

“Social IN” Management Principle

> The Olympus Group aims to continuously provide new value, as is truly desired by society, from its core competence in OPTO-Digital Technology. As the foundation of our business activities, our management principle of “Social IN” entails providing new value to promote healthy and happy lifestyles, working together, and the sharing of values with all of society.

Olympus’ Corporate Governance and Compliance Structure

> Regarding corporate governance as an important management issue, the Olympus Group is making concerted efforts to build an optimal, effective, and fair management structure based on the “Social IN” principle from a global perspective.

In principle, the Board of Directors meets twice a month to formulate business strategy, make critical decisions and observe business execution. Olympus has an executive officer system that places executive officers in charge of business execution functions. We have reduced the number of directors from 20 to 12, and the term of office for directors is one year in order to better clarify responsibilities. Olympus strives for swift and efficient management with a clear division of responsibilities for its executive officers.

The internal company structure comprises four internal companies, each of which are focused on specific market segments, aiming to improve responsiveness to market needs, and accelerate business propulsion through an independent and self-supporting division of powers. In October 2004, Olympus plans to split off the Imaging Systems Group and the Medical Systems Group, and as an advanced form of the internal company structure, also

split off primary sales subsidiaries in the U.S. and Europe. By taking these operations and establishing an integrated business structure, we aim to strengthen our responsiveness in global markets.

Members of the Global Strategy Committee, including the president of Olympus, the heads of each internal company and research center, as well as the presidents of primary sales subsidiaries around the world, meet to strengthen global management. Held twice a year, the Global Strategy Committee formulates management strategies and deliberates on performance valuation, among other issues.

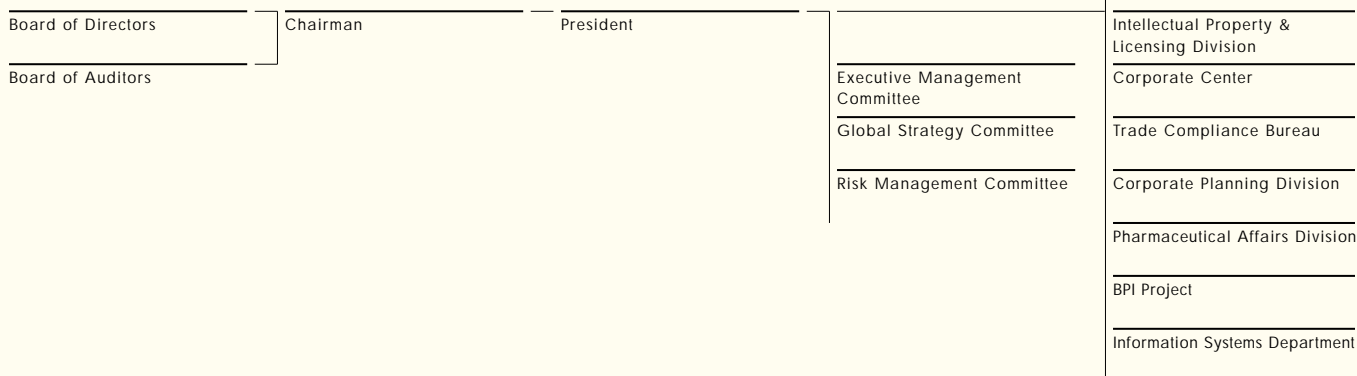
With regard to auditing, Olympus has an auditing structure comprising four auditors, of which two are outside auditors. The Board of Auditors meets in principle twice a month. Auditing firms perform external audits and the Audit Office conducts internal audits.

Olympus determines internal rules and regulations that serve as a code of conduct for employees. Our compliance system addresses laws and ordinances related to medical equipment around the world as a part of our corporate responsibility of providing medical equipment and products that affect people’s lives. In addition, we are constructing a quality assurance system to ensure constant quality improvements.

Olympus has set up a Risk Management Committee headed by the president to prevent the occurrence of crisis situations and to be able to recover quickly should one occur. Specially trained staff in the Risk Management Bureau collect information on potential risks, evaluate these risks, propose effective countermeasures, and provide assistance in ensuring effectiveness.

Olympus Organization

(As of June 30, 2004)



# BOARD OF DIRECTORS, CORPORATE AUDITORS AND EXECUTIVE OFFICERS

(As of June 30, 2004)



Masatoshi Kishimoto  
Chairman



Tsuyoshi Kikukawa  
President

## CHAIRMAN

Masatoshi Kishimoto\*

## PRESIDENT

Tsuyoshi Kikukawa\*

## DIRECTORS

Atsushi Yusa  
Masaaki Terada  
Koji Miyata  
Hiroshi Komiya  
Isao Takahashi  
Shinya Kosaka  
Masaharu Okubo  
Hideo Yamada  
Hiroyuki Furihata  
Ken Yonekubo

## STANDING CORPORATE AUDITORS

Tadao Imai  
Tadahiko Amemiya

## CORPORATE AUDITORS

Makoto Shimada  
Yasuo Nakamura

## SENIOR EXECUTIVE MANAGING OFFICERS

Masaaki Terada\*\*  
Koji Miyata\*\*  
Hiroshi Komiya\*\*  
Isao Takahashi\*\*

## EXECUTIVE MANAGING OFFICERS

Shinya Kosaka\*\*  
Masaharu Okubo\*\*  
Hideo Yamada\*\*  
Hiroyuki Furihata\*\*

## EXECUTIVE OFFICERS

Ken Yonekubo\*\*  
Tatsuo Nagasaki  
Kazuhisa Yanagisawa  
Mikio Takagi  
Kazuo Ichikawa  
Haruhito Morishima  
Masataka Suzuki  
Shuichi Takayama  
Takashi Tsukaya  
Masao Kuribayashi  
Toshiaki Gomi

\*Representative Directors

\*\*Jointly Serving Directors