

April 27,2005

Olympus Corporation Revises Forecast for the Fiscal Year Ending March 31, 2005

Olympus Corporation has revised forecast as stated below:

**. Consolidated forecast for the fiscal year ending March 31, 2005
(April 1, 2004 – March 31, 2005)**

(Millions of Yen)

| | Net Sales | Operating Income | Ordinary Income | Net Income |
|---|-----------|------------------|-----------------|------------|
| Previous Forecast as of Jan. 2005(A) | 830,000 | 34,500 | 23,000 | 13,500 |
| Revised Forecast as of April 27, 2005(B) | 813,000 | 26,500 | 13,500 | 10,000 |
| Differences(B-A) | 17,000 | 8,000 | 9,500 | 23,500 |
| Differences (%) | 2.0 | 23.2 | 41.3 | - |
| March 31,2004(Results) | 633,622 | 62,997 | 55,829 | 33,564 |

In the Imaging business, it is observed that the growth in a part of digital camera market has become slow and competition has become harsh. Olympus has succeeded to keep its global market share at the same level in FY 2003, however, sales and income are expected to be less than the previous forecast due to the lower market growth than expected. Although Medical, Life Science and Industrial businesses have been performing well, it is expected to be difficult to make up for the estimated loss in the Imaging business.

In addition, Olympus expects the net loss due to the additional provision in FY2004 in order to accelerate to strengthen the Imaging business and also the reversal of deferred tax assets in Olympus Imaging Corporation.

**. Non-consolidated forecast for the fiscal year ending March 31, 2005
(April 1, 2004 – March 31, 2005)**

(Millions of Yen)

| | Net Sales | Operating Income | Ordinary Income | Net Income |
|---|-----------|------------------|-----------------|------------|
| Previous Forecast as of Jan. 2005(A) | 260,000 | - | 0 | 1,000 |
| Revised Forecast as of April 27, 2005(B) | 259,000 | 2,500 | 1,500 | 1,500 |
| Differences(B-A) | 1,000 | - | 1,500 | 500 |
| Differences (%) | 0.4 | - | - | 50.0 |
| March 31,2004(Results) | 425,184 | 21,538 | 24,299 | 20,460 |

Sales for Life Science and Industrial businesses are expected to be almost in line with the previous forecast announced in November 2004. However, the total sales would be slightly less than the previous forecast due to the decrease of R&D royalty income resulted from slow sales in Imaging division which was separated as the subsidiary company as of October 1st, 2004. Thus, operating income and ordinary income will not reach the break-even point as shown above due to the decrease of royalty income and increase of selling, general and administrative expenses.

On the other hand, Olympus expects 1.5 billion-yen for the net income resulted from the profit on sale of the fixed asset and stock of subsidiaries.