December 28, 2011

News Release

Company: Olympus Corporation
Representative Director, President and CEO: Shuichi Takayama
(Code 7733, First Section, Tokyo Stock Exchange)
Contact: Akihiro Nambu, Manager, Public Relations and IR Office

(Corrections) Notice Concerning Partial Corrections to "Consolidated Financial Results (Kessan Tanshin) for the Six Months of the Fiscal Year Ending March 31, 2010"

Olympus Corporation (the "Company") has proceeded with operations to correct consolidated financial results (kessan tanshin) of past fiscal years as announced in "Notice Concerning Filing of the Amendments to the Past Securities Reports and Partial Corrections to Past Financial Results (Kessan Tanshin) and That for the First Quarter of the Fiscal Year Ending March 2012," a timely disclosure of the Company as prescribed by the Tokyo Stock Exchange dated December 15, 2011.

The Company has now completed the operations to correct "Consolidated Financial Results (Kessan Tanshin) for the Six Months of the Fiscal Year Ending March 31, 2010" dated November 6, 2009, and it accordingly announces the details of the corrections.

Because corrections have been made in numerous locations, two copies of the full document are attached: the version before corrections and the version after corrections. The places in the document where corrections were made are underlined.

END

(After Correction)

Consolidated Financial Results for the Six Months of the Fiscal Year Ending March 31, 2010

November 6, 2009

Company Name: Olympus Corporation
Code Number: 7733
(URL: http://www.olympus.co.jp/)
Stock Exchange Listing: First Section of Tokyo Stock Exchange
Representative: Tsuyoshi Kikukawa, President and Representative Director
Contact: Nobuyuki Onishi, General Manager, Accounting Division
Phone: 03-3340-2111
Scheduled date to submit the Quarterly Securities Report: November 13, 2009
Scheduled date to commence dividend payments: December 4, 2009

(Figures are rounded off to the nearest million yen)

1. Consolidated Financial Results for the Six Months of the Fiscal Year Ending March 31, 2010 (From April 1, 2009 to September 30, 2009)

(1) Consolidated Results of Operations (cumulative) (% indicate changes from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
Six months ended	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
September 30, 2009	435,421	(18.7)	28,695	(21.2)	18,441	(22.6)	38,399	–
September 30, 2008	535,790	–	36,404	–	23,834	–	(4,540)	–

	Net income per share	Fully diluted net income per share
Six months ended	(¥)	(¥)
September 30, 2009	142.72	142.72
September 30, 2008	(16.92)	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	(¥ million)	(¥ million)	%	(¥)
September 30, 2009	1,069,841	146,810	13.0	517.11
March 31, 2009	1,038,253	110,907	10.0	387.31

Note: Equity as of September 30, 2009: ¥139,604 million March 31, 2009: ¥103,487 million

2. Dividends

	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Total
	(¥)	(¥)	(¥)	(¥)	(¥)
Fiscal year ended March 31, 2009	–	20.00	–	0.00	20.00
Fiscal year ending March 31, 2010	–	15.00			
Fiscal year ending March 31, 2010 (Forecast)			–	15.00	30.00

Note: Revisions of the forecast in the current quarter: No

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2010 (From April 1, 2009 to March 31, 2010)

(% indicate changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥)
Full year	920,000	(6.2)	59,000	38.1	40,000	55.8	40,000	–	148.16

Note: Revisions of the forecast in the current quarter: Yes

4. Others

(1) Changes in significant subsidiaries during period under review (changes in specified subsidiaries resulting in the changes in scope of consolidation): Yes

[New: － Excluded: 1 company (Beckman Coulter Mishima K.K.)]

[Note: For more details, please refer to the section of "4. Others" of "[Qualitative Information and Financial Statements]" on page 6-7.]

(2) Application of simplified accounting and special accounting for preparing the quarterly consolidated financial statements: Yes

[Note: For more details, please refer to the section of "4. Others" of "[Qualitative Information and Financial Statements]" on page 6-7.]

(3) Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly consolidated financial statements (changes described in the section of "Changes in significant matters forming the basis of preparing the quarterly consolidated financial statements")

1) Changes due to revisions to accounting standards, and other regulations: No
2) Changes due to other reasons: Yes

[Note: For more details, please refer to the section of "4. Others" of "[Qualitative Information and Financial Statements]" on page 6-7.]

(4) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury stock)

As of September 30, 2009	271,283,608 shares
As of March 31, 2009	271,283,608 shares

2) Total number of treasury shares at the end of the period

As of September 30, 2009	1,313,213 shares
As of March 31, 2009	4,089,222 shares

3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2009	269,043,587 shares
Six months ended September 30, 2008	268,242,751 shares

* Proper use of the forecast of financial results, and other special matters

1. The forecast of consolidated financial results which was announced on August 6, 2009, is revised in these materials.
2. The forward-looking statements, including forecast of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual business and other results may differ substantially due to various factors. Please refer to the section of "3. Qualitative Information Regarding Forecast of Consolidated Financial Results" of "[Qualitative Information and Financial Statements]" on page 6 for the suppositions that form the assumptions for the forecast and cautions concerning the use thereof, as well as the specific figures of the forecast revision pertaining to 1. above.

[Qualitative Information and Financial Statements]

1. Qualitative Information Regarding Consolidated Results of Operations

The Japanese economy during the six months ended September 30, 2009 remained dire as capital expenditures fell, along with other negative factors, despite some signs of improvement such as recovery in exports attributable to the progress of global inventory adjustments, among others. Around the world, the recession is continuing mostly in the U.S. and Europe.

Amid this adverse business environment, the Olympus Group promoted cost reduction activities and reform of production structure as part of high profitability-oriented business structural reforms. In August of this year, our diagnostic systems business was transferred to the Beckman Coulter Group of the U.S.

The consolidated net sales for the Olympus Group over the six months of the fiscal year under review decreased ¥100,369 million, or 18.7%, year on year to ¥435,421 million from declines in revenue in each of our businesses, except the Information & Communication Business, as a result of sluggish consumer spending and a decrease in capital expenditures due to the global recession, and the appreciating yen. Operating income was ¥28,695 million (down 21.2% year on year) as we did not offset the decrease in sales despite the efforts to lower cost of sales and reduce general and administrative expenses through business structural reforms, with ordinary income of ¥18,441 million (down 22.6% year on year). Net income was ¥38,399 million (compared with a net loss of ¥4,540 million in the same period of the previous fiscal year) as a result of the recording of extraordinary income following the transfer of the diagnostic systems business.

During the six months, the Olympus Group invested ¥28,858 million on research and development, and spent ¥20,608 million on capital investments.

As described in 4. Others (3) and 5. (5) Segment information, due to changes in the business segmentation of segment information from the first quarter of the fiscal year ending March 31, 2010, the following year-on-year comparisons were made using the previous fiscal year figures rearranged into the business classification after the changes.

Regarding the interim dividend, the Olympus Group decided to pay ¥15 per share, as previously announced on August 6, 2009.

Imaging Systems Business

In the Imaging Systems Business, the Olympus Group registered consolidated net sales for the six months of ¥87,809 million (down 37.4 % year on year) and an operating income of ¥1,739 million (down 85.2% year on year).

In the digital camera field, sales was favorable both in Japan and abroad for the “Olympus PEN E-P1” interchangeable lens system digital camera with a small, lightweight and dignified design compliant with the “Micro Four Thirds System” standard. We also saw robust sales of compact camera the “µTOUGH” series whose stylish body is built with strong functions such as water resistance, shock resistance and low-temperature resistance. However, revenue in the digital camera field declined on the whole as the global economic recession led to fewer units sold and lower unit prices and as a result of foreign exchange effects.

Revenue in the recorder field fell due to the significant effects of decreases in both units sold and unit prices in Japan and abroad caused by the economic recession and the intensifying competitive environment.

Operating income in the Imaging Systems Business fell due to lower revenue and foreign exchange effects.

Medical Systems Business

Consolidated net sales in the Medical Systems Business during the six months amounted to ¥170,466 million (down 17.4% year on year), while operating income amounted to ¥37,750 million (down 4.5% year on year).

The medical endoscope field demonstrated a reduction in revenue as a result of foreign exchange effects and low sales of our flagship high-resolution HDTV endoscope system due to the global economic recession even though the number of contracts in the Value-per-Procedure program increased in Japan. Surgical and therapeutic devices field saw robust sales in surgical products related to Gyrus thanks to synergies created by its integration into the Olympus Group as well as a favorable performance on the part of integrated endoscopic video systems and ultrasound surgery devices. Also, Japan saw positive sales of sampling treatment devices such as biopsy forceps and disposable diathermic cutter devices, which are popular as a surgical treatment for early-stage gastric cancer. However, foreign currency effects and sluggish sales in large-scale surgical equipment for capital investments constricted sales overseas pushing downward revenue in the surgical and therapeutic devices field overall.

Operating income in the Medical Systems Business remained roughly at the same level as the same period of the previous fiscal year bolstered by improvements in earnings in the surgical and therapeutic devices field despite lower revenue due to foreign currency effects.

Life Science Business

Consolidated net sales for the Life Science Business during the six months was ¥44,071 million (down 28.4% year on year), while operating income amounted to ¥1,456 million (down 17.1% year on year).

In the micro-imaging (microscopes) field, overall revenue decreased as sales of biological microscopes and industrial microscopes failed to grow as the appreciated yen and global economic recession constricted research market and capital investments at companies despite favorable sales of industrial laser scanning microscopes.

Regarding the diagnostics systems field, despite positive sales of our blood transfusion related products in Japan and favorable overseas sales of clinical chemistry analyzers mostly to China, the business saw lower revenue as a result of its transfer to Beckman Coulter Group of the U.S. in August of this year.

Operating income for the Life Science Business fell in line with the decrease in revenue even though cost reduction activities progressed.

Information & Communication Business

Consolidated net sales for the Information & Communication Business during the six months was ¥88,587 million (up 19.5% year on year), while operating income amounted to ¥2,341 million (up 770.3% year on year).

Net sales increased due to an aggressive expansion in sales channels for mobile phones attributable to corporate acquisitions and others.

Operating income went up thanks not only to expanded sales channels for mobile phones but also enhanced profitability resulting from the streamlining of sales costs.

Others

Consolidated net sales for other businesses in the six months was ¥44,488 million (down 16.5% year on year), with an operating loss of ¥1,151 million (compared with an operating loss of ¥2,136 million recorded in the same period of the previous fiscal year).

In the non-destructive testing equipment field, ultrasonic defect detection device with phased array features and other testing equipment fared well, however, industrial endoscopes sales were lackluster as global capital investment constricted mostly in manufacturing sectors.

The number of units sold of high-speed inkjet printers in the information equipment field decreased in the wake of the economic recession.

In the biomedical materials field, sales of "OSferion," an artificial bone replacement material, expanded both in Japan and abroad and other products also fared well.

In others, the operating loss contracted as a result of lower costs associated with amortization of goodwill of subsidiaries.

2. Qualitative Information Regarding Consolidated Financial Position

As of the end of the second quarter, total assets increased ¥31,588 million compared to the end of the previous fiscal year to ¥1,069,841 million.

This was primarily as a result of increases in cash and time deposits of ¥86,549 million and in investment securities of ¥15,665 million, notwithstanding decreases in notes and accounts receivable of ¥17,392 million and in intangible fixed assets of ¥19,327 million due to the amortization of goodwill, among others.

Total liabilities decreased ¥4,315 million compared to the end of the previous fiscal year to ¥923,031 million due to decreases in other payable of ¥20,190 million, in short-term borrowings of ¥15,612 million and in accrued expense of ¥6,947 million, among others, notwithstanding an increase in long-term borrowings, less current maturities of ¥39,683 million.

Net assets increased ¥35,903 million compared to the end of the previous fiscal year to ¥146,810 million. This was primarily due to an increase in shareholders' equity of ¥43,585 million attributable to the recording of ¥36,528 million in net income.

As a result of the foregoing, equity ratio increased from 10.0% as of the end of the previous fiscal year to 13.0%.

Cash flow position

The following are the cash flows for the six months of the fiscal year ending March 31, 2010 and their causes.

"Cash flows from operating activities" increased net cash by ¥36,193 million. This was primarily due to income before provision for income taxes of ¥63,189 million and depreciation and amortization of ¥22,467 million recorded for the period, which was adjusted by factors such as a ¥46,271 million gain on transfer of business included in income before provision for income taxes.

"Cash flows from investing activities" increased net cash by ¥30,563 million. This was mainly due to proceeds from transfer of business of ¥74,402 million. Contrastingly, decreasing factors mainly included ¥28,074 million for the purchase of property, plant and equipment.

"Cash flows from financing activities" increased net cash by ¥23,512 million. This was mainly due to ¥64,710 million in proceeds from long-term debt. Contrastingly, decreasing factors mainly consisted of ¥32,228 million in repayments of long-term debt.

As a result, cash and cash equivalents at the end of the second quarter reached ¥220,537 million, an increase of ¥87,817 million compared to the end of the previous fiscal year.

3. Qualitative Information Regarding Forecast of Consolidated Financial Results

Full-year net sales are expected to exceed the previously announced forecast (August 6, 2009) by ¥20,000 million mainly due to the expansion of sales in the Information & Communication Business, however, in terms of profits, no changes have been made to the previously announced figures because of lingering uncertainties in the future business environment.

Regarding foreign exchange rates for the third quarter and beyond are expected to be ¥90 per U.S. dollar and ¥125 per euro and the average foreign exchange rates for the entire year, a precondition for the forecast, are expected to be ¥93 per U.S. dollar and ¥129 per euro.

Fiscal year ending March 31, 2010

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	(¥ million)	(¥ million)	(¥ million)	(¥ million)	(¥)
Previous Forecast (A)	900,000	59,000	40,000	40,000	148.16
Revised Forecast (B)	920,000	59,000	40,000	40,000	148.16
Increase (Decrease) (B-A)	20,000	–	–	–	–
Increase (Decrease) Ratio (%)	2.2	–	–	–	–

4. Others

(1) Changes in significant subsidiaries during period under review (changes in specified subsidiaries resulting in the changes in scope of consolidation)

Beckman Coulter Mishima K.K. (formerly known as Mishima Olympus Co., Ltd.) is excluded from the scope of consolidation due to the transfer of all shares held by the Olympus Group in August 2009.

(2) Application of simplified accounting and special accounting for preparing the quarterly consolidated financial statements

1) Calculation of taxes

Taxes are calculated first by reasonably estimating the effective tax rates after applying tax effect accounting against income before provision for income taxes for the fiscal year including the second quarter under review, and next by multiplying the quarterly income before provision for income taxes by such estimated effective tax rates.

2) Valuation method of inventories

Concerning the write-down of the book value of inventories, only for those items whose drop in profitability became apparent, an estimate of net sale value is made and book values are written down.

3) Calculation method of depreciation of fixed assets

Depreciation expenses for assets that are depreciated using the declining-balance method are calculated by proportionally dividing the annual depreciation expenses.

(3) Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly consolidated financial statements

1) Changes in account items for net sales and cost of sales on investment securities for business incubations

Previously, regarding the consolidated subsidiary ITX Corporation, proceeds from the sale of investment securities for business incubations were recorded as net sales and the book values and valuation losses, etc. of securities sold were recorded as cost of sales, however, following changes in the investment policy, from the first quarter of the fiscal year ending March 31, 2010, income/loss from such sales is recorded in extraordinary income/losses. The effect of this change on gross profit and operating income is immaterial.

2) Changes in business segmentation of the segment information

From the first quarter of the fiscal year ending March 31, 2010, the business segmentation of the segment information has been changed. For details, see 5. (5) Segment information.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of September 30, 2009	As of March 31, 2009 (Summary)
ASSETS		
Current assets		
Cash and time deposits	223,426	136,877
Notes and accounts receivable	142,866	160,258
Securities	2,500	199
Merchandise and finished goods	52,550	58,683
Work in process	19,039	21,230
Raw materials and supplies	14,821	15,627
Other current assets	78,396	84,077
Allowance for doubtful accounts	(3,682)	(4,594)
Total current assets	529,916	472,357
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	72,970	76,782
Machinery and equipment, net	13,930	16,326
Tools, furniture and fixtures, net	38,713	42,594
Land	19,123	19,839
Lease assets, net	3,851	3,512
Construction in progress	2,028	3,391
Net property, plant and equipment	150,615	162,444
Intangible fixed assets		
Goodwill	160,077	170,252
Others	74,358	83,510
Total intangible fixed assets	234,435	253,762
Investments and other assets		
Investment securities	78,254	62,589
Investment fund assets	8,208	8,458
Other assets	75,010	84,924
Allowance for doubtful accounts	(6,597)	(6,281)
Total investments and other assets	154,875	149,690
Total fixed assets	539,925	565,896
Total assets	1,069,841	1,038,253

(Millions of yen)

	As of September 30, 2009	As of March 31, 2009 (Summary)
LIABILITIES		
Current liabilities		
Notes and accounts payable	64,308	66,604
Short-term borrowings	81,456	97,068
Current maturities of bonds	40,300	20,300
Income taxes payable	22,434	15,600
Provision for product warranties	8,675	8,875
Other reserves	52	61
Other current liabilities	111,089	140,593
Total current liabilities	328,314	349,101
Non-current liabilities		
Long-term bonds, less current maturities	110,200	130,200
Long-term borrowings, less current maturities	434,954	395,271
Severance and retirement allowance	17,953	18,744
Other reserves	142	130
Other non-current liabilities	31,468	33,900
Total non-current liabilities	594,717	578,245
Total liabilities	923,031	927,346
NET ASSETS		
Shareholders' equity		
Common stock	48,332	48,332
Capital surplus	55,166	73,049
Retained earnings	104,848	52,124
Treasury stock, at cost	(4,130)	(12,874)
Total shareholders' equity	204,216	160,631
Valuation and translation adjustments		
Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	5,017	(2,311)
Net unrealized gains (losses) on hedging derivatives, net of taxes	818	(1,330)
Foreign currency translation adjustments	(70,447)	(53,503)
Total valuation and translation adjustments	(64,612)	(57,144)
Minority interests	7,206	7,420
Total net assets	146,810	110,907
Total liabilities and net assets	1,069,841	1,038,253

(2) Consolidated Statements of Income (cumulative)

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Net sales	535,790	435,421
Costs of sales	272,587	232,594
Gross profit	263,203	202,827
Selling, general and administrative expenses	226,799	174,132
Operating income	36,404	28,695
Non-operating income		
Interest income	1,916	575
Dividends income	594	448
Others	2,134	1,954
Total non-operating income	4,644	2,977
Non-operating expenses		
Interest expenses	7,123	6,295
Foreign currency exchange loss	4,165	1,301
Others	5,926	5,635
Total non-operating expenses	17,214	13,231
Ordinary income	23,834	18,441
Extraordinary income		
Gain on sales of investment securities	–	96
Gain on sales of investment securities in subsidiaries and affiliates	–	63
Gain on transfer of business	–	46,271
Total extraordinary income	–	46,430
Extraordinary losses		
Impairment loss on fixed assets	511	162
Loss on sales of investment securities	–	4
Provision of allowance for investment loss	–	–
Loss on valuation of investment securities	2,630	1,267
Loss on funds invested	878	249
Provision of allowance for doubtful accounts	3,813	–
Total extraordinary losses	7,832	1,682
Income before provision for income taxes	16,002	63,189
Income taxes	21,172	24,782
Minority interest in income (losses) of consolidated subsidiaries	(630)	8
Net income (loss)	(4,540)	38,399

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Cash flows from operating activities		
Income before provision for income taxes	16,002	63,189
Depreciation and amortization	23,382	22,467
Impairment loss on fixed assets	511	162
Amortization of goodwill	9,665	5,772
Increase (decrease) in severance and retirement allowance	2,197	620
Interest and dividend income	(2,510)	(1,023)
Interest expense	7,123	6,295
Loss (gain) on transfer of business	–	(46,271)
Loss (gain) valuation of investment securities	2,630	1,267
Decrease (increase) in accounts receivable	4,213	2,904
Decrease (increase) in inventories	(292)	791
Increase (decrease) in accounts payable	(5,767)	3,248
Increase (decrease) in other payable	(4,680)	(6,443)
Increase (decrease) in accrued expense	(6,607)	(4,516)
Increase (decrease) in allowance for doubtful accounts on funds	3,813	–
Loss on funds invested	878	249
Other	1,644	1,741
Sub-total	52,202	50,452
Interest and dividend received	2,560	1,096
Interest payments	(7,147)	(6,400)
Outflow of money from funds	(3,813)	–
Income taxes paid	(17,373)	(8,955)
Net cash provided by operating activities	26,429	36,193
Cash flows from investing activities		
Deposits in time deposits	(1,843)	(3,007)
Withdrawals from time deposits	3,184	2,247
Purchase of property, plant and equipment	(26,127)	(28,074)
Purchases of intangible fixed assets	(3,257)	(3,075)
Purchases of investment securities	(2,856)	(3,066)
Sales and redemption of investment securities	1,349	373
Payments for acquisition of new consolidated subsidiaries related to changes in scope of consolidation	(128)	(372)
Net decrease from sales of investment in subsidiaries related to changes in scope of consolidation	(95)	(16)
Payments for acquisition of new consolidated subsidiaries	(19,945)	(1,219)
Payments for transfer of business	–	(6,851)
Proceeds from transfer of business	–	74,402
Money transfer of funds	(19,012)	–
Collection of fund assets invested	54,718	–
Other	(40)	(779)
Net cash provided by (used in) investing activities	(14,052)	30,563

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(193,428)	(8,432)
Proceeds from long-term debt	200,796	64,710
Repayments of long-term debt	(8,620)	(32,228)
Proceeds from issuance of bonds	44,966	–
Redemption of bonds	(30,061)	–
Expenditure on acquisition of treasury stock	(10,183)	–
Dividends paid	(5,405)	–
Other	(581)	(538)
Net cash provided by (used in) financing activities	(2,516)	23,512
Effect of exchange rate changes on cash and cash equivalents	(1,545)	(3,016)
Net increase (decrease) in cash and cash equivalents	8,316	87,252
Cash and cash equivalents at beginning of period	119,842	132,720
Net increase in cash and cash equivalents associated with newly consolidated subsidiaries	–	477
Net decrease in cash and cash equivalents associated with exclusion from scope of consolidation	(6)	–
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	–	88
Cash and cash equivalents at end of period	128,152	220,537

(4) Notes on premise of going concern

No items to report

(5) Segment information

a. Segment information by type of business

Six months of the fiscal year ended March 31, 2009 (from April 1, 2008 to September 30, 2008)

(Millions of yen)

	Imaging Systems	Medical Systems	Life Science	Information & Communication	Others	Total	Elimination or Unallocation	Consolidated
Net sales								
(1) Sales to outside customers	140,287	206,450	61,594	92,997	34,462	535,790	–	535,790
(2) Internal sales of transfer among segments	63	27	102	–	231	423	(423)	–
Total	140,350	206,477	61,696	92,997	34,693	536,213	(423)	535,790
Operating income (or operating loss)	11,769	39,525	1,756	3	(1,870)	51,182	(14,779)	36,404

Six months of the fiscal year ending March 31, 2010 (from April 1, 2009 to September 30, 2009)

(Millions of yen)

	Imaging Systems	Medical Systems	Life Science	Information & Communication	Others	Total	Elimination or Unallocation	Consolidated
Net sales								
(1) Sales to outside customers	87,809	170,466	44,071	88,587	44,488	435,421	–	435,421
(2) Internal sales of transfer among segments	38	10	73	–	228	349	(349)	–
Total	87,847	170,476	44,144	88,587	44,716	435,770	(349)	435,421
Operating income (or operating loss)	1,739	37,750	1,456	2,341	(1,151)	42,135	(13,440)	28,695

Notes:

1. Method of segmentation of business
   Business established based on product line are segmented taking into consideration similarities in sales markets.
2. The main products for each business are as follows:

Six months of the fiscal year ended March 31, 2009

(1) Imaging Systems: Digital cameras, Voice recorders
(2) Medical Systems: Medical endoscopes, Surgical endoscopes, Endo-therapy devices, Ultrasound endoscopes
(3) Life Science: Blood analyzer (clinical chemistry analyzer), Biological microscopes, Industrial microscopes
(4) Information & Communication: Sales of mobile terminals including mobile handsets, Development and sales of business package software, Mobile solution, Mobile content services, Sales of network infrastructure systems, Sales of semiconductor devices and electric equipment
(5) Others: Industrial endoscopes, Non-destructive testing equipment, Printers, Bar code data processing equipment, System development, etc.

Six months of the fiscal year ending March 31, 2010

(1) Imaging Systems: Digital cameras, Voice recorders
(2) Medical Systems: Medical endoscopes, Surgical endoscopes, Endo-therapy devices, Ultrasound endoscopes
(3) Life Science: Blood analyzer (clinical chemistry analyzer), Biological microscopes, Industrial microscopes
(4) Information & Communication: Sales of mobile terminals including mobile handsets
(5) Others: Industrial endoscopes, Non-destructive testing equipment, Printers, Mobile solution, Mobile content services, Development and sales of business package software, Sales of network infrastructure systems, Sales of semiconductor devices and electric equipment, System development, etc.

3. Changes in business segmentation

Taking into consideration the revision in business segmentation effected to promote the "Corporate Structural Reform" implemented at ITX Corporation, the Company's consolidated subsidiary, from the first quarter of the fiscal year ending March 31, 2010, a portion of the businesses included in "Information & Communication Business" shall be included in "Others."

The following are business segmentation for the six months of the previous fiscal year presented in the same manner as the six months of the fiscal year under review.

Six months of the fiscal year ended March 31, 2009 (from April 1, 2008 to September 30, 2008)

(Millions of yen)

	Imaging Systems	Medical Systems	Life Science	Information & Communication	Others	Total	Elimination or Unallocation	Consolidated
Net sales								
(1) Sales to outside customers	140,287	206,450	61,594	74,151	53,308	535,790	–	535,790
(2) Internal sales of transfer among segments	63	27	102	–	231	423	(423)	–
Total	140,350	206,477	61,696	74,151	53,539	536,213	(423)	535,790
Operating income (or operating loss)	11,769	39,525	1,756	269	(2,136)	51,182	(14,779)	36,404

b. Segment information by region

Six months of the fiscal year ended March 31, 2009 (from April 1, 2008 to September 30, 2008)

(Millions of yen)

	Japan	Americas	Europe	Asia	Total	Elimination or Unallocation	Consolidated
Net sales							
(1) Sales to outside customers	200,649	144,236	147,733	43,172	535,790	–	535,790
(2) Internal sales of transfer among segments	155,879	4,749	10,558	48,660	219,846	(219,846)	–
Total	356,528	148,985	158,291	91,832	755,636	(219,846)	535,790
Operating income	32,505	4,013	9,317	5,468	51,303	(14,899)	36,404

Six months of the fiscal year ending March 31, 2010 (from April 1, 2009 to September 30, 2009)

(Millions of yen)

	Japan	Americas	Europe	Asia	Total	Elimination or Unallocation	Consolidated
Net sales							
(1) Sales to outside customers	199,447	103,551	100,213	32,210	435,421	–	435,421
(2) Internal sales of transfer among segments	102,673	4,111	7,542	32,324	146,650	(146,650)	–
Total	302,120	107,662	107,755	64,534	582,071	(146,650)	435,421
Operating income	22,627	5,055	10,324	1,706	39,712	(11,017)	28,695

Notes:

1. Countries and regions are segmented by geographical proximity.
2. Major countries and regions other than Japan are as follows:
   - (1) Americas: USA, Canada, Mexico, and Brazil
   - (2) Europe: Germany, UK, France, etc.
   - (3) Asia: Singapore, Hong Kong, China, Korea, Australia, etc.

c. Overseas sales

Six months of the fiscal year ended March 31, 2009 (from April 1, 2008 to September 30, 2008)

(Millions of yen)

	North America	Europe	Asia	Others	Total
I. Overseas sales	132,294	147,959	66,275	13,763	360,291
II. Consolidated sales					535,790
III. Percentage of overseas sales in consolidated sales (%)	24.7	27.5	12.4	2.6	67.2

Six months of the fiscal year ending March 31, 2010 (from April 1, 2009 to September 30, 2009)

(Millions of yen)

	North America	Europe	Asia	Others	Total
I. Overseas sales	96,808	96,329	50,061	11,215	254,413
II. Consolidated sales					435,421
III. Percentage of overseas sales in consolidated sales (%)	22.2	22.1	11.5	2.6	58.4

Notes:

1. Overseas sales refer to the sales of the Company and its consolidated subsidiaries in countries or regions other than Japan.
2. Regions are segmented by geographical proximity.
3. Major countries and regions other than Japan are as follows:
   (1) North America: USA, Canada
   (2) Europe: Germany, UK, France, etc.
   (3) Asia: Singapore, Hong Kong, China, Korea, Australia, etc.
   (4) Others: Central and South America, Africa, etc.

(6) Notes on significant changes in the amount of shareholders' equity

No items to report

6. Other Information

(Business combinations)

Six months of the fiscal year ending March 31, 2010 (from April 1, 2009 to September 30, 2009)

(Business divestiture)

1. Name of the divestee, details of the divested business, purpose of divestiture, date of divestiture and outline of divestiture including legal form

(1) Name of divestee

Beckman Coulter, Inc. and its affiliates ("Beckman")

(2) Details of divested business

Diagnostic systems business of the Olympus Group

(3) Purpose of the divestiture

Regarding the business environment for diagnostic systems, the existence of large competitors with trillions of yen in capitalization in the global market as well as an increase in M&A activity and the entry of new players from other fields in recent years have drastically changed the competitive environment.

Under such circumstances, Olympus Corporation determined that, instead of continuing in this business independently, its divestment to Beckman, a large manufacturer of clinical testing systems, would enable the effective use of managerial resources such as technological assets and know-how fostered over many years. Therefore, we decided to transfer the diagnostic systems business to Beckman.

(4) Date of divestiture

August 3, 2009

(5) Outline of divestiture including legal form

Diagnostics systems business of the Olympus Group and its subsidiaries divested to Beckman by share transfer and transfer of business.

2. Overview of accounting treatment applied

(1) Income/loss from transfer

¥46,271 million

* The amount of income/loss from transfer may vary upon its scheduled adjustment based on the terms and conditions of the business transfer agreement.

(2) Appropriate book values of assets and liabilities relating to the transferred business and its breakdown

	(Millions of yen)
Current assets	28,886
Fixed assets	13,929
Total assets	42,815
Current liabilities	11,727
Non-current liabilities	1,580
Total liabilities	13,307

3. Estimates of income and loss amounts relating to the divested business recorded in the Consolidated Statements of Income for the second quarter and six months ended September 30, 2009

(Millions of yen)

	Second quarter	Six months (cumulative)
Net sales	4,471	16,533
Operating income	111	1,850

(Before Correction)

Consolidated Financial Results for the Six Months of the Fiscal Year Ending March 31, 2010

November 6, 2009

Company Name: Olympus Corporation
Code Number: 7733
(URL: http://www.olympus.co.jp/)
Stock Exchange Listing: First Section of Tokyo Stock Exchange
Representative: Tsuyoshi Kikukawa, President and Representative Director
Contact: Nobuyuki Onishi, General Manager, Accounting Division
Phone: 03-3340-2111
Scheduled date to submit the Quarterly Securities Report: November 13, 2009
Scheduled date to commence dividend payments: December 4, 2009

(Figures are rounded off to the nearest million yen)

1. Consolidated Financial Results for the Six Months of the Fiscal Year Ending March 31, 2010 (From April 1, 2009 to September 30, 2009)

(1) Consolidated Results of Operations (cumulative) (% indicate changes from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
Six months ended	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
September 30, 2009	435,421	(18.7)	28,518	(11.2)	18,494	(5.6)	36,193	904.5
September 30, 2008	535,790	–	32,099	–	19,598	–	3,603	–

	Net income per share	Fully diluted net income per share
Six months ended	(¥)	(¥)
September 30, 2009	134.52	134.52
September 30, 2008	13.43	13.43

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	(¥ million)	(¥ million)	%	(¥)
September 30, 2009	1,137,600	204,298	17.3	730.05
March 31, 2009	1,106,318	168,784	14.6	603.92

Note: Equity as of September 30, 2009: ¥197,092 million March 31, 2009: ¥161,364 million

2. Dividends

	Cash dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Total
	(¥)	(¥)	(¥)	(¥)	(¥)
Fiscal year ended March 31, 2009	–	20.00	–	0.00	20.00
Fiscal year ending March 31, 2010	–	15.00			
Fiscal year ending March 31, 2010 (Forecast)			–	15.00	30.00

Note: Revisions of the forecast in the current quarter: No

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2010 (From April 1, 2009 to March 31, 2010)

(% indicate changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥)
Full year	920,000	(6.2)	59,000	70.6	40,000	117.5	40,000	–	148.16

Note: Revisions of the forecast in the current quarter: Yes

4. Others

(1) Changes in significant subsidiaries during period under review (changes in specified subsidiaries resulting in the changes in scope of consolidation): Yes

[New: − Excluded: 1 company (Beckman Coulter Mishima K.K.)]

[Note: For more details, please refer to the section of "4. Others" of "[Qualitative Information and Financial Statements]" on page 6-7.]

(2) Application of simplified accounting and special accounting for preparing the quarterly consolidated financial statements: Yes

[Note: For more details, please refer to the section of "4. Others" of "[Qualitative Information and Financial Statements]" on page 6-7.]

(3) Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly consolidated financial statements (changes described in the section of "Changes in significant matters forming the basis of preparing the quarterly consolidated financial statements")

1) Changes due to revisions to accounting standards, and other regulations: No
2) Changes due to other reasons: Yes

[Note: For more details, please refer to the section of "4. Others" of "[Qualitative Information and Financial Statements]" on page 6-7.]

(4) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury stock)

As of September 30, 2009	271,283,608 shares
As of March 31, 2009	271,283,608 shares

2) Total number of treasury shares at the end of the period

As of September 30, 2009	1,313,213 shares
As of March 31, 2009	4,089,222 shares

3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2009	269,043,587 shares
Six months ended September 30, 2008	268,242,751 shares

* Proper use of the forecast of financial results, and other special matters

1. The forecast of consolidated financial results which was announced on August 6, 2009, is revised in these materials.
2. The forward-looking statements, including forecast of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual business and other results may differ substantially due to various factors. Please refer to the section of "3. Qualitative Information Regarding Forecast of Consolidated Financial Results" of "[Qualitative Information and Financial Statements]" on page 6 for the suppositions that form the assumptions for the forecast and cautions concerning the use thereof, as well as the specific figures of the forecast revision pertaining to 1. above.

[Qualitative Information and Financial Statements]

1. Qualitative Information Regarding Consolidated Results of Operations

The Japanese economy during the six months ended September 30, 2009 remained dire as capital expenditures fell, along with other negative factors, despite some signs of improvement such as recovery in exports attributable to the progress of global inventory adjustments, among others. Around the world, the recession is continuing mostly in the U.S. and Europe.

Amid this adverse business environment, the Olympus Group promoted cost reduction activities and reform of production structure as part of high profitability-oriented business structural reforms. In August of this year, our diagnostic systems business was transferred to the Beckman Coulter Group of the U.S.

The consolidated net sales for the Olympus Group over the six months of the fiscal year under review decreased ¥100,369 million, or 18.7%, year on year to ¥435,421 million from declines in revenue in each of our businesses, except the Information & Communication Business, as a result of sluggish consumer spending and a decrease in capital expenditures due to the global recession, and the appreciating yen. Operating income was ¥28,518 million (down 11.2% year on year) as we did not offset the decrease in sales despite the efforts to lower cost of sales and reduce general and administrative expenses through business structural reforms, with ordinary income of ¥18,494 million (down 5.6% year on year). Net income was ¥36,193 million (up 904.5% year on year) as a result of the recording of extraordinary income following the transfer of the diagnostic systems business.

During the six months, the Olympus Group invested ¥28,858 million on research and development, and spent ¥20,608 million on capital investments.

Regarding foreign exchange, the yen appreciated against both the U.S. dollar and the euro compared to the same period of the previous fiscal year, with an average exchange rate during the period of ¥95.49 against the U.S. dollar (¥106.11 in the same period of the previous fiscal year) and ¥133.16 against the euro (¥162.68 in the same period of the previous fiscal year), which caused net sales and operating income to drop by ¥43,200 million and ¥12,500 million, respectively, year on year.

As described in 4. Others (3) and 5. (5) Segment information, due to changes in the business segmentation of segment information from the first quarter of the fiscal year ending March 31, 2010, the following year-on-year comparisons were made using the previous fiscal year figures rearranged into the business classification after the changes.

Regarding the interim dividend, the Olympus Group decided to pay ¥15 per share, as previously announced on August 6, 2009.

Imaging Systems Business

In the Imaging Systems Business, the Olympus Group registered consolidated net sales for the six months of ¥87,809 million (down 37.4 % year on year) and an operating income of ¥1,739 million (down 85.2% year on year).

In the digital camera field, sales was favorable both in Japan and abroad for the "Olympus PEN E-P1" interchangeable lens system digital camera with a small, lightweight and dignified design compliant with the "Micro Four Thirds System" standard. We also saw robust sales of compact camera the "µTOUGH" series whose stylish body is built with strong functions such as water resistance, shock resistance and low-temperature resistance. However, revenue in the digital camera field declined on the whole as the global economic recession led to fewer units sold and lower unit prices and as a result of foreign exchange effects.

Revenue in the recorder field fell due to the significant effects of decreases in both units sold and unit prices in Japan and abroad caused by the economic recession and the intensifying competitive environment.

Operating income in the Imaging Systems Business fell due to lower revenue and foreign exchange effects.

Medical Systems Business

Consolidated net sales in the Medical Systems Business during the six months amounted to ¥170,466 million (down 17.4% year on year), while operating income amounted to ¥37,587 million (down 3.0% year on year).

The medical endoscope field demonstrated a reduction in revenue as a result of foreign exchange effects and low sales of our flagship high-resolution HDTV endoscope system due to the global economic recession even though the number of contracts in the Value-per-Procedure program increased in Japan. Surgical and therapeutic devices field saw robust sales in surgical products related to Gyrus thanks to synergies created by its integration into the Olympus Group as well as a favorable performance on the part of integrated endoscopic video systems and ultrasound surgery devices. Also, Japan saw positive sales of sampling treatment devices such as biopsy forceps and disposable diathermic cutter devices, which are popular as a surgical treatment for early-stage gastric cancer. However, foreign currency effects and sluggish sales in large-scale surgical equipment for capital investments constricted sales overseas pushing downward revenue in the surgical and therapeutic devices field overall.

Operating income in the Medical Systems Business remained roughly at the same level as the same period of the previous fiscal year bolstered by improvements in earnings in the surgical and therapeutic devices field despite lower revenue due to foreign currency effects.

Life Science Business

Consolidated net sales for the Life Science Business during the six months was ¥44,071 million (down 28.4% year on year), while operating income amounted to ¥1,456 million (down 17.1% year on year).

In the micro-imaging (microscopes) field, overall revenue decreased as sales of biological microscopes and industrial microscopes failed to grow as the appreciated yen and global economic recession constricted research market and capital investments at companies despite favorable sales of industrial laser scanning microscopes.

Regarding the diagnostics systems field, despite positive sales of our blood transfusion related products in Japan and favorable overseas sales of clinical chemistry analyzers mostly to China, the business saw lower revenue as a result of its transfer to Beckman Coulter Group of the U.S. in August of this year.

Operating income for the Life Science Business fell in line with the decrease in revenue even though cost reduction activities progressed.

Information & Communication Business

Consolidated net sales for the Information & Communication Business during the six months was ¥88,587 million (up 19.5% year on year), while operating income amounted to ¥2,341 million (up 770.3% year on year).

Net sales increased due to an aggressive expansion in sales channels for mobile phones attributable to corporate acquisitions and others.

Operating income went up thanks not only to expanded sales channels for mobile phones but also enhanced profitability resulting from the streamlining of sales costs.

Others

Consolidated net sales for other businesses in the six months was ¥44,488 million (down 16.5% year on year), with an operating loss of ¥1,165 million (compared with an operating loss of ¥5,673 million recorded in the same period of the previous fiscal year).

In the non-destructive testing equipment field, ultrasonic defect detection device with phased array features and other testing equipment fared well, however, industrial endoscopes sales were lackluster as global capital investment constricted mostly in manufacturing sectors.

The number of units sold of high-speed inkjet printers in the information equipment field decreased in the wake of the economic recession.

In the biomedical materials field, sales of "OSferion," an artificial bone replacement material, expanded both in Japan and abroad and other products also fared well.

In others, the operating loss contracted as a result of lower costs associated with amortization of goodwill of subsidiaries.

2. Qualitative Information Regarding Consolidated Financial Position

As of the end of the second quarter, total assets increased ¥31,282 million compared to the end of the previous fiscal year to ¥1,137,600 million.

This was primarily as a result of increases in cash and time deposits of ¥86,549 million and in investment securities of ¥14,834 million, notwithstanding decreases in notes and accounts receivable of ¥17,392 million and in intangible fixed assets of ¥19,828 million due to the amortization of goodwill, among others.

Total liabilities decreased ¥4,232 million compared to the end of the previous fiscal year to ¥933,302 million due to decreases in other payable of ¥20,190 million, in short-term borrowings of ¥15,612 million and in accrued expense of ¥6,947 million, among others, notwithstanding an increase in long-term borrowings, less current maturities of ¥38,264 million.

Net assets increased ¥35,514 million compared to the end of the previous fiscal year to ¥204,298 million. This was primarily due to an increase in shareholders' equity of ¥41,379 million attributable to the recording of ¥36,193 million in net income.

As a result of the foregoing, equity ratio increased from 14.6% as of the end of the previous fiscal year to 17.3%.

Cash flow position

The following are the cash flows for the six months of the fiscal year ending March 31, 2010 and their causes.

"Cash flows from operating activities" increased net cash by ¥36,193 million. This was primarily due to income before provision for income taxes of ¥61,375 million and depreciation and amortization of ¥22,555 million recorded for the period, which was adjusted by factors such as a ¥46,271 million gain on transfer of business included in income before provision for income taxes.

"Cash flows from investing activities" increased net cash by ¥30,563 million. This was mainly due to proceeds from transfer of business of ¥74,402 million. Contrastingly, decreasing factors mainly included ¥28,074 million for the purchase of property, plant and equipment.

"Cash flows from financing activities" increased net cash by ¥23,512 million. This was mainly due to ¥64,710 million in proceeds from long-term debt. Contrastingly, decreasing factors mainly consisted of ¥32,228 million in repayments of long-term debt.

As a result, cash and cash equivalents at the end of the second quarter reached ¥220,537 million, an increase of ¥87,817 million compared to the end of the previous fiscal year.

3. Qualitative Information Regarding Forecast of Consolidated Financial Results

Full-year net sales are expected to exceed the previously announced forecast (August 6, 2009) by ¥20,000 million mainly due to the expansion of sales in the Information & Communication Business, however, in terms of profits, no changes have been made to the previously announced figures because of lingering uncertainties in the future business environment.

Regarding foreign exchange rates for the third quarter and beyond are expected to be ¥90 per U.S. dollar and ¥125 per euro and the average foreign exchange rates for the entire year, a precondition for the forecast, are expected to be ¥93 per U.S. dollar and ¥129 per euro.

Fiscal year ending March 31, 2010

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	(¥ million)	(¥ million)	(¥ million)	(¥ million)	(¥)
Previous Forecast (A)	900,000	59,000	40,000	40,000	148.16
Revised Forecast (B)	920,000	59,000	40,000	40,000	148.16
Increase (Decrease) (B-A)	20,000	–	–	–	–
Increase (Decrease) Ratio (%)	2.2	–	–	–	–

4. Others

(1) Changes in significant subsidiaries during period under review (changes in specified subsidiaries resulting in the changes in scope of consolidation)

Beckman Coulter Mishima K.K. (formerly known as Mishima Olympus Co., Ltd.) is excluded from the scope of consolidation due to the transfer of all shares held by the Olympus Group in August 2009.

(2) Application of simplified accounting and special accounting for preparing the quarterly consolidated financial statements

1) Calculation of taxes

Taxes are calculated first by reasonably estimating the effective tax rates after applying tax effect accounting against income before provision for income taxes for the fiscal year including the second quarter under review, and next by multiplying the quarterly income before provision for income taxes by such estimated effective tax rates.

2) Valuation method of inventories

Concerning the write-down of the book value of inventories, only for those items whose drop in profitability became apparent, an estimate of net sale value is made and book values are written down.

3) Calculation method of depreciation of fixed assets

Depreciation expenses for assets that are depreciated using the declining-balance method are calculated by proportionally dividing the annual depreciation expenses.

(3) Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly consolidated financial statements

1) Changes in account items for net sales and cost of sales on investment securities for business incubations

Previously, regarding the consolidated subsidiary ITX Corporation, proceeds from the sale of investment securities for business incubations were recorded as net sales and the book values and valuation losses, etc. of securities sold were recorded as cost of sales, however, following changes in the investment policy, from the first quarter of the fiscal year ending March 31, 2010, income/loss from such sales is recorded in extraordinary income/losses. The effect of this change on gross profit and operating income is immaterial.

2) Changes in business segmentation of the segment information

From the first quarter of the fiscal year ending March 31, 2010, the business segmentation of the segment information has been changed. For details, see 5. (5) Segment information.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of September 30, 2009	As of March 31, 2009 (Summary)
ASSETS		
Current assets		
Cash and time deposits	223,426	136,877
Notes and accounts receivable	142,866	160,258
Securities	2,500	199
Merchandise and finished goods	52,550	58,683
Work in process	19,039	21,230
Raw materials and supplies	15,969	16,577
Other current assets	78,396	85,337
Allowance for doubtful accounts	(3,682)	(4,394)
Total current assets	531,064	474,767
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	73,119	76,940
Machinery and equipment, net	14,367	16,784
Tools, furniture and fixtures, net	38,738	42,630
Land	19,140	19,856
Lease assets, net	3,851	3,512
Construction in progress	2,028	3,391
Net property, plant and equipment	151,243	163,113
Intangible fixed assets		
Goodwill	169,923	180,540
Others	74,869	84,080
Total intangible fixed assets	244,792	264,620
Investments and other assets		
Investment securities	141,978	127,144
Other assets	69,845	77,912
Allowance for doubtful accounts	(1,322)	(1,238)
Total investments and other assets	210,501	203,818
Total fixed assets	606,536	631,551
Total assets	1,137,600	1,106,318

(Millions of yen)

	As of September 30, 2009	As of March 31, 2009 (Summary)
LIABILITIES		
Current liabilities		
Notes and accounts payable	64,308	66,604
Short-term borrowings	81,456	97,068
Current maturities of bonds	40,300	20,300
Income taxes payable	15,630	8,404
Provision for product warranties	8,675	8,875
Other reserves	52	61
Other current liabilities	111,089	140,593
Total current liabilities	321,510	341,905
Non-current liabilities		
Long-term bonds, less current maturities	110,200	130,200
Long-term borrowings, less current maturities	450,920	412,656
Severance and retirement allowance	17,953	18,744
Other reserves	142	130
Other non-current liabilities	32,577	33,899
Total non-current liabilities	611,792	595,629
Total liabilities	933,302	937,534
NET ASSETS		
Shareholders' equity		
Common stock	48,332	48,332
Capital surplus	55,166	73,049
Retained earnings	160,925	110,407
Treasury stock, at cost	(4,130)	(12,874)
Total shareholders' equity	260,293	218,914
Valuation and translation adjustments		
Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	6,634	(1,457)
Net unrealized gains (losses) on hedging derivatives, net of taxes	818	(1,330)
Foreign currency translation adjustments	(70,653)	(54,763)
Total valuation and translation adjustments	(63,201)	(57,550)
Minority interests	7,206	7,420
Total net assets	204,298	168,784
Total liabilities and net assets	1,137,600	1,106,318

(2) Consolidated Statements of Income (cumulative)

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Net sales	535,790	435,421
Costs of sales	272,623	232,614
Gross profit	263,167	202,807
Selling, general and administrative expenses	231,068	174,289
Operating income	32,099	28,518
Non-operating income		
Interest income	1,916	575
Dividends income	594	448
Others	1,898	1,754
Total non-operating income	4,408	2,777
Non-operating expenses		
Interest expenses	7,123	6,295
Foreign currency exchange loss	4,165	1,301
Others	5,621	5,205
Total non-operating expenses	16,909	12,801
Ordinary income	19,598	18,494
Extraordinary income		
Gain on sales of investment securities	657	96
Gain on sales of investment securities in subsidiaries and affiliates	–	63
Gain on transfer of business	–	46,271
Total extraordinary income	657	46,430
Extraordinary losses		
Impairment loss on fixed assets	511	162
Loss on sales of investment securities	–	81
Provision of allowance for investment loss	–	1,800
Loss on valuation of investment securities	2,266	1,506
Total extraordinary losses	2,777	3,549
Income before provision for income taxes	17,478	61,375
Income taxes	14,518	25,174
Minority interest in income (losses) of consolidated subsidiaries	(643)	8
Net income	3,603	36,193

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Cash flows from operating activities		
Income before provision for income taxes	17,478	61,375
Depreciation and amortization	23,496	22,555
Impairment loss on fixed assets	511	162
Amortization of goodwill	13,839	5,848
Increase (decrease) in severance and retirement allowance	2,197	620
Increase (decrease) in allowance for investment loss	–	1,800
Interest and dividend income	(2,510)	(1,023)
Interest expense	7,123	6,295
Loss (gain) on transfer of business	–	(46,271)
Loss (gain) valuation of investment securities	2,266	1,506
Decrease (increase) in accounts receivable	4,213	2,904
Decrease (increase) in inventories	(505)	791
Increase (decrease) in accounts payable	(5,767)	3,248
Increase (decrease) in other payable	(4,680)	(6,443)
Increase (decrease) in accrued expense	(6,607)	(4,516)
Other	1,148	1,601
Sub-total	52,202	50,452
Interest and dividend received	2,560	1,096
Interest payments	(7,147)	(6,400)
Income taxes paid	(17,373)	(8,955)
Net cash provided by operating activities	30,242	36,193
Cash flows from investing activities		
Deposits in time deposits	(1,843)	(3,007)
Withdrawals from time deposits	38,184	2,247
Purchase of property, plant and equipment	(26,127)	(28,074)
Purchases of intangible fixed assets	(3,257)	(3,075)
Purchases of investment securities	(2,856)	(3,066)
Sales and redemption of investment securities	17,254	373
Payments for acquisition of new consolidated subsidiaries related to changes in scope of consolidation	(128)	(372)
Net decrease from sales of investment in subsidiaries related to changes in scope of consolidation	(95)	(16)
Payments for acquisition of new consolidated subsidiaries	(38,956)	(1,219)
Payments for transfer of business	–	(6,851)
Proceeds from transfer of business	–	74,402
Other	(41)	(779)
Net cash provided by (used in) investing activities	(17,865)	30,563

(Millions of yen)

	Six months ended September 30, 2008	Six months ended September 30, 2009
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(193,428)	(8,432)
Proceeds from long-term debt	200,796	64,710
Repayments of long-term debt	(8,620)	(32,228)
Proceeds from issuance of bonds	44,966	–
Redemption of bonds	(30,061)	–
Expenditure on acquisition of treasury stock	(10,183)	–
Dividends paid	(5,405)	–
Other	(581)	(538)
Net cash provided by (used in) financing activities	(2,516)	23,512
Effect of exchange rate changes on cash and cash equivalents	(1,545)	(3,016)
Net increase (decrease) in cash and cash equivalents	8,316	87,252
Cash and cash equivalents at beginning of period	119,842	132,720
Net increase in cash and cash equivalents associated with newly consolidated subsidiaries	–	477
Net decrease in cash and cash equivalents associated with exclusion from scope of consolidation	(6)	–
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	–	88
Cash and cash equivalents at end of period	128,152	220,537

(4) Notes on premise of going concern

No items to report

(5) Segment information

a. Segment information by type of business

Six months of the fiscal year ended March 31, 2009 (from April 1, 2008 to September 30, 2008)

(Millions of yen)

	Imaging Systems	Medical Systems	Life Science	Information & Communication	Others	Total	Elimination or Unallocation	Consolidated
Net sales								
(1) Sales to outside customers	140,287	206,450	61,594	92,997	34,462	535,790	–	535,790
(2) Internal sales of transfer among segments	63	27	102	–	231	423	(423)	–
Total	140,350	206,477	61,696	92,997	34,693	536,213	(423)	535,790
Operating income (or operating loss)	11,769	38,757	1,756	3	(5,407)	46,878	(14,779)	32,099

Six months of the fiscal year ending March 31, 2010 (from April 1, 2009 to September 30, 2009)

(Millions of yen)

	Imaging Systems	Medical Systems	Life Science	Information & Communication	Others	Total	Elimination or Unallocation	Consolidated
Net sales								
(1) Sales to outside customers	87,809	170,466	44,071	88,587	44,488	435,421	–	435,421
(2) Internal sales of transfer among segments	38	10	73	–	228	349	(349)	–
Total	87,847	170,476	44,144	88,587	44,716	435,770	(349)	435,421
Operating income (or operating loss)	1,739	37,587	1,456	2,341	(1,165)	41,958	(13,440)	28,518

Notes:

1. Method of segmentation of business
   Business established based on product line are segmented taking into consideration similarities in sales markets.
2. The main products for each business are as follows:

Six months of the fiscal year ended March 31, 2009

(1) Imaging Systems:	Digital cameras, Voice recorders
(2) Medical Systems:	Medical endoscopes, Surgical endoscopes, Endo-therapy devices, Ultrasound endoscopes
(3) Life Science:	Blood analyzer (clinical chemistry analyzer), Biological microscopes, Industrial microscopes
(4) Information & Communication:	Sales of mobile terminals including mobile handsets, Development and sales of business package software, Mobile solution, Mobile content services, Sales of network infrastructure systems, Sales of semiconductor devices and electric equipment
(5) Others:	Industrial endoscopes, Non-destructive testing equipment, Printers, Bar code data processing equipment, System development, etc.

Six months of the fiscal year ending March 31, 2010

(1) Imaging Systems:	Digital cameras, Voice recorders
(2) Medical Systems:	Medical endoscopes, Surgical endoscopes, Endo-therapy devices, Ultrasound endoscopes
(3) Life Science:	Blood analyzer (clinical chemistry analyzer), Biological microscopes, Industrial microscopes
(4) Information & Communication:	Sales of mobile terminals including mobile handsets
(5) Others:	Industrial endoscopes, Non-destructive testing equipment, Printers, Mobile solution, Mobile content services, Development and sales of business package software, Sales of network infrastructure systems, Sales of semiconductor devices and electric equipment, System development, etc.

3. Changes in business segmentation
Taking into consideration the revision in business segmentation effected to promote the "Corporate Structural Reform" implemented at ITX Corporation, the Company's consolidated subsidiary, from the first quarter of the fiscal year ending March 31, 2010, a portion of the businesses included in "Information & Communication Business" shall be included in "Others."
The following are business segmentation for the six months of the previous fiscal year presented in the same manner as the six months of the fiscal year under review.

Six months of the fiscal year ended March 31, 2009 (from April 1, 2008 to September 30, 2008)

(Millions of yen)

	Imaging Systems	Medical Systems	Life Science	Information & Communication	Others	Total	Elimination or Unallocation	Consolidated
Net sales								
(1) Sales to outside customers	140,287	206,450	61,594	74,151	53,308	535,790	–	535,790
(2) Internal sales of transfer among segments	63	27	102	–	231	423	(423)	–
Total	140,350	206,477	61,696	74,151	53,539	536,213	(423)	535,790
Operating income (or operating loss)	11,769	38,757	1,756	269	(5,673)	46,878	(14,779)	32,099

b. Segment information by region

Six months of the fiscal year ended March 31, 2009 (from April 1, 2008 to September 30, 2008)

(Millions of yen)

	Japan	Americas	Europe	Asia	Total	Elimination or Unallocation	Consolidated
Net sales							
(1) Sales to outside customers	200,649	144,236	147,733	43,172	535,790	–	535,790
(2) Internal sales of transfer among segments	155,879	4,749	10,558	48,660	219,846	(219,846)	–
Total	356,528	148,985	158,291	91,832	755,636	(219,846)	535,790
Operating income	28,200	4,013	9,317	5,468	46,998	(14,899)	32,099

Six months of the fiscal year ending March 31, 2010 (from April 1, 2009 to September 30, 2009)

(Millions of yen)

	Japan	Americas	Europe	Asia	Total	Elimination or Unallocation	Consolidated
Net sales							
(1) Sales to outside customers	199,447	103,551	100,213	32,210	435,421	–	435,421
(2) Internal sales of transfer among segments	102,673	4,111	7,542	32,324	146,650	(146,650)	–
Total	302,120	107,662	107,755	64,534	582,071	(146,650)	435,421
Operating income	22,613	4,910	10,306	1,706	39,535	(11,017)	28,518

Notes:
1. Countries and regions are segmented by geographical proximity.
2. Major countries and regions other than Japan are as follows:
   (1) Americas: USA, Canada, Mexico, and Brazil
   (2) Europe: Germany, UK, France, etc.
   (3) Asia: Singapore, Hong Kong, China, Korea, Australia, etc.

c. Overseas sales

Six months of the fiscal year ended March 31, 2009 (from April 1, 2008 to September 30, 2008)

(Millions of yen)

	North America	Europe	Asia	Others	Total
I. Overseas sales	132,294	147,959	66,275	13,763	360,291
II. Consolidated sales					535,790
III. Percentage of overseas sales in consolidated sales (%)	24.7	27.5	12.4	2.6	67.2

Six months of the fiscal year ending March 31, 2010 (from April 1, 2009 to September 30, 2009)

(Millions of yen)

	North America	Europe	Asia	Others	Total
I. Overseas sales	96,808	96,329	50,061	11,215	254,413
II. Consolidated sales					435,421
III. Percentage of overseas sales in consolidated sales (%)	22.2	22.1	11.5	2.6	58.4

Notes:

1. Overseas sales refer to the sales of the Company and its consolidated subsidiaries in countries or regions other than Japan.
2. Regions are segmented by geographical proximity.
3. Major countries and regions other than Japan are as follows:
   (1) North America: USA, Canada
   (2) Europe: Germany, UK, France, etc.
   (3) Asia: Singapore, Hong Kong, China, Korea, Australia, etc.
   (4) Others: Central and South America, Africa, etc.

(6) Notes on significant changes in the amount of shareholders' equity

No items to report

6. Other Information

(Business combinations)

Six months of the fiscal year ending March 31, 2010 (from April 1, 2009 to September 30, 2009)

(Business divestiture)

1. Name of the divestee, details of the divested business, purpose of divestiture, date of divestiture and outline of divestiture including legal form

(1) Name of divestee

Beckman Coulter, Inc. and its affiliates ("Beckman")

(2) Details of divested business

Diagnostic systems business of the Olympus Group

(3) Purpose of the divestiture

Regarding the business environment for diagnostic systems, the existence of large competitors with trillions of yen in capitalization in the global market as well as an increase in M&A activity and the entry of new players from other fields in recent years have drastically changed the competitive environment.

Under such circumstances, Olympus Corporation determined that, instead of continuing in this business independently, its divestment to Beckman, a large manufacturer of clinical testing systems, would enable the effective use of managerial resources such as technological assets and know-how fostered over many years. Therefore, we decided to transfer the diagnostic systems business to Beckman.

(4) Date of divestiture

August 3, 2009

(5) Outline of divestiture including legal form

Diagnostics systems business of the Olympus Group and its subsidiaries divested to Beckman by share transfer and transfer of business.

2. Overview of accounting treatment applied

(1) Income/loss from transfer

¥46,271 million

* The amount of income/loss from transfer may vary upon its scheduled adjustment based on the terms and conditions of the business transfer agreement.

(2) Appropriate book values of assets and liabilities relating to the transferred business and its breakdown

	(Millions of yen)
Current assets	28,886
Fixed assets	13,929
Total assets	42,815
Current liabilities	11,727
Non-current liabilities	1,580
Total liabilities	13,307

3. Estimates of income and loss amounts relating to the divested business recorded in the Consolidated Statements of Income for the second quarter and six months ended September 30, 2009

(Millions of yen)

	Second quarter	Six months (cumulative)
Net sales	4,471	16,533
Operating income	111	1,850