

OLYMPUS

Your Vision, Our Future

Interim Financial Results for the Year Ending March 31, 2004

November 12, 2003
Olympus Corporation
Tsuyoshi Kikukawa, President

Cautionary Statements with respect to Forward-Looking Statements

This report contains forward-looking statements that reflect management's current views, plans and expectations. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause Olympus's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements.

Interim Financial Results for the Year Ending March 31, 2004

Net Sales and Profits Hit New Record (1H)

(¥ billion)

	Sept. 2002	Sept. 2003	YoY change
Net sales	259.9	299.7	+15.3%
Operating income	28.5	33.5	+17.5%
Ordinary income	26.0	26.1	+0.1%
Net income	13.4	15.5	+15.6%

Interim Financial Results for the Year Ending March 31, 2004-Highlights (1)

Digital Camera Business Performs Strongly

- Net sales: **113.2 billion yen**
- YoY increase: **60.1%**
- Global share: **Approx. 16%**
- Hit products: **μDIGITAL Series,
X-200, C-700 Series, etc.**

Interim Financial Results for the Year Ending March 31, 2004—Highlights (2)

Medical Business Performs Strongly

✧ Endoscopes do well in domestic market

- YoY increase: 19.2% (domestic market)
- Newly-launched LUCERA has favorable impact

✧ MIP (Minimally Invasive Products) do well overseas

- YoY increase: 21.2% (overseas markets)
- Surgical TV camera systems perform strongly
- Endoscopic treatment equipment, ultrasound endoscopes also do well

Outlook for the Year Ending March 31, 2004

Full-year Performance Forecast Revised Upwards

(¥ billion)

	March 2003	March 2004	YoY change
Net sales	564.3	660.0	+17.0%
Operating income	62.3	70.0	+12.3%
Ordinary income	52.4	60.0	+14.5%
Net income	24.3	37.0	+52.0%

Digital Cameras - The New Growth Sector

Conventional Film Camera Market

✧ SLR Ratio in Film Camera Market



A Key Indicator of the Potential of the Digital SLR Market

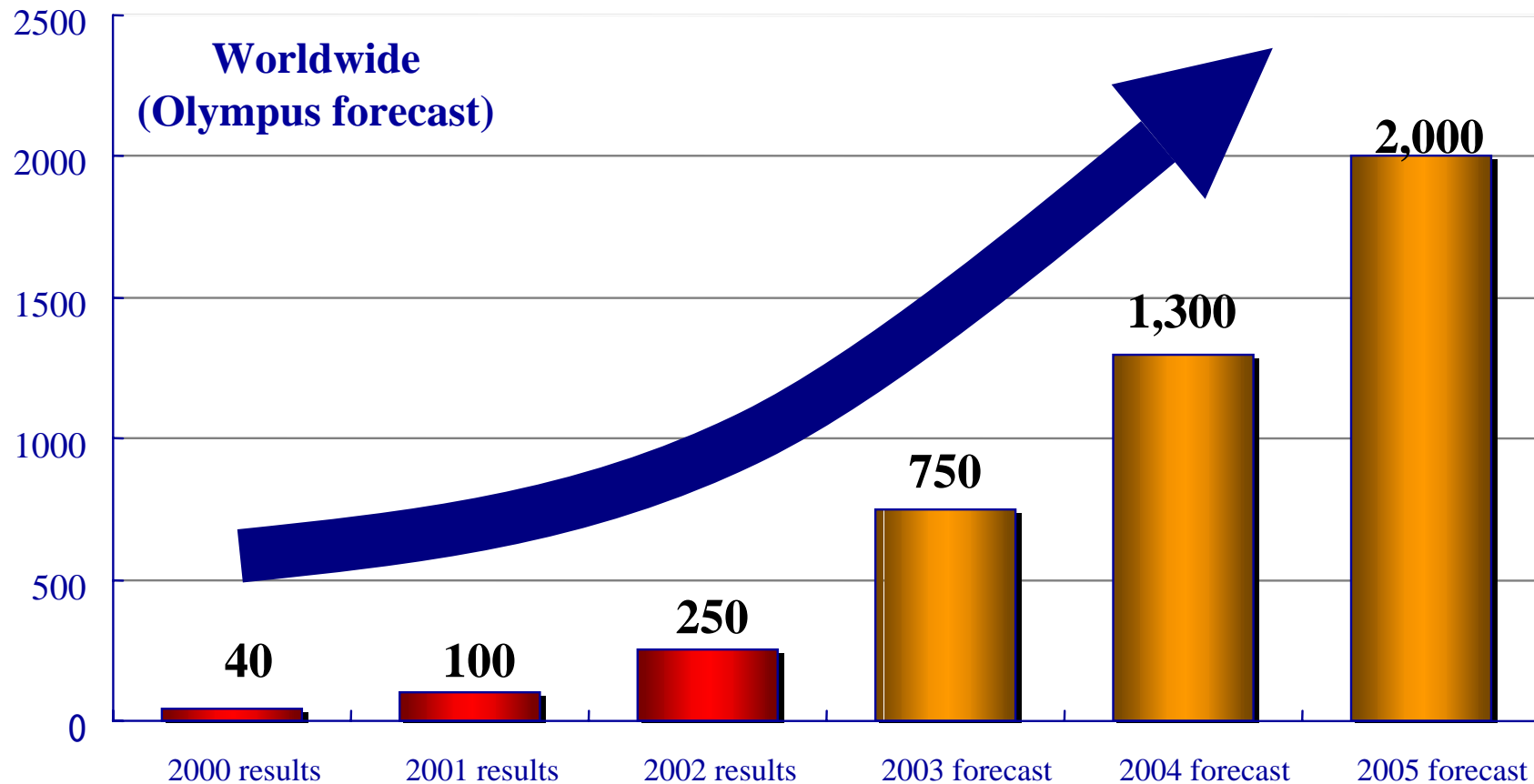
SLR Ratio in Film Camera Market

**⇒ Approximately 12% on a unit sales basis
(average for last 10 years)**

The Potential of Digital SLR Cameras

Unit sales
(thousand units)

(The Digital SLR Camera Market)



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OLYMPUS  -SYSTEM

Olympus Corporation's Digital SLR Strategy

❖ **Dedicated digital design for the high image quality**

- Delivering the optimum SLR image quality for the digital era
- Dust reduction system

❖ **Expand market by standardizing lens mounts**

- Expand customers' choices by increasing the number of manufacturers participating in the Four Thirds System, the new common standard for the digital era

❖ **Launch popular version of digital SLR camera**



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Opto Digital Technology