



Olympus Corporation and Consolidated Subsidiaries

FINANCIAL RESULTS For the First Quarter ended June 30, 2009

Table of Contents

Consolidated Statements of Income	1
Sales and Operating Income by Business Segment	2
Sales by Product	3
Sales by Region	4
Consolidated Balance Sheets	5
Consolidated statement of cash flows	6

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.

Consolidated Statements of Income

(Millions of Yen)

	For the First Quarter ended		For the First Quarter ended		Growth (%)	For the year ending		
	June 30 2008(Results)	Proportion (%)	June 30 2009(Results)	Proportion (%)		March 31 2010(Forecast)	Proportion (%)	Growth (%)
Net Sales	254,331		205,169		-19.3%	900,000		-8.2%
<u>Cost of Sales</u>	129,067	50.7%	109,369	53.3%		480,000	53.3%	
Gross Profit	125,264	49.3%	95,800	46.7%	-23.5%	420,000	46.7%	-8.9%
<u>S.G.A. Expenses</u>	107,720	42.4%	84,440	41.2%		361,000	40.1%	
Operating Income	17,544	6.9%	11,360	5.5%	-35.2%	59,000	6.6%	70.6%
Other Income	2,838		1,382			8,000		
<u>Other Expenses</u>	7,684		5,757			27,000		
Extraordinary Item	-842		-493			43,000		
Income Before Provision for Income Taxes	11,856	4.7%	6,492	3.2%	-45.2%	83,000	9.2%	—
<u>Provision for Income Taxes</u>	5,579		4,693			42,600		
<u>Minority Interests</u>	-244		-7			400		
Net Income	6,521	2.6%	1,806	0.9%	-72.3%	40,000	4.4%	—

Average Exchange Rate for Net Sales

Yen / U.S.Dollar	104.55		97.32			96.00		
Yen / Euro	163.43		132.57			123.00		
Favorable/Unfavorable Impact on Net Sales	-13,776		-19,687			-56,800		
Favorable/Unfavorable Impact on Operating Income	-594		-4,787			-18,600		
R & D Expenditures	16,560	6.5%	13,053	6.4%	-21.2%	59,000	6.6%	-15.7%
Capital Investments	11,026		10,625		-3.6%	34,000		-38.9%
Depreciation	9,136		11,462		25.5%	42,000		-6.3%

(Note)

Above consolidated statements of income are based on Japanese GAAP. Therefore, this information has some differences as to description from financial statements in annual report based on U.S. GAAP.

Sales and Operating Income by Business Segment

(Millions of Yen)

		For the First Quarter ended June 30 2008(Results)	For the First Quarter ended June 30 2009(Results)	Growth	For the fiscal year ending March 31 2010(Forecast)	Growth
Imaging	Net Sales	72,116	41,214	-30,902	196,000	-28,460
	Operating Income	9,766	368	-9,398	3,000	8,131
	(%)	13.5%	0.9%		1.5%	
Medical	Net Sales	90,154	78,844	-11,310	364,000	-19,828
	Operating Income	17,844	15,989	-1,855	75,000	-43
	(%)	19.8%	20.3%		20.6%	
Life Science	Net Sales	28,532	23,299	-5,233	73,500	-45,319
	Operating Income	-265	931	1,196	3,000	-1,760
	(%)	-0.9%	4.0%		4.1%	
Information and Communication	Net Sales	38,143	39,220	1,077	160,000	7,054
	Operating Income	91	1,068	977	3,000	1,346
	(%)	0.2%	2.7%		1.9%	
Others	Net Sales	25,386	22,592	-2,794	106,500	5,750
	Operating Income	-3,300	-779	2,521	1,000	15,710
	(%)	-13.0%	-3.4%		0.9%	
Elimination or Corporate	Operating Income	-6,592	-6,217	375	-26,000	1,029
Total	Net Sales	254,331	205,169	-49,162	900,000	-80,803
	Operating Income	17,544	11,360	-6,184	59,000	24,413
	(%)	6.9%	5.5%	-35.2%	6.6%	70.6%

(Note)

From the fiscal year started on April 1, 2009, a part of businesses which were categorized as "information and Communication" have been transferred to "Others". Above information for the First Quarter ended June 30 2008(Results) are shown under the new business segments.

In addition, following information as of June 30 2008(Results) of "Sales by Product" (page 3) and "Sales by Region" (page 4) are also shown under the new business segments.

Sales by Product

(Millions of Yen)

		June 30	Composition	June 30	Composition	Growth	March 31	Composition	Growth
		2008(Results)	Ratio(%)	2009(Results)	Ratio(%)	(%)	2010(Forecast)	Ratio(%)	(%)
Digital Camera	Domestic	7,676		5,440		-29.1%	29,600		8.5%
	Overseas	58,679		32,132		-45.2%	148,100		-16.6%
	Total	66,355	26.1%	37,572	18.3%	-43.4%	177,700	19.8%	-13.3%
Others	Domestic	1,215		752		-38.1%	3,800		-7.5%
	Overseas	4,546		2,890		-36.4%	14,500		-6.1%
	Total	5,761	2.3%	3,642	1.8%	-36.8%	18,300	2.0%	-6.4%
Imaging / Total	Domestic	8,891		6,192		-30.4%	33,400		6.4%
	Overseas	63,225		35,022		-44.6%	162,600		-15.8%
	Total	72,116	28.4%	41,214	20.1%	-42.9%	196,000	21.8%	-12.7%
Endoscope	Domestic	9,346		8,306		-11.1%	46,600		4.6%
	Overseas	42,638		33,895		-20.5%	150,200		-10.8%
	Total	51,984	20.4%	42,201	20.6%	-18.8%	196,800	21.8%	-7.6%
Surgical & Endo-Therapy	Domestic	7,078		7,476		5.6%	34,900		10.3%
	Overseas	31,092		29,167		-6.2%	132,300		-5.0%
	Total	38,170	15.0%	36,643	17.8%	-4.0%	167,200	18.6%	-2.2%
Medical / Total	Domestic	16,424		15,782		-3.9%	81,500		6.9%
	Overseas	73,730		63,062		-14.5%	282,500		-8.2%
	Total	90,154	35.4%	78,844	38.4%	-12.5%	364,000	40.4%	-5.2%
MIS (Microscope)	Domestic	3,161		2,318		-26.7%	15,100		-7.5%
	Overseas	12,550		8,919		-28.9%	44,000		-13.5%
	Total	15,711	6.2%	11,237	5.5%	-28.5%	59,100	6.6%	-12.1%
Diagnostic Systems (Blood Analyzers)	Domestic	1,498		1,522		1.6%	1,900		-70.4%
	Overseas	11,323		10,540		-6.9%	12,500		-72.3%
	Total	12,821	5.0%	12,062	5.9%	-5.9%	14,400	1.6%	-72.1%
Life Science / Total	Domestic	4,659		3,840		-17.6%	17,000		-25.2%
	Overseas	23,873		19,459		-18.5%	56,500		-41.2%
	Total	28,532	11.2%	23,299	11.4%	-18.3%	73,500	8.2%	-38.1%
Information & Communication	Domestic	38,143		39,220		2.8%	160,000		-11.7%
	Overseas	0		0		—	0		—
	Total	38,143	15.0%	39,220	19.1%	2.8%	160,000	17.8%	-15.3%
Others	Domestic	15,893		15,664		-1.4%	73,600		106.5%
	Overseas	9,493		6,928		-27.0%	32,900		13.0%
	Total	25,386	10.0%	22,592	11.0%	-11.0%	106,500	11.8%	64.5%
Total	Domestic	84,010		80,698		-3.9%	365,500		5.3%
	Overseas	170,321		124,471		-26.9%	534,500		-15.6%
	Total	254,331	100.0%	205,169	100.0%	-19.3%	900,000	100.0%	-8.2%

Sales by Region

(Millions of Yen)

		June 30	Composition	June 30	Composition	Growth
		2008(Results)	Ratio (%)	2009(Results)	Ratio (%)	(%)
Imaging	Japan	8,891	12.3%	6,192	15.0%	-30.4%
	N. America	17,239	23.9%	8,727	21.2%	-49.4%
	Europe	27,726	38.4%	13,995	34.0%	-49.5%
	Asia	16,124	22.4%	10,530	25.5%	-34.7%
	Others	2,136	3.0%	1,770	4.3%	-17.1%
	Total	72,116		41,214		-42.9%
Medical	Japan	16,424	18.2%	15,782	20.0%	-3.9%
	N. America	29,062	32.2%	28,541	36.2%	-1.8%
	Europe	32,958	36.6%	25,211	32.0%	-23.5%
	Asia	8,884	9.9%	7,753	9.8%	-12.7%
	Others	2,826	3.1%	1,557	2.0%	-44.9%
	Total	90,154		78,844		-12.5%
Life Science	Japan	4,659	16.3%	3,840	16.5%	-17.6%
	N. America	7,206	25.2%	6,424	27.6%	-10.9%
	Europe	11,145	39.1%	8,019	34.3%	-28.0%
	Asia	4,694	16.5%	4,089	17.6%	-12.9%
	Others	828	2.9%	927	4.0%	12.0%
	Total	28,532		23,299		-18.3%
Information & Communication	Japan	38,143	100.0%	39,220	100.0%	2.8%
	N. America	—	0.0%	—	0.0%	—
	Europe	—	0.0%	—	0.0%	—
	Asia	—	0.0%	—	0.0%	—
	Others	—	0.0%	—	0.0%	—
	Total	38,143		39,220		2.8%
Others	Japan	15,893	62.6%	15,664	69.3%	-1.4%
	N. America	3,700	14.6%	2,505	11.1%	-32.3%
	Europe	3,520	13.9%	2,265	10.0%	-35.7%
	Asia	1,991	7.8%	1,824	8.1%	-8.4%
	Others	282	1.1%	334	1.5%	18.4%
	Total	25,386		22,592		-11.0%
Total	Japan	84,010	33.0%	80,698	39.3%	-3.9%
	N. America	57,207	22.5%	46,197	22.6%	-19.2%
	Europe	75,349	29.6%	49,490	24.1%	-34.3%
	Asia	31,693	12.5%	24,196	11.8%	-23.7%
	Others	6,072	2.4%	4,588	2.2%	-24.4%
	Total	254,331		205,169		-19.3%

Consolidated Balance Sheets

(Millions of Yen)

	June 30 2008	June 30 2009	March 31 2009	Variance
Current Assets	561,290	465,689	474,767	-9,078
Cash and time deposits	171,336	144,885	136,877	8,008
Notes and accounts receivable	186,185	142,717	160,258	-17,541
Marketable securities	200	—	199	-199
Inventories	120,604	98,174	96,490	1,684
Deferred income taxes	38,622	35,006	36,843	-1,837
Other current assets	48,403	49,107	48,494	613
Allowance for doubtful accounts	-4,060	-4,200	-4,394	194
Fixed Assets	836,953	639,096	631,551	7,545
Tangible Assets	164,960	164,709	163,113	1,596
Buildings and structures	62,494	78,589	76,940	1,649
Machinery and equipment	18,149	15,811	16,784	-973
Tools, dies, furniture and fixtures	49,486	43,826	42,630	1,196
Land	21,358	20,011	19,856	155
Leased asset	4,013	4,201	3,512	689
Construction in progress	9,460	2,271	3,391	-1,120
Intangible Assets	403,562	259,504	264,620	-5,116
Goodwill	305,695	178,585	180,540	-1,955
Others	97,867	80,919	84,080	-3,161
Investments and Other Assets	268,431	214,883	203,818	11,065
Investment securities	198,826	140,233	127,144	13,089
Deferred income taxes	12,410	14,289	15,661	-1,372
Others	57,611	61,559	62,251	-692
Allowance for doubtful accounts	-416	-1,198	-1,238	40
Total Assets	1,398,243	1,104,785	1,106,318	-1,533

(Millions of Yen)

	June 30 2008	June 30 2009	March 31 2009	Variance
Current Liabilities	694,167	325,188	341,905	-16,717
Notes and accounts payable	71,628	59,964	66,604	-6,640
Short-term borrowings	374,516	99,461	97,068	2,393
Current maturities of bonds	35,218	20,300	20,300	—
Accrued expenses	85,937	60,494	65,592	-5,098
Income taxes payable	10,875	7,312	8,404	-1,092
Warranty reserve	10,848	9,573	8,875	698
Other reserve	90	39	61	-22
Other current liabilities	105,055	68,045	75,001	-6,956
Long-term Liabilities	337,128	593,656	595,629	-1,973
Long-term bonds, less current maturities	105,497	130,200	130,200	—
Long-term borrowings, less current maturities	175,478	410,397	412,656	-2,259
Severance and retirement allowance	12,019	19,017	18,744	273
Other reserve	556	122	130	-8
Other non-current liabilities	43,578	33,920	33,899	21
Net Assets	366,948	185,941	168,784	17,157
Owners' Equity	348,764	225,909	218,914	6,995
Common stock	48,332	48,332	48,332	—
Capital surplus	73,049	73,027	73,049	-22
Retained earnings	240,042	108,677	110,407	-1,730
Treasury stock, at cost	-12,659	-4,127	-12,874	8,747
Valuation and Translation Adjustments	6,733	-47,222	-57,550	10,328
Unrealized holding gains or losses on securities	9,966	4,991	-1,457	6,448
Deferred gains or losses on hedges	-1,032	-78	-1,330	1,252
Foreign currency translation adjustments	-2,201	-52,135	-54,763	2,628
Minority Interests	11,451	7,254	7,420	-166
Liabilities and Net Assets	1,398,243	1,104,785	1,106,318	-1,533

(Note)

Above consolidated balance sheets are based on Japanese GAAP. Therefore, this information has some differences as to description from financial statements in annual report based on U.S. GAAP.

Consolidated statement of cash flows

(Millions of yen)

	For the First Quarter ended June 30 2008(Results)	For the First Quarter ended June 30 2009(Results)	Variance
Cash flows from operating activities			
Income before provision for income taxes	11,856	6,492	-5,364
Depreciation and amortization	10,607	11,462	855
Amortization of goodwill	5,430	2,874	-2,556
Increase (decrease) of severance and retirement allowance	1,563	356	-1,207
Interest and dividend income	-1,458	-601	857
Interest expenses	3,185	3,044	-141
Loss (gain) on valuation of investment securities	842	579	-263
Decrease (increase) in accounts receivable	14,067	20,274	6,207
Decrease (increase) in inventories	-6,438	30	6,468
Increase (decrease) in notes and accounts payable	-13,127	-7,180	5,947
Increase (decrease) in other payable	4,018	-5,030	-9,048
Increase (decrease) in accrued expenses	1,437	-6,690	-8,127
Other	5,006	4,111	-895
Subtotal	36,988	29,721	-7,267
Interest and dividend received	1,460	604	-856
Interest payments	-2,843	-1,846	997
Income taxes paid	-10,126	-5,555	4,571
Net cash provided by operating activities	25,479	22,924	-2,555
Cash flows from investing activities			
Deposits in time deposits	-29,079	-1,146	27,933
Withdrawals from time deposits	38,184	683	-37,501
Purchase of property, plant and equipment	-10,642	-9,905	737
Purchase of intangible assets	-1,261	-1,434	-173
Purchases of investment securities	-1,347	-1,009	338
Sales of investment securities	288	373	85
Payments for acquisition of new consolidated subsidiaries	-128	—	128
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	—	-16	-16
Purchase of investments in subsidiaries	-14,399	-1,216	13,183
Payments for transfer of business	—	-904	-904
Other	-868	-94	774
Net cash used in investing activities	-19,252	-14,668	4,584
Cash flows from financing activities			
Increase (decrease) in short-term borrowings	26,575	4,095	-22,480
Proceeds from long-term dept	3,751	10	-3,741
Repayments of long-term dept	-2,185	-5,734	-3,549
Proceeds from issuance of bonds	150	—	-150
Redemption of bonds	-34	—	34
Expenditure on acquisition of treasury stock	-10,025	—	10,025
Dividends paid	-5,093	—	5,093
Other	-58	-402	-344
Net cash provided by financing activities	13,081	-2,031	-15,112
Effect of exchange rate changes on cash and cash equivalents	2,200	416	-1,784
Net increase (decrease) in cash and cash equivalents	21,508	6,641	-14,867
Cash and cash equivalents at beginning of year	119,842	132,720	12,878
Increase in cash and cash equivalents associated with acquisition of consolidated subsidiaries	—	477	477
Net decrease in cash and cash equivalents associated with exclusion from scope of consolidation	-6	—	6
Cash and cash equivalents at end of year	141,344	139,838	-1,506