



Olympus Corporation and Consolidated Subsidiaries

FINANCIAL RESULTS For the Third Quarter ended December 31, 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 third quarter		For the third quarter		Growth (%)	For the year ending		
	ended Dec. 31	Proportion	ended Dec. 31	Proportion		Mar. 31	Proportion	Growth
	2011(Results)	(%)	2012(Results)	(%)		2013(Forecast)	(%)	(%)
Net Sales	624,652		561,228		-10.2%	740,000		-12.8%
<u>Cost of Sales</u>	341,131	54.6%	286,343	51.0%		368,000	49.7%	
Gross Profit	283,521	45.4%	274,885	49.0%	-3.0%	372,000	50.3%	-3.1%
<u>S.G.A. Expenses</u>	257,562	41.2%	250,275	44.6%		337,000	45.6%	
Operating Income	25,959	4.2%	24,610	4.4%	-5.2%	35,000	4.7%	-1.5%
Other Income/Expenses	-10,953		-15,871			-23,500		
<u>Extraordinary Item</u>	-18,552		10,588			9,500		
Income Before Provision for Income Taxes	-3,546	—	19,327	3.4%	—	21,000	2.8%	—
<u>Provision for Income Taxes</u>	29,358		11,482			14,800		
<u>Minority Interests</u>	181		221			200		
Net Income	-33,085	—	7,624	1.4%	—	6,000	0.8%	—

Average Exchange Rate for Net Sales

Yen / U.S.Dollar	79.01		80.00			83.00		
Yen / Euro	110.64		102.17			107.00		
Favorable/Unfavorable Impact on Net Sales	-20,136		-5,601			9,016		
Favorable/Unfavorable Impact on Operating Income	-4,330		-4,143			190		
R & D Expenditures	43,140	6.9%	42,250	7.5%	-2.1%	63,000	8.5%	2.7%
Capital Investments	23,860		20,564		-13.8%	31,000		-18.3%
Depreciation	24,831		24,260		-2.3%	34,000		0.6%

(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)

		The third Quarter			The fiscal year		
		From Apr. 1, 2011	From Apr. 1, 2012	Growth	From Apr. 1, 2011	From Apr. 1, 2012	Growth
		to Dec. 31,2011	to Dec. 31,2012		to Mar. 31,2012	to Mar. 31,2013	
		Forecast					
Medical	Net Sales	252,510	270,227	17,717	349,246	390,000	40,754
	Operating Income	47,236	56,422	9,186	68,188	84,000	15,812
	(%)	18.7%	20.9%	2.2%	19.5%	21.5%	2.0%
Life Science & Industrial	Net Sales	65,935	57,509	-8,426	92,432	85,000	-7,432
	Operating Income	3,510	1,182	-2,328	5,439	2,000	-3,439
	(%)	5.3%	2.1%	-3.2%	5.9%	2.4%	-3.5%
Imaging	Net Sales	104,803	86,889	-17,914	128,561	110,000	-18,561
	Operating Income	-3,802	-8,753	-4,951	-10,760	-16,000	-5,240
	(%)	—	—	—	—	—	—
Information and Communication	Net Sales	164,000	114,243	-49,757	229,399	114,243	-115,156
	Operating Income	3,584	1,704	-1,880	5,277	1,704	-3,573
	(%)	2.2%	1.5%	-0.7%	2.3%	1.5%	-0.8%
Others	Net Sales	37,404	32,360	-5,044	48,910	40,757	-8,153
	Operating Income	-5,237	-3,313	1,924	-7,992	-6,704	1,288
	(%)	—	—	—	—	—	—
Elimination or Corporate	Net Sales	—	—	—	—	—	—
	Operating Income	-19,332	-22,632	-3,300	-24,634	-30,000	-5,366
Total	Net Sales	624,652	561,228	-63,424	848,548	740,000	-108,548
	Operating Income	25,959	24,610	-1,349	35,518	35,000	-518
	(%)	4.2%	4.4%	0.2%	4.2%	4.7%	0.5%

Sales by Product

(Millions of Yen)

		Dec. 31	Composition	Dec. 31	Composition	Growth	Mar. 31	Composition	Growth
		2011(Results)	Ratio(%)	2012(Results)	Ratio(%)	(%)	2013(Forecast)	Ratio(%)	(%)
Endoscope	Domestic	30,383		30,840		1.5%	46,000		5.0%
	Overseas	107,822		115,675		7.3%	164,800		11.4%
	Total	138,205	22.1%	146,515	26.1%	6.0%	210,800	28.5%	9.9%
Surgical & Endo-Therapy	Domestic	25,547		30,590		19.7%	42,200		15.3%
	Overseas	88,758		93,122		4.9%	137,000		13.4%
	Total	114,305	18.3%	123,712	22.0%	8.2%	179,200	24.2%	13.8%
Medical / Total	Domestic	55,930		61,430		9.8%	88,200		9.7%
	Overseas	196,580		208,797		6.2%	301,800		12.3%
	Total	252,510	40.4%	270,227	48.1%	7.0%	390,000	52.7%	11.7%
Life Science	Domestic	5,993		5,123		-14.5%	9,800		-7.2%
	Overseas	23,068		19,828		-14.0%	29,000		-9.6%
	Total	29,061	4.7%	24,951	4.4%	-14.1%	38,800	5.3%	-9.0%
Industrial	Domestic	5,884		5,124		-12.9%	7,900		-5.9%
	Overseas	30,990		27,434		-11.5%	38,300		-7.5%
	Total	36,874	5.9%	32,558	5.8%	-11.7%	46,200	6.2%	-7.2%
Life Science & Industrial / Total	Domestic	11,877		10,247		-13.7%	17,700		-6.6%
	Overseas	54,058		47,262		-12.6%	67,300		-8.4%
	Total	65,935	10.6%	57,509	10.2%	-12.8%	85,000	11.5%	-8.0%
Digital Camera	Domestic	21,569		22,059		2.3%	26,700		-2.3%
	Overseas	72,988		55,294		-24.2%	70,900		-19.3%
	Total	94,557	15.1%	77,353	13.8%	-18.2%	97,600	13.2%	-15.3%
Others	Domestic	2,972		3,169		6.6%	4,000		-0.4%
	Overseas	7,274		6,367		-12.5%	8,400		-9.7%
	Total	10,246	1.7%	9,536	1.7%	-6.9%	12,400	1.7%	-6.9%
Imaging / Total	Domestic	24,541		25,228		2.8%	30,700		-2.1%
	Overseas	80,262		61,661		-23.2%	79,300		-18.4%
	Total	104,803	16.8%	86,889	15.5%	-17.1%	110,000	14.9%	-14.4%
Information & Communication	Domestic	164,000		114,243		-30.3%	114,243		-50.2%
	Overseas	—		—		—	—		—
	Total	164,000	26.2%	114,243	20.4%	-30.3%	114,243	15.4%	-50.2%
Others	Domestic	29,024		26,729		-7.9%	34,357		-9.9%
	Overseas	8,380		5,631		-32.8%	6,400		-40.7%
	Total	37,404	6.0%	32,360	5.8%	-13.5%	40,757	5.5%	-16.7%
Total	Domestic	285,372		237,877		-16.6%	285,200		-28.4%
	Overseas	339,280		323,351		-4.7%	454,800		1.0%
	Total	624,652	100.0%	561,228	100.0%	-10.2%	740,000	100.0%	-12.8%

Sales by Region (Destination)

(Millions of Yen)

		Dec. 31	Composition	Dec. 31	Composition	Growth
		2011(Results)	Ratio (%)	2012(Results)	Ratio (%)	(%)
Medical	Japan	55,930	22.1%	61,430	22.7%	9.8%
	N. America	88,013	34.9%	93,261	34.5%	6.0%
	Europe	70,239	27.8%	72,462	26.8%	3.2%
	Asia/Oceania	30,665	12.1%	36,239	13.4%	18.2%
	Others	7,663	3.1%	6,835	2.6%	-10.8%
	Total	252,510		270,227		7.0%
Life Science & Industrial	Japan	11,877	18.0%	10,247	17.8%	-13.7%
	N. America	16,297	24.7%	14,577	25.4%	-10.6%
	Europe	15,134	23.0%	13,269	23.1%	-12.3%
	Asia/Oceania	18,144	27.5%	14,833	25.8%	-18.2%
	Others	4,483	6.8%	4,583	7.9%	2.2%
	Total	65,935		57,509		-12.8%
Imaging	Japan	24,541	23.4%	25,228	29.0%	2.8%
	N. America	15,604	14.9%	14,044	16.2%	-10.0%
	Europe	34,114	32.6%	25,302	29.1%	-25.8%
	Asia/Oceania	26,810	25.6%	19,850	22.9%	-26.0%
	Others	3,734	3.5%	2,465	2.8%	-34.0%
	Total	104,803		86,889		-17.1%
Information & Communication	Japan	164,000	100.0%	114,243	100.0%	-30.3%
	N. America	—	—	—	—	—
	Europe	—	—	—	—	—
	Asia/Oceania	—	—	—	—	—
	Others	—	—	—	—	—
	Total	164,000		114,243		-30.3%
Others	Japan	29,024	77.6%	26,729	82.6%	-7.9%
	N. America	1,466	3.9%	1,249	3.9%	-14.8%
	Europe	2,239	6.0%	2,342	7.2%	4.6%
	Asia/Oceania	4,396	11.8%	1,858	5.7%	-57.7%
	Others	279	0.7%	182	0.6%	-34.8%
	Total	37,404		32,360		-13.5%
Total	Japan	285,372	45.7%	237,877	42.4%	-16.6%
	N. America	121,380	19.4%	123,131	21.9%	1.4%
	Europe	121,726	19.5%	113,375	20.2%	-6.9%
	Asia/Oceania	80,015	12.8%	72,780	13.0%	-9.0%
	Others	16,159	2.6%	14,065	2.5%	-13.0%
	Total	624,652		561,228		-10.2%

Consolidated Statements of Income (Quarterly)

(Millions of Yen)

	For the fiscal year ending Mar. 31, 2013			Growth (%)		
	1st Quarter	2nd Quarter	3rd Quarter	1st Quarter	2nd Quarter	3rd Quarter
Net Sales	189,542	216,222	155,464	-4.5%	0.1%	-26.0%
<u>Cost of Sales</u>	<u>102,897</u>	<u>115,440</u>	<u>68,006</u>	-5.4%	-0.7%	-41.4%
Gross Profit	86,645	100,782	87,458	-3.5%	1.1%	-7.0%
<u>S.G.A. Expenses</u>	<u>84,527</u>	<u>84,860</u>	<u>80,888</u>	-0.1%	-2.9%	-5.5%
Operating Income	2,118	15,922	6,570	-59.6%	29.5%	-22.0%
Other Income/Expenses	-2,359	-8,287	-5,225	—	—	—
<u>Extraordinary Item</u>	<u>-1,818</u>	<u>12,408</u>	<u>-2</u>	—	—	—
Income Before Provision for Income Taxes	-2,059	20,043	1,343	—	—	-56.6%
<u>Provision for Income Taxes</u>	<u>2,311</u>	<u>7,523</u>	<u>1,648</u>	18.2%	-68.2%	-56.1%
<u>Minority Interests</u>	<u>86</u>	<u>49</u>	<u>86</u>	68.6%	40.0%	-9.5%
Net Income	-4,456	12,471	-391	—	—	—
Capital Investments	7,199	7,430	5,935	-9.8%	-12.5%	-19.7%
Depreciation	7,762	7,965	8,533	-6.4%	-3.8%	3.3%

(Note)

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Sales and Operating Income by Business Segment (Quarterly)

(Millions of Yen)

		For the fiscal year ending Mar. 31, 2013			Growth (%)		
		1st Quarter	2nd Quarter	3rd Quarter	1st Quarter	2nd Quarter	3rd Quarter
Medical	Net Sales	78,402	97,790	94,035	1.0%	13.5%	6.0%
	Operating Income	12,378	24,976	19,068	13.4%	43.1%	1.1%
Life Science & Industrial	Net Sales	17,697	20,436	19,376	-14.0%	-15.9%	-8.1%
	Operating Income	-403	1,489	96	—	-50.3%	—
Imaging	Net Sales	28,849	27,091	30,949	-15.8%	-26.5%	-8.2%
	Operating Income	-1,533	-2,904	-4,316	—	—	—
Information & Communication	Net Sales	53,865	60,378	—	2.4%	6.7%	-100.0%
	Operating Income	548	1,156	—	-45.9%	-33.6%	-100.0%
Others	Net Sales	10,729	10,527	11,104	-20.4%	-13.1%	-6.0%
	Operating Income	-1,052	-2,551	290	—	—	—
Elimination or Corporate	Net Sales	—	—	—	—	—	—
	Operating Income	-7,820	-6,244	-8,568	—	—	—
Total	Net Sales	189,542	216,222	155,464	-4.5%	0.1%	-26.0%
	Operating Income	2,118	15,922	6,570	-59.6%	29.5%	-22.0%

Consolidated Balance Sheets

	(Millions of Yen)			
	Dec. 31	Dec. 31	Mar. 31	Variance
	2011	2012	2012	
Current Assets	507,593	516,318	526,558	-10,240
Cash and time deposits	201,498	213,029	200,088	12,941
Notes and accounts receivable	131,586	111,890	150,594	-38,704
Inventories	103,950	107,282	102,493	4,789
Deferred income taxes	27,209	24,383	23,574	809
Other current assets	46,720	62,948	52,907	10,041
Allowance for doubtful accounts	-3,370	-3,214	-3,098	-116
Fixed Assets	421,981	399,984	439,968	-39,984
Property, Plant and Equipment	122,519	127,141	127,808	-667
Buildings and structures	54,469	50,998	55,925	-4,927
Machinery and equipment	10,009	9,726	10,535	-809
Tools, furniture and fixtures	35,270	43,569	38,580	4,989
Land	16,034	14,987	15,931	-944
Lease assets	4,944	6,088	5,706	382
Construction in progress	1,793	1,773	1,131	642
Intangible Assets	189,522	169,491	197,145	-27,654
Goodwill	122,453	100,345	124,465	-24,120
Others	67,069	69,146	72,680	-3,534
Investments and Other Assets	109,940	103,352	115,015	-11,663
Investment securities	48,080	44,339	51,318	-6,979
Deferred income taxes	7,850	7,425	8,167	-742
Other assets	61,481	60,399	63,426	-3,027
Allowance for doubtful accounts	-7,471	-8,811	-7,896	-915
Total Assets	929,574	916,302	966,526	-50,224

	(Millions of Yen)			
	Dec. 31	Dec. 31	Mar. 31	Variance
	2011	2012	2012	
Current Liabilities	291,708	323,883	320,393	3,490
Notes and accounts payable	64,660	40,158	75,330	-35,172
Short-term borrowings	76,821	140,056	92,075	47,981
Current maturities of bonds	20,040	20,000	20,040	-40
Accrued expenses	53,692	56,280	62,613	-6,333
Income taxes payable	15,011	11,224	8,228	2,996
Warranty reserve	7,043	7,478	7,336	142
Other reserves	919	—	18	-18
Other current liabilities	53,522	48,687	54,753	-6,066
Non-current Liabilities	594,094	500,500	598,105	-97,605
Long-term bonds, less current maturities	90,080	70,000	90,080	-20,080
Long-term borrowings, less current maturities	449,892	366,166	440,231	-74,065
Severance and retirement allowance	18,264	23,121	23,922	-801
Other reserves	133	137	140	-3
Other non-current liabilities	35,725	41,076	43,732	-2,656
Net Assets	43,772	91,919	48,028	43,891
Shareholders' Equity	167,963	178,520	152,067	26,453
Common stock	48,332	57,855	48,332	9,523
Capital surplus	54,788	64,312	54,788	9,524
Retained earnings	76,091	67,606	60,197	7,409
Treasury stock, at cost	-11,248	-11,252	-11,249	-3
Valuation and Translation Adjustments	-127,379	-89,844	-107,297	17,453
Unrealized holding gains or losses on securities	-1,108	1,044	3,128	-2,084
Deferred gains or losses on hedges	-119	-217	-1,268	1,051
Foreign currency translation adjustments	-122,883	-83,561	-102,067	18,506
Pension liabilities adjustment of foreign subsidiaries	-3,269	-7,110	-7,090	-20
Minority Interests	3,188	3,243	3,258	-15
Liabilities and Net Assets	929,574	916,302	966,526	-50,224

(Note)

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