

Intellectual Property Report

Olympus reports on the results of the intellectual property activities of the Olympus Group (“Olympus Corporation,” “Olympus Medical Systems Corp.” and “Olympus Imaging Corp.,” collectively, “Olympus”) in the fiscal year ended March 31, 2012

Core Technology and R&D Efficiency

Olympus’s core competence is in Opto-Digital Technology, a fusion of optical technologies accumulated by Olympus over many years and the latest digital technologies. In order to further strengthen this core competence, Olympus has positioned the following technologies as fundamental and common to the Olympus Group as a whole: Optical Technology—the technologies of capturing and controlling light; Electronic and Imaging Technology—the digitization and manipulation of images captured from light; Precision Technologies—the technologies to create products accurately and control them precisely; and Biomechanical and Biological Fundamental Technology—technologies for live cell observation and technologies for cell separation and culturing indispensable for the realization of regenerative medicine. By sharpening its competitive edge through the concentrated injection of R&D resources, Olympus creates new value in the Medical, Life Science & Industrial, and Imaging businesses.

Olympus’ consolidated net sales in fiscal 2012, resulting from businesses based on the above technological core competences, were ¥848.5 billion, 0.2% higher compared with the previous year. Olympus’ R&D expenditures in fiscal 2012 amounted to approximately ¥61.4 billion, equivalent to 7.2% of net sales. As a result, the ratio of R&D expenditures to net sales (calculated from net sales and R&D expenditures for the past five

R&D Expenditures to Net Sales, R&D Efficiency



Note:

This graph illustrates the effect of prior investment in R&D activities on operating income by showing R&D efficiency calculated on a five-year cumulative basis. For example, fiscal 2012 R&D efficiency was calculated by dividing cumulative operating income for fiscal 2008 through 2012 by cumulative R&D expenditures for fiscal 2003 through 2007. R&D expenditures to net sales for fiscal 2012 is calculated by dividing the five-year cumulative R&D expenditures (fiscal 2008–2012) by the five-year cumulative net sales (year ended March 31, fiscal 2008–2012). All figures are reported on a consolidated basis.

years) rose from 6.5% to 7.0%. R&D efficiency fell from 1.8 the previous year to 1.3 as a result of operating income remaining level with last year’s figure, along with the impact of the Great East Japan Earthquake, the flooding in Thailand and the yen’s appreciation, amid continued investment in R&D.

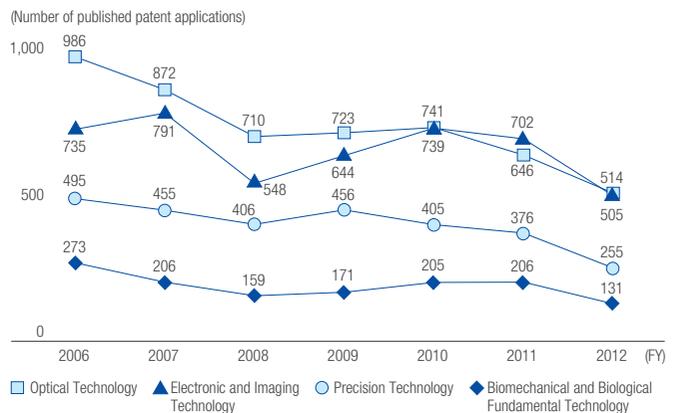
Overview of Intellectual Property Activities in Core Competence Areas

1. Number of Patent Applications Published in Japan and Overseas in Core Competence Areas

(1) Japan

The number of patent applications published in Japan decreased year on year in the areas of Optical Technology, Electronic and Imaging Technology, Precision Technology, and Biomechanical and Biological Fundamental Technology alike. The decrease is attributable to a more rigorous selection of patent applications in response to the impact of the global financial crisis.

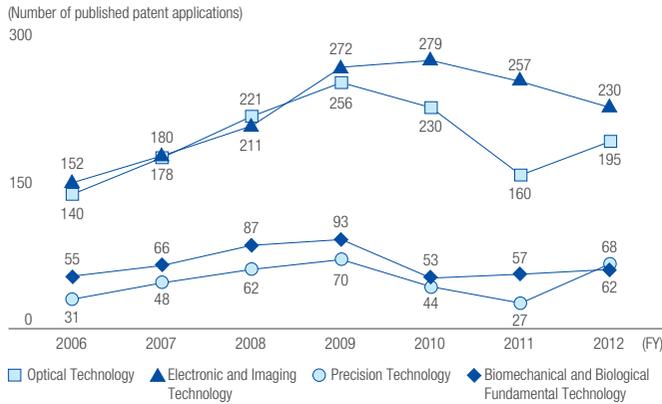
Number of Patent Applications Published in Japan in Core Competence Areas



(2) Overseas

The number of patent applications published overseas increased year on year overall, increasing in the areas of Optical Technology, Precision Technology, and Biomechanical and Biological Fundamental Technology and decreasing in the area of Electronic and Imaging Technology. The overall increase is attributable to a policy of increasing overseas applications in preparation for globalization of business activities, among which is further business expansion in emerging markets.

Number of Patent Applications Published Overseas in Core Competence Areas

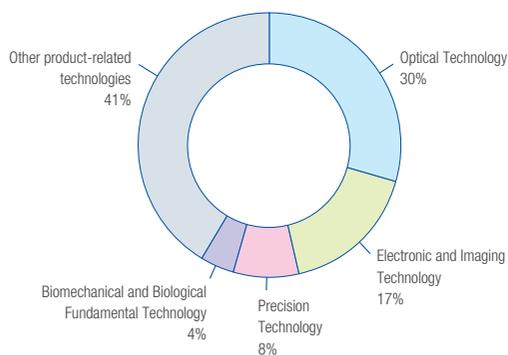


2. Breakdown of Patents in Core Competence Areas as Part of All Patents Held

Beginning in fiscal 2012, Olympus will report the core competence area ratios among all domestic and overseas patents held instead of the ratios among domestic patents held as reported in previous reports.

Patents in core competence areas account for 59% of all domestic and overseas patents held. Electronic and Imaging Technology and Optical Technology account for 47% of the total.

Core Competence Area Ratios as Part of All Patents Held



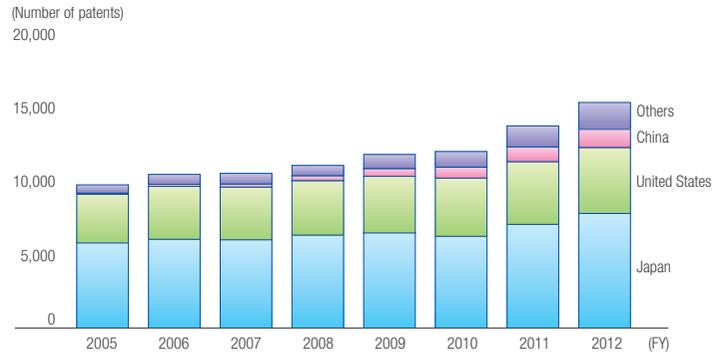
Number of Patents Held by Country and Business

Change in the number of patents held by country over the past eight years is as follows. In fiscal 2012, as in fiscal 2011, Olympus engaged in patent acquisition activities based on a policy of sorting out patents held from the perspective of return on investment in Japan and of increasing the number of patents acquired overseas.

The number of patents held in Japan in fiscal 2012 increased by 11%

year on year as the number of new registrations exceeded the combined numbers of abandonments and expirations. The number of patents held overseas increased by 14%, and the ratio of overseas patents to all patents held increased to 49%.

Number of Patents Held by Country



The number and ratio of Olympus' patents held in each business area as of March 31, 2012, are shown in the table below. Olympus' core Medical Business and Imaging Business account for 69% of all patents held.

Number and Ratio of Patents Held by Business Group

	Medical		Life Science & Industrial		Imaging	
	Number	%	Number	%	Number	%
Japanese patents	3,284	42	1,251	16	2,036	26
U.S. patents	1,209	28	598	13	1,535	35
Chinese patents	548	43	90	7	525	41
Other patents	1,353	73	216	12	117	6
Total	6,394	42	2,155	14	4,213	27

	R&D/Monozukuri Innovation		Total	
	Number	%	Number	%
Japanese patents	1,293	16	7,864	100
U.S. patents	1,048	24	4,390	100
Chinese patents	109	9	1,272	100
Other patents	173	9	1,859	100
Total	2,623	17	15,385	100

Cautionary Statement

Forward-looking statements concerning Olympus' plans, prospects, and strategies may be revised as a result of changes in the future business environment and other factors.