



Olympus Corporation and Consolidated Subsidiaries

FINANCIAL RESULTS For the First Quarter ended June 30, 2012

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Cautionary Statements with respect to Forward-Looking Statements

This report contains forward-looking statements that reflect management's current views, plans and expectations. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause Olympus's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements.

Consolidated Statements of Income

(Millions of Yen)

	For the first quarter		For the first quarter		Growth (%)	For the year ending		
	ended June 30 2011(Results)	Proportion (%)	ended June 30 2012(Results)	Proportion (%)		March 31 2013(Forecast)	Proportion (%)	Growth (%)
Net Sales	198,572		189,542		-4.5%	920,000		8.4%
<u>Cost of Sales</u>	108,738	54.8%	102,897	54.3%		500,000	54.3%	
Gross Profit	89,834	45.2%	86,645	45.7%	-3.5%	420,000	45.7%	9.4%
<u>S.G.A. Expenses</u>	84,591	42.6%	84,527	44.6%		370,000	40.3%	
Operating Income	5,243	2.6%	2,118	1.1%	-59.6%	50,000	5.4%	40.8%
Other Income/Expenses	-4,392		-2,359			-29,000		
<u>Extraordinary Item</u>	-268		-1,818			-2,700		
Income Before Provision for Income Taxes	583	0.3%	-2,059	—	—	18,300	2.0%	—
<u>Provision for Income Taxes</u>	1,955		2,311			11,100		
<u>Minority Interests</u>	51		86			200		
Net Income	-1,423	—	-4,456	—	—	7,000	0.8%	—

Average Exchange Rate for Net Sales

Yen / U.S.Dollar	81.74		80.20			80.00		
Yen / Euro	117.40		102.91			100.00		
Favorable/Unfavorable Impact on Net Sales	-6,789		-6,128			-12,864		
Favorable/Unfavorable Impact on Operating Income	-977		-2,594			-5,491		
R & D Expenditures	13,780	6.9%	13,416	7.1%	-2.6%	64,000	7.0%	4.3%
Capital Investments	7,977		7,199		-9.8%	32,500		-14.4%
Depreciation	8,294		7,762		-6.4%	35,000		3.6%

(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 2011(Results)	For the First Quarter ended June 30 2012(Results)	Growth	For the fiscal year ending March 31 2013(Forecast)	Growth
Medical	Net Sales	77,643	78,402	759	383,000	33,754
	Operating Income	10,918	12,378	1,460	75,000	6,812
	(%)	14.1%	15.8%	1.7%	19.6%	0.1%
Life Science and Industrial	Net Sales	20,567	17,697	-2,870	97,000	4,568
	Operating Income	517	-403	-920	5,500	61
	(%)	2.5%	—	—	5.7%	-0.2%
Imaging	Net Sales	34,259	28,849	-5,410	149,000	20,439
	Operating Income	370	-1,533	-1,903	1,000	11,760
	(%)	1.1%	—	—	0.7%	—
Information and Communication	Net Sales	52,618	53,865	1,247	237,000	7,601
	Operating Income	1,013	548	-465	5,000	-277
	(%)	1.9%	1.0%	-0.9%	2.1%	-0.2%
Others	Net Sales	13,485	10,729	-2,756	54,000	5,090
	Operating Income	-1,140	-1,052	88	-6,500	1,492
	(%)	—	—	—	—	—
Elimination or Corporate	Operating Income	-6,435	-7,820	-1,385	-30,000	-5,366
Total	Net Sales	198,572	189,542	-9,030	920,000	71,452
	Operating Income	5,243	2,118	-3,125	50,000	14,482
	(%)	2.6%	1.1%	-1.5%	5.4%	1.2%

Sales by Product

(Millions of Yen)

		June 30	Composition	June 30	Composition	Growth	March 31	Composition	Growth
		2011(Results)	Ratio(%)	2012(Results)	Ratio(%)	(%)	2013(Forecast)	Ratio(%)	(%)
Endoscope	Domestic	7,695		9,267		20.4%	45,700		4.3%
	Overseas	32,976		31,677		-3.9%	157,500		6.4%
	Total	40,671	20.5%	40,944	21.6%	0.7%	203,200	22.1%	5.9%
Surgical & Endo-Therapy	Domestic	8,053		9,015		11.9%	41,300		12.8%
	Overseas	28,919		28,443		-1.6%	138,500		14.6%
	Total	36,972	18.6%	37,458	19.8%	1.3%	179,800	19.5%	14.2%
Medical / Total	Domestic	15,748		18,282		16.1%	87,000		8.2%
	Overseas	61,895		60,120		-2.9%	296,000		10.1%
	Total	77,643	39.1%	78,402	41.4%	1.0%	383,000	41.6%	9.7%
Life Science	Domestic	1,695		1,243		-26.7%	11,000		4.2%
	Overseas	7,161		6,106		-14.7%	32,000		-0.3%
	Total	8,856	4.5%	7,349	3.9%	-17.0%	43,000	4.7%	0.8%
Industrial	Domestic	1,526		1,623		6.4%	9,200		9.6%
	Overseas	10,185		8,725		-14.3%	44,800		8.2%
	Total	11,711	5.9%	10,348	5.4%	-11.6%	54,000	5.8%	8.5%
Life Science & Industrial / Total	Domestic	3,221		2,866		-11.0%	20,200		6.6%
	Overseas	17,346		14,831		-14.5%	76,800		4.5%
	Total	20,567	10.4%	17,697	9.3%	-14.0%	97,000	10.5%	4.9%
Digital Camera	Domestic	5,374		6,172		14.8%	35,000		28.1%
	Overseas	25,473		19,311		-24.2%	98,700		12.3%
	Total	30,847	15.5%	25,483	13.4%	-17.4%	133,700	14.5%	16.0%
Others	Domestic	981		1,149		17.1%	3,800		-5.4%
	Overseas	2,431		2,217		-8.8%	11,500		23.6%
	Total	3,412	1.7%	3,366	1.8%	-1.3%	15,300	1.7%	14.8%
Imaging / Total	Domestic	6,355		7,321		15.2%	38,800		23.8%
	Overseas	27,904		21,528		-22.8%	110,200		13.4%
	Total	34,259	17.2%	28,849	15.2%	-15.8%	149,000	16.2%	15.9%
Information & Communication	Domestic	52,618		53,865		2.4%	237,000		3.3%
	Overseas	—		—		—	—		—
	Total	52,618	26.5%	53,865	28.4%	2.4%	237,000	25.8%	3.3%
Others	Domestic	10,336		9,040		-12.5%	39,700		4.2%
	Overseas	3,149		1,689		-46.4%	14,300		32.5%
	Total	13,485	6.8%	10,729	5.7%	-20.4%	54,000	5.9%	10.4%
Total	Domestic	88,278		91,374		3.5%	422,700		6.1%
	Overseas	110,294		98,168		-11.0%	497,300		10.4%
	Total	198,572	100.0%	189,542	100.0%	-4.5%	920,000	100.0%	8.4%

Sales by Region (Destination)

(Millions of Yen)

		June 30	Composition	June 30	Composition	Growth
		2011(Results)	Ratio (%)	2012(Results)	Ratio (%)	(%)
Medical	Japan	15,748	20.3%	18,282	23.3%	16.1%
	N. America	29,331	37.8%	26,309	33.6%	-10.3%
	Europe	22,288	28.7%	21,420	27.3%	-3.9%
	Asia/Oceania	7,780	10.0%	10,272	13.1%	32.0%
	Others	2,496	3.2%	2,119	2.7%	-15.1%
	Total	77,643		78,402		1.0%
Life Science & Industrial	Japan	3,221	15.7%	2,866	16.2%	-11.0%
	N. America	4,917	23.9%	4,723	26.7%	-3.9%
	Europe	4,925	23.9%	4,027	22.7%	-18.2%
	Asia/Oceania	6,001	29.2%	4,687	26.5%	-21.9%
	Others	1,503	7.3%	1,394	7.8%	-7.3%
	Total	20,567		17,697		-14.0%
Imaging	Japan	6,355	18.5%	7,321	25.4%	15.2%
	N. America	5,602	16.4%	4,428	15.4%	-21.0%
	Europe	11,466	33.5%	8,534	29.6%	-25.6%
	Asia/Oceania	9,375	27.4%	7,455	25.8%	-20.5%
	Others	1,461	4.2%	1,111	3.8%	-24.0%
	Total	34,259		28,849		-15.8%
Information & Communication	Japan	52,618	100.0%	53,865	100.0%	2.4%
	N. America	—	—	—	—	—
	Europe	—	—	—	—	—
	Asia/Oceania	—	—	—	—	—
	Others	—	—	—	—	—
	Total	52,618		53,865		2.4%
Others	Japan	10,336	76.6%	9,040	84.3%	-12.5%
	N. America	480	3.6%	452	4.2%	-5.8%
	Europe	781	5.8%	608	5.7%	-22.2%
	Asia/Oceania	1,804	13.4%	508	4.7%	-71.8%
	Others	84	0.6%	121	1.1%	44.0%
	Total	13,485		10,729		-20.4%
Total	Japan	88,278	44.5%	91,374	48.2%	3.5%
	N. America	40,330	20.3%	35,912	18.9%	-11.0%
	Europe	39,460	19.9%	34,589	18.3%	-12.3%
	Asia/Oceania	24,960	12.5%	22,922	12.1%	-8.2%
	Others	5,544	2.8%	4,745	2.5%	-14.4%
	Total	198,572		189,542		-4.5%

Consolidated Balance Sheets

(Millions of Yen)

	June 30 2011	June 30 2012	March 31 2012	Variance
Current Assets	582,993	503,940	526,558	-22,618
Cash and time deposits	266,951	204,918	200,088	4,830
Notes and accounts receivable	128,300	119,988	150,594	-30,606
Securities	2,000	—	—	—
Inventories	101,226	104,200	102,493	1,707
Deferred income taxes	29,301	22,994	23,574	-580
Other current assets	57,450	55,049	52,907	2,142
Allowance for doubtful accounts	-2,235	-3,209	-3,098	-111
Fixed Assets	471,925	412,966	439,968	-27,002
Property, Plant and Equipment	139,088	125,564	127,808	-2,244
Buildings and structures	62,059	53,224	55,925	-2,701
Machinery and equipment	12,248	10,220	10,535	-315
Tools, furniture and fixtures	37,552	39,257	38,580	677
Land	19,395	15,649	15,931	-282
Lease assets	5,132	5,912	5,706	206
Construction in progress	2,702	1,302	1,131	171
Intangible Assets	198,361	187,082	197,145	-10,063
Goodwill	127,748	117,890	124,465	-6,575
Others	70,613	69,192	72,680	-3,488
Investments and Other Assets	134,476	100,320	115,015	-14,695
Investment securities	57,213	43,756	51,318	-7,562
Deferred income taxes	15,873	7,843	8,167	-324
Other assets	69,920	57,395	63,426	-6,031
Allowance for doubtful accounts	-8,530	-8,674	-7,896	-778
Total Assets	1,054,918	916,906	966,526	-49,620

(Millions of Yen)

	June 30 2011	June 30 2012	March 31 2012	Variance
Current Liabilities	322,000	299,912	320,393	-20,481
Notes and accounts payable	65,201	58,670	75,330	-16,660
Short-term borrowings	123,887	89,769	92,075	-2,306
Current maturities of bonds	240	20,040	20,040	—
Accrued expenses	59,125	60,945	62,613	-1,668
Income taxes payable	12,424	8,061	8,228	-167
Warranty reserve	7,887	6,804	7,336	-532
Other reserves	762	—	18	-18
Other current liabilities	52,474	55,623	54,753	870
Non-current Liabilities	631,167	593,781	598,105	-4,324
Long-term bonds, less current maturities	110,100	90,060	90,080	-20
Long-term borrowings, less current maturities	469,396	438,508	440,231	-1,723
Severance and retirement allowance	19,046	23,711	23,922	-211
Other reserves	142	161	140	21
Other non-current liabilities	32,483	41,341	43,732	-2,391
Net Assets	101,751	23,213	48,028	-24,815
Shareholders' Equity	199,834	147,395	152,067	-4,672
Common stock	48,332	48,332	48,332	—
Capital surplus	54,788	54,788	54,788	—
Retained earnings	107,863	55,525	60,197	-4,672
Treasury stock, at cost	-11,149	-11,250	-11,249	-1
Valuation and Translation Adjustments	-101,188	-127,448	-107,297	-20,151
Unrealized holding gains or losses on securities	4,777	-2,293	3,128	-5,421
Deferred gains or losses on hedges	-188	85	-1,268	1,353
Foreign currency translation adjustments	-102,216	-118,445	-102,067	-16,378
Pension liabilities adjustment of foreign subsidiaries	-3,561	-6,795	-7,090	295
Minority Interests	3,105	3,266	3,258	8
Liabilities and Net Assets	1,054,918	916,906	966,526	-49,620

(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.

Forecast of Consolidated Financial Results (1H and 2H)

(Millions of Yen)

	For the fiscal year ended Mar.31,2012		For the fiscal year ending Mar.31, 2013 (Forecast)		Growth (%)	
	1H	2H	1H	2H	1H	2H
Net Sales	414,518	434,030	427,000	493,000	3.0%	13.6%
<u>Cost of Sales</u>	<u>224,996</u>	<u>239,747</u>	<u>233,000</u>	<u>267,000</u>		
Gross Profit	189,522	194,283	194,000	226,000	2.4%	16.3%
<u>S.G.A. Expenses</u>	<u>171,987</u>	<u>176,300</u>	<u>172,000</u>	<u>198,000</u>		
Operating Income	17,535	17,983	22,000	28,000	25.5%	55.7%
<u>Other Income/Expenses</u>	<u>-8,059</u>	<u>-9,594</u>	<u>-14,600</u>	<u>-14,400</u>		
<u>Extraordinary Item</u>	<u>-16,119</u>	<u>-11,241</u>	<u>-900</u>	<u>-1,800</u>		
Income Before Provision for Income Taxes	-6,643	-2,852	6,500	11,800	—	—
<u>Provision for Income Taxes</u>	<u>25,600</u>	<u>13,682</u>	<u>4,400</u>	<u>6,700</u>		
<u>Minority Interests</u>	<u>86</u>	<u>122</u>	<u>100</u>	<u>100</u>		
Net Income	-32,329	-16,656	2,000	5,000	—	—

(Note)

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Forecast of Consolidated Financial Results by Segment (1H and 2H)

(Millions of Yen)

		For the fiscal year ended Mar.31,2012		For the fiscal year ending Mar.31, 2013 (Forecast)		Growth (%)	
		1H	2H	1H	2H	1H	2H
Medical	Net Sales	163,766	185,480	181,000	202,000	10.5%	8.9%
	Operating Income	28,368	39,820	38,000	37,000	34.0%	-7.1%
Life Science & Industrial	Net Sales	44,855	47,577	43,000	54,000	-4.1%	13.5%
	Operating Income	3,515	1,924	1,500	4,000	-57.3%	107.9%
Imaging	Net Sales	71,099	57,462	64,000	85,000	-10.0%	47.9%
	Operating Income	-245	-10,515	-2,000	3,000	—	—
Information & Communication	Net Sales	109,203	120,196	114,000	123,000	4.4%	2.3%
	Operating Income	2,753	2,524	3,000	2,000	9.0%	-20.8%
Others	Net Sales	25,595	23,315	25,000	29,000	-2.3%	24.4%
	Operating Income	-3,401	-4,591	-3,500	-3,000	—	—
Elimination or Corporate	Net Sales	—	—	—	—	—	—
	Operating Income	-13,455	-11,179	-15,000	-15,000	—	—
Total	Net Sales	414,518	434,030	427,000	493,000	3.0%	13.6%
	Operating Income	17,535	17,983	22,000	28,000	25.5%	55.7%