters provided in this paragraph.
<p>Article <u>13</u> (Provisions omitted)</p>	<p>Article <u>12</u> (Unchanged)</p>
<p>(Record Date) Article <u>14</u></p> <ol style="list-style-type: none"> Shareholders with voting rights <u>entered or recorded</u> in the latest shareholder register as of the last day of each business year shall be deemed by the Company to be the shareholders who are entitled to exercise their shareholders’ rights at the annual Shareholders’ Meeting for that year. Notwithstanding the provision of the immediately preceding paragraph, the Company may provide that, in addition to the shareholders mentioned in the immediately preceding paragraph, the shareholders <u>entered or recorded</u> in the shareholder register as of a date different from the date provided in the immediately preceding paragraph shall be deemed by the Company to be the shareholders who are entitled to exercise their voting rights at the annual Shareholders’ Meeting for that accounting period. In such case, a public notice of such date shall be given two weeks prior to such date. In addition to the case provided in the immediately preceding paragraph and these Articles of Incorporation, the Company may, when necessary, specially provide a record date for a Shareholders’ Meeting by giving a public notice thereof in advance. 	<p>(Record Date) Article <u>13</u></p> <ol style="list-style-type: none"> Shareholders with voting rights <u>recorded</u> in the latest shareholder register as of the last day of each business year shall be deemed by the Company to be the shareholders who are entitled to exercise their shareholders’ rights at the annual Shareholders’ Meeting for that year. Notwithstanding the provision of the immediately preceding paragraph, the Company may provide that, in addition to the shareholders mentioned in the immediately preceding paragraph, the shareholders <u>recorded</u> in the shareholder register as of a date different from the date provided in the immediately preceding paragraph shall be deemed by the Company to be the shareholders who are entitled to exercise their voting rights at the annual Shareholders’ Meeting for that accounting period. In such case, a public notice of such date shall be given two weeks prior to such date. (Unchanged)
<p>Article <u>15</u> thru Article <u>36</u> } (Provisions omitted)</p>	<p>Article <u>14</u> thru Article <u>35</u> } (Unchanged)</p>

Current Articles of Incorporation	Proposed Change
<p>(Distribution of Surplus)</p> <p>Article <u>37</u></p> <ol style="list-style-type: none"> 1. The Company may make distribution of surplus to shareholders or pledgees <u>entered or recorded</u> in the latest shareholder register as of March 31 of each year. 2. The Company may make distribution of surplus to shareholders or pledgees <u>entered or recorded</u> in the latest shareholder register as of September 30 of each year. 3. The Company may, in addition to the dates specified in the provisions of paragraphs 1 and 2 above, determine other record dates and make distribution of surplus. <p>Article <u>38</u> thru Article <u>39</u> } (Provisions omitted)</p> <p>(Newly added)</p> <p>(Newly added)</p> <p>(Newly added)</p> <p>(Newly added)</p>	<p>(Distribution of Surplus)</p> <p>Article <u>36</u></p> <ol style="list-style-type: none"> 1. The Company may make distribution of surplus to shareholders or pledgees <u>recorded</u> in the latest shareholder register as of March 31 of each year. 2. The Company may make distribution of surplus to shareholders or pledgees <u>recorded</u> in the latest shareholder register as of September 30 of each year. 3. (Unchanged) <p>Article <u>37</u> thru Article <u>38</u> } (Unchanged)</p> <p><u>Supplementary Provisions</u></p> <p><u>Article 1</u> <u>The lost-share-certificate register of the Company shall be kept at the place of business of the transfer agent, and matters relating to entries or records in the lost-share-certificate register shall be delegated to the transfer agent. The Company will not handle those matters provided in this paragraph.</u></p> <p><u>Article 2</u> <u>Entries and records to the lost-share-certificate register of the Company shall be governed by the provisions of laws and regulations, the provisions of these Articles of Incorporation and the share handling rules.</u></p> <p><u>Article 3</u> <u>The provisions of the preceding two Articles and this Article shall be deleted on the day on which one year has elapsed since the day after the enforcement date of the “Law Concerning the Partial Amendments to the Law Concerning Book-entry Transfer of Corporate Bonds and Other Securities for the Purpose of Streamlining the Settlement for Trade of Stocks and Other Securities” (Law No. 88 of 2004).</u></p>

Second Agenda Item Election of Twelve (12) Directors

Upon the close of this Ordinary General Meeting of Shareholders of Konica Minolta Holdings, Inc. (“the Company”), the terms of office of all thirteen (13) Directors will expire. Accordingly, shareholders are requested to elect twelve (12) Directors based on the nominations of the Nomination Committee.

The Nomination Committee has nominated suitable candidates for achieving good corporate governance, i.e. ensuring the transparency, soundness and efficiency of the Company’s operations, in accordance with the Director Election Standards determined by the Nomination Committee.

The candidates for the position of Director are as follows.

Director Candidates

No.	Name (Date of birth)	Career history, position and responsibilities at the Company, and representation of other companies	Number of shares of the Company held by the candidate
1	Yoshikatsu Ota (December 28, 1941)	April 1964 April 1987 June 1991 June 1995 June 1999 April 2001 April 2002 August 2003 October 2003 April 2006 April 2009 Joined Minolta Camera Co., Ltd. General Manager of Reprographic Marketing Division, Reprographic Operations of Minolta Camera Co., Ltd. Director and General Manager of Reprographic Operations of Minolta Camera Co., Ltd. Managing Director of Minolta Co., Ltd. Representative Director and President of Minolta Co., Ltd. Representative Director, President and Executive Officer of Minolta Co., Ltd. Representative Director, President, Executive Officer and President of Image Information Products Company of Minolta Co., Ltd. Director, Representative Executive Officer and Vice-President of the Company, and Representative Director, President, Executive Officer and President of Image Information Products Company of Minolta Co., Ltd. Director, Representative Executive Officer and Vice-President of the Company, and Representative Director and President of Konica Minolta Business Technologies, Inc. Director, Representative Executive Officer and President of the Company Director and Chairman of the Board of the Company (position which he continues to hold)	45,276 shares

2	Masatoshi Matsuzaki (July 21, 1950)	<p>April 1976 November 1997</p> <p>May 1998</p> <p>October 2003</p> <p>April 2005</p> <p>April 2006</p> <p>June 2006</p> <p>April 2009</p>	<p>Joined Konishiroku Photo Industry Co., Ltd. General Manager of Development Group No. 2, Color Business Machines Development Div., Business Machines Headquarters of Konica Corporation</p> <p>General Manager of Development Center No. 1, System Technology Development Div., Business Machines Headquarters of Konica Corporation</p> <p>Director of Konica Minolta Business Technologies, Inc.</p> <p>Executive Officer of the Company, and Representative Director and President of Konica Minolta Technology Center, Inc.</p> <p>Senior Executive Officer of the Company, and Representative Director and President of Konica Minolta Technology Center, Inc.</p> <p>Director and Senior Executive Officer of the Company, and Representative Director and President of Konica Minolta Technology Center, Inc.</p> <p>Director, Representative Executive Officer and President of the Company (positions which he continues to hold)</p>	22,000 shares
3	Tadao Namiki (October 30, 1935)	<p>April 1959 March 1989 March 1993 March 1994</p> <p>June 1996</p> <p>June 1998 March 1999</p> <p>November 2000</p> <p>June 2006</p> <p><Representation of other companies> Representative of Namiki Office</p>	<p>Joined Asahi Glass Co., Ltd. Director of Asahi Glass Co., Ltd. Managing Director of Asahi Glass Co., Ltd. Senior Managing Director of Asahi Glass Co., Ltd.</p> <p>Representative Director and Vice-President of Asahi Glass Co., Ltd.</p> <p>Left Asahi Glass Co., Ltd. Representative Director and Chairman of Nippon Dry-Chemical Co., Ltd.</p> <p>Left Nippon Dry-Chemical Co., Ltd. Representative of Namiki Office (position which he continues to hold)</p> <p>Director of the Company (position which he continues to hold)</p>	-
4	Tadaaki Jagawa (June 29, 1938)	<p>April 1961 September 1988 September 1994 June 1996</p> <p>June 1999</p> <p>June 2001</p> <p>June 2004</p> <p>June 2008</p> <p>June 2006</p>	<p>Joined Toyota Motor Co., Ltd. Director of Toyota Motor Corporation Managing Director of Toyota Motor Corporation Senior Managing Director of Toyota Motor Corporation</p> <p>Representative Director and Vice-President of Toyota Motor Corporation</p> <p>Representative Director and President of Hino Motors, Ltd.</p> <p>Representative Director and Chairman of Hino Motors, Ltd.</p> <p>Advisor to the Board of Hino Motors, Ltd. (position which he continues to hold)</p> <p>Director of the Company (position which he continues to hold)</p>	-

5	Tohru Tsuji (February 10, 1939)	<p>April 1961 June 1991 June 1995 April 1996 June 1997 April 1999 April 2003 April 2004 April 2008 June 2008 June 2008</p>	<p>Joined Marubeni-Iida Co., Ltd. Director of Marubeni Corporation Managing Director of Marubeni Corporation Representative Director and Managing Director of Marubeni Corporation Representative Director and Senior Managing Director of Marubeni Corporation Representative Director and President of Marubeni Corporation Representative Director and Chairman of Marubeni Corporation Director and Chairman of Marubeni Corporation Director and Senior Corporate Advisor of Marubeni Corporation Senior Corporate Advisor of Marubeni Corporation (position which he continues to hold) Director of the Company (position which he continues to hold)</p>	-
6 (*)	Yozo Izuhara (September 23, 1938)	<p>April 1962 June 1992 June 1996 June 1998 June 2004 June 2008</p>	<p>Joined Nippon Sheet Glass Co., Ltd. Representative Director and President of Nippon Glass Fiber Co., Ltd. Managing Director of Nippon Sheet Glass Co., Ltd. Representative Director and President of Nippon Sheet Glass Co., Ltd. Representative Director and Chairman of Nippon Sheet Glass Co., Ltd. Director and Chairman of Board of Nippon Sheet Glass Co., Ltd. (positions which he continues to hold)</p>	-
7	Hisao Yasutomi (April 21, 1948)	<p>April 1971 November 1996 June 2000 June 2002 August 2003 November 2004 April 2006 April 2008 June 2008</p>	<p>Joined Konishiroku Photo Industry Co., Ltd. General Manager of Management Planning Group, Corporate Planning Dept. of Konica Corporation General Manager of Corporate Audit Dept., Corporate Strategy Dept. of Konica Corporation General Manager of Secretarial Dept. of Konica Corporation General Manager of Secretarial Dept. of the Company General Manager of Secretarial Dept. and Manager of Board of Directors Office of the Company Executive Officers and General Manager of Secretarial Dept. and Board of Directors Office of the Company Executive Officer of the Company Director of the Company (position which he continues to hold)</p>	25,000 shares

8	Hiroshi Ishiko (July 4, 1947)	<p>July 1971 July 1994 April 2001 August 2003 October 2003 June 2004 October 2005</p> <p><Representation of other companies> President of Konica Minolta (CHINA) Investment Ltd.</p>	<p>Joined Minolta Camera Co., Ltd. General Manager of Intellectual Property Div. of Minolta Co., Ltd. Executive Officer and General Manager of Legal Affairs Headquarters of Minolta Co., Ltd. Executive Officer and General Manager of Legal Affairs Div. of the Company, and Executive Officer and General Manager of Legal Affairs Headquarters of Minolta Co., Ltd. Executive Officer and General Manager of Legal Affairs Div. of the Company Director, Senior Executive Officer and General Manager of Legal Affairs Div. of the Company Director and Senior Executive Officer of the Company (positions which he continues to hold)</p>	17,331 shares
9	Shoei Yamana (November 18, 1954)	<p>April 1977 July 1996 January 2001 July 2002 August 2003 October 2003 April 2006 June 2006</p>	<p>Joined Minolta Camera Co., Ltd. General Manager of Management Planning Div. of Minolta Co., Ltd. CEO of Minolta QMS Inc. Executive Officer, General Manager of Management Planning Div., Deputy General Manager of Image Information Products General Headquarters, Image Information Products Company of Minolta Co., Ltd. Senior Executive Officer of the Company, and Executive Officer and General Manager of MFP Operations and Deputy General Manager of Image Information Products General Headquarters, Image Information Products Company of Minolta Co., Ltd. Senior Executive Officer of the Company, and Managing Director of Konica Minolta Business Technologies, Inc. Senior Executive Officer of the Company Director and Senior Executive Officer of the Company (positions which he continues to hold)</p>	21,500 shares
10	Akio Kitani (August 1, 1948)	<p>April 1972 June 2001 October 2003 June 2004 April 2005 April 2006 June 2006</p>	<p>Joined Minolta Camera Co., Ltd. Executive Officer of Minolta Co., Ltd., and President of Minolta Europe GmbH Director of Konica Minolta Business Technologies, Inc., and President of Konica Minolta Business Solutions Europe GmbH Executive Officer of the Company, and Director of Konica Minolta Business Technologies, Inc., and President of Konica Minolta Business Solutions Europe GmbH Executive Officer of the Company, and Managing Director of Konica Minolta Business Technologies, Inc. Senior Executive Officer of the Company, and Representative Director and President of Konica Minolta Business Technologies, Inc. Director and Senior Executive Officer of the Company, and Representative Director and President of Konica Minolta Business Technologies, Inc. (positions which he continues to hold)</p>	19,363 shares

11	Yasuo Matsumoto (August 20, 1948)	July 1981 July 1998 July 2000 October 2003 June 2004 April 2005 April 2006 June 2006	Joined Konishiroku Photo Industry Co., Ltd. General Manager of Marketing Dept., Business Machines Marketing Div., Business Machines Headquarters of Konica Corporation President of Konica Business Technologies U.S.A. Director of Konica Minolta Business Technologies, Inc., and President of Konica Minolta Business Solutions U.S.A. Executive Officer of the Company, and Director of Konica Minolta Business Technologies, Inc., and President of Konica Minolta Business Solutions U.S.A. Executive Officer and General Manager of Corporate Strategy Div. of the Company Senior Executive Officer of the Company Director and Senior Executive Officer of the Company (positions which he continues to hold)	16,500 shares
12 (*)	Yoshifumi Johno (March 1, 1949)	April 1972 September 1994 February 1997 April 2002 August 2003 June 2006 April 2007	Joined Minolta Camera Co., Ltd. General Manager of Shanghai Office of Minolta Co., Ltd. General Manager of Camera Business Planning Div., Optical Products Operations of Minolta Co., Ltd. Manager of Execution Audit Office of Minolta Co., Ltd. General Manager of Audit Committee Office of the Company General Manager of Corporate Audit Div. of the Company Executive Officer and General Manager of Corporate Audit Div. of the Company (positions which he continues to hold)	5,000 shares

- Notes
1. The candidates for directors marked with an asterisk are first-time candidates.
 2. Mr. Yoshikatsu Ota, Mr. Masatoshi Matsuzaki, Mr. Tadao Namiki, Mr. Tadaaki Jagawa, Mr. Tohru Tsuji, Mr. Hisao Yasutomi, Mr. Hiroshi Ishiko, Mr. Shoei Yamana, Mr. Akio Kitani and Mr. Yasuo Matsumoto are currently directors of the Company, and their position and responsibilities at the Company are as specified in “Names, etc. of directors and executive officers” on p.16 ~ p.19 of the Business Report.
 3. No conflicts of interest exist between the Company and the director candidates.
 4. The four director nominees Mr. Tadao Namiki, Mr. Tadaaki Jagawa, Mr. Tohru Tsuji and Mr. Yozo Izuhara are candidates for outside directors, as provided for under Article 2, Paragraph 3, Item 7 of the Regulation for Enforcement of the Company Law.
 5. The Nomination Committee chooses outside director nominees for the Board, assessing their professional records and visions, ensuring they have done no material business with the Company and are strictly independent from the Company, and that they can devote sufficient time to Board and committee duties.
Mr. Tadao Namiki, Mr. Tadaaki Jagawa, Mr. Tohru Tsuji and Mr. Yozo Izuhara have top corporate management experience and broad vision, and the Company believes that they could help maintain and enhance the Board’s ability to supervise management of the Company which has adopted a company-with-committees-system, and requests their election as outside directors.
 6. Candidate for outside director Mr. Tohru Tsuji has served as outside director of Sompo Japan Insurance Inc. since June 2003. On May 25, 2006, Sompo Japan Insurance Inc. was punished by the Financial Services Agency pursuant to the Insurance Business Law (partial business suspension order and business improvement order) on the grounds that there had been misconduct

in connection with an investigation into insurance benefit non-payment and other matters, but Mr. Tsuji had no direct involvement in the facts that led to the punishment and has always performed his duties in compliance with the laws and regulations. Since the punishment of Sampo Japan Insurance, Inc., Mr. Tsuji has overseen the execution of measures to prevent a recurrence such as improvement and strengthening of the internal control system.

7. As of the close of this Ordinary General Meeting of Shareholders, director candidates Mr. Tadao Namiki and Mr. Tadaaki Jagawa will have served as outside directors for three years and Mr. Tohru Tsuji will have served for one year.
8. The members of each of the committees under the company-with-committees-system provided for in Article 2, Item 12 of the Company Law will be appointed as follows from among the director candidates.

Auditing Committee	Mr. Tadao Namiki (Chairman), Mr. Tohru Tsuji, Mr. Yozo Izuhara, Mr. Hisao Yasutomi, Mr. Yoshifumi Johno
Nomination Committee	Mr. Tadaaki Jagawa (Chairman), Mr. Tadao Namiki, Mr. Yozo Izuhara, Mr. Yoshikatsu Ota, Mr. Hisao Yasutomi
Compensation Committee	Mr. Tohru Tsuji (Chairman), Mr. Tadaaki Jagawa, Mr. Yozo Izuhara, Mr. Hisao Yasutomi, Mr. Yoshifumi Johno

The director candidates who are to be the members of the committees as shown above shall NOT concurrently hold executive officer posts.

9. The Company has entered into liability limitation agreements with outside directors, the content of which is summarized in “Liability limitation agreements” on p.22 of the Business Report. The Company will enter into similar agreements with any first-time candidates who are elected as outside directors.