

On August 2003, Konica Corporation and Minolta Co., Ltd. integrated their respective managements and established a new holding company, Konica Minolta Holdings, Inc. The new company represents an organic union of the revolutionary technologies long accumulated by the two companies, centering on a comprehensive imaging business—from input to output. Moreover, the new Group is pursuing a portfolio-oriented management strategy based on five business domains—business technologies, optics, photo imaging, medical and graphic imaging and sensing. The Konica Minolta Group has annual sales of over one trillion yen, conducts its business operations in approximately 40 nations worldwide and has approximately 33,000 employees. Based on an underlying management principle of “New Value Creation” and driven by its corporate message of “The essentials of imaging”, Konica Minolta aims to provide inspired creativity in the field of imaging in becoming an innovative, technologically sophisticated, reliable and market leading global company that is able to enhance corporate value and respond to the expectations of its stakeholders through corporate creativity.



CONSOLIDATED FINANCIAL HIGHLIGHTS

Konica Minolta Holdings, Inc. and Consolidated Subsidiaries
For the fiscal years ended March 31, 2005 and 2004

	Millions of yen		Thousands of U.S. dollars (Note 1)	
	2005	2004 (Note 2)	2005	
For the Year:				
Total capital expenditure increased 31% for the fiscal year and was mainly composed of investment in metal molding for new equipment in the Business Technologies segment, increased production capacity for polymerized toner, and for a third LCD-use TAC film factory in the Optics segment.	Net sales	¥1,067,447	¥1,123,591	\$9,939,911
	Operating income	67,577	73,213	629,267
	Net income	7,524	19,343	70,062
	Capital expenditure	56,448	43,128	525,636
	R&D expenditures	65,994	63,194	614,526
At Year-End:				
	Total assets	¥ 955,542	¥ 969,589	\$8,897,868
	Total shareholders' equity	339,729	335,427	3,163,507

	Yen		U.S. dollars (Note 1)	
Per Share of Common Stock:				
	Net income—primary	¥ 14.1	¥ 36.4	\$0.13
	Shareholders' equity	639.8	631.5	5.96
	Cash dividends	10.0	10.0	0.09

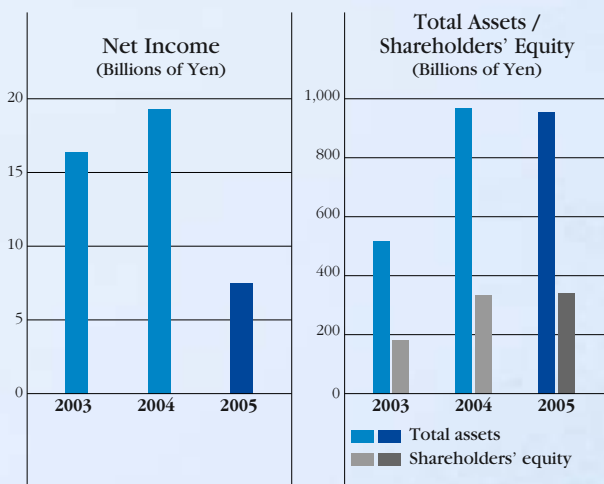
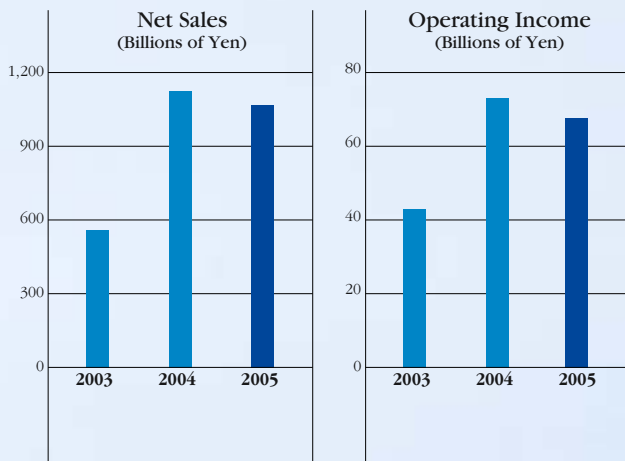
Due to extraordinary losses such as restructuring expenses for the Photo Imaging segment and one-time goodwill amortization for the camera business, net income for the period was significantly lower than the previous fiscal year.

	Percent		
Financial Ratios:			
	Equity ratio	35.6%	34.6%
	Return on assets	7.2	7.7
	Return on equity	2.2	5.8

Notes: 1. U.S. dollar amounts above and elsewhere in this report for the Company are translated from yen, for convenience only, at the rate of ¥107.39=US\$1, the approximate exchange rate prevailing at March 31, 2005.
2. Due to the integration of Konica Corporation and Minolta Co., Ltd. and to facilitate year-on-year comparisons, fiscal year ended March 2004 business results in this report, excluding the financial statements, are the simple aggregation of prior two companies.
3. Figures for the March 2003 fiscal year in this report, excluding the financial statements, represent former Konica figures only.
4. Return on assets = (Operating income + Interest and dividend income) ÷ Average total assets × 100 (%).
Return on equity = Net income ÷ Average shareholders' equity × 100 (%)
End of period total assets and shareholders' equity are used for the fiscal year ended March 2004.

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Disclaimer Regarding Forward-Looking Statements

The plans, strategies, and statements related to the outlook for future results in this document are in accordance with assumptions and beliefs determined by management based on currently available information. However, it should be noted that there is a possibility that actual results could differ significantly due to such factors as social and economic conditions.