July 30, 2010

Fiscal Year ending March 31, 2011
First Quarter Consolidated Financial Results
April 1, 2010 – June 30, 2010

Konica Minolta Holdings, Inc.

Stock exchange listings:	Tokyo, Osaka (First Sections)
Local securities code number:	4902
URL:	http://konicaminolta.com
Listed company name:	Konica Minolta Holdings, Inc.
Representative:	Masatoshi Matsuzaki, President and CEO
Inquiries:	Kiyoshi Nakamura, General Manager, Corporate Communications & Branding Division
Telephone number:	(81) 3-6250-2100
Scheduled date for submission of securities report:	August 12, 2010
Scheduled date for dividends payment:	NA
Availability of supplementary information:	Yes
Organization of financial result briefing:	Yes (for institutional investors)

(Units of less than 1 million yen have been omitted.)

1. Overview of the 1Q performance (From April 1, 2010 to June 30, 2010)

(1) Business performance

Percentage figures represent the change from the same period of the previous year.

[Millions of yen]

	Net sales		Operating income		Ordinary income		Net income	
1Q Mar/2011	194,657	2.8%	9,844	-	6,421	966.2%	3,491	-
1Q Mar/2010	189,439	-25.8%	-589	-	602	-97.8%	299	-98.3%

	Net income per share		Net income per share (after full dilution)	
1Q Mar/2011	6.58	yen	6.37	yen
1Q Mar/2010	0.56	yen	0.50	yen

(2) Financial position

[Millions of yen]

	Total assets	Net assets	Equity ratio (%)	Net assets per share
June 30, 2010	841,995	409,601	48.5%	770.03 yen
March 31, 2010	865,797	420,775	48.5%	791.28 yen

Notes: Shareholders' equity
As of June 30, 2010: ¥ 408,277 million
As of March 31, 2010: ¥ 419,535 million

2. Dividends per share

[yen]

	1Q	2Q	3Q	Year-end	Total annual
FY Mar/2010	-	7.50	-	7.50	15.00
FY Mar/2011	-				
FY Mar/2011（forecast）		7.50	-	7.50	15.00

Note: Change to dividend forecast: none

3. Consolidated results forecast for fiscal year ending March 31, 2011 (From April 1, 2010 to March 31, 2011)

Percentage figures for the full year represent the change from the previous fiscal year, while percentage figures for the six months period represent the change from the same period of the previous year.

[Millions of yen]

	Net sales		Operating income		Ordinary income		Net income	
Six months	400,000	1.7%	21,000	129.3%	19,000	117.7%	8,000	126.3%
Full-year	830,000	3.2%	50,000	13.7%	46,000	12.7%	20,000	18.1%

	Net income per share	
Six months	15.09	yen
Full-year	37.72	yen

Note: Change to consolidated results forecast: none

4. Other

(1) Changes in status of material subsidiaries during the quarter under review (Changes to specified subsidiaries accompanying the additional consolidation or removal from consolidation of companies): None

(2) Adoption of simplified accounting methods and application of special accounting methods for the preparation of quarterly consolidated financial statements: Yes

Note: For more detailed information, please see the "4-(2) Adoption of simplified accounting methods and/or special accounting treatment for the quarterly consolidated financial statements" on page 12.

(3) Changes to consolidated financial statement principles, preparation processes, disclosure methods, etc. (Description of changes to important items fundamental to financial statement preparation)

a. Changes accompanying amendment of accounting principles: Yes
b. Changes other than "a.": None

Note: For more detailed information, please see the "4-(3) Changes to principles, procedures, and methods of presentation, etc., in the preparation of the quarterly consolidated financial statements" on page 13.

(4) Number of outstanding shares（common stock）

a. Outstanding shares at period-end（including treasury stock）

First quarter of fiscal year ending March 31, 2011:	531,664,337 shares
Fiscal year ended March 31, 2010:	531,664,337 shares

b. Treasury stock at period-end

First quarter of fiscal year ending March 31, 2011:	1,456,413 shares
Fiscal year ended March 31, 2010:	1,464,883 shares

c. Average number of outstanding shares

First quarter of fiscal year ending March 31, 2011:	530,204,497 shares
First quarter of fiscal year ended March 31, 2010:	530,291,201 shares

Presentation of Present Status of Quarterly Review Procedures

This “First Quarter Consolidated Financial Results” is not subject to quarterly review procedures in accordance with the Financial Instruments and Exchange Law and, as of the date of publication of these quarterly consolidated financial results, the quarterly review procedures for the consolidated quarterly financial statements are currently in progress.

Explanation of Appropriate Use of Performance Projections and Other Special Items

This document contains projections of performance and other projections that were made based on information currently available and certain assumptions judged to be reasonable. There is a possibility that diverse factors may cause actual performance, etc., to differ materially from the projections. Please see the “3. Outlook for the Fiscal Year Ending March 31, 2011” on page 11 for more information on points to be remembered in connection with the use of projections.

Supplementary Information

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1. Consolidated Operating Results

(1) Overview of Performance

1st quarter results for the fiscal year ending March 31, 2010
(From April 1, 2010 to June 30, 2010)

[Billions of yen]

		1Q Mar/2011	1Q Mar/2010	Increase (Decrease)	
Net sales		194.6	189.4	5.2	2.8%
Gross profit		88.4	79.6	8.7	11.0%
Operating income (loss)		9.8	(0.5)	10.4	-
Ordinary income		6.4	0.6	5.8	966.2%
Income before income taxes and minority interests		2.1	0.4	1.7	444.2%
Net income		3.4	0.2	3.1	-
Net income per share	[yen]	6.58	0.56	6.02	-
Capital expenditure		11.1	7.4	3.6	48.7%
Depreciation		13.8	15.3	(1.4)	-9.7%
R & D expenses		17.1	17.6	(0.5)	-3.0%
Free cash flow		(1.2)	5.1	(6.4)	-
Number of employees	[persons]	37,031	36,264	767	2.1%
Exchange rates	[yen]				
US dollar		92.01	97.32	(5.31)	-5.5%
Euro		116.99	132.57	(15.58)	-11.8%

The net sales of the Konica Minolta Group for the consolidated first quarter of the fiscal year under review (April 1, 2010 to June 30, 2010) stood at ¥194.6 billion, up 2.8% from a year ago. In the Business Technologies Business, sales of multi-functional peripherals (MFPs) for offices continued to recover in the Europe and the US markets, as well as in China and other emerging markets, and sales volumes in the first quarter rose significantly over the year-ago result, aided by strong sales of both the new color and monochrome products. In the Optics Business, sales of TAC films (protective films for polarizing plates), especially extra-wide and thin film products, glass HD substrates that accommodate high memory density and optical pickup lenses for Blu-ray Discs also grew faster than a year ago. Excluding foreign exchange losses of approximately ¥9.9 billion, reflecting the comparative strength of the yen compared to the year-ago quarter against both the US dollar and the euro, actual sales increased 8.0% year on year.

Operating income for the first quarter of the fiscal year under review reached ¥9.8 billion, a significant improvement from a loss of ¥500 million a year ago. The principal factors contributing to the profit increase were the increased sales volumes of core products as mentioned above and benefits from efforts to contain production costs, which offset the foreign exchange losses resulting from the higher yen and boosted gross profit.

Ordinary income was ¥6.4 billion, up 966.2% from a year ago, owing to an improved operating income, despite a cost overrun of ¥3.4 billion in non-operating expense as a result of foreign exchange losses, etc.

Income before income taxes and minority interests for the first quarter of the fiscal year under review was ¥2.1 billion, up 444.2% year on year, after posting extraordinary losses of ¥2.3 billion associated with business structure improvement expenses and ¥0.9 billion resulting from the application of accounting standards for asset retirement obligations. Consequently, net income increased to ¥3.4 billion (compared to ¥200 million in the first quarter of the previous fiscal year), partly because income taxes were negative ¥1.2 billion as a result of tax effect accounting.

In accordance with the Management Policy <09-10> formulated in April 2009, the Konica Minolta Group has been committed to achieving growth through creation of new and stronger trends by taking advantage of the drastic changes in the current business environment and enhancing the Group's position in the market. The Management Policy <09-10> has established three important issues: 1) enhancing corporate capabilities, 2) achieving strong growth, and 3) reforming the corporate culture. It runs for two years from the previous fiscal year ended March 2010 until the current fiscal year ending March 2011.

Now in the second year of our Management Policy <09-10>, which we view as a return to growth, we will steer through the fluid economic climate to bring an end to two consecutive years of revenue and earnings declines and to pursue an aggressive management approach aimed at achieving robust growth. Our efforts are focused on expanding the sales and scope of existing business lines, and boosting sales in the growing Asian market. Some solid outcomes started to appear in the first quarter under review, such as robust sales of principal products in each business segment as a result of the execution of the Management Policy <09-10>.

(2) Overview by Segment

[Billions of yen]

	1Q Mar/2011	1Q Mar/2010	Increase (Decrease)	
Business Technologies				
Net sales - external	132.7	127.2	5.5	4.4%
Operating income	7.6	0.2	7.4	-
Optics				
Net sales - external	35.1	33.9	1.1	3.5%
Operating income	5.0	1.6	3.4	206.8%
Medical & Graphic				
Net sales - external	21.0	23.7	(2.7)	-11.4%
Operating income (loss)	(0.0)	0.8	(0.9)	-

Business Technologies Business

Office MFPs field:

The six new models of color MFPs launched in the previous fiscal year for the purpose of comprehensively bolstering our competitive position performed well, mainly in overseas markets, and sales volumes in the first quarter under review expanded significantly compared to the same period in the previous fiscal year. In particular, the concept of the new models of medium-to-low speed products, namely the bizhub C360 and its sister models, which are designed to contribute to customers' total cost of ownership through use of industry-leading power saving systems and more durable components earned widespread acceptance in the market and served as a driving factor in the growth in sales volume. Meanwhile, sales volumes of monochrome MFPs for offices increased, especially in the Chinese market, owing to the launch of the new bizhub 184 and 164 specifically developed for Konica Minolta's advances into emerging markets. Four new models, the bizhub 423, 363, 283, and 223, were proposed to developed markets, such as Europe and the United States. These new products were developed based on the same design concept as the bizhub color products, to completely refresh the medium-to-low speed product lineup. They were also designed to be compatible with the color products and comprehensively strengthen our product competitiveness.

Production printing field:
Signs of a full-scale recovery in demand had yet to appear given the impact of the global economic downturn, but sales volumes of both the monochrome and color products were higher on a year-on-year basis in the quarter under review, reflecting in particular sales growth in new monochrome products, the bizhub PRO 1200 and 1051.

Overall, our Business Technologies Business sought to boost sales of MFPs for offices and production printing, focusing mainly on new products, in line with our “genre-top strategy.” Sales of the Business Technologies Business to outside customers rose 4.4% from the previous fiscal year, to ¥132.7 billion, despite declines in sales in yen terms associated with the higher yen. Excluding the negative impact of approximately ¥8.5 billion in exchange rate fluctuations, actual sales increased 11.1%. Operating income showed a significant advance, from ¥200 million a year ago to ¥7.6 billion on the back of higher gross profit driven by increasing sales volumes.

Optics Business

Display materials field:
Given the positive impact of government stimulus packages, the ongoing recovery in demand for large LCD televisions provided an impetus for an increase in sales volumes of extra-wide and thin TAC films in which the Company specializes.

Memory related product field:
The Group emphasized plastic optical pickup lenses for Blu-ray Discs, which boosted sales to consumer electric appliance makers for use in game machines and audio-visual equipment. Sales volumes of glass HD substrates also exceeded the year-ago level by a significant degree, backed by robust demand, especially for substrates that accommodate high memory density of 320GB.

Image input/output component field:
Sales volumes of lens units for cell phones with cameras and zoom lenses for digital cameras were down from the previous year, reflecting the Company’s particular focus on improving profitability.

Overall, sales volumes of the Company’s mainstay products such as TAC films and glass HD substrates grew at a healthy pace. As a result, net sales of the Optics Business to outside customers rose 3.5% from the previous year to ¥35.1 billion, and operating income rose 206.8% from a year ago to ¥5.0 billion.

Medical and Graphic Imaging Business

Medical/healthcare field:
In the digital X-ray diagnostic imaging area, its mainstay business sector, Konica Minolta sought to bolster sales of digital input equipment and systems and solution business. As a result, unit sales of its digital input equipment, mainly REGIUS MODEL 110, a compact computed radiography device for small medical facilities, and REGIUS MODEL 210 for hospitals, exceeded the year-ago level. In contrast, unit sales of film products declined from a year ago due to a setback in demand both in Japan and overseas.

Graphic imaging field:
Despite efforts to expand sales of Pagemaster PRO 6500 on-demand digital printing equipment, an area of focus for the Company, sales of digital equipment continued to struggle both in Japan and overseas amidst a

deepening recession in the aftermath of the financial crisis, which constrained the market recovery in the printing business.

As noted, our Medical & Graphic Imaging Business focused on strengthening sales of digital equipment and solution business. Given a continued decline in sales volumes of film products, however, in addition to the impact of the exchange rate changes, net sales of the Medical and Graphic Imaging Business to outside customers were ¥21.0 billion, declined from ¥23.7 billion a year ago. Operating loss was ¥86.0 million, declined from operating income of ¥0.8 billion in the same quarter of the previous year, despite our cost-cutting efforts to compensate for a feeble growth in sales.

(3) Change of Business Segments

Starting in the fiscal year ending March 2011, the Sensing Business was included in "Other Business," and the "Business Technologies Business," the "Optics Business" and the "Medical & Graphic Business" will be the three business segments with sales and operating income disclosed by business segments.

<Reasons>

The Sensing Business has consistently been treated as an independent business segment since before the merger of the former Konica and the former Minolta in 2003. In view of the subsequent change of the business scale, however, and especially given that it accounts for only about 1% of the operating revenues and assets of the entire Group, the importance of the business in the disclosure of the Group's consolidated business results was deemed to be low.

Business segment up until March 31, 2010

Business Segment	Principal Products
Business Technologies	MFPs, printers, etc.
Optics	Optical devices, electronics materials, etc.
Medical and Graphic Imaging	Medical products, graphic imaging products, etc.
Sensing	Industrial-use and medical-use measuring instruments, etc
Other businesses	Products other than the above

Business segment starting on April 1, 2010

Business Segment	Principal Products
Business Technologies	MFPs, printers, production printing products, etc.
Optics	Optical devices, electronics materials, etc.
Medical and Graphic Imaging	Medical products, graphic imaging products, etc.
Other businesses	Sensing products, industrial inkjet, etc.

2. Financial Position

(1) Analysis of Financial Position

		As of June 30, 2010	As of March 31, 2010	Increase (Decrease)
Total assets	[Billions of yen]	841.9	865.7	(23.8)
Total liabilities	[Billions of yen]	432.3	445.0	(12.6)
Net assets	[Billions of yen]	409.6	420.7	(11.1)
Net assets per share	[yen]	770.03	791.28	(21.25)
Equity ratio	[%]	48.5	48.5	-

Total assets at the end of the first quarter of the fiscal year under review were down ¥23.8 billion (2.7%) from the previous fiscal year-end, to ¥841.9 billion. Current assets fell ¥12.1 billion (2.5%) to ¥477.0 billion (56.7% to total assets), while noncurrent assets dropped ¥11.6 billion (3.1%), to ¥364.9 billion (43.3% to total assets).

With respect to current assets, cash and deposits increased ¥0.9 billion from the previous fiscal year-end, to ¥86.5 billion, but investment securities decreased ¥5.0 billion, to ¥74.0 billion, and cash and cash equivalents sank ¥4.0 billion, to ¥160.1 billion. Also, notes and accounts receivable-trade declined ¥13.9 billion from the previous fiscal year-end, to ¥163.7 billion, and inventories were down ¥1.3 billion from the previous fiscal year-end, to ¥96.9 billion.

With respect to noncurrent assets, tangible assets decreased ¥4.2 billion from the previous fiscal year-end, to ¥200.8 billion, due to overall progress in amortization which offset an increase resulting from the acquisition of buildings, machinery and equipment in the Optics Business. Also, intangible assets were down ¥5.0 billion from the previous fiscal year-end, to ¥94.0 billion, primarily due to the amortization of goodwill and other intangible assets. Investments and other assets declined ¥2.3 billion from the previous fiscal year-end, to ¥70.0 billion, mainly due to a decrease of ¥1.3 billion in the mark-to-market evaluation of investment securities as a result of stock price decline.

Liabilities at the end of the first quarter of the fiscal year under review decreased ¥12.6 billion (2.8%) from the previous fiscal year-end, to ¥432.3 billion (51.4% to total assets). Current liabilities dropped ¥5.3 billion (2.0%), to ¥262.0 billion (31.1% to total assets), and noncurrent liabilities sank ¥7.3 billion (4.1%) to ¥170.3 billion (20.3% to total assets).

Interest-bearing debt (the total of short, long-term loans and bonds) slipped ¥2.4 billion to ¥194.9 billion, mainly due to the repayment of short-term loans. For current liabilities, notes and accounts payable-trade, accounts payable-other, and accrued expenses climbed ¥2.2 billion from the previous fiscal year-end due to increased production resulting from the upward trend in sales, and one feature of the first quarter was that the provision for bonuses shrank ¥5.7 billion from the previous fiscal year-end. For noncurrent liabilities, retirement benefits decreased by ¥ 6.8 billion from the previous fiscal year-end because of the exceptional contribution. Also, as a result of the application of accounting standards for asset retirement obligations, for the first time asset retirement obligations of ¥0.9 billion were recorded.

Net assets at the end of the first quarter of the fiscal year under review were down ¥11.1 billion (2.7%) from the previous fiscal year-end, to ¥409.6 billion (48.6% to total assets).

Retained earnings decreased ¥0.5 billion from the previous fiscal year-end, to ¥193.2 billion, as ¥3.9 billion for dividends outweighed net income of ¥3.4 billion posted for the first quarter.

Valuation and translation adjustments declined ¥10.7 billion from the previous fiscal year-end, attributable to a ¥10.6 billion decrease in the foreign currency translation adjustment, reflecting a stronger yen against the U.S. dollar and the euro.

As a result, net assets per share at the end of the first quarter of the fiscal year under review stood at ¥770.03. The equity ratio was unchanged from the previous fiscal year-end at 48.5% with the declines in total assets and equity capital.

(2) Cash Flows

[Billions of yen]

	1Q Mar/2011	1Q Mar/2010	Increase (Decrease)
Cash flows from operating activities	7.4	14.2	(6.8)
Cash flows from investing activities	(8.7)	(9.1)	0.3
Total (Free cash flow)	(1.2)	5.1	(6.4)
Cash flows from financing activities	(2.8)	15.4	(18.2)

During the first quarter of the fiscal year under review net cash provided by operating activities was ¥7.4 billion, while net cash used in investing activities, mainly associated with capital investment, totaled ¥8.7 billion. As a result, free cash flow (the sum of operating and investing activities) was an outflow of ¥1.2 billion.

Net cash used in financing activities was ¥2.8 billion.

In addition, there was the effect of exchange rate changes on cash and cash equivalents. As a result, cash and cash equivalents at the end of the first quarter of the fiscal year under review stood at ¥160.1 billion, down ¥4.0 billion from the previous consolidated fiscal year-end.

The details of individual cash flows during the first quarter under review are as follows.

Cash flows from operating activities

Net cash provided by operating activities reached ¥7.4 billion (¥14.2 billion in the same period in the previous consolidated fiscal year). Although the Group reported income before income taxes and minority interests of ¥2.1 billion, depreciation of ¥13.8 billion, and an increase in working capital of ¥7.6 billion, these amounts were partly offset by a decline of ¥7.2 billion in the provision for retirement benefits associated with ¥8.5 billion in exceptional contribution for pension assets , a decrease of ¥5.6 billion in the provision for bonuses and the payment of ¥1.4 billion for income taxes.

Cash flows from investing activities

Net cash used in investing activities was ¥8.7 billion (¥9.1 billion in the same period in the previous consolidated fiscal year). Cash of ¥7.8 billion was used for investments in molding for new products in the Business Technologies Business and in the acquisition of tangible fixed assets relating to the reinforcement of production capacities in the Optics Business, our strategic business.

As a result, free cash flow (the sum of operating and investing activities) was an outflow of ¥1.2 billion (an inflow of ¥ 5.1 billion in the same period of the previous fiscal year).

Cash flows from financing activities

Net cash used in financing activities was ¥2.8 billion (an inflow of ¥15.4 billion in the same period of the previous fiscal year), mainly reflecting a payment of ¥3.8 billion in dividends and a net increase of ¥1.4 billion in short-term loans.

(Note) Amounts mentioned above do not include consumption taxes.

3. Outlook for the Fiscal Year Ending March 31, 2011

Given a recovery in the market conditions, the Konica Minolta Group has kept its operating performance forecasts for the second quarter of the fiscal year ending September 30, 2010 and subsequent period unchanged, although a negative impact may be anticipated from the change of the presumed exchange rate for the euro, from ¥120 to the euro to ¥110 to the euro. The Group expects to achieve these forecasts by continuing its focus on expanding sales of highly profitable products and services in each business area, mainly in the Business Technologies Business and the Optics Business, while stepping up its efforts to reduce production cost and management expenses.

[Billions of yen]

	FY March 2011	
	Six months	Full year
Net sales	400.0	830.0
Operating income	21.0	50.0
Ordinary income	19.0	46.0
Net income	8.0	20.0

The presumed currency exchange rates for the forecast from the second quarter of the current fiscal year are US$1 = ¥90 and €1 = ¥110.

Note: The above operating performance forecasts are based on future-related suppositions, outlooks, and plans at the time this report was released, and they involve risks and uncertainties. It should be noted that actual results may differ significantly from these forecasts due to various important factors, such as changes in economic conditions, market trends, and currency exchange rates.

▪ Figures in qualitative information sections given as billions of yen have been rounded off by discarding figures less than one billion yen.

4. Others

(1) Changes in the state of material subsidiaries during the period (Changes regarding specific companies accompanying changes in the scope of consolidation): None

(2) Adoption of simplified accounting methods and/or special accounting treatment for the quarterly consolidated financial statements

I. Simplified accounting methods

Method for calculating the estimated reserve for general accounts receivable
In calculating the estimated reserve for general accounts receivable at the end of the first quarter, as noteworthy changes in the bad debt rate are not recognized, the rate at the end of the previous fiscal year is employed.

Method for assessing the value of inventories
In calculating the value of inventories at the end of the first quarter, on-site inventory takings are omitted and the reasonable calculation methods based on the results of on-site inventory takings conducted at the end of the previous fiscal year are used. In addition, only for those inventories that are clearly losing their capacity to contribute to profitability, the accounting method employed is to estimate their net sale value and reduce their book value to the net sale value level.

Method for calculating the deferred tax assets and liabilities
In judging the possibility of recovering deferred tax assets, as severe and major changes in the operating environment and major temporary differences following the close of the previous consolidated fiscal year are not recognized, the future business forecasts and tax planning documents that were used for making such judgments related to the previous fiscal year are used.

II. Special accounting treatment used in preparation of the quarterly consolidated financial statements

Calculation of Tax Expenses
The effective tax rate on income before income tax for the consolidated fiscal year after the application of tax effect accounting is rationally estimated, and that estimated rate is applied to net income for the quarterly period to calculate estimated tax expenses. In addition, adjustments of income tax is included in income tax expenses.

(3) Changes to principles, procedures, and methods of presentation, etc., in the preparation of the quarterly consolidated financial statements:

Changes to accounting principles

Application of Accounting Standards for Asset Retirement Obligations

Starting from the first quarter of the fiscal year under review, the Company adopted Accounting Standards for Asset Retirement Obligations (ASBJ Statement No. 18, March 31, 2008) and Guidance on Accounting Standards for Asset Retirement Obligations (ASBJ Guidance No. 21, March 31, 2008).
This had the effect of reducing income before income taxes and minority interests by ¥983 million.

Changes to methods of presentation

Quarterly Consolidated Statements of Income

As a result of application of the "Cabinet Office Ordinance for Amendments to the Regulations on the Terminology, Format, and Preparation of Financial Statements" (Cabinet Office Ordinance No. 5, March 24, 2009) as per Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, December 26, 2008), "Income before minority interests" is shown in the statement of income for the first quarter of the fiscal year under review.

5. Consolidated Quarterly Financial Statements

(1) Consolidated Quarterly Balance Sheets

June 30, 2010 and March 31, 2010

[Millions of yen]

	June 30, 2010	March 31, 2010
Assets		
Current assets		
Cash and deposits	86,520	85,533
Notes and accounts receivable-trade	163,737	177,720
Lease receivables and investment assets	12,048	13,993
Short-term investment securities	74,000	79,000
Inventories	96,935	98,263
Deferred tax assets	24,549	19,085
Accounts receivable-other	8,696	7,639
Other	15,051	12,720
Allowance for doubtful accounts	(4,463)	(4,703)
Total current assets	477,075	489,253
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	67,942	66,708
Machinery, equipment and vehicles, net	60,049	52,782
Tools, furniture and fixtures, net	21,801	22,026
Land	34,368	34,320
Lease assets, net	379	366
Construction in progress	5,832	16,901
Assets for rent, net	10,470	11,952
Total property, plant and equipment	200,844	205,057
Intangible assets		
Goodwill	68,996	71,936
Other	25,065	27,137
Total intangible assets	94,061	99,074
Investments and other assets		
Investment securities	20,640	22,029
Long-term loans receivable	263	164
Long-term prepaid expenses	2,808	3,353
Deferred tax assets	34,041	35,304
Other	13,072	12,375
Allowance for doubtful accounts	(813)	(815)
Total investments and other assets	70,014	72,411
Total noncurrent assets	364,919	376,544
Total assets	841,995	865,797

[Millions of yen]

	June 30, 2010	March 31, 2010
Liabilities		
Current liabilities		
Notes and accounts payable-trade	85,363	83,118
Short-term loans payable	55,822	58,231
Current portion of long-term loans payable	27,538	27,501
Accounts payable-other	31,503	30,536
Accrued expenses	22,508	24,882
Income taxes payable	4,956	2,488
Provision for bonuses	5,443	11,173
Provision for directors' bonuses	43	149
Provision for product warranties	1,546	1,869
Provision for loss on business liquidation	4,449	4,714
Notes payable-facilities	1,521	562
Asset retirement obligations	18	–
Other	21,289	22,086
Total current liabilities	262,006	267,313
Noncurrent liabilities		
Bonds payable	40,000	40,000
Long-term loans payable	71,548	71,625
Deferred tax liabilities for land revaluation	3,733	3,733
Provision for retirement benefits	47,418	54,245
Provision for directors' retirement benefits	262	450
Asset retirement obligations	983	–
Other	6,440	7,654
Total noncurrent liabilities	170,386	177,708
Total liabilities	432,393	445,022
Net assets		
Shareholders' equity		
Capital stock	37,519	37,519
Capital surplus	204,140	204,140
Retained earnings	193,288	193,790
Treasury stock	(1,732)	(1,743)
Total shareholders' equity	433,216	433,707
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	635	741
Deferred gains or losses on hedges	69	33
Foreign currency translation adjustment	(25,644)	(14,947)
Total valuation and translation adjustments	(24,939)	(14,172)
Subscription rights to shares	657	617
Minority interests	666	622
Total net assets	409,601	420,775
Total liabilities and net assets	841,995	865,797

(2) Consolidated Quarterly Statements of Income

First quarters ended June 30, 2009 and 2010

[Millions of yen]

	April-June 2009	April-June 2010
Net sales	189,439	194,657
Cost of sales	109,764	106,217
Gross profit	79,675	88,439
Selling, general and administrative expenses	80,265	78,595
Operating income (loss)	(589)	9,844
Non-operating income		
Interest income	440	243
Dividends income	187	198
Equity in earnings of affiliates	–	48
Foreign exchange gains	1,413	–
Other	1,531	964
Total non-operating income	3,572	1,454
Non-operating expenses		
Interest expenses	1,038	741
Equity in losses of affiliates	33	–
Foreign exchange losses	–	2,603
Other	1,308	1,531
Total non-operating expenses	2,380	4,877
Ordinary income	602	6,421
Extraordinary income		
Gain on sales of noncurrent assets	37	25
Gain on sales of investment securities	–	0
Reversal of provision for loss on business liquidation	464	3
Other extraordinary income of foreign subsidiaries	598	368
Total extraordinary income	1,100	396
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	226	274
Loss on sales of investment securities	13	–
Loss on valuation of investment securities	212	982
Impairment loss	0	1
Business structure improvement expenses	846	2,378
Loss on adjustment for changes of accounting standard for asset retirement obligations	–	983
Total extraordinary losses	1,299	4,621
Income before income taxes and minority interests	403	2,197
Income taxes	119	(1,296)
Income before minority interests	–	3,493
Minority interests in income (loss)	(15)	2
Net income	299	3,491

(3) Consolidated Quarterly Statements of Cash Flows

First quarters ended June 30, 2009 and 2010

[Millions of yen]

	April-June 2009	April-June 2010
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	403	2,197
Depreciation and amortization	15,350	13,863
Impairment loss	0	1
Amortization of goodwill	2,385	2,190
Interest and dividends income	(627)	(441)
Interest expenses	1,038	741
Loss (gain) on sales and retirement of noncurrent assets	188	249
Loss (gain) on sales and valuation of investment securities	225	982
Increase (decrease) in provision for bonuses	(5,158)	(5,658)
Increase (decrease) in provision for retirement benefits	1,301	(7,291)
Increase (decrease) in provision for loss on business liquidation	(655)	(264)
Decrease (increase) in notes and accounts receivable-trade	11,727	24
Decrease (increase) in inventories	13,409	(4,727)
Increase (decrease) in notes and accounts payable-trade	(22,393)	12,322
Transfer of assets for rent	(1,795)	(1,441)
Decrease (increase) in accounts receivable-other	1,682	(1,697)
Increase (decrease) in accounts payable-other and accrued expenses	(2,833)	(179)
Increase (decrease) in deposits received	3,034	2,805
Decrease/increase in consumption taxes receivable/payable	3,794	180
Other, net	(5,690)	(4,762)
Subtotal	15,389	9,093
Interest and dividends income received	773	476
Interest expenses paid	(990)	(681)
Income taxes paid	(888)	–
Income taxes (paid) refund	–	(1,437)
Net cash provided by (used in) operating activities	14,284	7,450
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(8,112)	(7,854)
Proceeds from sales of property, plant and equipment	116	204
Purchase of intangible assets	(1,075)	(890)
Payments of loans receivable	(1)	(147)
Collection of loans receivable	83	19
Purchase of investment securities	(1)	(1)
Proceeds from sales of investment securities	15	0
Payments of valuation of other investments	(291)	(276)
Other, net	122	202
Net cash provided by (used in) investing activities	(9,143)	(8,744)

[Millions of yen]

	April-June 2009	April-June 2010
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	10,217	1,434
Proceeds from long-term loans payable	16,095	−
Repayment of long-term loans payable	(5,126)	(25)
Repayments of lease obligations	(443)	(394)
Proceeds from sales of treasury stock	2	0
Purchase of treasury stock	(11)	(6)
Cash dividends paid	(5,305)	(3,864)
Proceeds from stock issuance to minority shareholders	−	51
Net cash provided by (used in) financing activities	15,427	(2,804)
Effect of exchange rate change on cash and cash equivalents	(321)	66
Net increase (decrease) in cash and cash equivalents	20,246	(4,031)
Cash and cash equivalents at beginning of period	133,727	164,146
Cash and cash equivalents at end of period	153,973	160,114

(4) Notes Regarding Going Concern Assumptions

None.

(5) Segment Information.

[1] Business Segment

1Q March/2010 (From April 1, 2009 to June 30, 2009)

[Millions of yen]

	Business Technologies	Optics	Medical and Graphic	Sensing	Other	Total	Eliminations and Corporate	Consolidated
Sales								
External	127,220	33,990	23,727	1,408	3,093	189,439	-	189,439
Intersegment	741	165	276	210	11,170	12,564	(12,564)	-
Total	127,961	34,155	24,004	1,619	14,264	202,004	(12,564)	189,439
Operating expenses	127,716	32,493	23,173	1,819	13,813	199,016	(8,987)	190,029
Operating income (loss)	244	1,662	830	(200)	450	2,987	(3,577)	(589)

Notes:

1. Business classification is based on similarity of product type and market. The Group's operations are classified into the five segments of Business Technologies, Optics, Medical and Graphic Imaging, Sensing, and other businesses.
2. Principal products in business segments

Business Segment	Principal Products
Business Technologies	MFPs, printers, etc.
Optics	Optical devices, electronics materials, etc.
Medical and Graphic Imaging	Medical products, graphic imaging products, etc.
Sensing	Industrial-use and medical-use measuring instruments, etc
Other businesses	Products other than the above

3. Operating expenses not able to be properly allocated that are included in Eliminations and Corporate are principally R&D expenses incurred by the Company and expenses associated with head office functions. Such expenses amounted to ¥7,307 million.

[2] Geographical Segment

1Q March/2010 (From April 1, 2009 to June 30, 2009)

[Millions of yen]

	Japan	North America	Europe	Asia and Other	Total	Eliminations and Corporation	Consolidated
Sales							
External	85,306	43,391	49,433	11,307	189,439	-	189,439
Intersegment	48,012	523	211	34,600	83,348	(83,348)	-
Total	133,319	43,915	49,645	45,907	272,787	(83,348)	189,439
Operating expenses	128,894	45,455	48,318	44,230	266,899	(76,870)	190,029
Operating income (loss)	4,424	(1,540)	1,326	1,677	5,887	(6,477)	(589)

Notes:
1. Countries and territories are classified based on geographical proximity.
2. Major countries or areas other than Japan are as follows:
   North America .... U.S.A. and Canada
   Europe .... Germany, France and U.K.
   Asia and Other .... Australia, China and Singapore
3. Operating expenses not able to be properly allocated that are included in Eliminations and Corporate are principally R&D expenses incurred by the Company and expenses associated with head office functions. Such expenses amounted to ¥7,307 million.

[3] Overseas Sales

1Q March/2010 (From April 1, 2009 to June 30, 2009)

[Millions of yen]

	North America	Europe	Asia and Other	Total
Overseas sales	41,844	54,144	37,437	133,426
Consolidated sales	-	-	-	189,439
Overseas sales as a percentage of consolidated sales	22.1%	28.6%	19.8%	70.4%

Notes:
1. Countries and territories are classified based on geographical proximity.
2. Major countries or areas are as follows:
   North America .... U.S.A. and Canada
   Europe .... Germany, France and U.K.
   Asia and Other .... Australia, China and Singapore
3. Overseas sales are the Company and consolidated subsidiary sales in countries or regions outside of Japan.

[4] Segment Information

I. Summary of Reporting Segments

The Company's reporting segments are components of the Company about which separate financial information is available that is evaluated regularly by the management in deciding how to allocate resources and in assessing performance.

The Company has business companies for different products and services in Japan, and each business company draws up comprehensive domestic and overseas strategies for their products and services, and conduct business activities accordingly.

Consequently, the Company is made up of segments for different products and services with a business company at the center of each and has three reporting segments: Business Technologies, Optics and Medical & Graphic.

Products in the Business Technologies segment include MFPs, printers, production printing equipment and related supplies, products in the Optics segment include optical devices and electronic materials, while products in the Medical & Graphic segment include medical and printing products.

II. Information about Segment Sales and Income (Loss)

1Q March/2011 (From April 1, 2010 to June 30, 2010)

[Millions of yen]

	Reporting segments				Other*	Total
	Business Technologies	Optics	Medical & Graphic Imaging	Total		
Sales						
External	132,780	35,174	21,023	188,978	5,678	194,657
Intersegment	1,046	156	315	1,517	12,181	13,699
Total	133,827	35,330	21,339	190,496	17,860	208,356
Operating income (loss) – Reporting segment	7,646	5,098	(86)	12,659	984	13,643

Note: "Other" consists of business segments not included in reporting segments such as sensing business and industrial inkjet business.

III. Difference between the total of the reporting segments' measures of profit or loss and income according to quarterly consolidated statements of income, and the main components of the difference (matters related to adjustment of difference)

[Millions of yen]

Item	Amount
Total operating income of reporting segments	12,659
Operating income categorized in "Other"	984
Intersegment - eliminations	(1,067)
Corporate expenses	(2,731)
Operating income reported on quarterly statements of income	9,844

Note: Corporate expenses are mainly general administration expenses and basic research expenses that do not belong to any reporting segment.

Additional Information

Starting from the first quarter of the fiscal year under review, the Company adopted the Accounting Standard for Disclosures about Segments of an Enterprise and Related information (ASBJ Statement No. 17, March 27, 2009) and the Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related information (ASBJ Guidance No. 20, March 21, 2008).

(6) Notes to any Significant Changes in Shareholders' Equity

None.