



# Olympus Corporation and Consolidated Subsidiaries

## FINANCIAL RESULTS For the Fiscal Year Ended March 31, 2005

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#### 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.

# Income Statement

(Millions of Yen)

For the Year Ended:

	31-Mar		31-Mar			31-Mar		
	2004(Results)	(%)/Net Sales	2005(Results)	(%)/Net Sales	Growth(%)	2006(Forecast)	(%)/Net Sales	Growth(%)
Net Sales	<b>633,622</b>		<b>813,538</b>		28.4%	<b>1,070,000</b>		31.5%
<u>Cost of Sales</u>	<b>335,053</b>	52.9%	<b>516,468</b>	63.5%		<b>720,000</b>	67.3%	
Gross Profit	<b>298,569</b>	47.1%	<b>297,070</b>	36.5%	-0.5%	<b>350,000</b>	32.7%	17.8%
<u>S.G.A. Expenses</u>	<b>235,572</b>	37.2%	<b>273,917</b>	33.7%		<b>300,000</b>	28.0%	
Operating Income	<b>62,997</b>	9.9%	<b>23,153</b>	2.8%	-63.2%	<b>50,000</b>	4.7%	116.0%
Other Income	<b>6,691</b>		<b>7,692</b>			<b>7,000</b>		
<u>Other Expenses</u>	<b>13,859</b>		<b>20,641</b>			<b>15,000</b>		
Extraordinary Item	<b>4,232</b>		<b>-4,397</b>			<b>4,000</b>		
Income Before Taxes	<b>60,061</b>	9.5%	<b>5,807</b>	0.7%	-90.3%	<b>46,000</b>	4.3%	692.1%
<u>Provision for Taxes</u>	<b>26,637</b>		<b>17,801</b>			<b>21,500</b>		
Minority Interests	<b>140</b>		<b>167</b>			<b>-1,500</b>		
Net Income	<b>33,564</b>	5.3%	<b>-11,827</b>	-1.5%	-	<b>23,000</b>	2.1%	-

Average Exchange Rate for Net Sales

Yen / U.S.Dollar	<b>113.07</b>	<b>107.55</b>	<b>105.00</b>
Yen / Euro	<b>132.61</b>	<b>135.19</b>	<b>135.00</b>

Favorable/Unfavorable Impact on Net Sales

U.S.Dollar	<b>-16,034</b>	<b>-10,305</b>	<b>-4,300</b>
Euro	<b>15,915</b>	<b>3,974</b>	<b>-300</b>
<u>Others</u>	<b>-847</b>	<b>352</b>	<b>100</b>
Total	<b>-966</b>	<b>-5,979</b>	<b>-4,500</b>

R & D Expenditures	<b>38,671</b>	6.1%	<b>47,720</b>	5.9%	23.4%	<b>50,000</b>	4.7%	4.8%
Capital Investments	<b>41,917</b>		<b>46,127</b>		10.0%	<b>48,000</b>		4.1%
Depreciation	<b>24,249</b>		<b>29,758</b>		22.7%	<b>30,000</b>		0.8%

## Sales by Product (Result)

(Millions of Yen)

		31-Mar	Composition	31-Mar	Composition	Growth
		2004(Results)	Ratio (%)	2005(Results)	Ratio (%)	(%)
Cameras	Domestic	<u>1,948</u>		<u>760</u>		-61.0%
	Overseas	<u>27,166</u>		<u>15,089</u>		-44.5%
	Total	<u>29,114</u>	4.6%	<u>15,849</u>	1.9%	-45.6%
Voice Recorders	Domestic	<u>1,895</u>		<u>1,562</u>		-17.6%
	Overseas	<u>11,458</u>		<u>11,246</u>		-1.9%
	Total	<u>13,353</u>	2.1%	<u>12,808</u>	1.6%	-4.1%
Digital Cameras	Domestic	<u>43,951</u>		<u>26,466</u>		-39.8%
	Overseas	<u>210,312</u>		<u>222,562</u>		5.8%
	Total	<u>254,263</u>	40.1%	<u>249,028</u>	30.6%	-2.1%
<b>Imaging / Total</b>	Domestic	<u>47,794</u>		<u>28,788</u>		-39.8%
	Overseas	<u>248,936</u>		<u>248,897</u>		0.0%
	Total	<u>296,730</u>	46.8%	<u>277,685</u>	34.1%	-6.4%
Endoscopes	Domestic	<u>42,941</u>		<u>40,575</u>		-5.5%
	Overseas	<u>98,997</u>		<u>107,071</u>		8.2%
	Total	<u>141,938</u>	22.4%	<u>147,646</u>	18.1%	4.0%
MIP	Domestic	<u>20,384</u>		<u>21,887</u>		7.4%
	Overseas	<u>54,593</u>		<u>60,992</u>		11.7%
	Total	<u>74,977</u>	11.8%	<u>82,879</u>	10.2%	10.5%
<b>Medical / Total</b>	Domestic	<u>63,325</u>		<u>62,462</u>		-1.4%
	Overseas	<u>153,590</u>		<u>168,063</u>		9.4%
	Total	<u>216,915</u>	34.2%	<u>230,525</u>	28.3%	6.3%
Bioscience (Microscopes)	Domestic	<u>11,812</u>		<u>11,413</u>		-3.4%
	Overseas	<u>22,518</u>		<u>26,174</u>		16.2%
	Total	<u>34,330</u>	5.4%	<u>37,587</u>	4.6%	9.5%
Diagnostic Systems (Blood Analyzers)	Domestic	<u>7,690</u>		<u>7,702</u>		0.2%
	Overseas	<u>29,719</u>		<u>33,864</u>		13.9%
	Total	<u>37,409</u>	5.9%	<u>41,566</u>	5.1%	11.1%
<b>Life Science / Total</b>	Domestic	<u>19,502</u>		<u>19,115</u>		-2.0%
	Overseas	<u>52,237</u>		<u>60,038</u>		14.9%
	Total	<u>71,739</u>	11.3%	<u>79,153</u>	9.7%	10.3%
Microscopes (Industrial)	Domestic	<u>9,130</u>		<u>9,430</u>		3.3%
	Overseas	<u>8,375</u>		<u>12,732</u>		52.0%
	Total	<u>17,505</u>	2.8%	<u>22,162</u>	2.7%	26.6%
Endoscopes (Industrial)	Domestic	<u>1,460</u>		<u>1,507</u>		3.2%
	Overseas	<u>7,828</u>		<u>9,060</u>		15.7%
	Total	<u>9,288</u>	1.5%	<u>10,567</u>	1.3%	13.8%
Information Peripheral	Domestic	<u>3,487</u>		<u>5,391</u>		54.6%
	Overseas	<u>12,266</u>		<u>11,668</u>		-4.9%
	Total	<u>15,753</u>	2.4%	<u>17,059</u>	2.1%	8.3%
<b>Industrial / Total</b>	Domestic	<u>14,077</u>		<u>16,328</u>		16.0%
	Overseas	<u>28,469</u>		<u>33,460</u>		17.5%
	Total	<u>42,546</u>	6.7%	<u>49,788</u>	6.1%	17.0%
<b>Information &amp; Communication</b>	Domestic	—		<u>112,738</u>		—
	Overseas	—		<u>50,510</u>		—
	Total	—	—	<u>163,248</u>	20.1%	—
Others	Domestic	<u>5,636</u>		<u>11,253</u>		99.7%
	Overseas	<u>56</u>		<u>1,886</u>		3267.9%
	Total	<u>5,692</u>	0.9%	<u>13,139</u>	1.7%	130.8%
<b>Total</b>	Domestic	<u>150,334</u>		<u>250,684</u>		66.8%
	Overseas	<u>483,288</u>		<u>562,854</u>		16.5%
	Total	<u>633,622</u>	100.0%	<u>813,538</u>	100.0%	28.4%

MIP : Endoscopes (Surgical), Endo-Therapy Accessories, Bronchoscopes

## Sales by Product (Forecast)

(Millions of Yen)

		31-Mar	Composition	31-Mar	Composition	Growth
		2005(Results)	Ratio (%)	2006(Forecast)	Ratio (%)	(%)
Cameras	Domestic	760		1,700		-26.8%
	Overseas	15,089		18,500		-29.8%
	Total	15,849	1.9%	20,200	1.9%	-29.5%
Voice Recorders (1)	Domestic	1,562		}	}	↑
	Overseas	11,246				
	Total	12,808	1.6%			
Digital Cameras	Domestic	26,466		27,300		3.2%
	Overseas	222,562		230,500		3.6%
	Total	249,028	30.6%	257,800	24.1%	3.5%
<b>Imaging / Total</b>	Domestic	28,788		29,000		0.7%
	Overseas	248,897		249,000		0.0%
	Total	277,685	34.1%	278,000	26.0%	0.1%
Endoscopes	Domestic	40,575		41,000		1.0%
	Overseas	107,071		122,000		13.9%
	Total	147,646	18.1%	163,000	15.2%	10.4%
MIP	Domestic	21,887		24,000		9.7%
	Overseas	60,992		67,000		9.9%
	Total	82,879	10.2%	91,000	8.5%	9.8%
<b>Medical / Total</b>	Domestic	62,462		65,000		4.1%
	Overseas	168,063		189,000		12.5%
	Total	230,525	28.3%	254,000	23.7%	10.2%
Bioscience (Microscopes)	Domestic	11,413		11,900		4.3%
	Overseas	26,174		31,000		18.4%
	Total	37,587	4.6%	42,900	4.0%	14.1%
Diagnostic Systems (Blood Analyzers)	Domestic	7,702		8,000		3.9%
	Overseas	33,864		38,100		12.5%
	Total	41,566	5.1%	46,100	4.3%	10.9%
Industrial Microscopes (2)	Domestic	9,430		7,500		-20.5%
	Overseas	12,732		11,500		-9.7%
	Total	22,162	2.8%	19,000	1.8%	-14.3%
<b>Life Science / Total</b>	Domestic	28,545		27,400		-4.0%
	Overseas	72,770		80,600		10.8%
	Total	101,315	12.5%	108,000	10.1%	6.6%
<b>Information &amp; Communication</b>	Domestic	112,738		252,600		124.1%
	Overseas	50,510		103,400		104.7%
	Total	163,248	20.1%	356,000	33.3%	118.1%
Endoscopes (Industrial) (3)	Domestic	1,507		}	}	↓
	Overseas	9,060				
	Total	10,567	1.3%			
Information Peripheral (3)	Domestic	5,391		}	}	↓
	Overseas	11,668				
	Total	17,059	2.0%			
Others (3)	Domestic	11,253		39,500		117.6%
	Overseas	1,886		34,500		52.6%
	Total	13,139	1.6%	74,000	7.0%	81.5%
<b>Total</b>	Domestic	250,684		413,500		64.9%
	Overseas	562,854		656,500		16.6%
	Total	813,538	100.0%	1,070,000	100.0%	31.5%

MIP : Endoscopes (Surgical), Endo-Therapy Accessories, Bronchoscopes

Changes in Segment effective April 1, 2005

- (1) Voice Recorders are included in Cameras.
- (2) Industrial Microscopes change category from Industrial to Life Science.
- (3) Industrial Endoscopes and Information Peripheral change category from Industrial to Others.

## Sales and Operating Income by Business Segment (Result)

(Millions of Yen)

		31-Mar		31-Mar		
		2004(Results) (%) / Net Sales		2005(Results) (%) / Net Sales		Growth
<b>Imaging</b>	Net Sales	<b>296,762</b>		<b>277,712</b>		-19,050
	<u>Operating Expenses</u>	<u><b>281,604</b></u>		<u><b>301,587</b></u>		<u>19,983</u>
	Operating Income (%)	<b>15,158</b>	5.1%	<b>-23,875</b>	-8.6%	-39,033
<b>Medical</b>	Net Sales	<b>216,928</b>		<b>230,530</b>		13,602
	<u>Operating Expenses</u>	<u><b>153,712</b></u>		<u><b>165,224</b></u>		<u>11,512</u>
	Operating Income (%)	<b>63,216</b>	29.1%	<b>65,306</b>	28.3%	2,090
<b>Life Science</b>	Net Sales	<b>71,755</b>		<b>79,154</b>		7,399
	<u>Operating Expenses</u>	<u><b>67,932</b></u>		<u><b>74,683</b></u>		<u>6,751</u>
	Operating Income (%)	<b>3,823</b>	5.3%	<b>4,471</b>	5.6%	648
<b>Industrial</b>	Net Sales	<b>42,593</b>		<b>49,799</b>		7,206
	<u>Operating Expenses</u>	<u><b>45,417</b></u>		<u><b>48,530</b></u>		<u>3,113</u>
	Operating Income (%)	<b>-2,824</b>	-6.6%	<b>1,269</b>	2.5%	4,093
<b>Information &amp; Communication</b>	Net Sales	—		<b>163,248</b>		163,248
	<u>Operating Expenses</u>	<u>—</u>		<u><b>164,285</b></u>		<u>164,285</u>
	Operating Income (%)	—	—	<b>-1,037</b>	-0.6%	-1,037
<b>Others</b>	Net Sales	<b>5,693</b>		<b>13,140</b>		7,447
	<u>Operating Expenses</u>	<u><b>6,721</b></u>		<u><b>14,010</b></u>		<u>7,289</u>
	Operating Income (%)	<b>-1,028</b>	-18.1%	<b>-870</b>	-6.6%	158
<b>Elimination Unallocation</b>	Net Sales	<b>-109</b>		<b>-45</b>		64
	<u>Operating Expenses</u>	<u><b>15,239</b></u>		<u><b>22,066</b></u>		<u>6,827</u>
	Operating Income (%)	<b>-15,348</b>		<b>-22,111</b>		-6,763
<b>Consolidated Total</b>	Net Sales	<b>633,622</b>		<b>813,538</b>		179,916
	<u>Operating Expenses</u>	<u><b>570,625</b></u>		<u><b>790,385</b></u>		<u>219,760</u>
	Operating Income (%)	<b>62,997</b>	9.9%	<b>23,153</b>	2.8%	-39,844

## Sales and Operating Income by Business Segment (Forecast)

(Millions of Yen)

		31-Mar			31-Mar		
		2005(Results)	(%) / Net Sales	2006(Forecast)	(%) / Net Sales	Growth	
<b>Imaging</b>	Net Sales	277,712		278,000		288	
	Operating Expenses	<u>301,587</u>		<u>289,000</u>		<u>-12,587</u>	
	Operating Income (%)	-23,875	-8.6%	-11,000	-4.0%	12,875	
<b>Medical</b>	Net Sales	230,530		254,000		23,470	
	Operating Expenses	<u>165,224</u>		<u>181,000</u>		<u>15,776</u>	
	Operating Income (%)	65,306	28.3%	73,000	28.7%	7,694	
<b>Life Science (1)</b>	Net Sales	101,327		108,000		6,673	
	Operating Expenses	<u>94,623</u>		<u>99,000</u>		<u>4,377</u>	
	Operating Income (%)	6,704	6.6%	9,000	8.3%	2,296	
<b>Information &amp; Communication</b>	Net Sales	163,248		356,000		192,752	
	Operating Expenses	<u>164,285</u>		<u>354,700</u>		<u>190,415</u>	
	Operating Income (%)	-1,037	-0.6%	1,300	0.4%	2,337	
<b>Others (2)</b>	Net Sales	40,766		74,000		33,234	
	Operating Expenses	<u>42,600</u>		<u>70,700</u>		<u>28,100</u>	
	Operating Income (%)	-1,834	-4.5%	3,300	4.5%	5,134	
<b>Elimination</b>	Net Sales	-45		—		45	
<b>Unallocation</b>	Operating Expenses	<u>22,066</u>		<u>25,600</u>		<u>3,534</u>	
	Operating Income (%)	-22,111		-25,600		-3,489	
<b>Consolidated</b>	Net Sales	813,538		1,070,000		256,462	
<b>Total</b>	Operating Expenses	<u>790,385</u>		<u>1,020,000</u>		<u>229,615</u>	
	Operating Income (%)	23,153	2.8%	50,000	4.7%	26,847	

Changes in Segment effective April 1, 2005

(1) Industrial Microscopes change category from Industrial to Life Science.

(2) Industrial Endoscopes and Information Peripheral change category from Industrial to Others.

## Sales by Region

(Millions of Yen)

		<b>31-Mar</b>	Composition	<b>31-Mar</b>	Composition	Growth
		<b>2004(Results)</b>	Ratio (%)	<b>2005(Results)</b>	Ratio (%)	(%)
<b>Imaging</b>	Japan	<b>47,794</b>	16.1%	<b>28,788</b>	10.3%	-39.8%
	N. America	<b>85,260</b>	28.7%	<b>69,349</b>	25.0%	-18.7%
	Europe	<b>106,597</b>	36.0%	<b>117,381</b>	42.3%	10.1%
	Asia	<b>51,741</b>	17.4%	<b>55,223</b>	19.9%	6.7%
	Others	<b>5,338</b>	1.8%	<b>6,944</b>	2.5%	30.1%
	<b>Total</b>	<b>296,730</b>		<b>277,685</b>		-6.4%
<b>Medical</b>	Japan	<b>63,325</b>	29.2%	<b>62,462</b>	27.1%	-1.4%
	N. America	<b>74,478</b>	34.3%	<b>74,391</b>	32.3%	-0.1%
	Europe	<b>62,312</b>	28.7%	<b>72,376</b>	31.4%	16.2%
	Asia	<b>11,702</b>	5.4%	<b>14,638</b>	6.3%	25.1%
	Others	<b>5,098</b>	2.4%	<b>6,658</b>	2.9%	30.6%
	<b>Total</b>	<b>216,915</b>		<b>230,525</b>		6.3%
<b>Life Science</b>	Japan	<b>19,502</b>	27.2%	<b>19,115</b>	24.1%	-2.0%
	N. America	<b>19,726</b>	27.5%	<b>21,209</b>	26.8%	7.5%
	Europe	<b>24,137</b>	33.6%	<b>29,247</b>	37.0%	21.2%
	Asia	<b>7,294</b>	10.2%	<b>8,335</b>	10.5%	14.3%
	Others	<b>1,080</b>	1.5%	<b>1,247</b>	1.6%	15.5%
	<b>Total</b>	<b>71,739</b>		<b>79,153</b>		10.3%
<b>Industrial</b>	Japan	<b>14,077</b>	33.1%	<b>16,328</b>	32.8%	16.0%
	N. America	<b>14,256</b>	33.5%	<b>15,343</b>	30.8%	7.6%
	Europe	<b>7,459</b>	17.5%	<b>8,165</b>	16.4%	9.5%
	Asia	<b>5,857</b>	13.8%	<b>8,953</b>	18.0%	52.9%
	Others	<b>897</b>	2.1%	<b>999</b>	2.0%	11.4%
	<b>Total</b>	<b>42,546</b>		<b>49,788</b>		17.0%
<b>Information &amp; Communication</b>	Japan	—	—	<b>112,738</b>	69.1%	—
	N. America	—	—	<b>20,250</b>	12.4%	—
	Europe	—	—	<b>15,731</b>	9.6%	—
	Asia	—	—	<b>6,077</b>	3.7%	—
	Others	—	—	<b>8,452</b>	5.2%	—
	<b>Total</b>	—		<b>163,248</b>		—
<b>Others</b>	Japan	<b>5,636</b>	99.0%	<b>11,253</b>	85.6%	99.7%
	N. America	—	—	<b>932</b>	7.1%	—
	Europe	<b>54</b>	1.0%	<b>363</b>	2.8%	572.2%
	Asia	<b>2</b>	0.0%	<b>591</b>	4.5%	—
	Others	—	—	—	—	—
	<b>Total</b>	<b>5,692</b>		<b>13,139</b>		130.8%
<b>Total</b>	Japan	<b>150,334</b>	23.7%	<b>250,684</b>	30.8%	66.8%
	N. America	<b>193,720</b>	30.6%	<b>201,474</b>	24.8%	4.0%
	Europe	<b>200,559</b>	31.7%	<b>243,263</b>	29.8%	21.3%
	Asia	<b>76,596</b>	12.1%	<b>93,817</b>	11.5%	22.5%
	Others	<b>12,413</b>	1.9%	<b>24,300</b>	3.0%	95.8%
	<b>Total</b>	<b>633,622</b>		<b>813,538</b>		28.4%

## Sales by Product (Local Currency)

		(Thousands of US\$, EURO)		
		31-Mar	31-Mar	Growth
		2004(Results)	2005(Results)	(%)
Cameras	US\$	70,955	45,071	-36.5%
	EURO	92,087	50,819	-44.8%
Voice Recorders	US\$	51,741	54,492	5.3%
	EURO	30,658	32,043	4.5%
Digital Cameras	US\$	666,755	603,272	-9.5%
	EURO	680,894	785,259	15.3%
<b>Imaging / Total</b>	US\$	789,451	702,835	-11.0%
	EURO	803,639	868,121	8.0%
Endoscopes	US\$	455,895	465,716	2.2%
	EURO	220,281	247,541	12.4%
MIP	US\$	190,741	221,446	16.1%
	EURO	140,071	168,275	20.1%
<b>Medical / Total</b>	US\$	646,636	687,162	6.3%
	EURO	360,352	415,816	15.4%
Bioscience (Microscopes)	US\$	69,850	78,600	12.5%
	EURO	59,587	74,464	25.0%
Diagnostic Systems (Blood Analyzers)	US\$	104,289	116,458	11.7%
	EURO	120,581	141,084	17.0%
<b>Life Science / Total</b>	US\$	174,139	195,058	12.0%
	EURO	180,168	215,548	19.6%
Microscopes(Industrial)	US\$	4,042	13,527	234.7%
	EURO	18,657	20,351	9.1%
Endoscopes(Industrial)	US\$	24,669	28,576	15.8%
	EURO	10,122	11,757	16.2%
Information Peripheral	US\$	5,625	—	—
	EURO	413	—	—
<b>Industrial / Total</b>	US\$	34,336	42,103	22.6%
	EURO	29,192	32,108	10.0%
<b>Total</b>	US\$	1,644,562	1,627,158	-1.1%
	EURO	1,373,351	1,531,593	11.5%

\* Sales of the affiliated companies in the U.S.A. and Europe