

May 8, 2006

Olympus Corporation Restates Consolidated Balance Sheets for the end of June, September and December 2005

Olympus Corporation announced today the correction of consolidated balance sheets for the end of June, September and December 2005. This is due to the partly correction of accounting treatment to adopt the new accounting standard for employees' severance and retirement benefits in a foreign subsidiary. There is no effect on consolidated statements of income and cash flow. The following are the restated consolidated balance sheets.

Consolidated Balance Sheets

(Millions of Yen)

	Jun- 30 2005	Jun- 30 2005
	Previous BS	Restated BS
Current Assets	408,853	406,112
Cash and time deposits	72,495	72,495
Notes and accounts receivable	138,041	138,041
Marketable securities	36,207	36,207
Inventories	105,310	105,310
Deferred income taxes	17,161	17,161
Other current assets	42,528	39,787
Allowance for doubtful accounts	-2,889	-2,889
Fixed Assets	434,362	434,362
Tangible Fixed Assets	121,809	121,809
Buildings and structures	45,315	45,315
Machinery and equipment	19,078	19,078
Tools, dies, furniture and fixtures	35,852	35,852
Land	17,231	17,231
Construction in progress	4,333	4,333
Intangible Fixed Assets	80,320	80,320
Consolidated adjustment accounts	58,454	58,454
Others	21,866	21,866
Investments and Other Assets	232,233	232,233
Investment securities	180,787	180,787
Deferred income taxes	10,396	10,396
Others	43,985	43,985
Allowance for doubtful accounts	-2,935	-2,935
Total Assets	843,215	840,474
	Jun- 30	Jun- 30
	2005	2005
	Previous BS	Restated BS
Current Liabilities	391,590	391,590
Notes and accounts payable	88,441	88,441
Short-term borrowings	183,742	183,742
Current maturities of bonds	15,000	15,000
Accrued expenses	49,178	49,178
Income taxes payable	3,486	3,486
Warranty reserve	3,788	3,788
Allowance for business restructuring	2,400	2,400
Other current liabilities	45,555	45,555
Long-term Liabilities	199,423	198,601
Long-term bonds, less current maturities	65,450	65,450
Long-term borrowings, less current matu	116,705	116,705
Severance and retirement allowance	9,451	9,451
Other non-current liabilities	7,817	6,995
Minority interests	12,606	12,606
Shareholders' Equity	239,596	237,677
Common stock	40,833	40,833
Capital Surplus	65,550	65,550
Retained earnings	131,916	129,977
Net unrealized holding gains on securitie	6,365	6,365
Foreign currency translation adjustments	-3,416	-3,396
Treasury stock, at cost	-1,652	-1,652
Liabilities and Shareholder's Equity	843,215	840,474

The corrected parts are indicated with bold font.

(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 Balance Sheets

(Millions of Yen)

	Sep-30 2005 Previous BS	Sep-30 2005 Restated BS
Current Assets	453,970	451,241
Cash and time deposits	160,446	160,446
Notes and accounts receivable	145,010	145,010
Marketable securities	1,220	1,220
Inventories	92,514	92,514
Deferred income taxes	16,650	16,650
Other current assets	41,244	38,515
Allowance for doubtful accounts	-3,114	-3,114
Fixed Assets	457,878	457,878
Tangible Fixed Assets	122,254	122,254
Buildings and structures	45,861	45,861
Machinery and equipment	18,996	18,996
Tools, dies, furniture and fixtures	33,927	33,927
Land	17,277	17,277
Construction in progress	6,193	6,193
Intangible Fixed Assets	82,579	82,579
Consolidated adjustment accounts	61,768	61,768
Others	20,811	20,811
Investments and Other Assets	253,045	253,045
Investment securities	204,667	204,667
Deferred income taxes	9,368	9,368
Others	41,860	41,860
Allowance for doubtful accounts	-2,850	-2,850
Total Assets	911,848	909,119
	Sep-30 2005 Previous BS	Sep-30 2005 Restated BS
Current Liabilities	381,705	381,705
Notes and accounts payable	79,067	79,067
Short-term borrowings	181,100	181,100
Current maturities of bonds	15,062	15,062
Accrued expenses	54,249	54,249
Income taxes payable	7,721	7,721
Warranty reserve	4,276	4,276
Allowance for business restructuring	—	—
Other current liabilities	40,230	40,230
Long-term Liabilities	257,475	256,656
Long-term bonds, less current maturities	105,488	105,488
Long-term borrowings, less current maturiti	134,033	134,033
Severance and retirement allowance	8,466	8,466
Other non-current liabilities	9,488	8,669
Minority interests	10,522	10,522
Shareholders' Equity	262,146	260,236
Common stock	48,332	48,332
Capital surplus	73,049	73,049
Retained earnings	133,680	131,741
Net unrealized holding gains on securities	10,857	10,857
Foreign currency translation adjustments	-2,039	-2,010
Treasury stock, at cost	-1,733	-1,733
Liabilities and Shareholder's Equity	911,848	909,119

The corrected parts are indicated with bold font.

(Note)

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Consolidated Balance Sheets

(Millions of Yen)

	Dec - 31 2005	Dec - 31 2005
	Previous BS	Restated BS
Current Assets	504,253	501,459
Cash and time deposits	146,403	146,403
Notes and accounts receivable	162,843	162,843
Marketable securities	36,207	36,207
Inventories	99,075	99,075
Deferred income taxes	17,999	17,999
Other current assets	45,010	42,216
Allowance for doubtful accounts	-3,284	-3,284
Fixed Assets	462,891	462,891
Tangible Fixed Assets	127,140	127,140
Buildings and structures	47,884	47,884
Machinery and equipment	19,066	19,066
Tools, dies, furniture and fixtures	33,722	33,722
Land	17,403	17,403
Construction in progress	9,065	9,065
Intangible Fixed Assets	85,185	85,185
Consolidated adjustment accounts	63,529	63,529
Others	21,656	21,656
Investments and Other Assets	250,566	250,566
Investment securities	212,012	212,012
Deferred income taxes	8,907	8,907
Others	30,303	30,303
Allowance for doubtful accounts	-656	-656
Total Assets	967,144	964,350

	Dec - 31 2005	Dec - 31 2005
	Previous BS	Restated BS
Current Liabilities	413,852	413,852
Notes and accounts payable	94,736	94,736
Short-term borrowings	183,759	183,759
Current maturities of bonds	25,072	25,072
Accrued expenses	53,492	53,492
Income taxes payable	8,240	8,240
Warranty reserve	4,390	4,390
Other current liabilities	44,163	44,163
Long-term Liabilities	262,581	261,743
Long-term bonds, less current maturities	95,462	95,462
Long-term borrowings, less current maturiti	148,061	148,061
Severance and retirement allowance	8,957	8,957
Other non-current liabilities	10,101	9,263
Minority interests	12,597	12,597
Shareholders' Equity	278,114	276,158
Common stock	48,332	48,332
Capital surplus	73,049	73,049
Retained earnings	143,697	141,758
Net unrealized holding gains on securities	14,161	14,161
Foreign currency translation adjustments	608	591
Treasury stock, at cost	-1,733	-1,733
Liabilities and Shareholder's Equity	967,144	964,350

The corrected parts are indicated with bold font.

(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.