

**OLYMPUS**

Your Vision, Our Future

**Consolidated Financial Results for the Fiscal  
Year Ended March 31, 2010  
Consolidated Financial Forecasts for the Fiscal  
Year Ending March 31, 2011**

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**Corporate Center**  
**Olympus Corporation**

# Consolidated Financial Results for the Fiscal Year Ended March 31, 2010

(billions of yen)

	03/ 2009	03/2010	YoY change (%)
<b>Net sales</b>	980.8	<b>883.1</b>	(10.0) %
<b>Cost of sales</b>	519.6	<b>474.8</b>	(8.6) %
(% to sales)	(53.0%)	(53.8%)	
<b>SG&amp;A expenses</b>	426.6	<b>348.1</b>	(18.4)%
(% to sales)	(43.5%)	(39.4%)	
<b>Operating income</b>	34.6	<b>60.1</b>	+73.9%
(% to sales)	(3.5%)	(6.8%)	
<b>EBITDA</b>	104.6	<b>116.1</b>	+11.0%
(% to sales)	(10.7%)	(13.1%)	

(Impact of foreign exchange movements)

<b>US\$</b>	¥100.54	<b>92.85</b>	(¥7.69) (stronger yen)
<b>Euro€</b>	¥143.48	<b>131.15</b>	(¥12.33) (stronger yen)
<b>Impact on net sales</b>	---	<b>(¥45.3bn)</b>	---
<b>Impact on operating income</b>	---	<b>(¥12.4bn)</b>	---

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# Selling, General & Administrative Expenses and Ratio to Sales

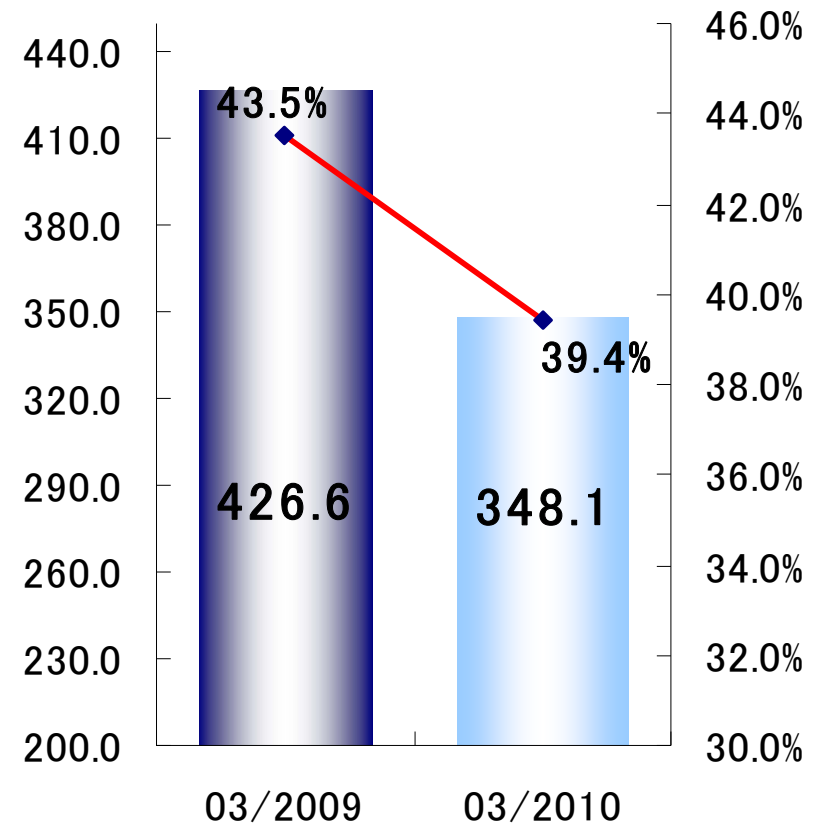
■ **SG&A expenses: 348.1 billion yen**

➤ YoY change: (78.5 billion yen)

■ **SG&A expenses/net sales: 39.4%**

➤ YoY change: (4.1pp)

(billions of yen)

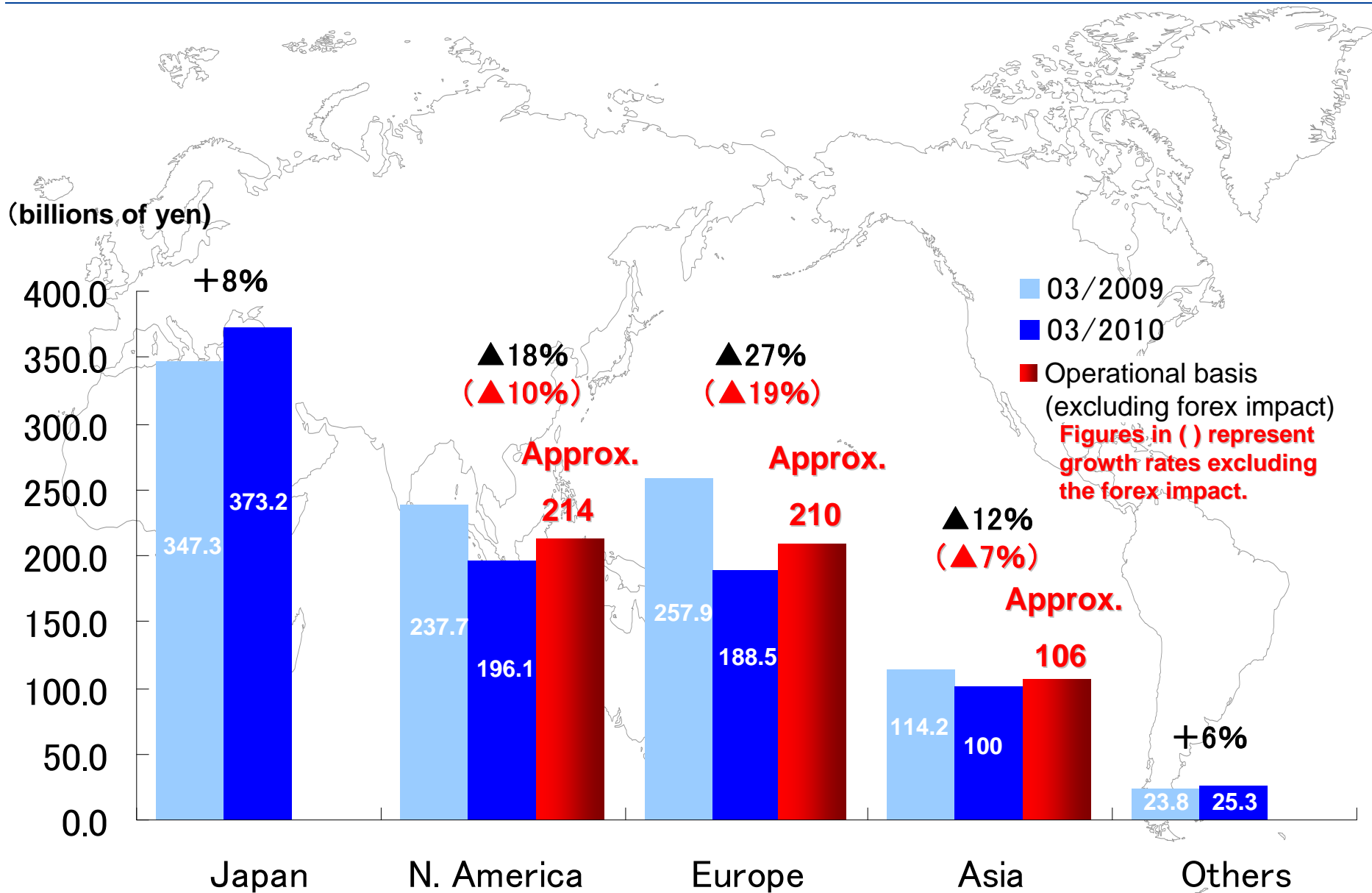


# Non-operating Income/Expenses, Extraordinary Gains/Losses, and Income Taxes

(billions of yen)

	03/2009	03/2010	YoY change
<b>Operating income</b>	34.6	60.1	+25.6
<b>Non-operating income</b>	11.6	6.3	(5.3)
<b>Non-operating expenses</b>	27.8	21.4	(6.5)
<b>Ordinary income</b>	18.4	45.1	+26.7
<b>Extraordinary gains</b>	0.7	52.0	+51.3
<b>Extraordinary losses</b>	(110.4)	(10.9)	+99.5
<b>Income before provision for income taxes</b>	(91.3)	86.2	+177.5
<b>Income taxes</b>	25.9	38.3	+12.4
<b>(Tax rate)</b>	—	44.4%	
<b>Minority interest gains/losses</b>	(2.4)	0.2	+2.5
<b>Net income (loss)</b>	(114.8)	47.8	+162.6

# Net Sales by Region and YoY Changes



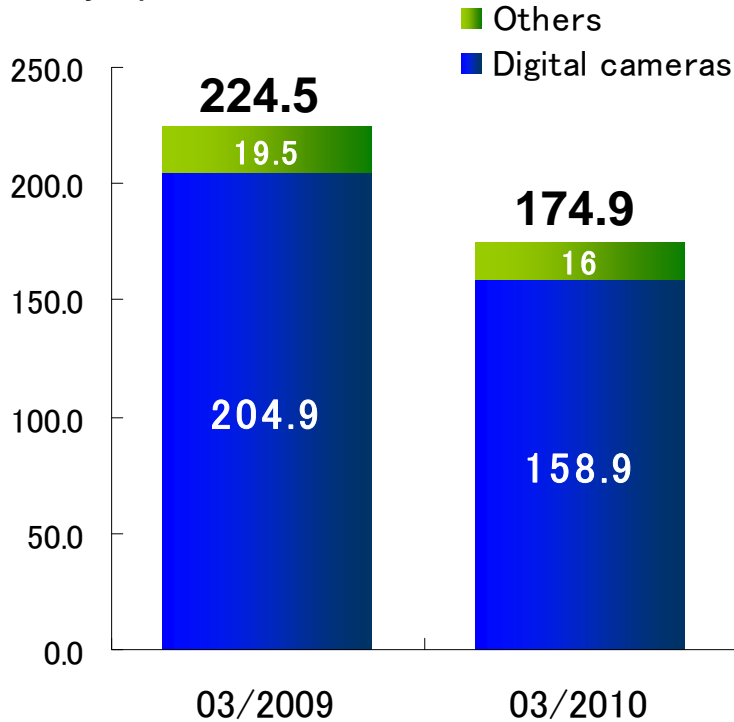
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# Results by Segment

# Imaging

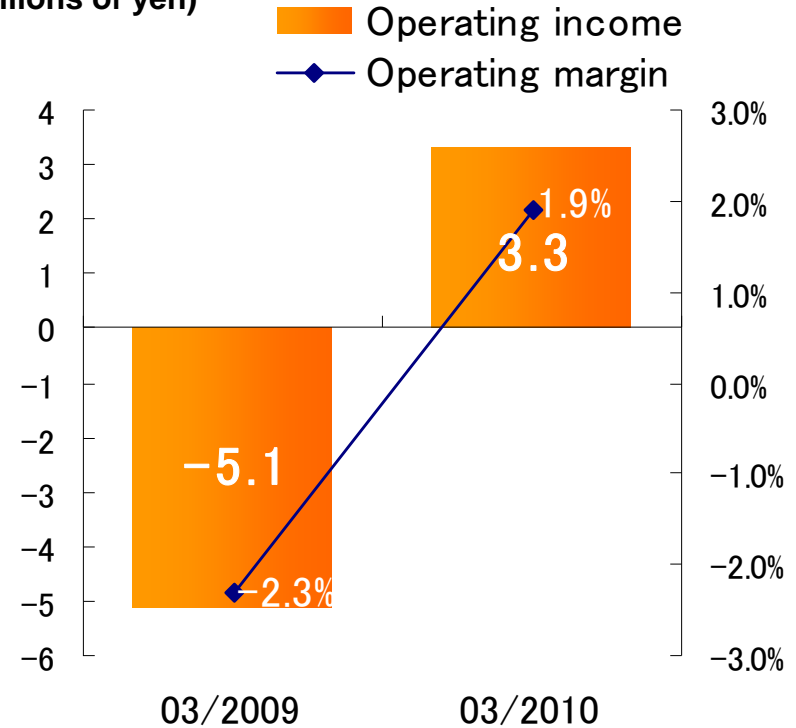
## Net sales

(billions of yen)



## Operating income

(billions of yen)

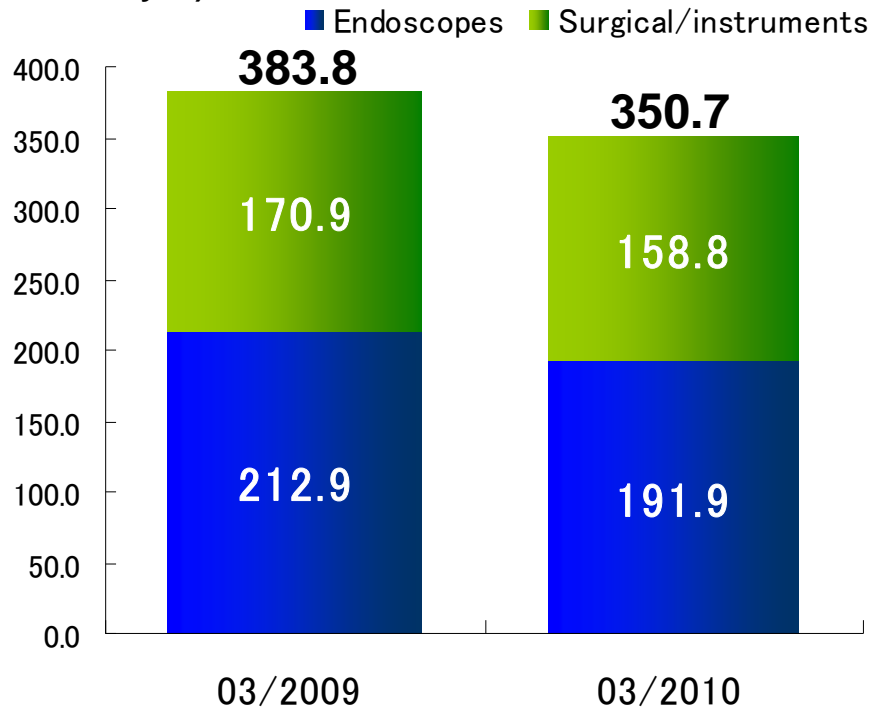


- Operating income positive thanks to cost savings
- New Pen Series digital SLR cameras launched successfully (20% share of domestic market for same-class cameras)
- Record shipments of digital SLR cameras (550,000/year)

# Medical

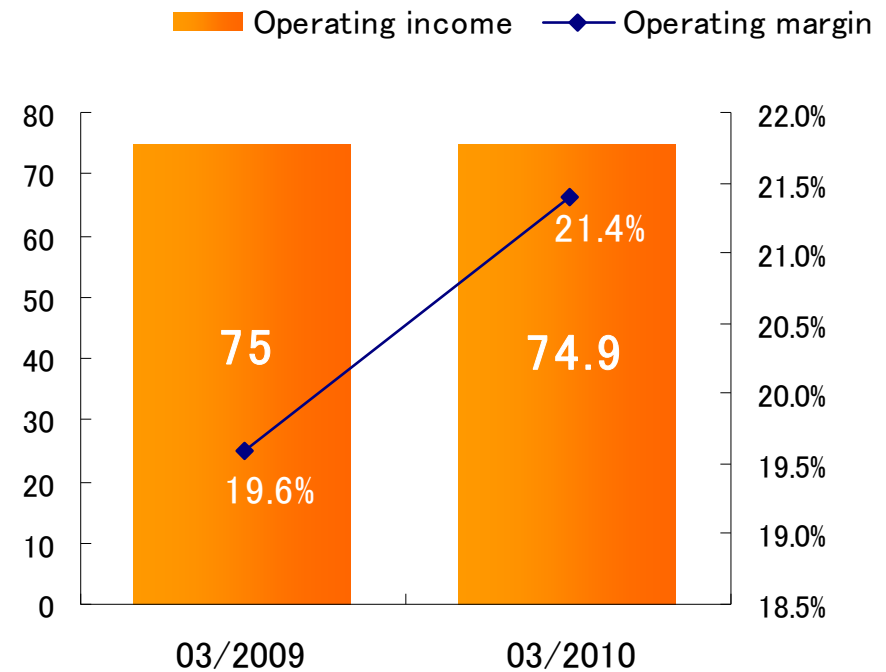
## Net sales

(billions of yen)



## Operating income

(billions of yen)

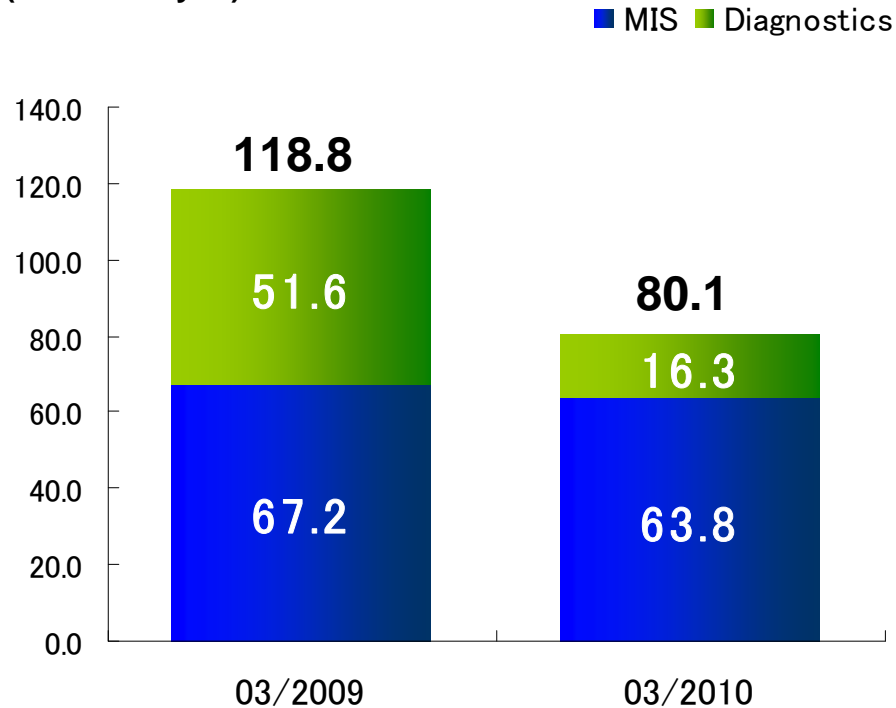


- Recovery in North America in 2<sup>nd</sup> half, continuing high growth in Asia
- Continuing strong trend in instrument business, in part because of contribution from new products
- Operating margin higher because of reduced SG&A expenses

# Life Science

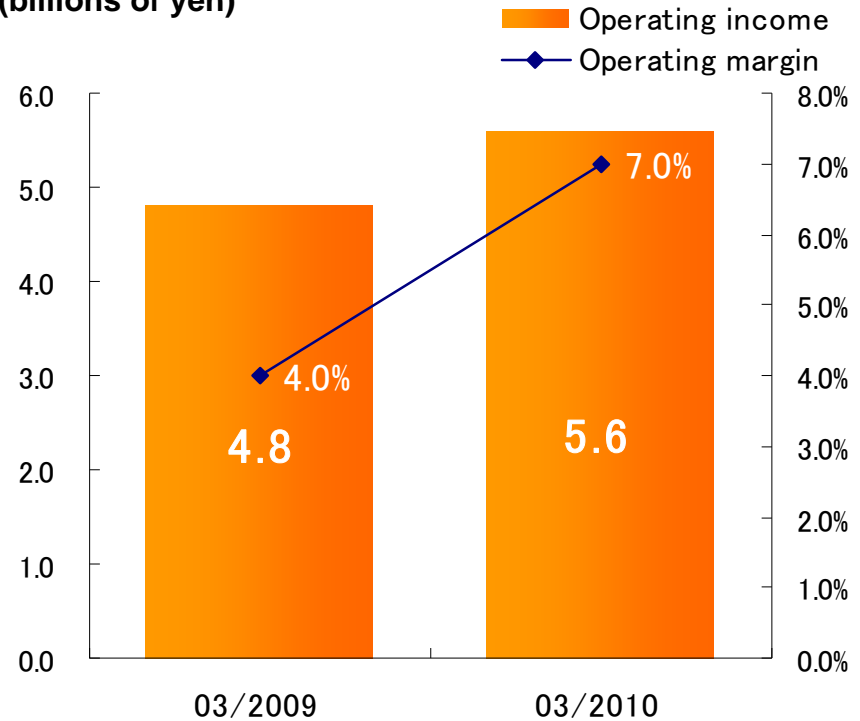
## Net sales

(billions of yen)



## Operating income

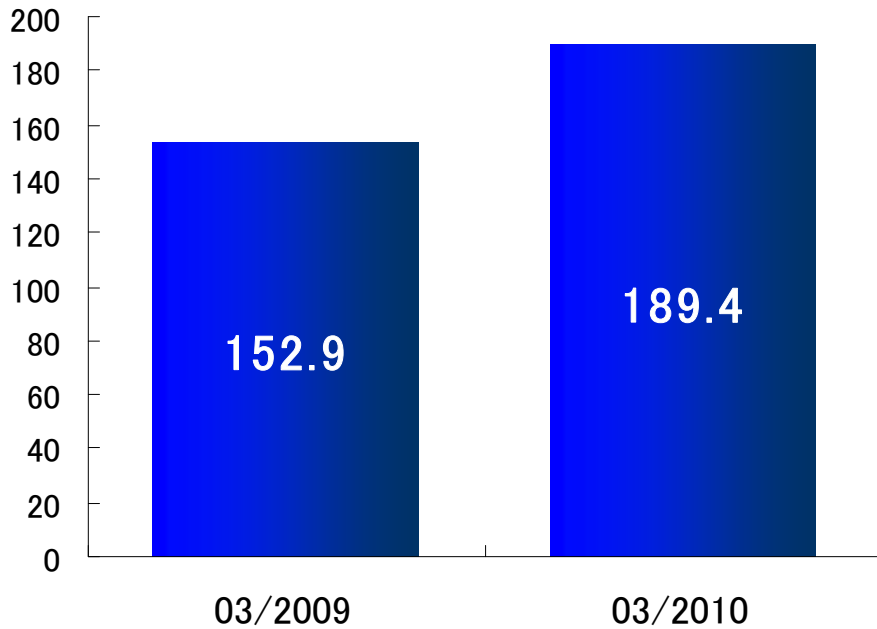
(billions of yen)



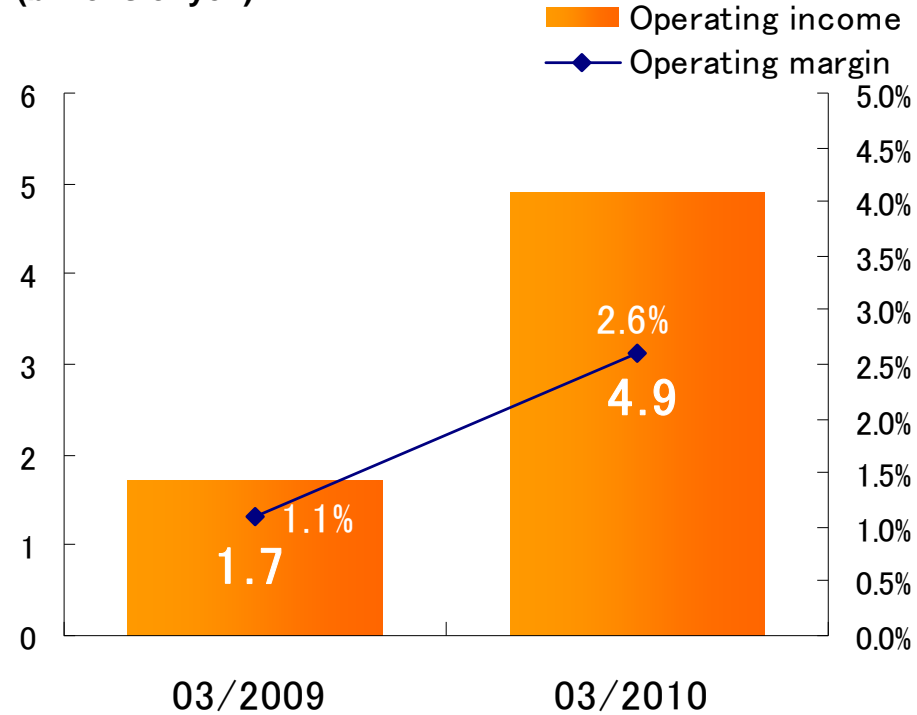
- Revenue higher in real terms (excluding effect of analyzer business divestiture)
- Recovery in capital investment by private sector businesses reflected in recovery trend in industrial microscope sales in 2<sup>nd</sup> half
- 2<sup>nd</sup> half operating margin of 12% for microscope business

# Information and Communication

Net sales  
(billions of yen)



Operating income  
(billions of yen)

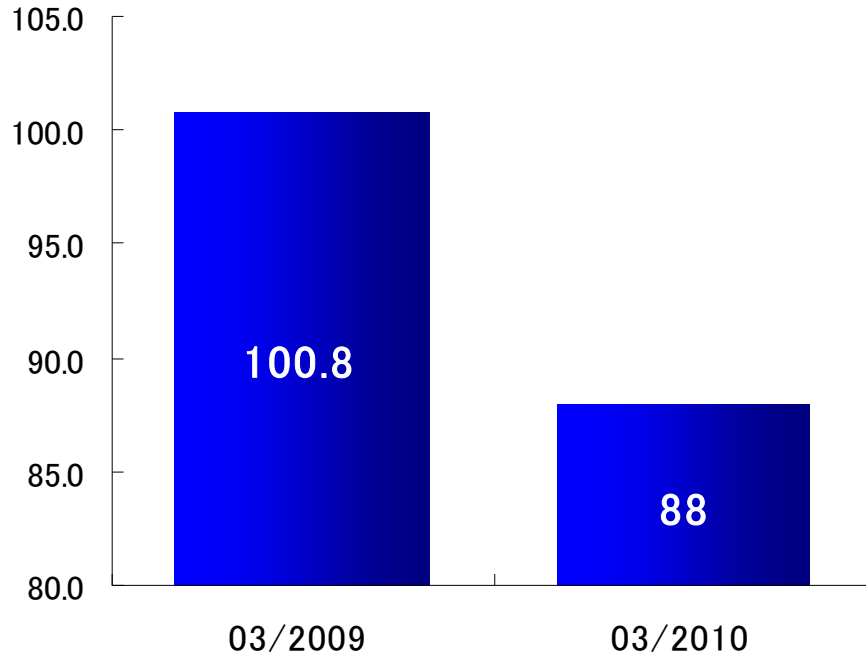


- M&A benefits reflected in higher revenues
- Operating income tripled year-on-year thanks to restructuring

# Others

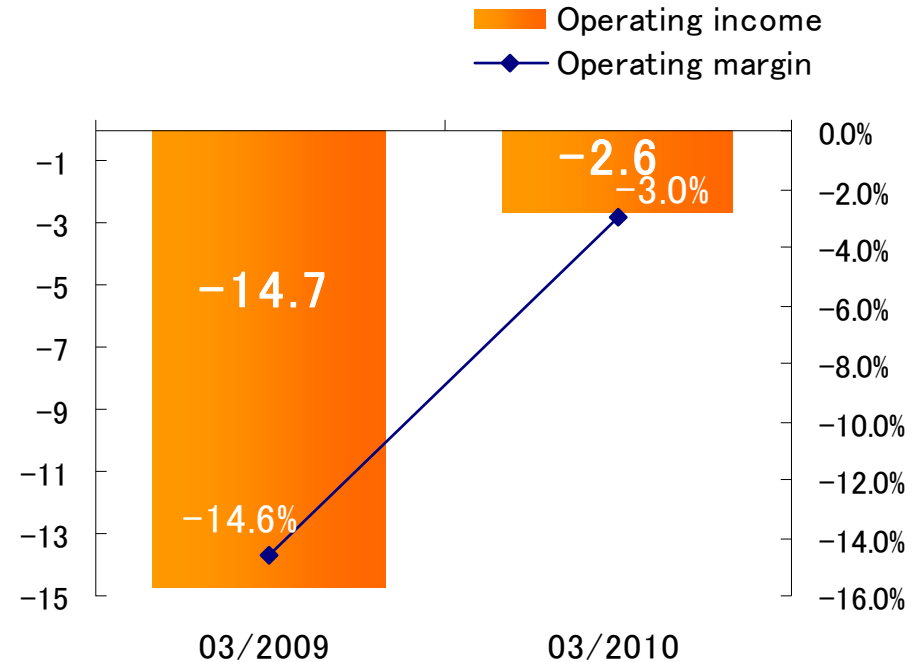
## Net sales

(billions of yen)



## Operating income

(billions of yen)



- Lower revenues from non-destructive testing business and printer business, but recovery trend in 2<sup>nd</sup> half
- Business restructuring in previous fiscal year yielding benefits (major reduction in goodwill amortization)

# Balance Sheet (at March 31, 2010)

(billions of yen)

	March 31, 2009	March 31, 2010	Change		March 31, 2009	March 31, 2010	Change
Current assets	474.8	532.5	+57.7	<b>Current liabilities</b>	341.9	331.6	(10.3)
Tangible fixed assets	163.1	144.5	(18.6)	<b>Long-term liabilities</b>	595.6	603.3	+7.7
Intangible fixed assets	264.6	265.6	+1.0	(Sub-total: Bonds and long-term borrowings)	542.9	547.9	+5.0
Investments and other assets	203.8	209.2	+5.4	<b>Net assets</b>	168.8	216.9	+48.1
<b>Total assets</b>	1106.3	1151.8	+45.5	<b>Liabilities + net assets</b>	1106.3	1151.8	+45.5

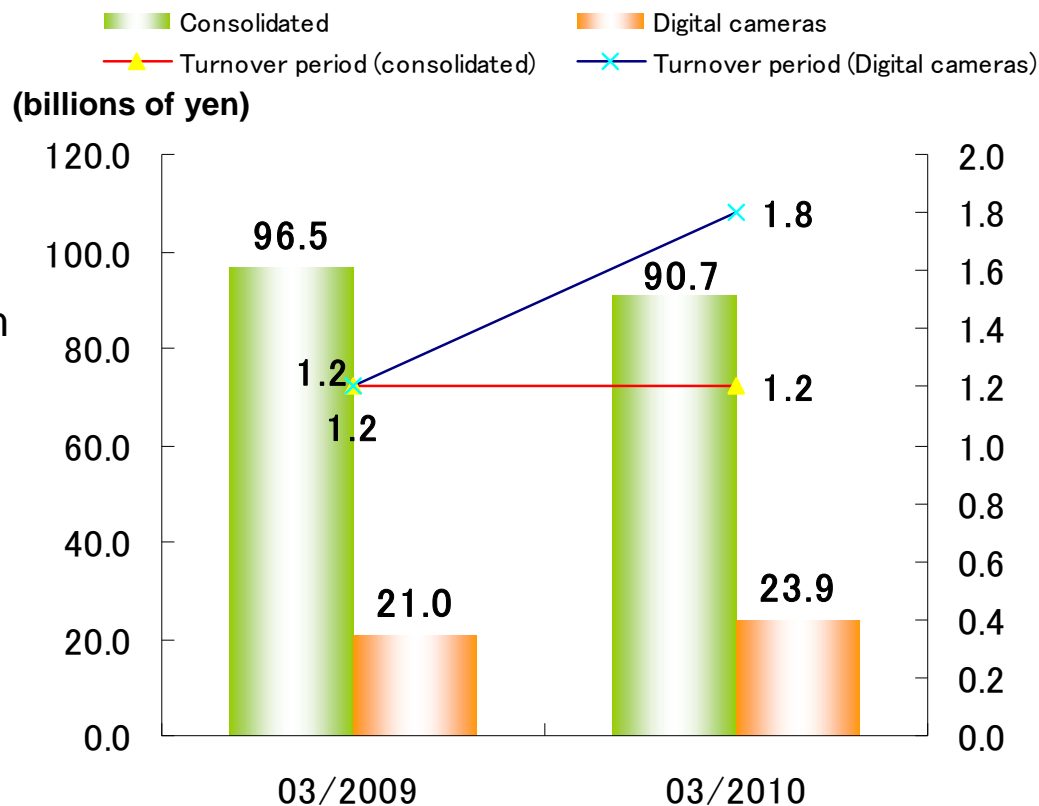
# Inventories

## Value of inventories

- Consolidated: 5.8bn yen decline from March 31, 2009
- Digital cameras: 2.9bn yen increase from March 31, 2009

## Inventory turnover period

- Consolidated: 1.2 months
- Digital cameras: 1.8 months



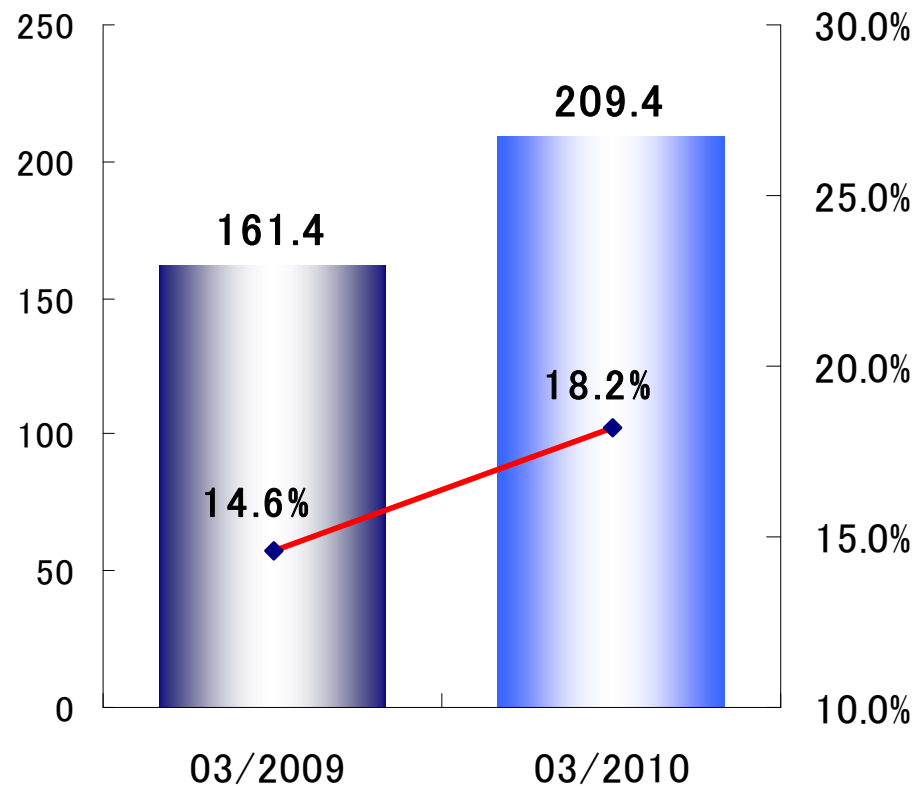
# Equity and Equity Ratio

## Improvement in equity (and equity ratio)

### ■ Equity (and equity ratio)

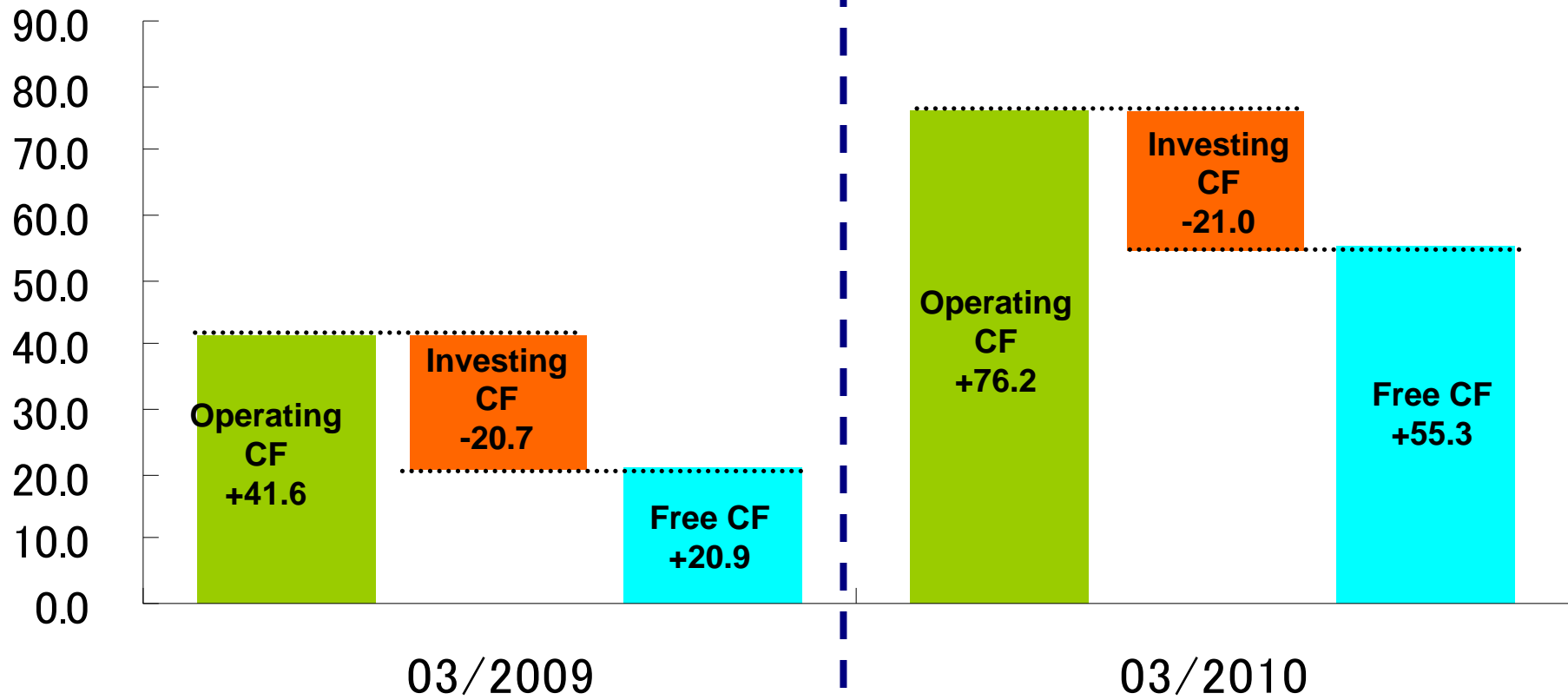
- 48.1bn yen increase from March 31, 2009
- 3.6pp increase from March 31, 2009

(billions of yen)



# Cash Flows

(billions of yen)



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# Forecasts for the Fiscal Year ending March 31, 2011

# Consolidated Earnings Forecasts for the Fiscal Year ending March 31, 2011

(billions of yen)

	03/2010	03/2011 (forecast)	YoY change (%)	Adjusted (*)	YoY change (%)
Net sales	883.1	920.0	+4.2%	964.0	9.2%
Cost of sales (% to sales)	474.8 (53.8%)	483.0 (52.5%)	(1.3%)	---	
SG&A expenses (% to sales)	348.1 (39.4%)	374.0 (40.7%)	+7.4%	---	
Operating income (% to sales)	60.1 (6.8%)	63 (6.8%)	+4.7%	75.0 (7.8%)	24.7%
EBITDA (% to sales)	116.1 (13.1%)	119.0 (12.9%)	+2.5%	131.0 (13.6%)	12.8%

(billions of yen)

•The adjusted figures exclude the effects of foreign exchange movements, the divestiture of the analyzer business, and changes to the accounting standards for sales of medical products.

US\$	¥ 92.85	¥90.00	Down ¥2.85 (stronger yen)
Euro€	¥131.15	¥120.00	Down ¥11.15 (stronger yen)
Impact on net sales	---	(¥21.6billion)	---
Impact on operating income	---	(¥7.4billion)	---

# Segment Forecasts for the Fiscal Year ending March 31, 2011

(billions of yen)

		03/2010	03/2010 New segment structure	03/2011	YoY change (%)
Imaging	Net sales		174.9	195.0	+11.5%
	Operating income		3.3	6.0	+81.1%
Medical	Net sales		350.7	365.0	+4.1%
	Operating income		74.9	76.0	+1.4%
Life Science & Industrial	Net sales	80.1	114.1	103.0	(9.7%)
	Operating income	5.6	8.8	11.0	+25.7%
Information & Communications	Net sales		189.4	200.0	+5.6%
	Operating income		4.9	4.0	(17.8%)
Others (restructured)	Net sales	88.0	54.0	57.0	+5.6%
	Operating income	(2.6)	(5.7)	(3.0)	—
Elimination and corporate	Net sales		—	—	—
	Operating income		(26.0)	(31.0)	—
Consolidated total	Net sales		883.1	920.0	+4.2%
	Operating income		60.1	63.0	+4.7%

\* Some of the activities that were previously included in "Others" have been reclassified as "Life Science & Industrial" from fiscal 2011. The figures for the new segment structure in fiscal 2010 reflect the business structure after the changes.

# Non-Operating Income/Expenses, Extraordinary Gains/Losses, and Income Taxes (03/2011 Forecast)

(billions of yen)

	03/2010	03/2011	YoY change
Operating income	60.1	<b>63.0</b>	+2.9
Non-operating income	6.3	<b>4.0</b>	(2.3)
Non-operating expenses	21.4	<b>21.0</b>	(0.4)
Ordinary income	45.1	<b>46.0</b>	+0.9
Extraordinary gains	52.0	<b>0.2</b>	(51.8)
Extraordinary losses	(10.9)	<b>(1.2)</b>	(9.7)
Income before provision for income taxes	86.2	<b>45.0</b>	(41.2)
Income taxes	38.3	<b>23.6</b>	(14.7)
Tax rate	44.4%	<b>52.4%</b>	
Minority interest gains/losses	0.2	<b>0.4</b>	+0.2
Net income (loss)	47.8	<b>21.0</b>	(26.8)

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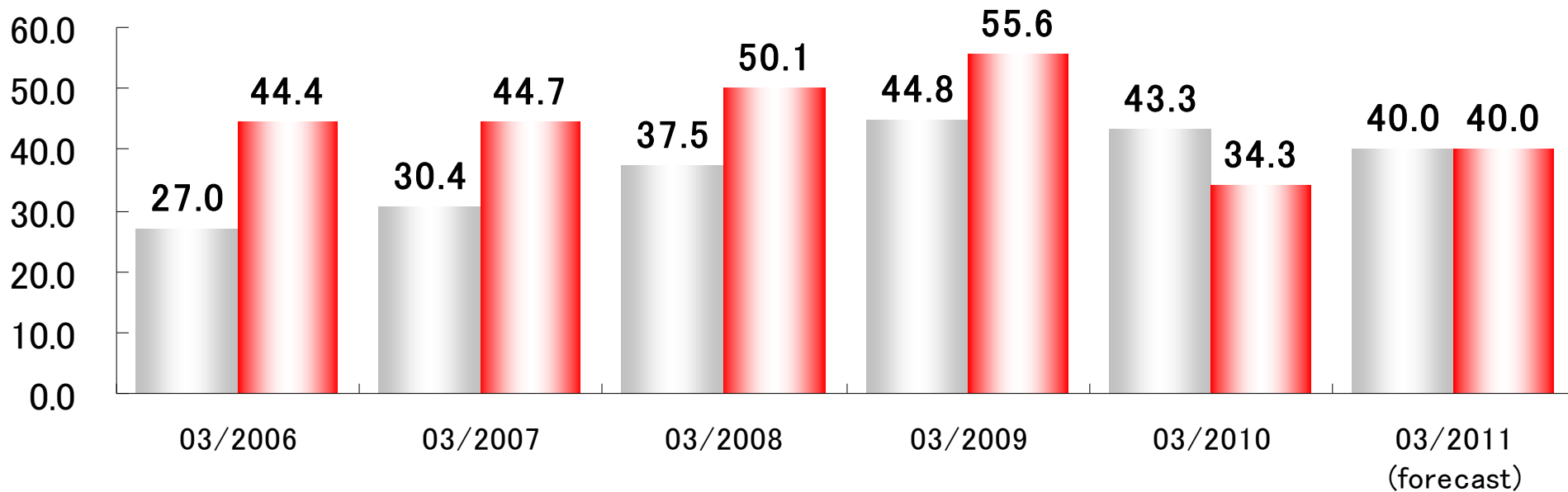
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# Supplementary Materials

# Capital Expenditure and Depreciation and Amortization

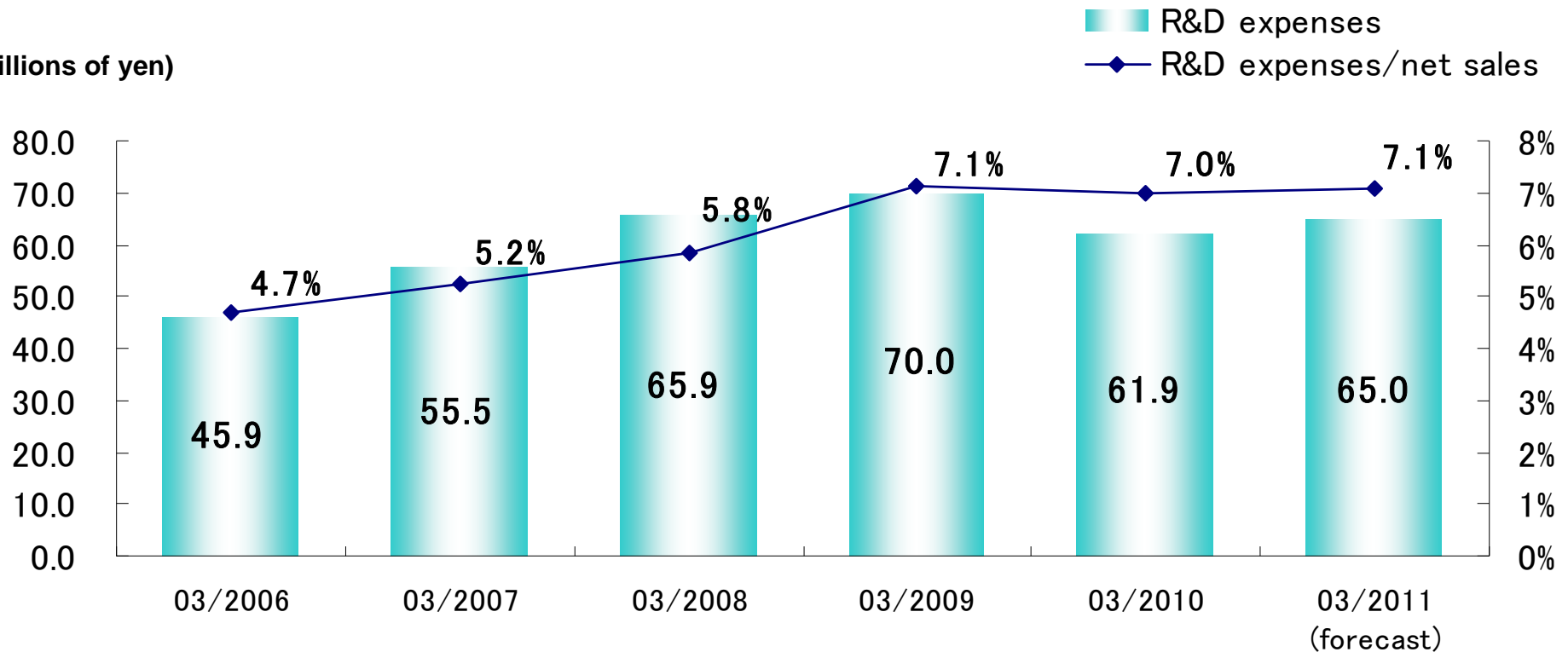
(billions of yen)

■ Depreciation and amortization ■ Capital expenditure



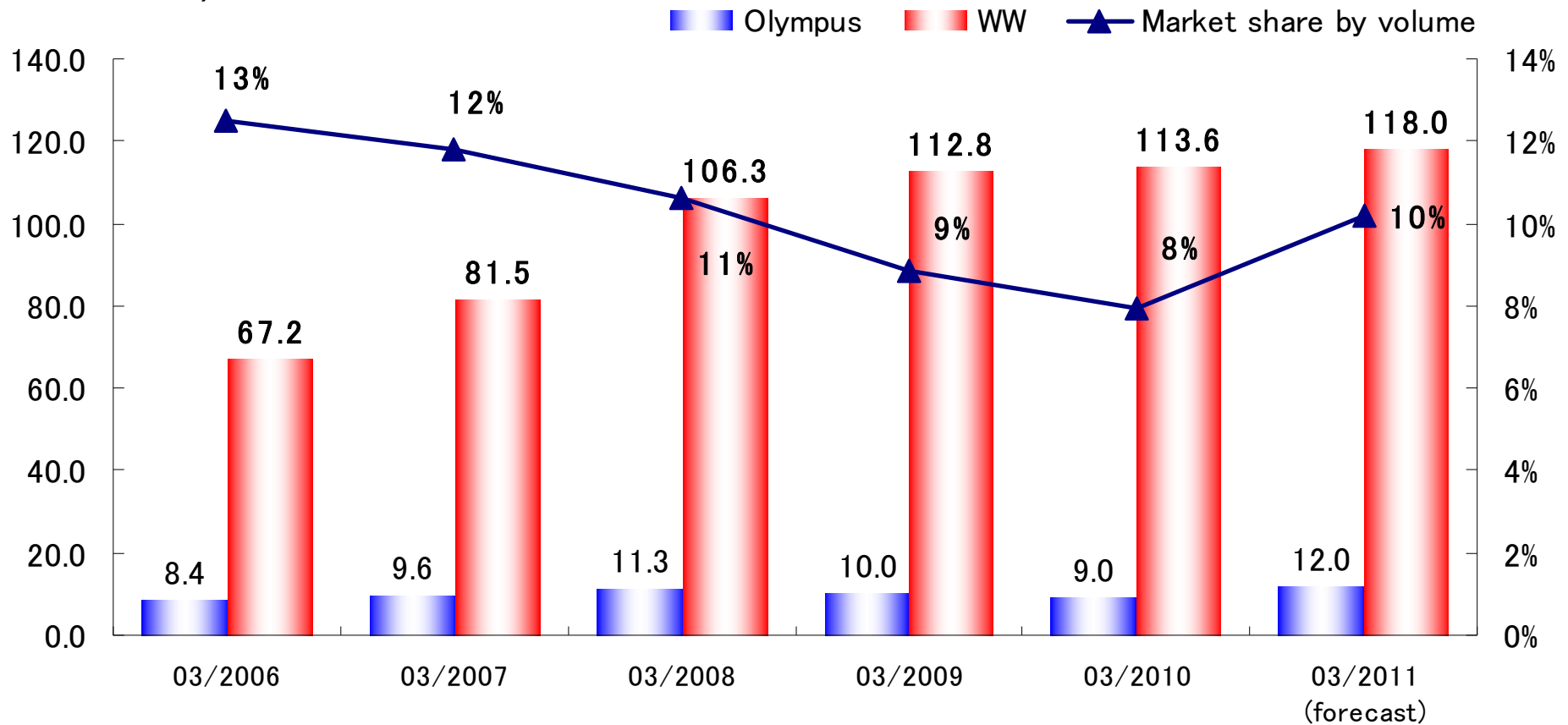
# R&D Expenses

(billions of yen)



# Digital Cameras

(millions of Units)



# Cautionary Note Concerning Future Forecasts

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Financial forecasts and other forward-looking statements contained in this document are based on judgments and assumptions using information available at the time of writing. Actual financial results and other outcomes may differ materially from targets because of the inherent uncertainty of judgments and assumptions, and because of subsequent changes in business operations, the situation in Japan or overseas, or other factors.