July 27, 2012

Fiscal Year ending March 31, 2013
First Quarter Consolidated Financial Results

Three months: April 1, 2012 – June 30, 2012

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:	Yuki Kobayashi, General Manager, CSR, Corporate Communications & Branding Div.
Telephone number:	(81) 3-6250-2100
Scheduled date for submission of securities report:	August 10, 2012
Scheduled date for dividends payment:	-
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, 2012 to June 30, 2012)

(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/2013	189,373	1.7%	6,339	93.8%	4,786	87.3%	154	-%
1Q Mar/2012	186,205	-4.3%	3,271	-66.8%	2,556	-60.2%	(110)	-%

Note: Comprehensive income
1Q Mar/2013: ¥ (10,033) million (- %)
1Q Mar/2012: ¥ (1,899) million (- %)

	Net income per share		Net income per share (after full dilution)	
1Q Mar/2013	0.29	yen	0.28	Yen
1Q Mar/2012	(0.21)	Yen	-	Yen

Note: Diluted net income per share for the first quarter of the fiscal year ending March 2012 has not been recorded, because, although there are residual securities, the Company posted a net loss per share.

(2) Financial position

[Millions of yen]

	Total assets	Net assets	Equity ratio (%)
June 30, 2012	876,550	420,999	47.9%
March 31, 2012	902,052	434,987	48.1%

Notes: Shareholders' equity
As of June 30, 2012: ¥ 419,613 million
As of March 31, 2012: ¥ 433,669 million

2. Dividends per share

[yen]

	1Q	2Q	3Q	Year-end	Total annual
FY Mar/2012	-	7.50	-	7.50	15.00
FY Mar/2013	-				
FY Mar/2013(forecast)		7.50	-	7.50	15.00

Note: Change to the latest dividend forecast announced: None

3. Consolidated results forecast for fiscal year ending March 31, 2013 (From April 1, 2012 to March 31,2013)

Percentage figures for the full year represent the change from the previous fiscal year.

[Millions of yen]

	Net sales	%	Operating income	%	Ordinary income	%	Net income	%	Net income per share
Full-year	800,000	4.2	48,000	19.0	44,000	26.6	22,000	7.7	41.49 yen

Note: Change to the latest consolidated results forecast announced: None

■ Notes

(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 special accounting treatment used in preparation of the quarterly consolidated financial statements: Yes

Note: For more detailed information, please see the "(1) Adoption of special accounting treatment used in preparation of the quarterly consolidated financial statements" in the section 2. SUMMARY INFORMATION (NOTES) on page 12.

(3) Changes in accounting policy, changes in accounting estimates, or restatement due to correction

a. Changes in accounting policy accompanying amendment of accounting principles: Yes
b. Changes in accounting policy other than “a.”: None
c. Changes in accounting estimates: Yes
d. Restatement due to correction: None

Note: These are subject to Article 10-5 of the Ordinance on Terminology, Forms and Preparation Methods of Quarterly Financial Statements.
For more detailed information, please see the “(2) Changes in accounting policy, changes in accounting estimates, or restatement due to correction” in the section 2. SUMMARY INFORMATION (NOTES) on page 12.

(4) Number of outstanding shares（common stock）

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

First quarter of fiscal year ending March 31, 2013:	531,664,337 shares
Fiscal year ended March 31, 2012:	531,664,337 shares

b. Treasury stock at period-end

First quarter of fiscal year ending March 31, 2013:	1,384,971 shares
Fiscal year ended March 31, 2012:	1,381,591 shares

c. Average number of outstanding shares

First quarter of fiscal year ending March 31, 2013:	530,281,338 shares
First quarter of fiscal year ended March 31, 2012:	530,225,610 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

(Note on forward-looking statements)
This document contains projections of performance and other projections that were made based on information currently available and certain assumptions judged to be reasonable. The Group makes no warranty as to the achievability of the projections. 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, 2013” in the section 1. CONSOLIDATED OPERATING RESULTS on page 11 for more information on points to be remembered in connection with assumptions for projections and the use of projections.

(How to obtain supplementary information and information on a financial results briefing)
The Group will hold a financial results briefing for institutional investors on Friday, July 27, 2012. Descriptions at the briefing and presentation slides to be used at the briefing will be posted on the website of the Group immediately after the briefing.

Supplementary Information

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1. CONSOLIDATED OPERATING RESULTS

(1) Qualitative Information of Consolidated Performance

1. Overview of Performance

Three months ended June 30, 2012 (From April 1, 2012 to June 30, 2012)

Three months (Apr–Jun)
Year-on-Year [Billions of yen]

	Apr-Jun / Mar 2013	Apr-Jun / Mar 2012	Increase (Decease)	
Net sales	189.3	186.2	3.1	1.7%
Gross profit	86.2	83.6	2.6	3.2%
Operating income	6.3	3.2	3.0	93.8%
Ordinary income	4.7	2.5	2.2	87.3%
Income before income taxes and minority interests	3.9	0.3	3.5	921.1%
Net income(loss)	0.1	(0.1)	0.2	-%
Net income(loss) per share [yen]	0.29	(0.21)	0.50	-%
Capital expenditure	7.7	4.8	2.8	58.4%
Depreciation	10.7	11.6	(0.9)	-8.3%
R & D expenses	17.6	19.0	(1.4)	-7.5%
Free cash flow	(16.2)	0.6	(16.9)	-%
Number of employees [persons]	40,174	35,996	4,178	11.6%
Exchange rates [yen]				
US dollar	80.20	81.74	(1.54)	-1.9%
Euro	102.91	117.40	(14.49)	-12.3%

Reviewing the main businesses of the Konica Minolta Group during the first quarter of the consolidated fiscal year under review (April 1, 2012 to June 30, 2012), in the Business Technologies Business, sales momentum in either the office or production print fields remained strong, and sales volumes rose from the same period of the previous fiscal year. In OPS (Optimized Print Services), which the Company continued to systematically strengthen as a new growth field, sales for global major accounts have been increasing steadily and consistently. In the Industrial Business, the sales of VA-TAC films for increasing the viewing angle (hereinafter referred to as "VA-TAC films") and thin plain TAC films for LCD polarizers remained strong, as in the previous fiscal year. Sales of glass substrates for HDDs and lens units for digital cameras and cell phones with cameras rose overall with the effects of the flooding in Thailand and production adjustment seen in the overall digital home appliances industry disappearing. Sales of high value-added products, including replacement lenses for digital single-lens reflex cameras, optical systems for digital cinema, and light meters, were strong. In the Healthcare Business, sales volumes of digital X-ray diagnostic imaging systems and film products increased from the previous year.

As a result, the Konica Minolta Group recorded net sales of ¥189.3 billion, an increase of 1.7% year on year, on a consolidated basis for the first quarter of the fiscal year under review. Income rose year on year, despite the posting of foreign exchange losses of ¥7.9 billion, reflecting the significant appreciation of the yen, especially against the euro, with the yen rising nearly ¥15 against the euro compared with the exchange rates in the same period of the previous fiscal year.

Operating income was ¥6.3 billion, an increase of 93.8% from the previous fiscal year, with the adverse effect of a stronger yen of ¥4.1 billion more than offset by an increase in gross profit associated with a rise in sales of major profitable products. Ordinary income was ¥4.7 billion, an increase of 87.3% year on year, mainly reflecting the recording of foreign exchange losses due to the appreciation of the yen. Income before income taxes and minority interests was ¥3.9 billion, primarily attributable to a loss on sales and retirement of noncurrent assets of ¥0.7 billion in extraordinary loss associated with obsolete equipment. Net income of ¥0.1 billion was recorded, from a net loss of ¥0.1 billion in the same period of the previous fiscal year. Income climbed from a year ago at all levels.

The fiscal year ending March 31, 2013 is the middle year of "G PLAN 2013," our medium-term business plan. The Group is seeking to enhance its growth potential in each business to move closer to the targets of the plan.

In the Business Technologies Business, to expand its business and to enhance its development in emerging countries, the Group established regional head offices in Singapore and in the United Arab Emirates as well as sales subsidiaries in Turkey and Vietnam and a sales office in Thailand. Meanwhile, the Group is seeking merger and acquisition (M&A) opportunities on a global basis to bolster its sales force.

In April this year the Group carried out organizational restructuring to develop new businesses and new products in the functional films field and to increase profitability in the optical products field. With the restructuring, the reportable segments are the Business Technologies Business, Industrial Business, and Healthcare Business from the first quarter under review, instead of the Business Technologies Business, Optics Business, and Healthcare Business, which were reportable segments until the previous fiscal year.

2. Overview by Segment

Three months ended June 30, 2012 (From April 1, 2012 to June 30, 2012)

[Billions of yen]

	Three months (Apr–Jun) Year-on-Year			
	Apr-Jun / Mar 2013	Apr-Jun / Mar 2012	Increase (Decrease)	
Business Technologies				
Net sales - external	130.3	134.0	(3.7)	-2.8%
Operating income	3.0	3.6	(0.5)	-16.3%
Industrial Business				
Net sales - external	40.5	31.1	-	-%
Operating income	8.1	3.4	-	-%
Healthcare				
Net sales - external	15.8	15.5	0.3	1.9%
Operating income(loss)	(0.1)	(0.5)	0.3	-%

Note: Figures in Industrial Business for Apr-Jun/Mar 2012 are the figures of former Optics Business.

Business Technologies Business

Office field:

Sales volumes of both color and monochrome MFPs rose from the same period of the previous fiscal year, driven by sales expansion in the United States and emerging markets, primarily in Asia. The Company has been producing a positive outcome from OPS (Optimized Print Services), in which it is developing operating systems on a global scale. The Company renewed an agreement with Erste Group Bank AG (headquartered in Austria), one of the largest financial groups in Central and East Europe, and concluded a new global OPS agreement stipulating that it acts as a single supplier in ten counties. From the end of June this year, the Company began selling three models of the bizhub, namely the C364/C284/C224, a new series of A3 color MFPs, catering to new customer working styles in the cloud mobile age.

Production print field:

Sales volumes of production printing products for the first quarter under review increased from the same quarter of the previous year, thanks to increases in sales of color systems in Europe and in sales of monochrome systems in emerging countries. In May, the Company launched the bizhub PRO 951, a new monochrome production printing system for divisions in charge of intensive printing at companies, public offices and schools. At the printing industry’s biggest exhibition, drupa 2012, held in Germany in May, the Company exhibited new color and monochrome systems to be launched next term, in addition to the bizhub PRO 951, earning high marks from clients.

Overall, our Business Technologies Business focused on expanding sales of digital equipment and solution services in line with our “genre-top” strategy. Meanwhile, the Company has been actively promoting M&A to enhance its competitiveness in growth areas. In June, in the office field, the Company acquired Serians S.A.S. (headquartered in France), an IT service provider, to bolster its IT services, which is the key to the global development of OPS. In the production print field, the Company acquired FedEx Kinko’s Japan Co., Ltd. (headquartered in Tokyo), one of Japan’s largest on-demand printing providers operating urban stores, in May to enhance competitiveness in Japan’s in-house printing market.

As a result, net sales of the Business Technologies Business to outside customers stood at ¥130.3 billion, down 2.8% year on year. The segment sustained a negative impact of ¥7.3 billion from exchange rate fluctuations, mainly reflecting the sharp appreciation of yen against the euro. Operating income was ¥3.0 billion, declining 16.3% year on year, primarily attributable to the negative effect of ¥3.8 billion from a stronger yen, and a limited contribution from new products since the term under review was a changeover period.

Industrial Business

Display materials field:

Sales volumes of both VA-TAC films and plain TAC films for LCD polarizers rose from the year-ago period as thin plain TAC films for LCD polarizers, which are strengths of the Company, were well received by major customers in South Korea and Taiwan.

Memory devices field:

Sales volumes of glass substrates for HDDs climbed from the previous fiscal year thanks to the elimination of the effect of the flooding in Thailand and the full-scale shipments of products for 500 GB HDDs. Sales volumes of pickup lenses for optical disks also increased from the year-ago period, driven by a recovery of the market for pickup lenses for DVDs, offsetting the weaker market for pickup lenses for Blu-ray Discs™.

Image input/output components field:

Sales volumes of lens units for digital cameras and cell phones with cameras generally rose from a year ago, primarily due to the end of production adjustments and the sales expansion of customers' products using our lens units. Sales volumes of high value-added products, including replacement lenses for digital single-lens reflex cameras and optical systems for digital cinema, expanded steadily.

Sensing field:

Sales volumes of light meters, including CL-200A Chroma Meter, which is used for quality control in production lines for LED lighting modules and display panels, were favorable.

As a result, net sales of the Industrial Business to outside customers and operating income stood at ¥40.5 billion and ¥8.1 billion, respectively.

In the first quarter of the consolidated fiscal year under review, the reportable segments were changed. For more detailed information, please see the "3. Matters associated with changes in reportable segments" in the section [2] Three months ended June 30, 2012 (from April 1, 2012 to June 30, 2012) in the "(6) Segment Information, 3. CONSOLIDATED QUARTERLY FINANCIAL STATEMENTS."

Healthcare Business

In the Healthcare Business, the Company focused on expanding sales to medical facilities in Japan and abroad of digital X-ray diagnostic imaging systems, especially AeroDR, the cassette digital X-ray detector, Digital Radiography (DR) for visiting cars, and REGIUS Σ, the desktop Computed Radiography (CR). Sales volumes of both DR and CR rose from the same quarter of the previous fiscal year. Sales volumes of film products increased from the previous fiscal year, thanks to a rise in sales volumes overseas. Sales volumes in Japan, however, continued to decline.

As a result of the factors described above, net external sales of the Company stood at ¥15.8 billion, up 1.9% year on year. The operating loss was ¥0.1 billion, improving ¥0.3 billion from the previous fiscal year, reflecting higher income with increased sales volumes and thorough cost management.

(2) Financial Position

1. Analysis of Financial Position

		As of June 30, 2012	As of March 31, 2012	(Decrease)
Total assets	[Billions of yen]	876.5	902.0	(25.5)
Total liabilities	[Billions of yen]	455.5	467.0	(11.5)
Net assets	[yen]	420.9	434.9	(13.9)
Equity ratio	[%]	47.9	48.1	(0.2)

Total assets at the end of the first quarter of the consolidated fiscal year under review were down ¥25.5 billion (2.8%) from the previous fiscal year-end, to ¥876.5 billion. Current assets and noncurrent assets fell ¥19.7 billion (3.5%) to ¥546.1 billion (62.3% to total assets), and ¥5.7 billion (1.7%) to ¥330.3 billion (37.7% to total assets), respectively, from the previous fiscal year-end.

With respect to current assets, cash and deposits increased ¥0.9 billion from the end of the previous fiscal year, to ¥91.5 billion, but securities decreased ¥17.4 billion. As a result, cash and cash equivalents decreased ¥16.5 billion, to ¥215.3 billion. Notes and accounts receivable-trade decreased ¥9.3 billion from the end of the previous fiscal year, to ¥164.8 billion. Inventories increased ¥4.4 billion, to ¥109.4 billion. Deferred tax assets increased ¥1.2 billion.

With respect to noncurrent assets, property, plant and equipment decreased ¥5.0 billion from the previous fiscal year-end, to ¥173.9 billion, the result of progress in depreciation. Meanwhile, intangible assets increased ¥1.2 billion from the end of the previous fiscal year, to ¥88.6 billion, given the rise mainly in goodwill resulting from corporate acquisition in the Business Technologies Business during the first quarter of the consolidated fiscal year under review, offsetting overall progress in amortization. Investments and other assets decreased ¥1.9 billion, to ¥ 67.8 billion, reflecting a decrease of ¥2.5 billion in the evaluation of investment securities as a result of a decline in stock prices.

Total liabilities at the end of the first quarter of the consolidated fiscal year under review decreased ¥11.5 billion (2.5%) from the previous fiscal year-end, to ¥455.5 billion (52.0% to total assets). Notes and accounts payable-trade declined ¥2.3 billion, to ¥85.8 billion. Provision for bonuses, accounts payable-other, and accrued expenses fell ¥5.3 billion, ¥3.3 billion, and ¥2.6 billion, respectively. Interest-bearing debt (a sum of short-term loans payable, long-term loans payable and bonds payable) rose ¥1.6 billion from the previous fiscal year-end, to ¥229.5 billion.

Net assets at the end of the first quarter of the consolidated fiscal year under review were down ¥13.9 billion (3.2%) from the previous fiscal year-end, to ¥420.9 billion (48.0% to total assets). Retained earnings decreased ¥3.8 billion from the previous fiscal year-end, to ¥219.0 billion, given net income of ¥0.1 billion and dividends paid of ¥3.9 billion. In accumulated other comprehensive income, foreign currency translation adjustment and valuation difference on available-for-sale securities declined ¥8.7 billion and ¥1.8 billion, respectively.

As a result, the shareholders’ equity ratio slipped 0.2 percentage points, to 47.9%.

2. Cash Flows

[Billions of yen]

	Apr-Jun / Mar 2013	Apr-Jun / Mar 2012	Increase (Decrease)
Cash flows from operating activities	(0.8)	11.9	(12.8)
Cash flows from investing activities	(15.4)	(11.3)	(4.0)
Total (Free cash flow)	(16.2)	0.6	(16.9)
Cash flows from financing activities	(0.4)	(1.4)	0.9

During the first quarter of the fiscal year under review, net cash used in operating activities was ¥0.8 billion, while net cash used in investing activities, mainly associated with capital investment, totaled ¥15.4 billion. As a result, free cash flow (the sum of operating and investing activities) was an outflow of ¥16.2 billion.

Net cash used in financing activities was ¥0.4 billion.

In addition, cash and cash equivalents at the end of the first quarter of the consolidated fiscal year under review stood at ¥215.3 billion, down ¥16.5 billion from the previous fiscal year-end, reflecting the effect of changes in exchange rates on cash and cash equivalents.

The details of cash flows associated with each activity during the first quarters of the consolidated fiscal year under review are as follows.

Cash flows from operating activities

Net cash used in operating activities stood at ¥0.8 billion (net cash provided of ¥11.9 billion in the same period of the previous fiscal year). Although the Group reported income before income taxes and minority interests of ¥3.9 billion, and depreciation and amortization of ¥10.7 billion, these amounts were more than offset by a decrease in working capital of ¥3.1 billion, a decrease in the provision for bonuses of ¥5.2 billion, a decrease in accounts payable-other and accrued expenses of ¥3.3 billion, the payment of ¥4.1 billion for income taxes, and other cash outflows.

Cash flows from investing activities

Net cash used in investing activities was ¥15.4 billion (compared with ¥11.3 billion in the same period in the previous consolidated fiscal year). Cash of ¥7.2 billion was used for investments in molding for new products in the Business Technologies Business and in the acquisition of property, plant and equipment relating to the reinforcement of production capacities in the Industrial Business. Other cash outflow included ¥5.5 billion for the acquisition of shares in subsidiaries for the acquisition of companies in Japan and Europe to strengthen its production print business and IT services capabilities in the Business Technologies Business.

As a result, free cash flow (the sum of operating and investing activities) was an outflow of ¥16.2 billion (an inflow of ¥0.6 billion in the same period of the previous fiscal year).

Cash flows from financing activities

Net cash used in financing activities was ¥0.4 billion (¥1.4 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 ¥3.6 billion in interest-bearing debt.

Note: Amounts mentioned above do not include consumption taxes.

(3) Outlook for the fiscal year ending March 31, 2013

Looking at the global economic conditions surrounding the Konica Minolta Group from the second quarter, the European economy, which faces financial problems, will remain uncertain. The U.S. economy, which was expected to grow moderately, is likely to remain fragile for some time to come. There is concern that emerging economies, especially in Asia, including China and India, will slow. However, these economies are still expected to outpace developed economies. We expect that the Japanese economy will pick up moderately, backed by reconstruction demand after the earthquake. In addition to the anticipated business conditions in Japan and abroad, there are concerns about a possible further appreciation of the yen, and the effect of euro-yen exchange rates on the results of the Group.

Demand in the markets in which the Group operates has not changed noticeably from the Group's anticipation at the beginning of the fiscal year under review. In the Business Technologies Business, demand for production printing systems, especially products for digital commercial printing, is expected to grow gradually both in Japan and overseas. Demand for office MFPs is likely to rise, continually driven by demand in emerging markets. We anticipate that sales will grow in the IT service solutions where the Company is strengthening the system by acquiring the IT service providers and demand for office MFPs from global major accounts in developed countries will also expand with our OPS approach. In the Industrial Business, demand for digital consumer electronics, including LCD TVs, is expected to recover generally as inventory adjustments in supply chains are almost complete although the Company needs to pay attention to trends in final demand in the second half of the year. In the Healthcare Business, demand for digital X-ray diagnostic imaging systems, including cassette DR and compact CR, is set to expand.

Given this situation, the Group changed the assumed exchange rates to 80 yen for the US dollar and 100 yen (appreciating 5 yen) for the euro (US$: 80 yen, EUR: 105 yen at the time of the announcement on May 10), but it is maintaining its forecast results for the consolidated fiscal year ending March 31, 2013, unchanged from its initial forecasts, as shown below. To achieve these goals, the Group will focus on expanding sales of profitable products and services, especially in the Business Technologies Business and the Industrial Business. It will also step up initiatives, mainly to achieve additional cuts in manufacturing costs and improve expenses management.

[Billions of yen]

	FY ending March 2013 Full year - Announced on May 10, 2012 -
Net sales	800.0
Operating income	48.0
Ordinary income	44.0
Net income	22.0

Note: The above operating performance forecasts are based on future-related assumptions, 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 hundred million yen.*

2. SUMMARY INFORMATION（NOTES）

(1) Adoption of special accounting treatment used in preparation of the consolidated quarterly 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 reasonably estimated, and that estimated rate is applied to net income for the quarterly period to calculate estimated tax expenses.

（2）Changes in accounting policy, changes in accounting estimates, or restatement due to correction

Change in depreciation method

Starting the first quarter under review, with the revision of the Corporation Tax Law, the Company and its domestic consolidated subsidiaries are depreciating property, plant and equipment acquired on or after April 1, 2012 under the revised Corporation Tax Law.

Because of the change, operating income, ordinary income, and income before income taxes and minority interests each increased ¥23 million compared to the amount calculated by previous method.

3. CONSOLIDATED QUARTERLY FINANCIAL STATEMENTS
(1) Consolidated Quarterly Balance Sheets
June 30, 2012 and March 31, 2012

[Millions of yen]

	March 31, 2012	June 30, 2012
Consolidated balance sheets		
Assets		
Current assets		
Cash and deposits	90,640	91,548
Notes and accounts receivable-trade	174,193	164,880
Lease receivables and investment assets	13,775	12,197
Short-term investment securities	141,293	123,798
Inventories	105,080	109,490
Deferred tax assets	20,100	21,307
Accounts receivable-other	13,467	11,755
Other	11,759	15,038
Allowance for doubtful accounts	(4,385)	(3,854)
Total current assets	565,923	546,161
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	66,874	66,093
Machinery, equipment and vehicles, net	39,773	37,294
Tools, furniture and fixtures, net	22,407	22,496
Land	33,609	33,406
Lease assets, net	415	672
Construction in progress	7,817	6,022
Assets for rent, net	8,101	7,960
Total property, plant and equipment	178,999	173,947
Intangible assets		
Goodwill	59,727	61,059
Other	27,613	27,556
Total intangible assets	87,341	88,616
Investments and other assets		
Investment securities	19,073	16,493
Long-term loans receivable	133	130
Long-term prepaid expenses	2,650	2,461
Deferred tax assets	38,281	38,757
Other	10,355	11,063
Allowance for doubtful accounts	(706)	(1,082)
Total investments and other assets	69,788	67,824
Total noncurrent assets	336,128	330,388
Total assets	902,052	876,550

[Millions of yen]

	March 31, 2012	June 30, 2012
Liabilities		
Current liabilities		
Notes and accounts payable-trade	88,129	85,827
Short-term loans payable	32,913	45,561
Current portion of long-term loans payable	11,994	993
Accounts payable-other	30,295	26,975
Accrued expenses	25,305	22,622
Income taxes payable	6,908	7,884
Provision for bonuses	10,826	5,484
Provision for directors' bonuses	203	73
Provision for product warranties	1,050	973
Provision for loss on business liquidation		
Notes payable-facilities	1,062	1,071
Asset retirement obligations	146	143
Other	20,124	19,864
Total current liabilities	228,958	217,474
Noncurrent liabilities		
Bonds payable	110,000	110,000
Long-term loans payable	73,025	73,027
Deferred tax liabilities for land revaluation	3,269	3,269
Provision for retirement benefits	44,545	45,016
Provision for directors' retirement benefits	341	216
Asset retirement obligations	931	931
Other	5,992	5,615
Total noncurrent liabilities	238,105	238,076
Total liabilities	467,064	455,551
Net assets		
Shareholders' equity		
Capital stock	37,519	37,519
Capital surplus	204,142	204,142
Retained earnings	222,848	219,026
Treasury stock	(1,597)	(1,598)
Total shareholders' equity	462,913	459,089
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,183	(709)
Deferred gains or losses on hedges	(228)	209
Foreign currency translation adjustment	(30,199)	(38,975)
Total accumulated other comprehensive income	(29,243)	(39,475)
Subscription rights to shares	682	707
Minority interests	635	678
Total net assets	434,987	420,999
Total liabilities and net assets	902,052	876,550

(2) Consolidated Quartely Statements of Income and Consolidated Quarterly Statements of

Consolidated Quartely Statements of Income

Three months ended June 30, 2011 and 2012

[Millions of yen]

	April-June 2011	April-June 2012
Net sales	186,205	189,373
Cost of sales	102,595	103,104
Gross profit	83,610	86,268
Selling, general and administrative expenses	80,339	79,928
Operating income	3,271	6,339
Non-operating income		
Interest income	271	243
Dividends income	266	223
Equity in earnings of affiliates	—	19
Other	912	840
Total non-operating income	1,450	1,327
Non-operating expenses		
Interest expenses	646	566
Equity in losses of affiliates	12	—
Foreign exchange losses	660	999
Other	846	1,314
Total non-operating expenses	2,165	2,880
Ordinary income	2,556	4,786
Extraordinary income		
Gain on sales of noncurrent assets	37	48
Gain on sales of investment securities	1	—
Reversal of provision for loss on business liquidation		
Other extraordinary income of foreign subsidiaries		
Total extraordinary income	39	49
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	237	759
Loss on valuation of investment securities	1,817	65
Impairment loss	53	28
Business structure improvement expenses		
Loss on adjustment for changes of accounting standard for asset retirement obligations		
Loss on disaster	96	—
Total extraordinary losses	2,205	853
Income before income taxes and minority interests	390	3,983
Income taxes	495	3,835
Income (loss) before minority interests	(105)	147
Minority interests in income	5	(7)
Net income (loss)	(110)	154

Consolidated Quartely Statements of Comprehensive Income

Three months ended June 30, 2011 and 2012

[Millions of yen]

	April-June 2011	April-June 2012
Income (loss) before minority interests	(105)	147
Other comprehensive income		
Valuation difference on available-for-sale securities	173	(1,896)
Deferred gains or losses on hedges	66	437
Foreign currency translation adjustment	(2,034)	(8,725)
Share of other comprehensive income of associates accounted for using equity method	0	3
Total other comprehensive income	(1,793)	(10,181)
Comprehensive income	(1,899)	(10,033)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(1,924)	(10,076)
Comprehensive income attributable to minority interests	25	42

(3) Consolidated Quartely Statements of Cash Flow

Three months ended June 30, 2011 and 2012

[Millions of yen]

	April-June 2011	April-June 2012
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	390	3,983
Depreciation and amortization	11,686	10,715
Impairment loss	53	28
Amortization of goodwill	2,230	2,301
Interest and dividends income	(538)	(466)
Interest expenses	646	566
Loss (gain) on sales and retirement of noncurrent assets	199	710
Loss (gain) on sales and valuation of investment securities	1,816	64
Increase (decrease) in provision for bonuses	(5,410)	(5,260)
Increase (decrease) in provision for retirement benefits	1,337	889
Increase (decrease) in provision for loss on business liquidation	(10)	—
Decrease (increase) in notes and accounts receivable-trade	8,821	1,198
Decrease (increase) in inventories	(997)	(8,747)
Increase (decrease) in notes and accounts payable-trade	(2,319)	4,369
Transfer of assets for rent	(929)	(1,493)
Decrease (increase) in prepaid expenses-OpeCF	(1,976)	(2,065)
Decrease (increase) in accounts receivable-other	(1,112)	1,215
Increase (decrease) in accounts payable-other and accrued expenses	82	(3,369)
Increase (decrease) in deposits received	2,693	2,829
Decrease/increase in consumption taxes receivable/payable	1,724	130
Other, net-OpeCF	(2,813)	(4,022)
Subtotal	15,575	3,576
Interest and dividends income received	454	491
Interest expenses paid	(656)	(749)
Income taxes (paid) refund	(3,383)	(4,181)
Net cash provided by (used in) operating activities	11,990	(862)
Net cash provided by (used in) operating activities		
Purchase of property, plant and equipment	(6,364)	(7,298)
Proceeds from sales of property, plant and equipment	157	165
Purchase of intangible assets	(870)	(1,656)
Payments for transfer of business	(481)	(112)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(3,622)	(5,413)
Payments of loans receivable	(44)	(153)
Collection of loans receivable	35	11
Purchase of investment securities	(2)	(302)
Proceeds from sales of investment securities	1	6
Purchase of investments in subsidiaries		(120)
Payments for other investments	(221)	(776)
Other, net	32	218
Net cash provided by (used in) investing activities	(11,380)	(15,431)

	April-June 2011	April-June 2012
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	2,524	14,664
Proceeds from long-term loans payable	270	4
Repayment of long-term loans payable	(3)	(11,000)
Repayments of lease obligations	(363)	(327)
Proceeds from sales of treasury stock	1	0
Purchase of treasury stock	(3)	(3)
Cash dividends paid	(3,844)	(3,828)
Proceeds from stock issuance to minority shareholders	—	—
Net cash provided by (used in) financing activities	(1,419)	(489)
Effect of exchange rate change on cash and cash equivalents	325	196
Net increase (decrease) in cash and cash equivalents	(484)	(16,587)
Cash and cash equivalents at beginning of period	175,148	231,933
Cash and cash equivalents at end of period	174,663	215,346

(4) Notes Regarding Going Concern Assumptions

None

(5) Notes Regarding Significant Change in Shareholders' Equity

None

(6) Segment Information

[1] Three months ended June 30, 2011 (From April 1, 2011 to June 30, 2011)

1. Information about Segment Sales and Income (Loss)

[Millions of yen]

	Reportable Segment				Other*1	Total
	Business Technologies	Optics	Healthcare	Total		
Sales						
External	134,069	31,141	15,505	180,716	5,489	186,205
Intersegment	490	172	197	860	11,184	12,044
Total	134,559	31,313	15,703	181,576	16,673	198,250
Segment incomes(losses)	3,629	3,403	(510)	6,522	1,048	7,571

Notes:
1. "Other" consists of business segments such as sensing business and industrial inkjet business.
2. This information is based on the amount reported to management, and the figures were calculated based on the reportable segments, before they were changed in the first quarter of the consolidated fiscal year. The related information is presented in "3.Matters associated with changes in reportable segments in the section [2] Three months ended June 30, 2012 (From April 1, 2012 to June 30, 2012)."

2. Difference between the total of the reportable segments' measures of profit or loss and income according to consolidated quarterly 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 reportable segments	6,522
Operating income categorized in "Other"	1,048
Intersegment – eliminations	(1,300)
Corporate expenses	(2,999)
Operating income reported on quarterly statements of income	3,271

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

[2] Three months ended June 30, 2012 (From April 1, 2012 to June 30, 2012)
1. Information about Segment Sales and Income (Loss)

[Millions of yen]

	Reportable Segment				Other*	Total
	Business Technologies	Industrial Business	Healthcare	Total		
Sales						
External	130,349	40,584	15,807	186,740	2,632	189,373
Intersegment	478	587	727	1,793	13,414	15,208
Total	130,827	41,172	16,534	188,534	16,047	204,581
Segment incomes(losses)	3,038	8,168	(157)	11,048	810	11,859

Notes: “Other” consists of business segments such as industrial inkjet business.

2. Difference between the total of the reportable segments’ measures of profit or loss and income according to consolidated quarterly 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 reportable segments	11,048
Operating income categorized in “Other”	810
Intersegment – eliminations	(1,454)
Corporate expenses	(4,065)
Operating income reported on quarterly statements of income	6,339

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

3. Matters associated with changes in reportable segments

With the reorganization of the Group, the reportable segments are the Business Technologies Business, Industrial Business, and Healthcare Business from the first quarter under review, instead of the Business Technologies Business, Optics Business, and Healthcare Business, which were reportable segments until the previous fiscal year.

Major products and type of services were also changed. Manufacturing and sale of optical products (pickup lenses, etc.) and electronic materials (TAC films, etc.) as in the Optics Business were changed to manufacturing and sale of electronic materials (TAC films, etc.), performance materials, optical products (pickup lenses, etc.), and measuring instruments for industrial and healthcare applications as in the Industrial Business. Meanwhile main products and type of services both in Business Technologies Business and Healthcare Business were not changed.

Segment information for the first quarter of the previous fiscal year in accordance with the new reportable segments is not disclosed except for external sales, because of the practical difficulty in accurately calculating cost of sales and selling, general, and administrative expenses retroactively for the previous fiscal year. Segment information for the first quarter under review in accordance with the reportable segments before the change is also not disclosed, because of the practical difficulty in obtaining the necessary information, and is not reported to management in consideration of the usefulness of the information.

When segment information for the first quarter of the previous fiscal year is created in accordance with the reportable segments for the first quarter under review, external sales in the Industrial Business are ¥33,531 million, and external sales in “Other” business are ¥3,099 million.