

Consolidated Statements of Income

Konica Corporation and Consolidated Subsidiaries
For the fiscal years ended March 31, 2003 and 2002

	Millions of yen		Thousands of U.S. dollars (Note 3)
	2003	2002	2003
Net Sales	¥559,041	¥539,571	\$4,650,924
Cost of Sales	321,381	309,633	2,673,719
Gross profit	237,660	229,937	1,977,205
Selling, General and Administrative Expenses	194,804	200,328	1,620,672
Operating income	42,855	29,609	356,533
Other Income (Expenses):			
Interest and dividend income	1,051	720	8,745
Interest expenses	(4,484)	(6,668)	(37,305)
Foreign exchange gains (losses), net	(2,397)	2,876	(19,945)
Equity in earnings of unconsolidated subsidiaries and affiliates, net	310	(1,020)	2,586
Gains on sales of fixed assets	181	410	1,507
Net gain resulting from the change of pension scheme (Note 12)	4,544	—	37,808
Provision of reserve for reorganization/liquidation expenses	(5,637)	—	(46,897)
Write-down on investment securities	(2,167)	(1,688)	(18,036)
Amortization of unrecognized obligation at transition (Note 12)	(1,325)	(1,647)	(11,029)
Other, net	(8,202)	(7,597)	(68,241)
Total	(18,126)	(14,615)	(150,805)
Income before income taxes	24,728	14,994	205,728
Income Taxes (Note 7):			
Current	14,375	8,441	119,598
Deferred	(6,195)	(4,576)	(51,543)
Total	8,180	3,865	68,055
Minority Interests in Earnings of Consolidated Subsidiaries	(172)	(69)	(1,436)
Net Income	¥ 16,375	¥ 11,059	\$ 136,237
		Yen	U.S. dollars (Note 3)
Per Share of Common Stock:			
Net income	¥ 45.7	¥ 30.9	\$ 0.38
Cash dividends	10.0	10.0	0.08

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.