

Report of Independent Auditors

Konica Minolta Holdings, Inc. and Consolidated Subsidiaries



To the Shareholders and Board of Directors of
Konica Minolta Holdings, Inc.:

We have audited the accompanying consolidated balance sheet of Konica Minolta Holdings, Inc. and consolidated subsidiaries as of March 31, 2007, and the related consolidated statements of income, changes in net assets and cash flows for the year then ended, expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to independently express an opinion on these consolidated financial statements based on our audit. The accompanying consolidated financial statements of Konica Minolta Holdings, Inc. and consolidated subsidiaries for the year ended March 31, 2006, were audited by other auditors whose report thereon dated June 23, 2006, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. 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 respects, the consolidated financial position of Konica Minolta Holdings, Inc. and subsidiaries as of March 31, 2007, and the consolidated results of their operations and their cash flows for the year then ended, in conformity with accounting principles generally accepted in Japan.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2007 are presented solely for convenience of the reader. Our audit also included the translation of yen amounts into U.S. dollars and, in our opinion, such translation has been made on the basis described in Note 3 to the consolidated financial statements.

KPMG AZSA & Co.

Tokyo, Japan
June 21, 2007