

# **Olympus Corporation and Consolidated Subsidiaries**

## **FINANCIAL RESULTS**

For the Third Quarter Ended December 31, 2003

### **Table of Contents**

Consolidated Statements of Income	1
Sales by Business Segment	2
Consolidated Balance Sheets	3
Forecast	4

#### **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' 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.

## CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

(Millions of Yen)

For the third quarter ended

**December 31, 2003**

(Nine Months)

Net Sales	<b>467,206</b>	100.0%
<u>Cost of Sales</u>	<b>243,978</b>	52.2%
Gross Profit	<b>223,228</b>	47.8%
<u>S.G.A. Expenses</u>	<b>174,511</b>	37.4%
Operating Income	<b>48,717</b>	10.4%
Other Income	<b>5,634</b>	1.2%
<u>Other Expenses</u>	<b>9,355</b>	2.0%
Extraordinary Item	<b>2,727</b>	0.6%
Income Before Taxes	<b>47,723</b>	10.2%
<u>Provision for Taxes</u>	<b>19,853</b>	4.2%
Net Income	<b>27,870</b>	6.0%

## SALES BY BUSINESS SEGMENT

(Millions of Yen)			
For the third quarter ended			
<b>December 31, 2003</b>			
(Nine Months)			
<b>Imaging</b>	Domestic	<b>38,611</b>	
	Overseas	<b>189,765</b>	
	Total	<b>228,376</b>	48.9%
<b>Medical</b>	Domestic	<b>44,096</b>	
	Overseas	<b>110,483</b>	
	Total	<b>154,579</b>	33.1%
<b>Life Science</b>	Domestic	<b>11,756</b>	
	Overseas	<b>37,531</b>	
	Total	<b>49,287</b>	10.5%
<b>Industrial</b>	Domestic	<b>10,123</b>	
	Overseas	<b>20,686</b>	
	Total	<b>30,809</b>	6.6%
<b>Others</b>	Domestic	<b>4,098</b>	
	Overseas	<b>57</b>	
	Total	<b>4,155</b>	0.9%
<b>Total</b>	Domestic	<b>108,684</b>	
	Overseas	<b>358,522</b>	
	Total	<b>467,206</b>	100.0%

## CONSOLIDATED BALANCE SHEETS (Unaudited)

(Millions of Yen)

	March 31 2003	<b>December 31 2003</b>	Variance
Cash and time deposits	102,216	<b>144,703</b>	42,487
Marketable securities	34,997	<b>34,997</b>	0
Notes and accounts receivable	104,190	<b>117,157</b>	12,967
Allowance for doubtful accounts	-3,647	<b>-3,828</b>	-181
Inventories	77,166	<b>89,940</b>	12,774
Deferred income taxes	21,887	<b>23,597</b>	1,710
Others	20,740	<b>34,772</b>	14,032
<b>Current Assets</b>	<b>357,549</b>	<b>441,338</b>	<b>83,789</b>
Land	15,230	<b>14,191</b>	-1,039
Net buildings and structures	35,458	<b>34,513</b>	-945
Net machinery and equipment	39,729	<b>43,195</b>	3,466
Construction in progress	878	<b>2,442</b>	1,564
<b>Net property, plant and equipment</b>	<b>91,295</b>	<b>94,341</b>	<b>3,046</b>
Investment securities	107,895	<b>116,804</b>	8,909
Deferred income taxes	17,408	<b>12,294</b>	-5,114
Lease deposits and others	31,621	<b>32,649</b>	1,028
<b>Total investments and other assets</b>	<b>156,924</b>	<b>161,747</b>	<b>4,823</b>
<b>Total Assets</b>	<b>605,768</b>	<b>697,426</b>	<b>91,658</b>

(Millions of Yen)

	March 31 2003	<b>December 31 2003</b>	Variance
Short-term borrowings	76,249	<b>112,189</b>	35,940
Current maturities of long-term debt	35,000	<b>10,000</b>	-25,000
Notes and accounts payable	60,860	<b>77,213</b>	16,353
Accrued expenses	59,439	<b>52,830</b>	-6,609
Income tax payable	12,304	<b>6,892</b>	-5,412
Other current liabilities	33,963	<b>42,636</b>	8,673
<b>Current Liabilities</b>	<b>277,815</b>	<b>301,760</b>	<b>23,945</b>
Long-term debt, less current maturities	84,778	<b>135,937</b>	51,159
Severance and retirement allowance	14,043	<b>8,439</b>	-5,604
Other non-current liabilities	5,820	<b>3,321</b>	-2,499
Minority interest	880	<b>1,155</b>	275
Common stock	40,833	<b>40,833</b>	0
Additional paid-in capital	65,528	<b>65,528</b>	0
Retained earnings	119,867	<b>143,703</b>	23,836
Net unrealized holding losses on securities	555	<b>5,019</b>	4,464
Foreign currency translation adjustments	-3,324	<b>-6,325</b>	-3,001
Treasury stock, at cost	-1,027	<b>-1,944</b>	-917
<b>Shareholders' Equity</b>	<b>222,432</b>	<b>246,814</b>	<b>24,382</b>
<b>Liabilities and Shareholder's Equity</b>	<b>605,768</b>	<b>697,426</b>	<b>91,658</b>

## Forecast for the Fiscal Year Ending March 31, 2004

We have revised our forecast as stated below:

	(Millions of Yen)	
Sales and Income	Previous Forecast as of Nov.10, 2003	Current Forecast as of Feb.2, 2004
Net Sales	660,000	→ 650,000
Operating Income	70,000	→ 66,000
Net Income	37,000	→ 37,000

  

Foreign Exchange Rate	Previous Forecast as of Nov.10, 2003	Current Forecast as of Feb.2, 2004
Yen/US Dollar	¥114.0	→ ¥112.5
Yen/ Euro	¥129.0	→ ¥131.6