Consolidated Balance Sheets

Olympus Corporation and Consolidated Subsidiaries
As of March 31, 2012 and 2013

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2012	**2013**	**2013**
ASSETS			
CURRENT ASSETS:			
Cash and deposits (Notes 4, 17 and 27)	¥ 200,088	**¥ 229,610**	**$ 2,442,660**
Notes and accounts receivable (Notes 4 and 6)	150,594	**125,231**	**1,332,245**
Allowance for doubtful accounts	(3,098)	**(3,297)**	**(35,074)**
Lease receivables and leased investment assets (Notes 17 and 32)	18,888	**21,777**	**231,670**
Inventories (Note 7)	102,493	**99,307**	**1,056,457**
Deferred income taxes (Note 14)	23,574	**25,087**	**266,883**
Other current assets	34,019	**43,322**	**460,872**
Total current assets	526,558	**541,037**	**5,755,713**
PROPERTY, PLANT AND EQUIPMENT:			
Land	15,931	**15,172**	**161,404**
Buildings and structures (Note 17)	129,654	**127,908**	**1,360,723**
Machinery and equipment (Note 17)	211,195	**229,828**	**2,444,979**
Leased assets	9,402	**11,523**	**122,585**
Construction in progress	1,131	**1,853**	**19,713**
	367,313	**386,284**	**4,109,404**
Less-Accumulated depreciation	(239,505)	**(256,482)**	**(2,728,532)**
Net property, plant and equipment	127,808	**129,802**	**1,380,872**
INVESTMENTS AND OTHER ASSETS:			
Investment securities (Notes 4 and 5)	51,318	**48,614**	**517,170**
Deferred income taxes (Note 14)	8,167	**9,418**	**100,191**
Goodwill (Note 20)	124,465	**106,346**	**1,131,340**
Other assets (Notes 12, 17 and 32)	136,106	**133,326**	**1,418,362**
Allowance for doubtful accounts (Note 12)	(7,896)	**(8,461)**	**(90,010)**
Total investments and other assets	312,160	**289,243**	**3,077,053**
Total assets	¥ 966,526	**¥ 960,082**	**$10,213,638**

See accompanying notes to consolidated financial statements.

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2012	**2013**	**2013**
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Short-term borrowings (Notes 4, 8 and 17)	¥ 63,092	**¥ 39,637**	**$ 421,670**
Current maturities of long-term debt (Notes 4, 9 and 17)	49,023	**97,873**	**1,041,202**
Notes and accounts payable (Notes 4 and 10)	75,330	**42,272**	**449,702**
Other payables	36,947	**31,221**	**332,138**
Accrued expenses	62,613	**67,676**	**719,957**
Provision for warranty costs	7,336	**7,513**	**79,926**
Income taxes payable (Note 14)	8,228	**12,622**	**134,277**
Other current liabilities	17,824	**18,046**	**191,979**
Total current liabilities	320,393	**316,860**	**3,370,851**
NON-CURRENT LIABILITIES:			
Long-term debt, less current maturities (Notes 4, 9 and 17)	530,311	**422,880**	**4,498,723**
Deferred income taxes (Note 14)	29,456	**28,381**	**301,926**
Provision for retirement benefits (Note 11)	24,062	**27,736**	**295,064**
Provision for loss on business liquidation	3,205	**145**	**1,543**
Other non-current liabilities	11,071	**11,673**	**124,180**
Total non-current liabilities	598,105	**490,815**	**5,221,436**
Total liabilities	918,498	**807,675**	**8,592,287**
CONTINGENT LIABILITIES (Note 16)			
NET ASSETS (Note 15):			
Common stock:			
Authorized 1,000,000,000 shares			
Issued 271,283,608 and 305,671,508 shares as of March 31, 2012 and 2013, respectively	48,332	**73,332**	**780,128**
Capital surplus	54,788	**79,788**	**848,809**
Retained earnings	60,197	**68,000**	**723,404**
Treasury stock, at cost	(11,249)	**(11,255)**	**(119,735)**
Total shareholders' equity	152,067	**209,865**	**2,232,606**
Net unrealized holding gains on available-for-sale securities, net of taxes	3,128	**6,295**	**66,968**
Net unrealized gains (losses) on hedging derivatives, net of taxes	(1,268)	**20**	**213**
Foreign currency translation adjustments	(102,067)	**(58,029)**	**(617,330)**
Pension liability adjustments of foreign subsidiaries	(7,090)	**(9,046)**	**(96,234)**
Total accumulated other comprehensive income	(107,297)	**(60,760)**	**(646,383)**
Minority interests	3,258	**3,302**	**35,128**
Total net assets	48,028	**152,407**	**1,621,351**
Total liabilities and net assets	¥ 966,526	**¥ 960,082**	**$10,213,638**

See accompanying notes to consolidated financial statements.

Consolidated Statements of Operations

Olympus Corporation and Consolidated Subsidiaries
For the years ended March 31, 2011, 2012 and 2013

	Millions of yen			Thousands of U.S. dollars (Note 1)
	2011 As restated (Note 1)	2012	**2013**	**2013**
Net sales	¥847,105	¥848,548	**¥743,851**	**$7,913,309**
Cost of sales (Note 7)	459,420	464,743	**365,653**	**3,889,926**
Gross profit	387,685	383,805	**378,198**	**4,023,383**
Selling, general and administrative expenses (Note 18)	349,306	348,287	**343,121**	**3,650,223**
Operating income	38,379	35,518	**35,077**	**373,160**
Other income (expenses):				
Interest expense, net	(11,913)	(13,167)	**(12,940)**	**(137,660)**
Gain (loss) on available-for-sale securities, net	(2,346)	1,163	**999**	**10,628**
Foreign currency exchange gain (loss), net	2,615	162	**(1,954)**	**(20,787)**
Equity in earnings of affiliates, net	574	144	**22**	**234**
Reversal of provision for loss on restructuring of business	—	—	**1,348**	**14,340**
Gain on sales of fixed assets	—	—	**1,316**	**14,000**
Gain (loss) on sales of investment securities in subsidiaries and affiliates, net	(77)	(38)	**20,027**	**213,053**
Commission fee for contract modification (Note 1)	—	—	**(3,392)**	**(36,085)**
Gain on transfer of business	2,696	—	**—**	**—**
Amortization of negative goodwill	2,408	—	**—**	**—**
Impairment loss on fixed assets (Note 19)	(482)	(15,839)	**(7,600)**	**(80,851)**
Write-off of previously recorded of goodwill (Note 20)	(631)	(1,179)	**—**	**—**
Loss on step acquisitions	(310)	—	**—**	**—**
Loss on adoption of accounting standard for asset retirement obligations (Note 2)	(311)	—	**—**	**—**
Loss on natural disaster	(608)	—	**—**	**—**
Loss on funds (Note 21)	(327)	—	**—**	**—**
Provision of allowance for doubtful accounts on Funds (Note 22)	(2,448)	—	**—**	**—**
Loss on restructuring of businesses (Note 23)	—	(3,392)	**(2,947)**	**(31,351)**
Provision for loss on business liquidation	—	(3,205)	**—**	**—**
Expenses related to restatement of prior periods (Note 24)	—	(2,001)	**—**	**—**
Extra severance payments for voluntary retirement (Note 25)	—	—	**(1,336)**	**(14,213)**
Soil improvement cost	—	—	**(187)**	**(1,989)**
Settlement package (Note 26)	—	—	**(1,231)**	**(13,096)**
Other, net	(7,281)	(7,661)	**(8,060)**	**(85,745)**
Total	(18,441)	(45,013)	**(15,935)**	**(169,522)**
Income (loss) before income taxes and minority interests	19,938	(9,495)	**19,142**	**203,638**
Income taxes (Note 14):				
Current	17,362	16,293	**15,838**	**168,489**
Deferred	(1,737)	22,989	**(4,938)**	**(52,532)**
Total	15,625	39,282	**10,900**	**115,957**
Income (loss) before minority interests	4,313	(48,777)	**8,242**	**87,681**
Minority interests	(447)	(208)	**(222)**	**(2,362)**
Net income (loss)	¥ 3,866	¥ (48,985)	**¥ 8,020**	**$ 85,319**

See accompanying notes to consolidated financial statements.

Consolidated Statements of Comprehensive Income

Olympus Corporation and Consolidated Subsidiaries
For the years ended March 31, 2011, 2012 and 2013

	Millions of yen			Thousands of U.S. dollars (Note 1)
	2011 As restated (Note 1)	2012	**2013**	**2013**
Income (loss) before minority interests	¥ 4,313	¥(48,777)	**¥ 8,242**	**$ 87,681**
Other comprehensive income (Note 33):				
Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	(1,467)	(3,396)	**3,165**	**33,670**
Net unrealized gains (losses) on hedging derivatives, net of taxes	(233)	(510)	**1,288**	**13,702**
Foreign currency translation adjustments	(29,013)	(6,858)	**44,145**	**469,628**
Pension liability adjustments of foreign subsidiaries	481	(3,447)	**(1,956)**	**(20,809)**
Changes in share of other comprehensive income of affiliates	(206)	—	**—**	**—**
Share of other comprehensive income of affiliates	(6)	(2)	**5**	**53**
Total other comprehensive income	(30,445)	(14,213)	**46,647**	**496,244**
Comprehensive income	¥(26,131)	¥(62,990)	**¥54,889**	**$583,925**
Total comprehensive income attributable to:				
Shareholders of Olympus Corporation	¥(26,884)	¥(63,203)	**¥54,556**	**$580,382**
Minority interests	¥ 753	¥ 213	**¥ 333**	**$ 3,543**

See accompanying notes to consolidated financial statements.

Consolidated Statements of Changes in Net Assets

Olympus Corporation and Consolidated Subsidiaries
For the years ended March 31, 2011, 2012 and 2013

	Millions of yen				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at April 1, 2010	¥48,332	¥55,166	¥114,719	¥ (4,136)	¥214,081
Transfer to pension liability adjustment of foreign subsidiaries			4,124		4,124
Cash dividends paid			(8,099)		(8,099)
Net income as restated (Note 1)			3,866		3,866
Change in scope of consolidation as restated (Note 1)			(872)		(872)
Decrease in retained earnings due to changes in equity as restated (Note 1)			(206)		(206)
Acquisition of treasury stock				(10,006)	(10,006)
Disposal of treasury stock		(378)		3,045	2,667
Net changes during the year	—	(378)	(5,311)	(6,961)	(12,650)
Balance at April 1, 2011	¥48,332	¥54,788	¥113,532	¥(11,097)	¥205,555
Cash dividends paid			(4,004)		(4,004)
Net loss			(48,985)		(48,985)
Change in scope of consolidation			(346)		(346)
Acquisition of treasury stock				(152)	(152)
Net changes during the year	—	—	(53,335)	(152)	(53,487)
Balance at April 1, 2012	¥48,332	¥54,788	¥ 60,197	¥(11,249)	¥152,067
Issuance of common stock	25,000	25,000			50,000
Net income			8,020		8,020
Change in scope of consolidation			(217)		(217)
Acquisition of treasury stock				(6)	(6)
Net changes during the year	25,000	25,000	7,803	(6)	57,798
Balance at March 31, 2013	**¥73,332**	**¥79,788**	**¥ 68,000**	**¥(11,255)**	**¥209,865**

	Millions of yen						
	Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	Net unrealized gains (losses) on hedging derivatives, net of taxes	Foreign currency translation adjustments	Pension liability adjustments of foreign subsidiaries	Total accumulated other comprehensive income	Minority interests	Total net assets as restated (Note 1)
Balance at April 1, 2010	¥ 8,020	¥ (438)	¥ (65,991)	¥ —	¥ (58,409)	¥ 7,459	¥163,131
Transfer to pension liability adjustment of foreign subsidiaries				(4,124)	(4,124)		—
Cash dividends paid					—		(8,099)
Net income as restated (Note 1)					—		3,866
Change in scope of consolidation as restated (Note 1)					—		(872)
Decrease in retained earnings due to changes in equity as restated (Note 1)					—		(206)
Acquisition of treasury stock					—		(10,006)
Disposal of treasury stock					—		2,667
Net change in items other than shareholders' equity	(1,496)	(320)	(29,210)	481	(30,545)	(4,357)	(34,902)
Net changes during the year	(1,496)	(320)	(29,210)	481	(30,545)	(4,357)	(47,552)
Balance at April 1, 2011	¥ 6,524	¥ (758)	¥ (95,201)	¥(3,643)	¥ (93,078)	¥ 3,102	¥115,579
Cash dividends paid					—		(4,004)
Net loss					—		(48,985)
Change in scope of consolidation					—		(346)
Acquisition of treasury stock					—		(152)
Net change in items other than shareholders' equity	(3,396)	(510)	(6,866)	(3,447)	(14,219)	156	(14,063)
Net changes during the year	(3,396)	(510)	(6,866)	(3,447)	(14,219)	156	(67,551)
Balance at April 1, 2012	¥ 3,128	¥(1,268)	¥(102,067)	¥(7,090)	¥(107,297)	¥ 3,258	¥ 48,028
Issuance of common stock					—		50,000
Net income					—		8,020
Change in scope of consolidation					—		(217)
Acquisition of treasury stock					—		(6)
Net change in items other than shareholders' equity	3,167	1,288	44,038	(1,956)	46,537	44	46,581
Net changes during the year	3,167	1,288	44,038	(1,956)	46,537	44	104,379
Balance at March 31, 2013	**¥ 6,295**	**¥ 20**	**¥ (58,029)**	**¥(9,046)**	**¥ (60,760)**	**¥ 3,302**	**¥152,407**

	Thousands of U.S. dollars (Note1)				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at April 1, 2012	$514,170	$582,851	$640,394	$(119,670)	$1,617,745
Issuance of common stock	265,958	265,958			531,916
Net income			85,319		85,319
Change in scope of consolidation			(2,309)		(2,309)
Acquisition of treasury stock				(65)	(65)
Net changes during the year	265,958	265,958	83,010	(65)	614,861
Balance at March 31, 2013	**$780,128**	**$848,809**	**$723,404**	**$(119,735)**	**$2,232,606**

	Thousands of U.S. dollars (Note1)						
	Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	Net unrealized gains (losses) on hedging derivatives, net of taxes	Foreign currency translation adjustments	Pension liability adjustments of foreign subsidiaries	Total accumulated other comprehensive income	Minority interests	Total net assets as restated (Note 1)
Balance at April 1, 2012	$33,277	$(13,489)	$(1,085,819)	$(75,426)	$(1,141,457)	$34,660	$ 510,948
Issuance of common stock					—		531,916
Net income					—		85,319
Change in scope of consolidation					—		(2,309)
Acquisition of treasury stock					—		(65)
Net change in items other than shareholders' equity	33,691	13,702	468,489	(20,808)	495,074	468	495,542
Net changes during the year	33,691	13,702	468,489	(20,808)	495,074	468	1,110,403
Balance at March 31, 2013	**$66,968**	**$ 213**	**$ (617,330)**	**$(96,234)**	**$ (646,383)**	**$35,128**	**$1,621,351**

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Olympus Corporation and Consolidated Subsidiaries
For the years ended March 31, 2011, 2012 and 2013

	Millions of yen			Thousands of U.S. dollars (Note 1)
	2011 As restated (Note 1)	2012	**2013**	**2013**
CASH FLOWS FROM OPERATING ACTIVITIES:				
Income (loss) before income taxes and minority interests	¥ 19,938	¥ (9,495)	**¥ 19,142**	**$ 203,638**
Adjustments to reconcile income (loss) before income taxes and minority interests to net cash provided by operating activities:				
Depreciation and amortization	34,188	33,787	**33,899**	**360,628**
Impairment loss on fixed assets (Note 19)	482	15,839	**7,600**	**80,851**
Amortization of goodwill	12,249	12,283	**9,683**	**103,011**
Amortization of negative goodwill	(2,408)	—	**—**	**—**
Commission fee for contract modification	—	—	**3,392**	**36,085**
Settlement package (Note 26)	—	—	**1,231**	**13,096**
Extra severance payments for voluntary retirement (Note 25)	—	—	**1,336**	**14,213**
Increase (decrease) in provision for retirement benefit	(150)	1,445	**794**	**8,447**
(Increase) decrease in prepaid pension cost	(1,581)	2,051	**4,018**	**42,745**
Decrease in provision for warranty costs	(1,170)	(716)	**(419)**	**(4,457)**
Interest income	(831)	(859)	**(1,002)**	**(10,659)**
Interest expense	12,744	14,026	**13,942**	**148,319**
Equity in earnings of affiliates, net	(574)	(144)	**(22)**	**(234)**
Gain on transfer of business	(2,696)	—	**—**	**—**
(Gain) loss on available-for-sale securities, net	2,346	(1,163)	**(999)**	**(10,628)**
Increase (decrease) in provision for loss on business liquidation	—	3,205	**(3,060)**	**(32,553)**
(Gain) loss on sale of investment securities in subsidiaries and affiliates, net	77	38	**(20,026)**	**(213,043)**
(Increase) decrease in accounts receivable	9,969	(11,681)	**(10,063)**	**(107,053)**
(Increase) decrease in inventories	(3,452)	(9,742)	**1,048**	**11,149**
Increase (decrease) in accounts payable	(5,731)	6,792	**6,707**	**71,351**
Increase (decrease) in other payables	(3,825)	260	**3,217**	**34,223**
Increase in accrued expense	1,565	3,719	**1,458**	**15,511**
(Increase) decrease in non-current lease receivables	(903)	2,145	**(6,969)**	**(74,138)**
Increase in allowance for doubtful accounts on funds	2,448	—	**—**	**—**
Loss on funds (Note 21)	327	—	**—**	**—**
Other	1,937	1,182	**(1,203)**	**(12,799)**
Sub-total	74,949	62,972	**63,704**	**677,703**
Interest and dividends received	1,708	1,836	**1,843**	**19,606**
Interest paid	(13,081)	(13,990)	**(13,852)**	**(147,362)**
Commission fee for contract modification	—	—	**(3,392)**	**(36,085)**
Settlement charge (Note 26)	—	—	**(1,231)**	**(13,096)**
Extra severance payments for voluntary retirement (Note 25)	—	—	**(1,336)**	**(14,213)**
Outflow of money from funds (Note 30)	(2,448)	—	**—**	**—**
Income taxes paid	(30,659)	(19,929)	**(20,503)**	**(218,117)**
Net cash provided by operating activities	30,469	30,889	**25,233**	**268,436**
CASH FLOWS FROM INVESTING ACTIVITIES:				
Deposits in time deposits	(4,810)	(2,007)	**(3,846)**	**(40,915)**
Withdrawals from time deposits	5,227	3,719	**2,913**	**30,989**
Purchases of property, plant and equipment	(20,243)	(22,761)	**(24,023)**	**(255,564)**
Purchases of intangible assets	(9,381)	(12,483)	**(3,942)**	**(41,936)**
Purchases of investment securities	(3,745)	(1,076)	**(373)**	**(3,968)**
Sales of investment securities	7,756	4,155	**6,506**	**69,213**
Payments for acquisition of newly consolidated subsidiaries (Note 28)	(12,328)	(6,584)	**—**	**—**
Net increase from sales of investments in subsidiaries resulting in change in scope of consolidation (Note 29)	201	27	**52,629**	**559,883**
Payments for acquisition of subsidiaries	(5,817)	(624)	**—**	**—**
Payments for loans receivable	(3,578)	(1)	**(2,053)**	**(21,840)**
Proceeds from loans receivable	120	2,408	**3,885**	**41,330**
Payments for transfer of business	(6,529)	—	**—**	**—**
Proceeds from transfer of business	5,797	—	**—**	**—**
Collection of assets held by the Funds (Note 31)	65,553	—	**—**	**—**
Other	780	(508)	**1,759**	**18,712**
Net cash provided by (used in) investing activities	19,003	(35,735)	**33,455**	**355,904**
CASH FLOWS FROM FINANCING ACTIVITIES:				
Increase (decrease) in short-term borrowings	(13,980)	2,722	**(27,782)**	**(295,553)**
Proceeds from long-term borrowings	34,501	60,244	**—**	**—**
Repayments of long-term borrowings	(18,908)	(63,197)	**(42,935)**	**(456,755)**
Redemption of bonds	(20,040)	(240)	**(20,040)**	**(213,191)**
Proceeds from issuance of new shares of common stock	—	—	**49,953**	**531,415**
Payments for acquisition of treasury stock	(10,006)	(152)	**(4)**	**(42)**
Dividends paid	(8,099)	(4,004)	**—**	**—**
Dividends paid to minority shareholders	(40)	(22)	**(75)**	**(798)**
Other	(787)	(1,112)	**(1,553)**	**(16,523)**
Net cash used in financing activities	(37,359)	(5,761)	**(42,436)**	**(451,447)**
Effect of exchange rate changes on cash and cash equivalents	(5,931)	(1,220)	**10,701**	**113,840**
Net increase (decrease) in cash and cash equivalents	6,182	(11,827)	**26,953**	**286,733**
Cash and cash equivalents at beginning of year	203,013	210,385	**198,661**	**2,113,416**
Net increase in cash and cash equivalents associated with newly consolidated subsidiaries	1,190	103	**168**	**1,787**
Cash and cash equivalents at end of year (Note 27)	¥210,385	¥198,661	**¥225,782**	**$2,401,936**

See accompanying notes to consolidated financial statements.

Notes to the Consolidated Financial Statements

Olympus Corporation and Consolidated Subsidiaries

1. Summary of Significant Accounting Policies

(a) Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements of Olympus Corporation (the "Company") and its consolidated subsidiaries have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements from International Financial Reporting Standards.

Effective April 1, 2008, the Company adopted the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" ("PITF No. 18"). In accordance with PITF No. 18, the accompanying consolidated financial statements have been prepared by using the accounts of foreign consolidated subsidiaries prepared in accordance with either International Financial Reporting Standards ("IFRS") or accounting principles generally accepted in the United States as adjusted for certain items including those for goodwill, actuarial differences and capitalized development costs.

The accompanying consolidated financial statements have been reformatted and translated into English (with some expanded descriptions) from the consolidated financial statements of the Company prepared in accordance with Japanese GAAP and filed with the appropriate Finance Bureau of the Ministry of Finance as required by the Financial Instruments and Exchange Act. Certain supplementary information included in the statutory Japanese language consolidated financial statements is not presented in the accompanying consolidated financial statements.

On November 8, 2011, based on the findings of the independent Third Party Committee, the Company announced that it had deferred recognition of losses on securities investments from around the 1990s and was using a number of non-consolidated funds (collectively, the "Funds") for the acquisition transactions for three domestic subsidiaries (Altis Co., Ltd., NEWS CHEF, Inc. and Humalabo Co., Ltd., hereinafter, collectively, the "Three Domestic Subsidiaries") and Gyrus Group PLC ("Gyrus") to settle such losses.

Based on such findings of the investigation of the independent Third Party Committee, it was determined that the Company substantially controlled the Funds, which had losses on securities investments and had not previously been consolidated for the purpose of deferring recognition of losses. Accordingly, the Company has restated its consolidated financial statements by consolidating the Funds and reflecting such losses on the consolidated financial statements for the relevant fiscal years. Additionally, restatements were made to the accounting for the acquisition of the Three Domestic Subsidiaries as well as the fees and the amounts paid to buy back preferred shares to illegitimate financial advisors in connection with the acquisition of Gyrus, which were used to offset the losses. These restatements also included the cancellation of goodwill incurred from these acquisitions on the consolidated balance sheets, and the cancellation of amortization and impairment losses of such goodwill on the consolidated statements of operations.

As a result, the impact of the restatement on the 2011 consolidated financial statements is as follows:

	Millions of yen		
	As previously reported (A)	As restated (B)	Restatement (B-A)
April 1, 2010:			
Retained earnings	¥ 168,238	¥ 114,719	¥(53,519)
Total net assets	216,891	163,131	(53,760)
March 31, 2011:			
Net sales	¥ 847,105	¥ 847,105	¥ —
Operating income	35,360	38,379	3,019
Income before income taxes and minority interests	22,759	19,938	(2,821)
Net income	7,381	3,866	(3,515)
Total assets	1,063,593	1,019,160	(44,433)
Total net assets	166,836	115,579	(51,257)

Further, the impact of the restatement and consolidation of the Funds has been reflected in the consolidated financial statements as follows:

- Upon consolidation of the Funds, the Company consolidated cash held by the Funds as part of fund investment assets (Note 31 "Collection of assets held by the funds") and recorded management fees incurred by the fund managers (Note 21 "Loss on funds").
- Upon discovery of the illegitimate payments to external collaborators, the Company recorded a non-current receivable and off-setting allowance for doubtful accounts of the Funds (Notes 12 "Allowance for doubtful accounts," 22 "Provision of allowance for doubtful accounts on funds" and 30 "Outflow of money from funds").
- In connection with the restatement of the financial statements and investigation of the events, the Company incurred fees of approximately ¥2,000 million ($21,277 thousand) for the year ended March 31, 2012.
- As an indirect consequence of these events, the Company (a) made a settlement payment to its former president (Note 28 "Cash flow related to payments for acquisition of newly consolidated subsidiaries"), (b) received service of complaint in connection with various lawsuits brought against the Company (Note 40 "Supplemental information") and (c) modified the terms of its syndicated loan due to violation of

certain financial covenants and incurred commission fees of ¥3,392 million ($36,085 thousand) recorded in the statement of operations for the year ended March 31, 2013.

In addition, certain reclassifications have been made in the 2011 and 2012 consolidated financial statements to conform to the classification used in the 2013 consolidated financial statements.

The translation of the Japanese yen amounts into U.S. dollars is included solely for the convenience of readers outside Japan, using the exchange rate of ¥94 to US$1.00, the approximate rate of exchange prevailing at March 31, 2013. The convenience translations should not be construed as representations that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at this or any other rate of exchange.

(b) Principles of Consolidation and Accounting for Investments in Unconsolidated Subsidiaries and Affiliates

The accompanying consolidated financial statements include the accounts of the Company and its significant subsidiaries. For the year ended March 31, 2013, the accounts of 167 (185 in 2011 and 192 in 2012) subsidiaries have been included in the consolidated financial statements.

The Company consolidates all significant investees which were controlled through substantial ownership of majority voting rights or existence of certain conditions.

The financial statements of some subsidiaries are consolidated by using their financial statements as of or year ended March 31, which are prepared solely for consolidation purposes. Some subsidiaries are consolidated using their financial statements as of their respective fiscal year end, which falls on December 31, and necessary adjustments are made to their financial statements to reflect any significant transactions from January 1 to March 31. All significant intercompany balances and transactions have been eliminated in consolidation.

Investments in certain unconsolidated subsidiaries and affiliated companies in which the Company has significant influence, but less than a controlling interest, are accounted for by the equity method. For the year ended March 31, 2013, 3 (4 in 2011 and 4 in 2012) affiliates were accounted for by the equity method. Investments in subsidiaries and affiliates which are not consolidated or accounted for by the equity method are carried at cost. Where there has been a significant decline in the value of such investments, the Company has written down the investments. The differences between acquisition cost and underlying net equity at the time of acquisition (goodwill) are amortized on the straight-line method in the range of mainly 5 to 20 years.

(c) Cash and Cash Equivalents

In preparing the consolidated statements of cash flows, cash on hand, readily-available deposits and short-term highly liquid investments with maturities not exceeding three months at the time of purchase and subject to insignificant risk of change in value are considered to be cash and cash equivalents.

(d) Securities

In accordance with the accounting standard for financial instruments, the Company and its consolidated subsidiaries classified their securities into two categories.

Held-to-maturity debt securities are stated at amortized cost. Available-for-sale securities with fair values are stated at fair value and those with no fair values at cost. Unrealized gains and losses on available-for-sale securities are reported, net of applicable income taxes, as a separate component of net assets. Cost of securities sold is computed using the moving-average method.

(e) Derivative and Hedge Accounting

Accounting standards for financial instruments require companies to state derivative financial instruments at fair value and to recognize changes in the fair value as gains and losses unless derivative financial instruments meet the criteria for hedge accounting.

When derivative financial instruments are used as hedges and meet hedging criteria, the Company and consolidated subsidiaries defer recognition of gains and losses resulting from changes in fair value of derivative financial instruments until the related losses and gains on the hedged items are recognized.

(f) Inventories

Inventories are stated at the lower of cost (first-in-first-out) or net realizable value.

(g) Property, Plant and Equipment

Property, plant and equipment are stated at cost. Depreciation is mainly computed by the declining balance method at rates based on the estimated useful lives of the relevant assets. The effective annual rates of depreciation for the years ended March 31, 2011, 2012 and 2013 were as follows:

	2011	2012	**2013**
Buildings and structures	10.7%	11.0%	**10.2%**
Machinery and equipment	31.4%	32.9%	**29.8%**

(h) Allowance for Doubtful Accounts

The Company and consolidated subsidiaries provide an allowance for doubtful accounts at an amount sufficient to cover probable losses on collection of receivables. It consists of the estimated uncollectible amount with respect to certain identified doubtful receivables and an amount calculated using the historical percentage of write-offs.

(i) Provision for Warranty Costs

A provision for warranty costs is provided to cover the cost of all services anticipated to be incurred during the entire warranty period based on the warranty contracts and past experience.

(j) Provision for Retirement Benefits

The Company and its consolidated subsidiaries provided an allowance for employees' retirement benefits as of the balance sheet date based on the amounts of projected benefit obligation and the fair value of the plan assets at that date.

Actuarial gain or loss is amortized in the year following the year in which the gain or loss is recognized primarily by the straight-line method over periods (mainly 5 years) which are shorter than the average remaining years of service of the employees.

Prior service cost is being amortized by the straight-line method over periods (mainly 5 years) which are shorter than the average remaining years of service of the employees.

The retirement allowance for directors and corporate auditors was recorded at an amount to be paid in accordance with the internal rules if all eligible directors and corporate auditors were to have resigned their offices as of the balance sheet date.

Provision for retirement benefits presented in the non-current liabilities of the consolidated balance sheets included retirement allowance for directors and corporate auditors as of March 31, 2012 and 2013.

(k) Provision for Loss on Business Liquidation

Provision for loss on business liquidation is provided for anticipated loss from liquidation of businesses to be carried out by certain subsidiaries of the Company.

(l) Research and Development

Expenses relating to research and development activities are charged to income as incurred.

(m) Lease Transactions

Non-cancelable lease transactions that transfer substantially all risks and rewards associated with the ownership of assets are accounted for as finance leases. All other lease transactions are accounted for as operating leases and relating payments are charged to income as incurred.

Leased assets are depreciated over the term of the lease based on the straight-line method with no residual value.

The accounting treatment for finance lease contracts that do not transfer ownership to lessee which commenced on or before March 31, 2008 follows the same method as for operating lease transactions.

(n) Income Taxes

The Company recognizes tax effects of temporary differences between the financial reporting and the tax bases of assets and liabilities by using the enacted tax rates and laws which will be in effect when differences are expected to reverse.

The Company and certain subsidiaries adopted the consolidated taxation system, which allows companies to make tax payments on the combined profits or losses of the parent company and its wholly owned domestic subsidiaries.

(o) Consumption Taxes

Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.

(p) Translation of Foreign Currency Financial Statements

In accordance with the accounting standards for foreign currency translations, the balance sheet accounts of the foreign consolidated subsidiaries are translated at exchange rates as of the balance sheet date. Net assets excluding minority interests are translated at historical exchange rates. Revenues and expenses are translated at average exchange rates for each corresponding fiscal year. Differences arising from translation are presented as "Foreign currency translation adjustments" in a separate component of net assets.

2. Accounting Standard for Accounting Changes and Error Corrections

Effective April 1, 2011, the Company adopted the "Accounting Standard for Accounting Changes and Error Corrections" (Accounting Standards Board of Japan ("ASBJ") Statement No. 24 issued on December 4, 2009) and the "Guidance on Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Guidance No. 24 issued on December 4, 2009).

3. New Accounting Standards Not Yet Applied

On May 17, 2012, the ASBJ issued "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26) and "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25). The major changes are as follows:

(1) Treatment of actuarial gains and losses and past service costs

(a) Treatment in the balance sheet

Under the new standard and guidance, actuarial gains and losses and past service costs that are yet to be recognized in profit or loss would be recognized within the net asset section (accumulated other comprehensive income ("AOCI")), after adjusting for tax effects, and the deficit or surplus would be recognized as a liability (liability for retirement benefits) or asset (asset for retirement benefits) without any adjustments.

(b) Treatment in the statement of operations and the statement of comprehensive income

Actuarial gains and losses and past service costs that arose in the current period and are yet to be recognized in profit or loss would be included in other comprehensive income and actuarial gains and losses and past service costs that were recognized in AOCI in prior periods and then recognized in profit or loss in the current period would be treated as reclassification adjustments.

(2) Adoption date

The Company will adopt the new standard and guidance from the year end of the fiscal year starting on April 1, 2013.

(3) Impact on the Company

The Company is currently evaluating the effects of adoption of the new standard and guidance on the consolidated financial statements.

4. Financial Instruments

Overview

(1) Policy for financial instruments

In consideration of plans for capital investment, the Company and its consolidated subsidiaries (collectively, the "Group") raise funds through bank borrowings and issuance of bonds. The Group manages temporary cash surpluses through low-risk financial assets. Further, the Group raises short-term capital through bank borrowings. The Group uses derivatives for the purpose of reducing risk and does not enter into derivatives for speculative or trading purposes.

(2) Types of financial instruments and related risk

Trade receivables—notes and accounts receivable—are exposed to credit risk in relation to customers. In accordance with the internal policies of the Group for managing credit risk arising from receivables, each related division monitors creditworthiness of their main customers periodically, and monitors due dates and outstanding balances by individual customer. In addition, the Group is exposed to foreign currency exchange risk arising from receivables denominated in foreign currencies. In principle, the foreign currency exchange risks deriving from the trade receivables denominated in foreign currencies are hedged by foreign exchange forward contracts.

Marketable securities and investment securities are exposed to market risk. Those securities are composed of mainly the shares of common stock of other companies with which the Group has business relationships or affiliated companies and the investment trust fund. In addition, the Group has loans receivable from affiliated companies accounted for by the equity method.

Substantially all trade payables—notes and accounts payable—have payment due dates within one year. Although the Group is exposed to foreign currency exchange risk arising from those payables denominated in foreign currencies, foreign exchange forward contracts are arranged to reduce the risk.

Short-term borrowings, long-term debt, bonds and lease obligations are raised mainly in connection with business activities, and long-term debt is taken out principally for the purpose of making capital investments. The repayment dates of these debt extend up to 8 years and 2 months from the balance sheet date. The debt with variable interest rates is exposed to interest rate fluctuation risk. However, to reduce such risk and fix interest expense for certain debt bearing interest at variable rates, the Group utilizes interest rate swap transactions as a hedging instrument.

Regarding derivatives, the Group enters into foreign exchange forward contracts to reduce the foreign currency exchange risk arising from the receivables and payables denominated in foreign currencies. The Group also enters into interest rate swap transactions to reduce fluctuation risk deriving from interest payable for short-term borrowings, long-term borrowings and bonds bearing interest at variable rates. Information regarding the method of hedge accounting, hedging instruments and hedged items, hedging policy and the assessment of the effectiveness of hedging activities is found in Note 34 "Derivative financial instruments."

(3) Risk management for financial instruments

(a) Monitoring of credit risk (the risk that customers or counterparties may default)

In accordance with the internal policies of the Group for managing credit risk arising from receivables, each related division monitors creditworthiness of their main customers periodically, and monitors due dates and outstanding balances by individual customer. In addition, the Group is making efforts to identify and mitigate risks of bad debts from customers who are having financial difficulties.

As of March 31, 2013, the carrying values of the financial assets represent the maximum credit risk exposures of the Group.

(b) Monitoring of market risks (the risks arising from fluctuations in foreign exchange rates, interest rates and others)

For trade receivables and payables denominated in foreign currencies, the Group identifies the foreign currency exchange risk for each currency on a monthly basis and enters into foreign exchange forward contracts to hedge such risk. In order to mitigate the interest rate risk for loans payable and bonds bearing interest at variable rates, the Group may also enter into interest rate swap transactions.

For marketable securities and investment securities, the Group periodically reviews the fair values of such financial instruments and the financial position of the issuers. In addition, the Group continuously evaluates whether securities other than those classified as held-to-maturity should be maintained by taking into account their fair values and relationships with the issuers.

In executing derivative transactions, the division in charge of each derivative transaction follows the internal policies, which set forth delegation of authority and maximum upper limit on positions. Monthly reports including actual transaction data are submitted to the director in charge of treasury function and the Board of Directors for their review.

(c) Monitoring of liquidity risk (the risk that the Group may not be able to meet its obligations on scheduled due dates)

Based on the report from each division, the Group prepares and updates its cash flow plans on a timely basis and keeps its liquidity in hand over a certain ratio of consolidated sales, in order to manage liquidity risk.

(4) Supplementary explanation of the estimated fair value of financial instruments

The fair value of financial instruments is based on their quoted market price, if available. When there is no quoted market price available, fair value is reasonably estimated. Since various assumptions and factors are reflected in estimating the fair value, different assumptions and factors could result in different fair values. In addition, the notional amounts of derivatives in Note 34 "Derivative financial instruments" are not necessarily indicative of the actual market risk involved in derivative transactions.

Estimated Fair Value of Financial Instruments

Carrying value of financial instruments on the consolidated balance sheets as of March 31, 2012 and 2013 and estimated fair value are shown in the following table. The following table does not include financial instruments for which it is extremely difficult to determine the fair value (please refer to Note 2) "Financial instruments for which it is extremely difficult to determine the fair value as of March 31, 2012 and 2013" below):

As of March 31, 2012	Millions of yen		
	Carrying value	Estimated fair value	Difference
Assets			
1) Cash and deposits	¥200,088	¥200,088	¥ —
2) Notes and accounts receivable	150,594	150,594	—
3) Investment securities	45,771	45,771	—
Total	¥396,453	¥396,453	¥ —
Liabilities			
1) Notes and accounts payable	¥ 75,330	¥ 75,330	¥ —
2) Short-term borrowings	63,092	63,092	—
3) Bonds, including current maturities	110,120	99,945	(10,175)
4) Long-term borrowings, including current maturities	469,214	415,488	(53,726)
Total	¥717,756	¥653,855	¥(63,901)
Derivatives*	¥ (1,922)	¥ (1,922)	¥ —

As of March 31, 2013	Millions of yen		
	Carrying value	Estimated fair value	Difference
Assets			
1) Cash and deposits	**¥229,610**	**¥229,610**	**¥ —**
2) Notes and accounts receivable	**125,231**	**125,231**	**—**
3) Investment securities	**43,904**	**43,904**	**—**
Total	**¥398,745**	**¥398,745**	**¥ —**
Liabilities			
1) Notes and accounts payable	**¥ 42,272**	**¥ 42,272**	**¥ —**
2) Short-term borrowings	**39,637**	**39,637**	**—**
3) Bonds, including current maturities	**90,000**	**90,424**	**424**
4) Long-term borrowings, including current maturities	**430,753**	**442,623**	**11,870**
Total	**¥602,662**	**¥614,956**	**¥12,294**
Derivatives*	**¥ (185)**	**¥ (185)**	**¥ —**

As of March 31, 2013	Thousands of U.S. dollars		
	Carrying value	Estimated fair value	Difference
Assets			
1) Cash and deposits	**$2,442,660**	**$2,442,660**	**$ —**
2) Notes and accounts receivable	**1,332,245**	**1,332,245**	**—**
3) Investment securities	**467,064**	**467,064**	**—**
Total	**$4,241,969**	**$4,241,969**	**$ —**
Liabilities			
1) Notes and accounts payable	**$ 449,702**	**$ 449,702**	**$ —**
2) Short-term borrowings	**421,670**	**421,670**	**—**
3) Bonds, including current maturities	**957,447**	**961,957**	**4,510**
4) Long-term borrowings, including current maturities	**4,582,479**	**4,708,755**	**126,276**
Total	**$6,411,298**	**$6,542,084**	**$130,786**
Derivatives*	**$ (1,968)**	**$ (1,968)**	**$ —**

* The value of assets and liabilities arising from derivatives is shown at net value, with the amount in parentheses representing a net liability position.

Notes:

1) Methods to determine the estimated fair value of financial instruments and other matters related to securities and derivative transactions

Cash and deposits and Notes and accounts receivable

Since these items are settled in a short period of time, their carrying value approximates fair value.

Investment securities

The fair value of stocks is based on quoted market prices. The fair value of debt securities and investment trust fund is based on either quoted market prices or prices provided by the financial institutions making markets in these securities. For information on securities classified by holding purpose, please refer to Note 5 "Securities."

Notes and accounts payable and Short-term borrowings

Since these items are settled in a short period of time, their carrying value approximates fair value.

Bonds

The fair value of bonds is based on the present value of the total of principal and interest discounted by an interest rate determined by taking into account the remaining period of each bond and current credit risk.

Long-term borrowings

The fair value of long-term borrowings is based on the present value of the total of principal and interest discounted by the interest rate to be applied if similar new borrowings were entered into.

Derivatives transactions

Please refer to Note 34 "Derivative financial instruments."

2) Financial instruments for which it is extremely difficult to determine the fair value as of March 31, 2012 and 2013

	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
1) Non-listed equity securities	¥ 937	**¥ 737**	**$ 7,840**
2) Others	1,826	**1,847**	**19,649**
Total	¥2,763	**¥2,584**	**$27,489**

Because no quoted market price is available and estimating their future cash flow is deemed to be prohibitively expensive, therefore, it is extremely difficult to determine the fair value, the above financial instruments are not included in the above table.

3) Redemption schedule for receivables and marketable securities with maturities at March 31, 2012 and 2013

As of March 31, 2012	Millions of yen			
	Within a year	Over a year but within five years	Over five years but within ten years	Over ten years
Cash and deposits	¥199,924	¥ —	¥ —	¥ —
Notes and accounts receivable	150,594	—	—	—
Investment securities				
Held-to-maturity debt securities				
1) National and local government bonds	—	—	—	—
2) Corporate bonds	—	—	—	—
Other marketable securities with maturities				
1) Corporate bonds	—	—	—	—
2) Other	738	911	—	—
Total	¥351,256	¥911	¥ —	¥ —

As of March 31, 2013	Millions of yen			
	Within a year	Over a year but within five years	Over five years but within ten years	Over ten years
Cash and deposits	**¥229,570**	**¥ —**	**¥ —**	**¥ —**
Notes and accounts receivable	**125,231**	**—**	**—**	**—**
Investment securities				
Held-to-maturity debt securities				
1) National and local government bonds	**—**	**—**	**—**	**—**
2) Corporate bonds	**—**	**—**	**—**	**—**
Other marketable securities with maturities				
1) Corporate bonds	**—**	**—**	**—**	**—**
2) Other	**705**	**1,141**	**—**	**—**
Total	**¥355,506**	**¥1,141**	**¥ —**	**¥ —**

As of March 31, 2013	Thousands of U.S. dollars			
	Within a year	Over a year but within five years	Over five years but within ten years	Over ten years
Cash and deposits	**$2,442,234**	**$ —**	**$ —**	**$ —**
Notes and accounts receivable	**1,332,245**	**—**	**—**	**—**
Investment securities				
Held-to-maturity debt securities				
1) National and local government bonds	**—**	**—**	**—**	**—**
2) Corporate bonds	**—**	**—**	**—**	**—**
Other marketable securities with maturities				
1) Corporate bonds	**—**	**—**	**—**	**—**
2) Other	**7,500**	**12,138**	**—**	**—**
Total	**$3,781,979**	**$12,138**	**$ —**	**$ —**

4) Repayment schedule for bonds, long-term borrowings, lease payables and the other interest-bearing debt with maturities at March 31, 2012 and 2013

As of March 31, 2012	Millions of yen					
	Within a year	Over a year but within two years	Over two years but within three years	Over three years but within four years	Over four years but within five years	Over five years
Short-term borrowings	¥ 63,092	¥ —	¥ —	¥ —	¥ —	¥ —
Bonds	20,040	35,040	40	—	30,000	25,000
Long-term borrowings	28,983	67,795	87,515	68,499	20,069	196,353
Lease payables	1,580	1,472	1,241	837	605	170
Total	¥113,695	¥104,307	¥88,796	¥69,336	¥50,674	¥221,523

	Millions of yen					
As of March 31, 2013	Within a year	Over a year but within two years	Over two years but within three years	Over three years but within four years	Over four years but within five years	Over five years
Short-term borrowings	**¥ 39,637**	**¥ —**	**¥ —**	**¥ —**	**¥ —**	**¥ —**
Bonds	**35,000**	**—**	**—**	**30,000**	**—**	**25,000**
Long-term borrowings	**62,873**	**79,653**	**70,720**	**20,695**	**75,331**	**121,481**
Lease payables	**2,007**	**1,656**	**1,499**	**712**	**273**	**54**
Total	**¥139,517**	**¥81,309**	**¥72,219**	**¥51,407**	**¥75,604**	**¥146,535**

As of March 31, 2013	Thousands of U.S. dollars					
	Within a year	Over a year but within two years	Over two years but within three years	Over three years but within four years	Over four years but within five years	Over five years
Short-term borrowings	**$ 421,670**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**
Bonds	**372,340**	**—**	**—**	**319,149**	**—**	**265,957**
Long-term borrowings	**668,862**	**847,372**	**752,340**	**220,160**	**801,394**	**1,292,351**
Lease payables	**21,351**	**17,617**	**15,947**	**7,574**	**2,904**	**574**
Total	**$1,484,223**	**$864,989**	**$768,287**	**$546,883**	**$804,298**	**$1,558,882**

Note: Repayment dates of security deposits included in the other interest-bearing debt are not determined.

5. Securities

The following tables summarize acquisition cost and book value of securities with fair value as of March 31, 2012 and 2013:

Available-for-sale securities

Securities with book value exceeding acquisition cost

	Millions of yen						Thousands of U.S. dollars		
	2012			**2013**			**2013**		
	Acquisition cost	Book value	Difference	Acquisition cost	Book value	Difference	Acquisition cost	Book value	Difference
Equity securities	¥22,991	¥30,310	¥7,319	**¥25,262**	**¥34,386**	**¥9,124**	**$268,745**	**$365,809**	**$97,064**
Others	230	584	354	**—**	**—**	**—**	**—**	**—**	**—**
Total	¥23,221	¥30,894	¥7,673	**¥25,262**	**¥34,386**	**¥9,124**	**$268,745**	**$365,809**	**$97,064**

Securities with book value not exceeding acquisition cost

	Millions of yen						Thousands of U.S. dollars		
	2012			**2013**			**2013**		
	Acquisition cost	Book value	Difference	Acquisition cost	Book value	Difference	Acquisition cost	Book value	Difference
Equity securities	¥18,543	¥14,877	¥(3,666)	**¥10,977**	**¥9,518**	**¥(1,459)**	**$116,777**	**$101,255**	**$(15,522)**
Others	—	—	—	**—**	**—**	**—**	**—**	**—**	**—**
Total	¥18,543	¥14,877	¥(3,666)	**¥10,977**	**¥9,518**	**¥(1,459)**	**$116,777**	**$101,255**	**$(15,522)**

Note: In the years ended March 31, 2012 and 2013, the Company recognized impairment loss of ¥708 million and ¥532 million ($5,660 thousand), respectively, on available-for-sale securities with fair value.

The Company recognizes impairment loss when the fair market value of marketable and investment securities declines to less than 50% of the acquisition cost at the end of the period. In addition, an impairment loss is also recognized when the fair market value declines more than 30% but less than 50%, and the recovery of the fair market value is not expected due to market conditions, trends of earnings and other key measures.

The following table summarizes sales of available-for-sale securities and the aggregate gain and loss for the years ended March 31, 2011, 2012 and 2013:

	Millions of yen									Thousands of U.S. dollars		
	2011			2012			**2013**			**2013**		
	Sales proceeds	Aggregate gain	Aggregate loss	Sales proceeds	Aggregate gain	Aggregate loss	Sales proceeds	Aggregate gain	Aggregate loss	Sales proceeds	Aggregate gain	Aggregate loss
Equity securities	¥ 753	¥123	¥37	¥3,098	¥2,401	¥16	**¥5,901**	**¥2,302**	**¥1,754**	**$62,777**	**$24,489**	**$18,660**
Others	1,055	30	—	239	10	2	**543**	**340**	**—**	**5,777**	**3,617**	**—**
Total	¥1,808	¥153	¥37	¥3,337	¥2,411	¥18	**¥6,444**	**¥2,642**	**¥1,754**	**$68,554**	**$28,106**	**$18,660**

Investments in unconsolidated subsidiaries and affiliates included in investment securities as of March 31, 2012 and 2013 were as follows:

	Book value		
	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
Investment in unconsolidated subsidiaries and affiliates	¥2,797	**¥2,126**	**$22,617**
Total	¥2,797	**¥2,126**	**$22,617**

6. Notes and Accounts Receivable

Notes and accounts receivable as of March 31, 2012 and 2013 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
Unconsolidated subsidiaries and affiliates	¥ 1,092	**¥ 81**	**$ 862**
Trade	149,502	**125,150**	**1,331,383**
Total	¥150,594	**¥125,231**	**$1,332,245**

7. Inventories

Inventories as of March 31, 2012 and 2013 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
Finished goods	¥ 61,963	**¥59,740**	**$ 635,532**
Work in process and raw materials	40,530	**39,567**	**420,925**
Total	¥102,493	**¥99,307**	**$1,056,457**

Write-downs of inventories for the years ended March 31, 2011, 2012 and 2013 were included in the following account:

	Millions of yen			Thousands of U.S. dollars
	2011	2012	**2013**	**2013**
Cost of sales	¥1,208	¥1,191	**¥7,571**	**$80,543**

8. Short-Term Borrowings

Short-term borrowings consisted principally of bank loans. The annual interest rates on these borrowings ranged from 0.68% to 5.99% and from 0.45% to 12.00% as of March 31, 2012 and 2013, respectively.

9. Long-Term Debt

Long-term debt as of March 31, 2012 and 2013 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
(Unsecured long-term debt)			
2.15% yen bonds, due July 2018	¥ 25,000	**¥ 25,000**	**$ 265,957**
1.09% yen bonds, due July 2012	20,000	**—**	**—**
1.94% yen bonds, due March 2017	20,000	**20,000**	**212,766**
1.58% yen bonds, due July 2013	20,000	**20,000**	**212,766**
1.69% yen bonds, due March 2014	15,000	**15,000**	**159,574**
1.98% yen bonds, due September 2016	10,000	**10,000**	**106,383**
3.03% loan from a Japanese bank, due September 2017	35,000	**35,000**	**372,340**
3.20% loan from a Japanese bank, due July 2018	33,100	**33,100**	**352,128**
2.51% loan from a Japanese bank, due December 2013	27,500	**27,500**	**292,553**
3.78% loan from a Japanese bank, due March 2015	23,783	**25,856**	**275,064**
2.83% loan from a Japanese bank, due September 2015	23,000	**23,000**	**244,681**
2.79% loan from a Japanese bank, due September 2014	21,900	**21,900**	**232,979**
1.89% loan from a Japanese bank, due March 2016	20,000	**20,000**	**212,766**
2.62% loan from a Japanese bank, due September 2013	20,000	**20,000**	**212,766**
3.15% loan from a Japanese bank, due September 2018	20,000	**20,000**	**212,766**
2.99% loan from a Japanese bank, due September 2016	20,000	**20,000**	**212,766**
1.98% loan from a Japanese bank, due December 2017	20,000	**20,000**	**212,766**
3.14% loan from a Japanese bank, due August 2017	20,000	**20,000**	**212,766**
2.51% loan from a Japanese bank, due August 2014	20,000	**20,000**	**212,766**
2.69% loan from a Japanese bank, due December 2013	12,000	**12,000**	**127,660**
1.61% loan from a Japanese bank, due September 2012	10,000	**—**	**—**
2.16% loan from a Japanese bank, due March 2013	10,000	**—**	**—**
1.51% loan from a Japanese bank, due March 2015	10,000	**10,000**	**106,383**
2.75% loan from a Japanese bank, due September 2019	20,000	**20,000**	**212,766**
2.08% loan from a Japanese bank, due May 2015	17,000	**17,000**	**180,851**
2.78% loan from a Japanese bank, due May 2019	18,000	**18,000**	**191,489**
2.50% loan from a Japanese bank, due May 2019	10,000	**10,000**	**106,383**
2.04% loan from a Japanese bank, due May 2021	15,000	**15,000**	**159,574**
Other bonds	120	**—**	**—**
Other loans from foreign banks	193	**200**	**2,127**
Other loans from Japanese banks	39,505	**17,996**	**191,447**
(Secured long-term debt)			
Other loans from Japanese banks	3,233	**4,201**	**44,692**
	579,334	**520,753**	**5,539,925**
Less-Current maturities	(49,023)	**(97,873)**	**(1,041,202)**
	¥530,311	**¥422,880**	**$ 4,498,723**

As of March 31, 2013 the aggregate annual maturities of long-term debt were as follows:

Fiscal years ending March 31,	Millions of yen	Thousands of U.S. dollars
2014	¥ 97,873	$1,041,202
2015	79,653	847,372
2016	70,720	752,340
2017	50,695	539,309
2018	75,331	801,393
2019 and thereafter	146,481	1,558,309
Total	¥520,753	$5,539,925

10. Notes and Accounts Payable

Notes and accounts payable as of March 31, 2012 and 2013 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
Unconsolidated subsidiaries and affiliates	¥ 197	**¥ 31**	**$ 330**
Trade	75,133	**42,241**	**449,372**
Total	¥75,330	**¥42,272**	**$449,702**

11. Retirement Benefit Plans

Employees of the Company and consolidated subsidiaries have defined funded pension plans and unfunded retirement allowance plans. The Company and certain consolidated subsidiaries have defined contribution pension plans.

Directors and corporate auditors of several domestic consolidated subsidiaries have unfunded retirement allowance plans.

The amounts of pension payments and retirement allowances are generally determined on the basis of length of service and basic salary at the time of termination of service.

It is the Company's policy to fund amounts required to maintain sufficient plan assets to provide for accrued benefits. The plan assets consist principally of interest-bearing bonds and listed equity securities.

Provision for retirement benefit recognized in the consolidated balance sheets as of March 31, 2012 and 2013 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
Projected benefit obligation	¥ 139,266	**¥ 157,826**	**$ 1,679,000**
Fair value of plan assets	(133,032)	**(152,476)**	**(1,622,085)**
Unrecognized prior service costs	6,791	**4,796**	**51,021**
Unrecognized actuarial loss	(12,551)	**(2,897)**	**(30,819)**
Prepaid pension costs	23,448	**20,345**	**216,436**
Retirement benefits for employees	23,922	**27,594**	**293,553**
Retirement benefit for directors and corporate auditors	140	**142**	**1,511**
Total provision for retirement benefit	¥ 24,062	**¥ 27,736**	**$ 295,064**

Retirement benefit expenses for employees included in the consolidated statements of operations for the years ended March 31, 2011, 2012 and 2013 consisted of the following:

	Millions of yen			Thousands of U.S. dollars
	2011	2012	**2013**	**2013**
Service costs	¥ 6,588	¥ 7,402	**¥ 8,965**	**$ 95,372**
Interest cost on projected benefit obligation	4,024	3,891	**4,051**	**43,096**
Expected return on plan assets	(5,488)	(5,466)	**(5,744)**	**(61,106)**
Amortization of actuarial loss	3,950	6,427	**(1,889)**	**(20,096)**
Amortization of prior service costs	(1,070)	(1,581)	**8,255**	**87,819**
Retirement benefits expenses	8,004	10,673	**13,638**	**145,085**
Payment for defined contribution plans	268	526	**543**	**5,777**
Total	¥ 8,272	¥11,199	**¥14,181**	**$150,862**

The discount rates used by the Company were mainly 2.0% for the years ended March 31, 2011, 2012 and 2013. The rate of expected return on plan assets used by the Company is mainly 4.0% for the years ended March 31, 2011, 2012 and 2013. The estimated amount of all retirement benefits to be paid at the future retirement date is allocated equally to each period over the estimated years of total service.

Extra severance payments for voluntary retirement of ¥1,336 million ($14,213 thousand) for the year ended March 31, 2013 are not included in the above table (see Note 25 "Extra severance payments for voluntary retirement").

12. Allowance for Doubtful Accounts

The non-current allowance for doubtful accounts primarily represents an allowance recorded upon restatement and consolidation of the Funds as discussed in Note 1 "Summary of significant accounting policies" (a) "Basis of presenting consolidated financial statements." Illegitimate payments for fees to external collaborators of ¥7,211 million ($76,713 thousand) were recorded as a non-current receivable and included in non-current other assets on the balance sheet as of March 31, 2012. The Company did not agree to the fees and is seeking collection of the amounts paid, however, collection of such amounts was determined to be doubtful and a full allowance was recorded against the non-current receivable.

13. Stock Option Plans

(1) March 31, 2012

A summary of information regarding the consolidated subsidiaries' stock option plans for the year ended March 31, 2012 was as follows:

	Consolidated subsidiaries
Qualified beneficiaries	13 directors 2 corporate auditors 144 employees
Class and number of shares for which new subscription rights were offered	Common stock 10,844
Date of rights granted	From August 30, 2005 to July 31, 2008
Period of exercise of rights	From January 1, 2007 to June 26, 2018
Number of stock options unvested:	
As of March 31, 2011	—
Granted	—
Lapsed	—
Vested	—
As of March 31, 2012	—
Number of stock options vested:	
As of March 31, 2011	7,931
Vested	—
Exercised	—
Lapsed	930
As of March 31, 2012	7,001
For stock options exercised during the year:	
Exercise price (yen)	¥—
Average price of common stock at the date of exercise (yen)	¥—
For stock options outstanding at the end of the year:	
Exercise price (yen)	¥26,067
No stock options were exercised for the year ended March 31, 2012.	
The total intrinsic value of the stock options was nil as of March 31, 2012.	

Conditions for the exercise of stock options are as follows:

Individuals to whom the stock options are granted must continue their service with the Company or its subsidiaries and affiliates in the state of being employed or entrusted until the stock options become exercisable.

(2) **March 31, 2013**

There were no stock options outstanding as of March 31, 2013, because the subsidiary for which stock options to directors had vested was sold and deconsolidated during the year ended March 31, 2013. No options that had already vested as of April 1, 2012 were exercised or lapsed before the sale of the subsidiary.

14. Income Taxes

Income taxes applicable to the Company and its domestic consolidated subsidiaries consist of corporate tax, inhabitants' tax and enterprise tax, which in the aggregate resulted in normal statutory rates of approximately 40.7%, 40.7% and 38.0% for the years ended March 31, 2011, 2012 and 2013, respectively. Income taxes of foreign consolidated subsidiaries are based generally on tax rates applicable in their countries of incorporation.

The following table summarizes the reconciliation between the statutory tax rates and the Company's effective tax rates for consolidated financial statement purposes for the years ended March 31, 2011 and 2013.

The reconciliation for the year ended March 31, 2012 is not stated as net loss before income taxes was recorded.

	2011	2012	2013
Japanese statutory tax rates	40.7%	—	**38.0%**
Non-deductible expenses	8.1	—	**2.8**
Non-taxable income	—	—	**(3.2)**
Effect of lower tax rates applied for overseas subsidiaries	(19.3)	—	**(8.0)**
Increase in valuation allowance	27.7	—	**120.7**
Amortization of goodwill	17.0	—	**16.1**
Effect of reorganization of group structure	—	—	**(109.9)**
Other, net	4.2	—	**0.4**
Effective tax rates	78.4%	—	**56.9%**

Significant components of deferred tax assets and liabilities as of March 31, 2012 and 2013 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
Deferred tax assets			
Inventories	¥ 6,461	**¥ 6,825**	**$ 72,606**
Prepaid expenses	7,382	**5,915**	**62,926**
Accrued bonuses	5,077	**4,782**	**50,872**
Investments in consolidated subsidiaries	4,859	**3,894**	**41,426**
Unrealized intercompany profits	1,873	**1,969**	**20,947**
Depreciation of property, plant and equipment	5,593	**6,677**	**71,032**
Amortization of intangible assets	4,962	**4,620**	**49,149**
Provision for retirement benefits	8,092	**9,630**	**102,447**
Securities	9,873	**6,519**	**69,351**
Loss carry forward	25,121	**60,479**	**643,394**
Other	21,158	**32,612**	**346,935**
Sub-total	100,451	**143,922**	**1,531,085**
Valuation allowance	(61,026)	**(97,526)**	**(1,037,511)**
Total deferred tax assets	39,425	**46,396**	**493,574**
Prepaid pension expenses	(7,961)	**(6,147)**	**(65,394)**
Basis differences in assets acquired and liabilities assumed upon acquisition	(18,785)	**(17,712)**	**(188,426)**
Other	(10,961)	**(17,236)**	**(183,360)**
Total deferred tax liabilities	(37,707)	**(41,095)**	**(437,180)**
Net deferred tax assets	¥ 1,718	**¥ 5,301**	**$ 56,394**

The "Act for Partial Revision of the Income Tax Act etc. for the Purpose of Creating Taxation System Responding to Changes in Economic and Social Structures" (Act No. 114 of 2011) and the "Act for Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction following the Great East Japan Earthquake" (Act No. 117 of 2011) were promulgated on December 2, 2011 and the staged reduction of the national corporate tax rate and a special reconstruction corporate tax were introduced effective for fiscal years beginning on or after April 1, 2012.

As a result, the effective statutory tax rate used to measure the Company's deferred tax assets and liabilities was changed from 40.7% to 38.0% for the temporary differences expected to be realized or settled in the period from April 1, 2012 to March 31, 2015, and from 40.7% to 35.6% for temporary differences expected to be realized or settled from fiscal years beginning April 1, 2015. The effect of the announced reduction of the effective statutory tax rate was to decrease deferred tax assets, net by ¥741 million and net unrealized losses on hedging derivatives, net of taxes by ¥13 million and increase deferred income taxes by ¥805 million and net unrealized holding gains (losses) on available-for-sales securities, net of taxes by ¥77 million as of and for the year ended March 31, 2012.

15. Net Assets

Under the Japanese Corporate Law (the "Law"), the entire amount paid for new shares is required to be designated as common stock.

However, a company may, by a resolution of its Board of Directors, designate an amount not exceeding one-half of the prices of the new shares as additional paid-in capital, which is included in capital surplus.

Under the Law, in cases where a dividend distribution of surplus is made, the smaller of an amount equal to 10% of the dividend or the excess, if any, of 25% of common stock over the total of additional paid-in capital and legal earnings reserve must be set aside as additional paid-in capital or legal earnings reserve. Legal earnings reserve is included in retained earnings in the accompanying consolidated balance sheets.

Under the Law, all additional paid-in capital and legal earnings reserve may be transferred to other capital surplus and other retained earnings, respectively, which are potentially available for dividends.

The maximum amount that the Company can distribute as dividends is calculated based on the non-consolidated financial statements of the Company in accordance with the Law.

(1) March 31, 2011

A summary of information regarding the consolidated statement of changes in net assets for the year ended March 31, 2011 was as follows:

Total number and class of shares issued and treasury stock

Class of shares	As of April 1, 2010 (Number of shares)	Increase (Number of shares)	Decrease (Number of shares)	As of March 31, 2011 (Number of shares)
Shares issued:				
Common stock	271,283,608	—	—	271,283,608
Treasury Stock:				
Common stock (Notes 1 and 2)	1,315,105	4,227,268	1,193,425	4,348,948

Notes:
1. The increase in the number of shares of common stock in treasury includes 4,222,700 shares through the purchase of common stock and 4,568 shares through the purchase of stock less than one trading unit.
2. The decrease in the number of shares of common stock in treasury includes 1,193,425 shares through the exchange of shares with shareholders of ITX Corporation. As a result of this transaction, ITX Corporation became a wholly owned subsidiary of the Company.

Dividends paid

Resolution	Class of shares	Amount of dividends paid (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
General Shareholders' Meeting (June 29, 2010)	Common Stock	¥4,049	¥15.00	March 31, 2010	June 30, 2010

Resolution	Class of shares	Amount of dividends paid (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
Board of Directors (November 5, 2010)	Common Stock	¥4,050	¥15.00	September 30, 2010	December 3, 2010

There were dividends whose record date was in the year ended March 31, 2011 but whose effective date was in the year ended March 31, 2012.

Resolution	Class of shares	Amount of dividends paid (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
General Shareholders' Meeting (June 29, 2011)	Common Stock	¥4,004	¥15.00	March 31, 2011	June 30, 2011

Other

As dividends were already paid in accordance with the procedures based on the resolution by the General Meeting of Shareholders and the Board of Directors, the amount of retained earnings was determined after subtracting the dividends.

(2) March 31, 2012

A summary of information regarding the consolidated statement of changes in net assets for the year ended March 31, 2012 was as follows:

Total number and class of shares issued and treasury stock

Class of shares	As of April 1, 2011 (Number of shares)	Increase (Number of shares)	Decrease (Number of shares)	As of March 31, 2012 (Number of shares)
Shares issued:				
Common stock	271,283,608	—	—	271,283,608
Treasury stock:				
Common stock (Note)	4,348,948	72,930	—	4,421,878

Note: The increase in the number of shares of common stock in treasury includes 22,000 shares purchased from dissenting shareholders opposed to the exchange of shares in which ITX Corporation became a wholly owned subsidiary of the Company, 40,000 shares purchased from dissenting shareholders opposed to the absorption-type company split with Olympus Imaging Corporation and 10,930 shares through the purchases of stock of less than one trading unit.

Dividends paid

Resolution	Class of shares	Amount of dividends paid (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
General Shareholders' Meeting (June 29, 2011)	Common Stock	¥4,004	¥15.00	March 31, 2011	June 30, 2011

There were no dividends whose record date was in the year ended March 31, 2012 but whose effective date was in the year ended March 31, 2013.

(3) **March 31, 2013**

A summary of information regarding the consolidated statement of changes in net assets for the year ended March 31, 2013 was as follows:

Total number and class of shares issued and treasury stock

Class of shares	As of April 1, 2012 (Number of shares)	Increase (Number of shares)	Decrease (Number of shares)	As of March 31, 2013 (Number of shares)
Shares issued:				
Common stock (Note 1)	**271,283,608**	**34,387,900**	**—**	**305,671,508**
Treasury stock:				
Common stock (Note 2)	**4,421,878**	**3,904**	**—**	**4,425,782**

Notes:
1. The increase in the number of issued shares of common stock includes 34,387,900 shares through the issuance of shares through third-party allotment.
2. The increase in the number of shares of common stock in treasury includes 3,904 shares through the purchase of stock less than one trading unit.

There were no dividends paid in the year ended March 31, 2013, and there were no dividends whose record date is in the year ended March 31, 2013 but whose effective date is in the year ending March 31, 2014.

16. Contingent Liabilities

The Company and its consolidated subsidiaries were contingently liable for notes and bills discounted of ¥357 million and ¥195 million ($2,074 thousand) as of March 31, 2012 and 2013, respectively. The Company and its consolidated subsidiaries were also contingently liable as guarantors of borrowings, primarily for housing loans to employees, amounting to ¥122 million and ¥93 million ($989 thousand), respectively, and as guarantors of borrowings from banks to third parties, amounting to ¥2,204 million and ¥2,000 million ($21,277 thousand), respectively, as of March 31, 2012 and 2013.

17. Pledged Assets

The following assets were pledged as collateral for long-term debt, current maturities of long-term debt and short-term borrowings as of March 31, 2012 and 2013:

	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
Cash and deposits	¥ 2,090	**¥ 2,000**	**$ 21,277**
Lease receivables and leased investment assets	7,797	**8,257**	**87,840**
Buildings and structures	1,077	**980**	**10,426**
Machinery and equipment	307	**443**	**4,713**
Other assets	2,970	**4,808**	**51,148**
	¥14,241	**¥16,488**	**$175,404**

The obligations secured by such collateral were as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
Long-term debt	¥ 3,115	**¥ 4,109**	**$ 43,713**
Current maturities of long-term debt	118	**93**	**989**
Short-term borrowings	7,797	**8,257**	**87,841**
	¥11,030	**¥12,459**	**$132,543**

18. Selling, General and Administrative Expenses

The following table summarizes the major components of selling, general and administrative expenses for the years ended March 31, 2011, 2012 and 2013:

	Millions of yen			Thousands of U.S. dollars
	2011	2012	**2013**	**2013**
Advertising and promotion expenses	¥ 44,620	¥ 42,612	**¥ 39,946**	**$ 424,957**
Salaries and allowance	102,594	106,401	**104,079**	**1,107,223**
Bonuses	18,952	21,721	**21,699**	**230,840**
Retirement benefit expenses	7,538	9,263	**11,517**	**122,521**
Amortization of goodwill	11,619	11,103	**9,683**	**103,011**
Research and development expenses	38,711	33,113	**28,410**	**302,234**
Depreciation and amortization	24,167	23,423	**23,070**	**245,426**

The total of research and development expenses included in “Selling, general and administrative expenses” and “Cost of sales” for the years ended March 31, 2011, 2012 and 2013 amounted to ¥67,286 million, ¥61,356 million and ¥63,379 million ($674,245 thousand), respectively.

19. Impairment Loss on Fixed Assets

The losses on impairment of fixed assets that the Company and its consolidated subsidiaries recorded for the years ended March 31, 2011, 2012 and 2013 were as follows:

For the year ended March 31, 2011

Use	Type of assets	Location	Millions of yen
Assets used for Others business	Construction in progress	Nagano	¥482
Total			¥482

For the year ended March 31, 2012

Use	Type of assets	Location	Millions of yen
Assets used for Imaging Business	Land	Tokyo, Guangdong Province in China and others	¥ 3,008
	Buildings and structures		4,051
	Tools, furniture and fixtures		1,265
	Machinery and equipment		1,404
	Right of using facilities		122
	Patent		284
	Software, etc.		865
	Long-term prepaid expenses		594
Assets used for Others business	Land	Nagano and others	345
	Buildings and structures		222
	Tools, furniture and fixtures		325
	Machinery and equipment		285
	Leased assets		8
	Software, etc.		50
	Long-term prepaid expenses		1,977
Assets used for Life Science and Industrial Business	Patent	—	301
Assets used for Information and Communication Business	Buildings and structures	Tokyo	52
	Tools, furniture and fixtures		6
	Software		12
Idle properties	Buildings and structures	Nagano, Singapore and others	358
	Tools, furniture and fixtures		1
	Machinery and equipment		9
	Leasehold right		5
	Software, etc.		290
Total			¥15,839

For the year ended March 31, 2013

Use	Type of assets	Location	Millions of yen	Thousands of U. S. dollars
Assets used for Imaging Business	Land	Tokyo, Guangdong Province in China and others	¥ 200	$ 2,128
	Buildings and structures		1,236	13,149
	Tools, furniture and fixtures		713	7,585
	Machinery and equipment		573	6,096
	Construction in process		66	702
	Right of using facilities		47	500
	Patent		102	1,085
	Software, etc.		364	3,872
	Long-term prepaid expenses		432	4,596
Assets used for Others business	Land	Massachusetts in America and others	10	106
	Buildings and structures		579	6,160
	Tools, furniture and fixtures		8	85
	Machinery and equipment		328	3,489
	Construction in process		3	32
	Leased assets		24	255
	Goodwill		16	170
	Patent		19	202
	Software, etc.		11	117
	Technology-related assets		1,031	10,968
	Marketing rights		348	3,702
Assets scheduled for disposal	Software	Tokyo	1,490	15,852
Total			¥7,600	$80,851

The Company and its consolidated subsidiaries mainly classify their assets for business use into groups based on business segment. However, assets to be disposed of and idle assets are classified as respective independent groups of assets.

Some assets for business use were not expected to make a profit constantly because of deterioration in the business environment. As a result, carrying amounts for assets for business use were written down to their recoverable amounts. The recoverable amount is measured according to the value in use or net selling price based on real estate appraisal. When the value in use based on future cash flows is estimated to be negative, the assets are assumed to have no recoverable value.

With regard to assets scheduled for disposal, a decision has been made to dispose of an in-house system for supporting operational efficiency improvement. As a result, the book value of these assets is considered to be zero.

Carrying amounts of idle properties were written down to their recoverable amounts, owing to substantial decline in the fair market values. The recoverable amounts were estimated by net realizable values of fixed assets which were calculated based on net selling price.

20. Write-Off of Previously Recorded Goodwill

For the year ended March 31, 2012, the Company fully wrote off its goodwill related to subsidiaries because the value was deemed impaired, in accordance with Paragraph 32 (1) of JICPA Accounting Committee Report No. 7 “Practical Guidance for Consolidated Procedures Related to Equity Account in Consolidated Financial Statements.”

21. Loss on Funds

Upon restatement and consolidation of the Funds as discussed in Note 1 “Summary of significant accounting policies” (a) “Basis of presenting consolidated financial statements,” management fees incurred by the Funds of ¥327 million were recorded as other expenses for the year ended March 31, 2011.

22. Provision of Allowance for Doubtful Accounts on Funds

Upon restatement and consolidation of the Funds as discussed in Note 1 "Summary of significant accounting policies" (a) "Basis of presenting consolidated financial statements," an increase in the provision for doubtful accounts of the Funds of ¥2,448 million was recorded against the non-current receivable for illegitimate payments to external collaborators and included as part of other expenses on the statement of operations for the year ended March 31, 2011.

23. Loss on Restructuring of Businesses

Loss on restructuring of businesses of ¥3,392 million and ¥2,947 million ($31,351 thousand) recorded in the consolidated statements of operations for the years ended March 31, 2012 and 2013, respectively, stems mainly from the reorganization of the ERP business for retailers (UCS6) for 2012 and the reorganization of the Imaging Business for 2013.

24. Expenses Related to Restatement of Prior Periods

Expenses related to the restatement of prior periods of ¥2,001 million recorded in the consolidated statement of operations for the year ended March 31, 2012 primarily consist of costs incurred to investigate the inappropriate accounting applied by the Company, which was discovered in November 2011 as discussed in Note 1 "Summary of significant accounting policies" (a) "Basis of presenting consolidated financial statements."

25. Extra Severance Payments for Voluntary Retirement

A charge of ¥1,336 million ($14,213 thousand) recorded in the consolidated statement of operations for the year ended March 31, 2013 is for extra severance payments in connection with the results of a solicitation for voluntary retirement for certain employees.

26. Settlement Package

The Company's former Representative Director, President and Chief Executive Officer, Mr. Michael Woodford had filed an employment tribunal action against the Company. On May 29, 2012, a settlement was reached on a series of disputes, including those related to the dismissal of Mr. Woodford from his position as the Company's Representative Director, President and Chief Executive Officer. As a result, a charge of ¥1,231 million ($13,096 thousand) was recorded in the consolidated statement of operations for the year ended March 31, 2013.

27. Cash and Cash Equivalents

Reconciliations of cash and deposits shown in the consolidated balance sheets and cash and cash equivalents shown in the consolidated statements of cash flows for the years ended March 31, 2011, 2012 and 2013 were as follows:

	Millions of yen			Thousands of U.S. dollars
	2011	2012	**2013**	**2013**
Cash and deposits	¥213,561	¥200,088	**¥229,610**	**$2,442,660**
Less-Time deposits with maturities over three months	(3,176)	(1,427)	**(3,828)**	**(40,724)**
Cash and cash equivalents	¥210,385	¥198,661	**¥225,782**	**$2,401,936**

28. Cash Flow Related to Payments for Acquisition of Newly Consolidated Subsidiaries

Details of assets and liabilities when Spiration Inc., Innov-X Systems, Inc. and other subsidiaries were consolidated, acquisition costs of shares and related payments for the acquisitions for the year ended March 31, 2011 were as follows:

	Millions of yen
Current assets	¥ 3,246
Non-current assets	10,807
Goodwill	7,406
Current liabilities	(2,921)
Non-current liabilities	(3,733)
Shareholders' equity	(1,251)
Sub-total: Acquisition cost of newly consolidated subsidiaries	13,554
Cash and cash equivalents owned by newly consolidated subsidiaries	(1,226)
Net: Payments for acquisition of newly consolidated subsidiaries	¥12,328

29. Cash Flow from Sales of Investments in Subsidiaries Resulting in Change in Scope of Consolidation

Details of assets and liabilities, and the reconciliation between the transaction price and proceeds from the transfer of ITX Corporation, Net Protections, Inc. and 11 other companies, which have been excluded from the scope of consolidation due to sale of shares during the year ended March 31, 2013 were as follows:

	Millions of yen	Thousands of U.S. dollars
Current assets	¥ 64,733	$ 688,649
Non-current assets	29,852	317,574
Current liabilities	(54,970)	(584,787)
Non-current liabilities	(2,009)	(21,372)
Net unrealized holding gains on available-for-sale securities, net of taxes	(13)	(138)
Foreign currency translation adjustment	221	2,351
Minority interests	(240)	(2,553)
Gain on sales of investment securities in subsidiaries, net	20,027	213,053
Transfer price for business	57,601	612,777
Cash and cash equivalents	(3,402)	(36,191)
Proceeds from sale not yet collected	(1,570)	(16,703)
Net: Proceeds from sales of investment securities in subsidiaries, net	¥ 52,629	$ 559,883

30. Outflow of Money from Funds

Upon restatement and consolidation of the Funds as discussed in Note 1 "Summary of significant accounting policies" (a) "Basis of presenting consolidated financial statements," illegitimate payments to external collaborators of the Funds of ¥2,448 million was recorded as part of operating activities on the statement of cash flows for the year ended March 31, 2011 (Note 22 "Provision of allowance for doubtful accounts on funds").

31. Collection of Assets Held by the Funds

Upon restatement and consolidation of the Funds as discussed in Note 1 "Summary of significant accounting policies" (a) "Basis of presenting consolidated financial statements," cash held by the Funds of ¥65,553 million was recorded as part of fund investment assets on the consolidated balance sheet as of April 1, 2010 and recorded as an investing activity in-flow of cash on the statement of cash flows for the year ended March 31, 2011.

32. Lease Transactions

Finance Lease Transactions (Lessee):

The Company and its consolidated subsidiaries lease certain machinery and equipment under non-cancelable finance and operating leases. Finance leases that do not transfer ownership to lessees whose contract commenced on or before March 31, 2008 are not capitalized and are accounted for in the same manner as operating leases. Certain information for such non-capitalized finance leases was as follows:

As of March 31:	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
(Equivalent amount)			
Acquisition cost	¥ 1,257	**¥ 428**	**$ 4,553**
Accumulated depreciation	(1,061)	**(362)**	**(3,851)**
Accumulated loss on impairment	(1)	**—**	**—**
Net book value	¥ 195	**¥ 66**	**$ 702**

As of March 31:	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
(Future lease payments)			
Due within one year	¥141	**¥57**	**$606**
Due after one year	74	**17**	**181**
Total	¥215	**¥74**	**$787**
Balance of impairment loss account on leased assets included in the outstanding future lease payments	¥ 1	**¥ —**	**$ —**

For the years ended March 31:	Millions of yen			Thousands of U.S. dollars
	2011	2012	**2013**	**2013**
(Lease payments and pro forma information)				
Lease payments	¥1,150	¥456	**¥136**	**$1,447**
Equivalent of depreciation expense	1,060	413	**121**	**1,287**
Equivalent of interest expense	46	16	**6**	**64**

Equivalent of depreciation expense is computed using the straight-line method over the lease terms assuming no residual value. Equivalent of interest expense is computed using the interest rate method over the lease terms for the difference between acquisition cost and total lease payments.

Operating Lease Transactions (Lessee):

Future minimum lease payments under the non-cancelable operating leases subsequent to March 31, 2012 and 2013 were as follows:

As of March 31, 2012	Millions of yen		
	Due within one year	Due after one year	Total minimum lease payments
	¥14	¥11	¥25

As of March 31, 2013	Millions of yen			Thousands of U.S. dollars		
	Due within one year	Due after one year	Total minimum lease payments	Due within one year	Due after one year	Total minimum lease payments
	¥301	**¥258**	**¥559**	**$3,202**	**$2,745**	**$5,947**

Finance Lease Transactions (Lessor):

Leased investment assets recognized in the consolidated balance sheets as of March 31, 2012 and 2013 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
Lease receivables and leased investment assets:			
Lease receivables	¥17,243	**¥21,161**	**$225,117**
Estimated residual value	3,545	**2,146**	**22,830**
Interest income	(1,900)	**(2,405)**	**(25,585)**
Leased investment assets	¥18,888	**¥20,902**	**$222,362**

	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
Other assets:			
Lease receivables	¥16,348	**¥26,256**	**$279,319**
Estimated residual value	1,659	**2,074**	**22,064**
Interest income	(1,804)	**(3,831)**	**(40,755)**
Leased investment assets	¥16,203	**¥24,499**	**$260,628**

The following table sets forth amounts of lease receivables and leased investment assets to be collected subsequent to March 31, 2012 and 2013:

As of March 31, 2012	Millions of yen					
	Due within one year	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Lease receivables and leased investment assets:						
Lease receivables	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
Lease receivable components of leased investment assets	17,030	81	65	48	19	—
Other assets:						
Lease receivables	—	—	—	—	—	—
Lease receivable components of leased investment assets	—	9,625	4,972	1,157	303	291

As of March 31, 2013	Millions of yen					
	Due within one year	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Lease receivables and leased investment assets:						
Lease receivables	**¥ 875**	**¥ —**	**¥ —**	**¥ —**	**¥ —**	**¥ —**
Lease receivable components of leased investment assets	**21,161**	**—**	**—**	**—**	**—**	**—**
Other assets:						
Lease receivables	**—**	**978**	**171**	**104**	**42**	**23**
Lease receivable components of leased investment assets	**—**	**11,244**	**7,847**	**4,102**	**1,977**	**1,086**

As of March 31, 2013	Thousands of U.S. dollars					
	Due within one year	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Lease receivables and leased investment assets:						
Lease receivables	**$ 9,308**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**
Lease receivable components of leased investment assets	**225,117**	**—**	**—**	**—**	**—**	**—**
Other assets:						
Lease receivables	**—**	**10,404**	**1,819**	**1,106**	**447**	**245**
Lease receivable components of leased investment assets	**—**	**119,617**	**83,479**	**43,638**	**21,032**	**11,553**

Operating Lease Transactions (Lessor):

Future minimum lease payments under the non-cancelable operating leases having remaining terms in excess of one year were as follows:

As of March 31, 2012	Millions of yen		
	Due within one year	Due after one year	Total minimum lease payments
	¥2,173	¥2,635	¥4,808

As of March 31, 2013	Millions of yen			Thousands of U.S. dollars		
	Due within one year	Due after one year	Total minimum lease payments	Due within one year	Due after one year	Total minimum lease payments
	¥2,685	**¥3,029**	**¥5,714**	**$28,564**	**$32,223**	**$60,787**

33. Other Comprehensive Income

The following table presents reclassification adjustments and corresponding tax effects allocated to each component of other comprehensive income for the years ended March 31, 2012 and 2013:

	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
Net unrealized holding gains (losses) on available-for-sale securities, net of taxes:			
Amount arising during the year	¥ (2,676)	**¥ 4,636**	**$ 49,319**
Reclassification adjustments for gains and losses included in net income	(2,183)	**(368)**	**(3,915)**
Amount before tax effect	(4,859)	**4,268**	**45,404**
Tax effect	1,463	**(1,103)**	**(11,734)**
Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	(3,396)	**3,165**	**33,670**
Net unrealized gains (losses) on hedging derivatives, net of taxes:			
Amount arising during the year	1,268	**(18)**	**(191)**
Reclassification adjustments for gains and losses included in net income	(1,692)	**1,494**	**15,893**
Amount before tax effect	(424)	**1,476**	**15,702**
Tax effect	(86)	**(188)**	**(2,000)**
Net unrealized gains (losses) on hedging derivatives, net of taxes	(510)	**1,288**	**13,702**
Foreign currency translation adjustments:			
Amount arising during the year	(6,858)	**43,516**	**462,936**
Reclassification adjustments for gains and losses included in net income	—	**629**	**6,692**
Foreign currency translation adjustments	(6,858)	**44,145**	**469,628**
Pension liabilities adjustment of foreign subsidiaries:			
Amount arising during the year	(5,557)	**(4,173)**	**(44,394)**
Reclassification adjustments for gains and losses included in net income	313	**782**	**8,319**
Amount before tax effect	(5,244)	**(3,391)**	**(36,075)**
Tax effect	1,797	**1,435**	**15,266**
Pension liabilities adjustment of foreign subsidiaries	(3,447)	**(1,956)**	**(20,809)**
Share of other comprehensive income of companies accounted for by the equity method:			
Amount arising during the year	(2)	**5**	**53**
Share of other comprehensive income of companies accounted for by the equity method	(2)	**5**	**53**
Total other comprehensive income	¥(14,213)	**¥46,647**	**$496,244**

34. Derivative Financial Instruments

The Company and its consolidated subsidiaries use derivative financial instruments in the normal course of their business to manage the exposure to fluctuations in foreign exchange rates and interest rates. The primary classes of derivatives used by the Company and its consolidated subsidiaries are foreign exchange forward contracts, currency options, currency swaps and interest rate swaps. Almost all derivative transactions are used to hedge interest rates and foreign currency positions in connection with their business. Accordingly, market risk in these derivatives is largely offset by opposite movements in the underlying positions. Management assesses derivative transactions and market risks surrounding these transactions according to the Company's policy regarding derivative transactions. Contracts of derivative financial instruments are executed by finance departments of the Company or its subsidiaries.

The Company's and its consolidated subsidiaries' trade payables that are denominated in foreign currencies which meet specific matching criteria and have been hedged by foreign exchange forward contracts are translated at the foreign exchange rate stipulated in the contracts (special hedge accounting for foreign exchange forward contracts).

Interest rate swaps that qualify for hedge accounting and meet specific matching criteria are not remeasured at market value, but the differential to be paid or received under the swap agreements are accrued and included in interest expense or income (special hedge accounting short-cut method for interest rate swaps).

The counterparties to the derivative financial instruments of the Company and its consolidated subsidiaries are substantial and credit-worthy multi-national commercial banks or other financial institutions that are recognized market makers. Neither the risks of counterparty non-performance nor the economic consequences of counterparty non-performance associated with these contracts are considered by the Company to be material.

The following table summarizes the underlying notional transaction amounts, fair values and unrealized gain or (loss) for outstanding derivative financial instruments by risk category and instrument type as of March 31, 2012 and 2013:

Derivatives for which the hedge accounting is not applied

As of March 31, 2012	Millions of yen		
	Notional amount	Fair value	Unrealized gain or (loss)
Foreign exchange forward contracts:			
To buy U.S. dollars	¥ 82	¥ 0	¥ 0
To buy other currencies	21,098	(494)	(494)
To sell U.S. dollars	1,041	18	18
To sell other currencies	3,191	(111)	(111)
Foreign exchange option contracts:			
Put option	3,800	84	84
Foreign currency swap contracts:			
Receive British pounds / pay Euro	5,405	5	5
Receive other currencies / pay other currencies	5,466	17	17

	Millions of yen			Thousands of U.S. dollars		
As of March 31, 2013	Notional amount	Fair value	Unrealized gain or (loss)	Notional amount	Fair value	Unrealized gain or (loss)
Foreign exchange forward contracts:						
To buy U.S. dollars	**¥ 115**	**¥ 1**	**¥ 1**	**$ 1,223**	**$ 11**	**$ 11**
To buy other currencies	**17,061**	**(183)**	**(183)**	**181,500**	**(1,947)**	**(1,947)**
To sell U.S. dollars	**1,354**	**(26)**	**(26)**	**14,404**	**(277)**	**(277)**
To sell other currencies	**4,391**	**(74)**	**(74)**	**46,713**	**(787)**	**(787)**
Foreign exchange option contracts:						
Put option	**3,967**	**80**	**80**	**42,202**	**851**	**851**
Foreign currency swap contracts:						
Receive British pounds / pay Euro	**2,081**	**(8)**	**(8)**	**22,138**	**(85)**	**(85)**
Receive other currencies / pay other currencies	**5,888**	**7**	**7**	**62,638**	**74**	**74**

The fair values of foreign exchange option contracts and currency swap contracts are estimated by obtaining quotes from financial institutions. The fair value of foreign exchange forward contracts is estimated based on market prices for contracts with similar terms.

Derivatives for which the hedge accounting is applied

As of March 31, 2012	Millions of yen	
	Notional amount	Fair value
Foreign exchange forward contracts, accounted for by deferral hedge accounting:		
To buy U.S. dollars	¥ 1,302	¥ (1)
To buy other currencies	328	(5)
To sell U.S. dollars	12,732	(485)
To sell other currencies	14,438	(640)
Foreign exchange forward contracts, accounted for by special hedge accounting:		
To buy U.S. dollars	20,011	*
To buy other currencies	2	*
To sell U.S. dollars	7,496	*
To sell other currencies	579	*
Interest rate swap contracts, accounted for by deferral hedge accounting:		
Receive floating / pay fixed	14,940	(310)
Interest rate swap contracts, accounted for by special hedge accounting short-cut method:		
Receive floating / pay fixed	374,879	**

As of March 31, 2013	Millions of yen		Thousands of U.S. dollars	
	Notional amount	Fair value	Notional amount	Fair value
Foreign exchange forward contracts, accounted for by deferral hedge accounting:				
To buy U.S. dollars	**¥ 294**	**¥21**	**$ 3,128**	**$223**
To buy other currencies	**6**	**(0)**	**64**	**(0)**
To sell U.S. dollars	**286**	**(4)**	**3,043**	**(43)**
To sell other currencies	**122**	**1**	**1,298**	**11**
Foreign exchange forward contracts, accounted for by special hedge accounting:				
To buy U.S. dollars	**9,530**	*****	**101,383**	*****
To buy other currencies	**25**	*****	**266**	*****
To sell U.S. dollars	**23,834**	*****	**253,553**	*****
To sell other currencies	**7,531**	*****	**80,117**	*****
Interest rate swap contracts, accounted for by deferral hedge accounting:				
Receive floating / pay fixed	**—**	**—**	**—**	**—**
Interest rate swap contracts, accounted for by special hedge accounting short-cut method:				
Receive floating / pay fixed	**347,295**	******	**3,694,628**	******

The fair value of foreign exchange forward contracts is estimated based on market prices for contracts with similar terms.
The fair value of interest rate swap contracts is estimated by obtaining quotes from financial institutions.
* Foreign exchange forward contracts are accounted for as part of accounts receivable and accounts payable. Therefore, the fair value of the contracts is included in the fair value of underlying accounts receivable and accounts payable.
** Interest rate swap contracts are accounted for as part of long-term debt. Therefore, the fair value of the contracts is included in the fair value of underlying long-term debt.

35. Segment Information

(1) Overview of reportable segments

The reportable segments of the Olympus Group are components of the Company whose separate financial information is available. These segments are periodically evaluated by the Board of Directors in deciding how to allocate management resources and in assessing the performance.

The Olympus Group has established business divisions at the Company, Olympus Medical Systems Corporation, Olympus Imaging Corporation, and ITX Corporation. Each business division formulates comprehensive strategies for Japan and abroad with respect to products and services handled and deploys business activities.

Accordingly, being composed of segments that are categorized according to products and services, the Olympus Group has the following five reportable segments based on these business divisions: Medical Business, Life Science and Industrial Business, Imaging Business, Information and Communication Business, and Others.

The "Medical Business" manufactures and sells medical endoscopes, surgical endoscopes, endotherapy devices and other products. The "Life Science and Industrial Business" manufactures and sells biological microscopes, industrial microscopes, industrial endoscopes, non-destructive testing equipment and other products. The "Imaging Business" manufactures and sells digital cameras, voice recorders and other products. The "Information and Communication Business" sells mobile terminals including mobile handsets. The "Others" business manufactures and sells biomedical materials, conducts system development and other business activities.

On September 28, 2012, the Company transferred its Information & Communication Business of ITX Corporation, which was previously classified in the Information and Communication segment, to a newly established company, and on the same day, the newly established company was sold to IJ Holdings Inc., a wholly owned subsidiary of a partnership operated and managed by Japan Industrial Partners, Inc. As a result, this newly established company was excluded from the scope of consolidation.

(2) Method of calculating amounts of net sales, profit/loss, assets, and other items
The accounting policies of the segments are basically the same as those described in the significant accounting policies in Note 1 "Summary of significant accounting policies." Segment profit or loss corresponds to operating income on the consolidated statements of operations. The internal sales or transfer among segments are based on actual market prices.

(3) Information concerning net sales and profit (loss), assets and other items by reportable segment

	Millions of yen							
	For the year ended March 31, 2011							
	Medical	Life Science and Industrial	Imaging	Information and Communication	Others	Total	Adjustments	Consolidated Total
Net sales:								
Third parties	¥355,322	¥100,808	¥131,417	¥209,520	¥50,038	¥847,105	¥ —	¥ 847,105
Intersegment	135	170	91	—	43	439	(439)	—
Total	¥355,457	¥100,978	¥131,508	¥209,520	¥50,081	¥847,544	¥ (439)	¥ 847,105
Segment profit (loss)	¥ 71,682	¥ 8,553	¥ (15,019)	¥ 5,242	¥ (3,606)	¥ 66,852	¥ (28,472)	¥ 38,379
Assets	436,586	84,773	107,679	93,261	76,967	799,266	219,894	1,019,160
Depreciation and amortization	16,913	4,395	6,021	577	2,057	29,963	4,225	34,188
Amortization of goodwill	6,935	922	—	2,448	1,944	12,249	—	12,249
Capital expenditures	15,525	3,913	4,838	738	3,685	28,699	4,000	32,699

	Millions of yen							
	For the year ended March 31, 2012							
	Medical	Life Science and Industrial	Imaging	Information and Communication	Others	Total	Adjustments	Consolidated Total
Net sales:								
Third parties	¥349,246	¥92,432	¥128,561	¥229,399	¥48,910	¥848,548	¥ —	¥848,548
Intersegment	158	16	84	—	142	400	(400)	—
Total	¥349,404	¥92,448	¥128,645	¥229,399	¥49,052	¥848,948	¥ (400)	¥848,548
Segment profit (loss)	¥ 68,188	¥ 5,439	¥ (10,760)	¥ 5,277	¥ (7,992)	¥ 60,152	¥ (24,634)	¥ 35,518
Assets	462,317	79,251	88,928	98,842	73,207	802,545	163,981	966,526
Depreciation and amortization	17,935	3,606	4,696	1,029	1,891	29,157	4,630	33,787
Amortization of goodwill	6,695	664	—	2,890	2,034	12,283	—	12,283
Capital expenditures	15,588	4,292	5,211	666	5,735	31,492	6,469	37,961

	Millions of yen							
	For the year ended March 31, 2013							
	Medical	Life Science and Industrial	Imaging	Information and Communication	Others	Total	Adjustments	Consolidated Total
Net sales:								
Third parties	¥394,724	¥85,513	¥107,638	¥114,243	¥41,733	¥743,851	¥ —	¥743,851
Intersegment	159	10	37	—	252	458	(458)	—
Total	¥394,883	¥85,523	¥107,675	¥114,243	¥41,985	¥744,309	¥ (458)	¥743,851
Segment profit (loss)	¥ 87,069	¥ 3,527	¥ (23,073)	¥ 1,704	¥ (4,870)	¥ 64,357	¥ (29,280)	¥ 35,077
Assets	505,302	89,995	81,740	—	62,364	739,401	220,681	960,082
Depreciation and amortization	20,270	4,420	2,591	283	1,827	29,391	4,508	33,899
Amortization of goodwill	7,032	770	—	1,504	377	9,683	—	9,683
Capital expenditures	17,147	3,429	3,076	231	1,826	25,709	2,400	28,109

	Thousands of U.S. dollars							
	For the year ended March 31, 2013							
	Medical	Life Science and Industrial	Imaging	Information and Communication	Others	Total	Adjustments	Consolidated Total
Net sales:								
Third parties	$4,199,191	$909,713	$1,145,085	$1,215,351	$443,969	$7,913,309	$ —	$ 7,913,309
Intersegment	1,692	106	394	—	2,680	4,872	(4,872)	—
Total	$4,200,883	$909,819	$1,145,479	$1,215,351	$446,649	$7,918,181	$ (4,872)	$ 7,913,309
Segment profit (loss)	$ 926,266	$ 37,521	$ (245,457)	$ 18,128	$ (51,809)	$ 684,649	$ (311,489)	$ 373,160
Assets	5,375,553	957,394	869,574	—	663,447	7,865,968	2,347,670	10,213,638
Depreciation and amortization	215,638	47,021	27,564	3,011	19,436	312,670	47,958	360,628
Amortization of goodwill	74,809	8,191	—	16,000	4,011	103,011	—	103,011
Capital expenditures	182,415	36,479	32,723	2,457	19,426	273,500	25,532	299,032

Notes:

1. Segment profit (loss) is adjusted to agree with operating income on the consolidated statements of operations.
2. Adjustments for segment profit and loss include ¥(28,472) million, ¥(24,634) million and ¥(29,280) million ($(311,489) thousand) for the years ended March 31, 2011, 2012 and 2013, respectively, of corporate general administration and research and development center expenses, which are not allocable to the reportable segments.
3. Adjustments for segment assets include ¥219,894 million, ¥163,981 million and ¥220,681 million ($2,347,670 thousand) as of March 31, 2011, 2012 and 2013, respectively, of corporate assets, which are not allocable to the reportable segments.
4. Adjustments for depreciation and amortization include ¥4,225 million, ¥4,630 million and ¥4,508 million ($47,958 thousand) for the years ended March 31, 2011, 2012 and 2013, respectively, of depreciation and amortization for corporate assets, which are not allocable to the reportable segments.
5. Adjustments for capital expenditures include ¥4,000 million, ¥6,469 million and ¥2,400 million ($25,532 thousand) for the years ended March 31, 2011, 2012 and 2013, respectively, of the increase in property, plant and equipment and intangible assets, which are not allocable to the reportable segments.

(4) Related information

(a) Sales by destination

Net sales to third parties by countries or areas grouped according to geographical classification for the years ended March 31, 2011, 2012 and 2013 are summarized as follows:

	Millions of yen			Thousands of U.S. dollars
	2011	2012	**2013**	**2013**
to Japan	¥386,502	¥398,237	**¥287,025**	**$3,053,458**
to North America	182,009	165,263	**177,233**	**1,885,457**
to Europe	154,363	156,149	**157,179**	**1,672,117**
to Asia	97,293	107,304	**102,395**	**1,089,309**
to Other areas	26,938	21,595	**20,019**	**212,968**
	¥847,105	¥848,548	**¥743,851**	**$7,913,309**

Note:
Each destination is determined by geographical adjacency.
North America includes the United States and Canada.
Europe includes Germany, the United Kingdom, France and other countries.
Asia includes Singapore, Hong Kong, China, South Korea, Australia and other countries.
Other areas include Central and South America, Africa and others.

(b) Property, plant and equipment by geographic location

Property, plant and equipment by geographical countries or areas as of March 31, 2011, 2012 and 2013 are summarized as follows:

	Millions of yen			Thousands of U.S. dollars
	2011	2012	**2013**	**2013**
Japan	¥ 73,409	¥ 62,816	**¥ 53,952**	**$ 573,957**
America	27,887	29,114	**35,948**	**382,426**
Europe	24,143	22,968	**25,842**	**274,915**
Asia	15,902	12,910	**14,060**	**149,574**
	¥141,341	¥127,808	**¥129,802**	**$1,380,872**

Note:
Each geographic location is determined by geographical adjacency.
America includes the United States, Canada, Mexico and Brazil.
Europe includes Germany, the United Kingdom, France and other countries.
Asia includes Singapore, Hong Kong, China, South Korea, Australia and other countries.

(c) Sales by major customer

Sales by major customer for the years ended March 31, 2011, 2012 and 2013 have been omitted due to the absence of a customer with sales volume which exceeds 10% of consolidated net sales.

(d) Impairment loss on fixed assets by reportable segment for the years ended March 31, 2011, 2012 and 2013 is summarized as follows:

	Millions of yen			Thousands of U.S. dollars
	2011	2012	**2013**	**2013**
Medical	¥ —	¥ —	**¥ —**	**$ —**
Life Science and Industrial	—	301	**—**	**—**
Imaging	—	11,593	**3,733**	**39,713**
Information and Communication	—	70	**—**	**—**
Others	482	3,212	**2,377**	**25,287**
Reportable segment total	482	15,176	**6,110**	**65,000**
Adjustments and eliminations	—	663	**1,490**	**15,851**
	¥482	¥15,839	**¥7,600**	**$80,851**

(e) Outstanding balances of goodwill by reportable segment as of March 31, 2011, 2012 and 2013 were as follows:

	Millions of yen 2011					
	Medical	Life Science and Industrial	Imaging	Information and Communication	Others	Consolidated Total
Outstanding balance of goodwill	¥101,876	¥4,626	¥—	¥23,161	¥3,387	¥133,050

	Millions of yen 2012					
	Medical	Life Science and Industrial	Imaging	Information and Communication	Others	Consolidated Total
Outstanding balance of goodwill	¥95,753	¥4,148	¥—	¥23,258	¥1,306	¥124,465

	Millions of yen **2013**					
	Medical	Life Science and Industrial	Imaging	Information and Communication	Others	Consolidated Total
Outstanding balance of goodwill	**¥101,534**	**¥3,919**	**¥—**	**¥ —**	**¥893**	**¥106,346**

	Thousands of U.S. dollars **2013**					
	Medical	Life Science and Industrial	Imaging	Information and Communication	Others	Consolidated Total
Outstanding balance of goodwill	**$1,080,149**	**$41,691**	**$—**	**$ —**	**$9,500**	**$1,131,340**

(f) Amortization of negative goodwill by reportable segment

Amortization of negative goodwill of ¥2,408 million for the year ended March 31, 2011 is attributed for the acquisition of a business within the Others Segment.

36. Amounts per Share

Net income (loss) per share is computed by dividing income available to common shareholders by the average number of common shares outstanding for each year. Diluted income (loss) per share is similar to the basic one except that the average of common shares outstanding is increased by the number of additional common shares that would have been outstanding if the potentially dilutive common shares had been issued. For the year ended March 31, 2012, although there were dilutive potential common shares, the diluted net income per share was not presented due to the net loss per share. For the years ended March 31, 2011 and 2013, there were no dilutive common shares which have resulted in a dilutive effect.

Net assets per share are computed based on the net assets excluding share subscription rights and minority interests and the number of shares of common stock outstanding at the year end.

For the years ended March 31:	Yen			U.S. dollars
	2011	2012	**2013**	**2013**
Net income (loss):				
Basic	¥14.39	¥(183.54)	**¥28.96**	**$0.308**
Diluted	¥ —	¥ —	**¥ —**	**$ —**

As of March 31:	Yen		U.S. dollars
	2012	**2013**	**2013**
Net assets	¥167.76	**¥494.96**	**$5.266**

The bases for calculation are as follows:

(1) Basic and diluted net income (loss) per share

For the years ended March 31:	Number of shares		
	2011	2012	**2013**
Average number of shares for basic net income	268,658,437	266,893,365	**276,957,809**

(2) Net assets per share

As of March 31:	Number of shares	
	2012	**2013**
The number of shares of common stock used for the calculation of net assets per share	266,861,730	**301,245,726**

As of March 31:	Millions of yen		Thousands of U.S. dollars
	2012	**2013**	**2013**
Total net assets	¥48,028	**¥152,407**	**$1,621,351**
Amounts deducted from total net assets:			
Minority interests	3,258	**3,302**	**35,128**
Net assets attributable to shares of common stock	¥44,770	**¥149,105**	**$1,586,223**

37. Related Party Transactions

Transactions between a related party and subsidiaries of the Company for the years ended March 31, 2011 and 2012 were as follows:

Year ended March 31, 2011	Transaction	Outstanding balance
	Millions of yen	
Mr. Michael C. Woodford, Executive Officer of the Company, Director and Chairman of KeyMed (Medical & Industrial Equipment) Ltd.		
—Loan from KeyMed (Medical & Industrial Equipment) Ltd., a subsidiary of the Company	¥33	¥—
—Advance payment from KeyMed (Medical & Industrial Equipment) Ltd., a subsidiary of the Company	¥26	¥—

Year ended March 31, 2012	Transaction	Outstanding balance
	Millions of yen	
Mr. Michael C. Woodford, Director of the Company, Director and Chairman of KeyMed (Medical & Industrial Equipment) Ltd.		
—Loan from KeyMed (Medical & Industrial Equipment) Ltd., a subsidiary of the Company	¥25	¥—

Notes:
1. The interest rate applied to the loan was determined based on market rates.
2. Because the duration of the advance was extremely short and the amount of interest based on market rates would have been negligible, no interest was charged.
3. Mr. Michael C. Woodford resigned as a director of the Company on December 1, 2011 and ceased to be a related party as of that date.

There were no related party transactions for the year ended March 31, 2013.

38. Business Combination

(Business Divestitures)

1. Outline of business divestiture

(1) Name of company to which a divested business was transferred through company split and company to which shares were transferred

(a) Name of company to which a divested business was transferred through company split: ITX Corporation

(b) Name of company to which shares were transferred: IJ Holdings Inc.

(2) Operations of divested business

Information & Communication Business

(3) Primary reason for business divesture

Although the Information & Communication Business has generated steady cash flow and the Olympus Group has been actively engaged in this business, the Company reached the conclusion that aggressive expansion of retail activities and investment in human resources were essential to bring further growth to this business. Therefore, it was required to establish a framework that allowed expeditious and aggressive injection of management resources including know-how and funding for the above-mentioned business.

Upon consultation with Japan Industrial Partners, Inc., the Company decided to conduct this company split and share transfer. The decision was made in the belief that utilizing Japan Industrial Partners, Inc.'s many achievements and abundant experience in assisting with subsidiaries becoming independent, businesses being divested, etc., and stimulating further development of the business with the support of Japan Industrial Partners, Inc. in the area of management know-how and funding, would lead to further growth of the business and maximization of the shareholder value of the Company.

(4) Date of company split and share transfer

Company split: September 28, 2012

Share transfer: September 28, 2012

(5) Outline of other transactions including legal form

The Company transferred the Information & Communication Business of ITX Corporation to the newly established company ("NewCo"), which is the successor in an absorption-type company split, and transferred NewCo to IJ Holdings Inc., a wholly owned company of a partnership operated and managed by Japan Industrial Partners, Inc. ITX Corporation changed its trade name to Impress Development K.K. on the same date.

2. Accounting treatment

(1) Gain on transfer of business, which is reported as and included in "Gain on sales of investment securities in subsidiaries and affiliates, net" for the year ended March 31, 2013

¥17,600 million ($187,234 thousand)

(2) Carrying amount of assets and liabilities of the transferred business consisted of the following:

	Millions of yen	Thousands of U.S. dollars
Current assets	¥57,427	$610,926
Non-current assets	26,317	279,968
Total assets	¥83,744	$890,894
Current liabilities	¥48,208	$512,851
Non-current liabilities	1,832	19,489
Total liabilities	¥50,040	$532,340

3. Reportable segment in which divested business was included

Information and Communication Business

4. Estimated net sales and operating income of the divested business in the consolidated statement of operations for the year ended March 31, 2013

Net sales	¥114,243 million	$1,215,351 thousand
Operating income	¥ 1,704 million	$ 18,128 thousand

39. Subsequent Events

(1) Establishment of Significant Joint Venture

Upon receiving all necessary regulatory approvals, the Company has established a medical business venture company Sony Olympus Medical Solutions Inc. on April 16, 2013 in accordance with a business and capital alliance agreement with Sony Corporation ("Sony") executed on September 28, 2012.

(1) Purpose of establishment

Sony Olympus Medical Solutions aims to align Sony's electronics technologies in areas such as digital imaging with Olympus' manufacturing and R&D expertise in the area of medical products including lenses and optical technologies in order to bring high-quality medical care to as many people as possible and contribute to medical advancement worldwide.

(2) Overview of newly established company

(1) Name	Sony Olympus Medical Solutions Inc.
(2) Headquarters	Hachioji, Tokyo, Japan
(3) Type of business	Manufacture and sales of medical equipment and other equipment
(4) Stated capital	¥50 million ($532 thousand)
(5) Acquisition cost	¥24.5 million ($261 thousand)
(6) Ownership percentage after acquisition	Sony 51.0%, Olympus 49.0%

(2) Prepayment of Syndicated Loans

In order to reduce interest-bearing debt from the perspective of financial soundness, the Company made a prepayment of debt on June 26, 2013, based on the agreement on June 18, 2013 with a loan syndicate, with the arranger being The Bank of Tokyo-Mitsubishi UFJ, Ltd.

Further, on June 20, 2013, the Company made an agreement for the prepayments of debt with two loan syndicates, with the arranger being Sumitomo Mitsui Banking Corporation. The prepayments of debt are scheduled to be made on June 28, 2013.

(1) Syndicated loan (The Bank of Tokyo-Mitsubishi UFJ, Ltd. and 1 other financial institution)

(1) Amount of prepayment	¥12,000 million ($127,660 thousand) (Balance as of March 31, 2013: ¥12,000 million ($127,660 thousand))
(2) Interest rate	2.69% (Fixed interest rate)
(3) Date of borrowing	December 26, 2008
(4) Initial terms of repayment	Lump sum repayment
(5) Initial date of repayment	December 26, 2013
(6) Date of prepayment	June 26, 2013
(7) Expenses related to prepayment	¥104 million ($1,106 thousand)
(8) Interest saved by prepayment	¥162 million ($1,723 thousand)

(2) Syndicated loan (Sumitomo Mitsui Banking Corporation and 21 other financial institutions)

(1) Amount of prepayment	¥27,500 million ($292,553 thousand) (Balance as of March 31, 2013: ¥27,500 million ($292,553 thousand))
(2) Interest rate	2.51% (Fixed interest rate)
(3) Date of borrowing	December 30, 2008
(4) Initial terms of repayment	Lump sum repayment
(5) Initial date of repayment	December 30, 2013
(6) Date of prepayment (scheduled)	June 28, 2013
(7) Expenses related to prepayment	¥193 million ($2,053 thousand)
(8) Interest expected to be saved by prepayment	¥350 million ($3,723 thousand)

(3) Syndicated loan (Sumitomo Mitsui Banking Corporation and 4 other financial institutions)

(1) Amount of prepayment	¥2,500 million ($26,596 thousand) (Balance as of March 31, 2013: ¥2,500 million ($26,596 thousand))
(2) Interest rate	2.45% (Fixed interest rate)
(3) Date of borrowing	January 23, 2009
(4) Initial terms of repayment	Lump sum repayment
(5) Initial date of repayment	December 30, 2013
(6) Date of prepayment (scheduled)	June 28, 2013
(7) Expenses related to prepayment	¥16 million ($170 thousand)
(8) Interest expected to be saved by prepayment	¥31 million ($330 thousand)

(3) Prepayment of Debt of Consolidated Subsidiary

In order to reduce interest-bearing debt from the perspective of financial soundness, Gyrus Group Limited, a consolidated subsidiary of the Company, made prepayment of debt on May 31, 2013 to The Bank of Tokyo-Mitsubishi UFJ, Ltd.

(1) Amount of prepayment	£181 million (¥25,856 million / $275 million) (Balance as of March 31, 2013: £181 million (¥25,856 million / $275 million))
(2) Interest rate	3.78% (Fixed interest rate)
(3) Date of borrowing	December 28, 2011
(4) Initial terms of repayment	Lump sum repayment
(5) Initial date of repayment	March 19, 2015
(6) Date of prepayment	May 31, 2013
(7) Expenses related to prepayment	£9 million (¥1,252 million / $13 million)
(8) Interest saved by prepayment	£12 million (¥1,761 million / $19 million)

40. Supplemental Information

(1) Future Circumstances

Following the Company's announcement on November 8, 2011 concerning its deferral of recognition of losses on securities investments, investigations by domestic and overseas investigative authorities, supervisory bodies and other public bodies (including those in the U.K. and the U.S.) have been launched and remain underway. The consolidated financial statements may need to be restated depending on the results of such investigations in the future.

As a result of inappropriate financial reporting by the Company, there is currently a case pending against the Company at Tokyo District Court for breaches of the Securities and Exchange Act and the Financial Instruments and Exchange Act, and on March 26, 2013, the verdict in the closing argument of this case is that a fine of ¥1.0 billion ($10,638 thousand) should be imposed. Also as a result of inappropriate financial reporting by the Company, certain shareholders and shareholder groups, etc. have filed lawsuits against the Company, and there is a risk that additional claims or lawsuits may be brought against the Company in the future for similar reasons.

The effect of these events on the financial results of the Company is uncertain since its financial impact is not estimable at this stage.

(2) Legal Claims

A lawsuit has been filed against the Company. The overview of the lawsuit is as follows.

(1) Date of filing lawsuit

July 23, 2012

(2) Plaintiff

1. Company: Terumo Corporation
2. Address: 2–44–1, Hatagaya, Shibuya–ku, Tokyo
3. Representatives: Yutaro Shintaku, President, Representative Director

(3) Content of lawsuit and amount of claim

The Company issued 6,811,000 shares, amounting to a total of ¥14,998 million ($159,553 thousand), to Terumo Corporation through third party allotment, in accordance with the securities registration statement submitted on August 4, 2005.

Terumo Corporation claims, owing to the Company's past deferral of the recognition of losses, that false statements on important matters were contained in the securities registration statement when such third party allotment was made. Consequently, the lawsuit was filed to seek compensation for damages of ¥6,612 million ($70,340 thousand), in accordance with Article 18, Paragraph 1 and Paragraph 2 of the former Securities and Exchange Act and Article 19 of the said Act, which are applied by replacing the terms pursuant to the provision of Article 23–2 of the said Act.

The amount of compensation for damages claimed consists of ¥6,612 million ($70,340 thousand) and 5% per annum interest on this amount for the period from August 22, 2005 up to the payment of the principal.

(4) Future outlook

The Company has appointed a lawyer as its counsel for this lawsuit and is seeking dismissal of the claim. The lawsuit's effect on the financial results of the Company is uncertain since its financial impact is not estimable at this stage.

Independent Auditor's Report

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Independent Auditor's Report

The Board of Directors
Olympus Corporation

We have audited the accompanying consolidated financial statements of Olympus Corporation and its consolidated subsidiaries, which comprise the consolidated balance sheets as at March 31, 2012 and 2013, and the consolidated statements of operations, comprehensive income, changes in net assets, and cash flows for each of the three years in the period ended March 31, 2013, and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Olympus Corporation and its consolidated subsidiaries as at March 31, 2012 and 2013, and their consolidated financial performance and cash flows for each of the three years in the period ended March 31, 2013, in conformity with accounting principles generally accepted in Japan.

ERNST & YOUNG

Emphasis of Matters

1. We draw attention to Note 40 to the consolidated financial statements, which describes that following the Company's announcement on November 8, 2011 concerning its deferral of recognition of losses on securities investments, investigations by domestic and overseas investigative authorities, supervisory bodies and other public bodies (including those in the U.K. and the U.S.) have been launched and remain underway. The consolidated financial statements may need to be restated depending on the results of such investigations in the future.

   Furthermore, as a result of inappropriate financial reporting by the Company, there is a case pending against the Company at Tokyo District Court for breaches of the Securities and Exchange Act and the Financial Instruments and Exchange Act. Also as a result of inappropriate financial reporting by the Company, certain shareholders and shareholder groups, etc. have filed lawsuits against the Company, and there is a risk that additional claims or lawsuits may be brought against the Company in the future for similar reasons.

2. We draw attention to Note 40 to the consolidated financial statements, which describes that Terumo Corporation filed a lawsuit against the Company.

Our opinion is not qualified in respect of these matters.

Convenience Translation

We have reviewed the translation of these consolidated financial statements into U.S. dollars, presented for the convenience of readers, and, in our opinion, the accompanying consolidated financial statements have been properly translated on the basis described in Note 1.

Ernst & Young ShinNihon LLC

June 26, 2013
Tokyo, Japan

Other Financial Data

Net Sales and Operating Income by Business Segment

(Millions of yen)

Fiscal years ended March 31		2008	2009	2010	2011	2012	2013
Medical	Net sales	353,269	383,828	350,716	355,322	349,246	394,724
	Operating expenses	254,849	308,394	275,507	283,640	281,058	307,655
	Operating income	98,420	75,434	75,209	71,682	68,188	87,069
Life Science & Industrial	Net sales	131,446	118,819	114,095	100,808	92,432	85,513
	Operating expenses	124,456	114,059	105,341	92,255	86,993	81,986
	Operating income	6,990	4,760	8,754	8,553	5,439	3,527
Imaging	Net sales	320,589	224,460	174,924	131,417	128,561	107,638
	Operating expenses	287,503	229,591	171,610	146,436	139,321	130,711
	Operating income (loss)	33,086	(5,131)	3,314	(15,019)	(10,760)	(23,073)
Information & Communication	Net sales	254,312	152,946	189,354	209,520	229,399	114,243
	Operating expenses	251,311	151,292	184,490	204,278	224,122	112,539
	Operating income	3,001	1,654	4,864	5,242	5,277	1,704
Others	Net sales	69,259	100,750	53,997	50,038	48,910	41,733
	Operating expenses	68,139	107,716	59,000	53,644	56,902	46,603
	Operating income (loss)	1,120	(6,966)	(5,003)	(3,606)	(7,992)	(4,870)
Elimination or Corporate	Net sales	—	—	—	—	—	—
	Operating expenses	29,791	27,029	25,978	28,472	24,634	29,280
	Operating income (loss)	(29,791)	(27,029)	(25,978)	(28,472)	(24,634)	(29,280)
Consolidated	Net sales	1,128,875	980,803	883,086	847,105	848,548	743,851
	Operating expenses	1,016,049	938,081	821,926	808,726	813,030	708,774
	Operating income	112,826	42,722	61,160	38,379	35,518	35,077

Notes:
1. Effective from the fiscal year ended March 31, 2009, some businesses previously reported in the Information & Communication Business segment have been reclassified and are now presented in the Others segment.
2. Effective from the fiscal year ended March 31, 2010, some businesses previously reported in the Others segment have been reclassified and are now presented in the Life Science & Industrial Business segment.

Net Sales by Region

(Millions of yen)

Fiscal years ended March 31		2008	2009	2010	2011	2012	2013
Medical	Japan	75,257	76,214	75,064	79,430	80,418	89,512
	North America	116,056	140,898	125,912	129,766	121,020	137,715
	Europe	119,220	125,130	103,725	93,925	91,933	102,850
	Asia and Oceania	32,193	32,781	34,481	40,182	45,489	54,300
	Others	10,543	8,805	11,534	12,019	10,386	10,347
	Total	353,269	383,828	350,716	355,322	349,246	394,724
Life Science & Industrial	Japan	29,590	22,740	34,186	31,114	18,954	17,841
	North America	32,488	29,734	27,889	23,011	23,288	20,941
	Europe	44,803	41,389	26,879	19,654	20,250	19,119
	Asia and Oceania	21,093	21,122	21,049	21,222	23,675	20,907
	Others	3,472	3,834	4,092	5,807	6,265	6,705
	Total	131,446	118,819	114,095	100,808	92,432	85,513
Imaging	Japan	38,410	31,383	27,598	26,087	31,351	31,360
	North America	72,234	52,440	41,178	26,280	19,001	16,847
	Europe	123,648	78,585	55,003	38,565	40,863	31,944
	Asia and Oceania	75,611	53,342	42,120	31,849	32,787	24,704
	Others	10,686	8,710	9,025	8,636	4,559	2,783
	Total	320,589	224,460	174,924	131,417	128,561	107,638
Information & Communication	Japan	241,062	152,946	189,354	209,520	229,399	114,243
	North America	3,451	—	—	—	—	—
	Europe	5,138	—	—	—	—	—
	Asia and Oceania	4,654	—	—	—	—	—
	Others	7	—	—	—	—	—
	Total	254,312	152,946	189,354	209,520	229,399	114,243
Others	Japan	35,908	63,978	46,961	40,351	38,115	34,069
	North America	16,025	14,584	1,097	2,952	1,954	1,730
	Europe	10,301	12,790	2,920	2,219	3,103	3,266
	Asia and Oceania	5,322	6,907	2,395	4,040	5,353	2,484
	Others	1,703	2,491	624	476	385	184
	Total	69,259	100,750	53,997	50,038	48,910	41,733
Total	Japan	420,227	347,261	373,163	386,502	398,237	287,025
	North America	240,254	237,656	196,076	182,009	165,263	177,233
	Europe	303,110	257,894	188,527	154,363	156,149	157,179
	Asia and Oceania	138,873	114,152	100,045	97,293	107,304	102,395
	Others	26,411	23,840	25,275	26,938	21,595	20,019
	Total	1,128,875	980,803	883,086	847,105	848,548	743,851

Notes:
1. Effective from the fiscal year ended March 31, 2009, some businesses previously reported in the Information & Communication Business segment have been reclassified and are now presented in the Others segment.
2. Effective from the fiscal year ended March 31, 2010, some businesses previously reported in the Others segment have been reclassified and are now presented in the Life Science & Industrial Business segment.

Sales by Product

(Millions of yen)

Fiscal years ended March 31		2008	2009	2010	2011	2012	2013
Endoscopes	Domestic	47,209	44,567	40,904	43,848	43,803	**47,335**
	Overseas	190,157	168,329	151,044	151,611	147,995	**171,339**
	Total	237,366	212,896	191,948	195,459	191,798	**218,674**
Surgical & Endotherapy	Domestic	28,048	31,647	34,160	35,582	36,615	**42,177**
	Overseas	87,855	139,285	124,608	124,281	120,833	**133,873**
	Total	115,903	170,932	158,768	159,863	157,448	**176,050**
Total (Medical)	Domestic	75,257	76,214	75,064	79,430	80,418	**89,512**
	Overseas	278,012	307,614	275,652	275,892	268,828	**305,212**
	Total	353,269	383,828	350,716	355,322	349,246	**394,724**
Life Science	Domestic	22,814	16,331	12,743	10,550	10,560	**10,315**
	Overseas	55,910	50,877	35,903	33,914	32,090	**28,595**
	Total	78,724	67,208	48,646	44,464	42,650	**38,910**
Industrial	Domestic	—	—	19,493	20,564	8,394	**7,526**
	Overseas	—	—	29,664	35,780	41,388	**39,077**
	Total	—	—	49,157	56,344	49,782	**46,603**
Diagnostic Systems	Domestic	6,776	6,409	1,950	—	—	**—**
	Overseas	45,946	45,202	14,342	—	—	**—**
	Total	52,722	51,611	16,292	—	—	**—**
Total (Life Science & Industrial)	Domestic	29,590	22,740	34,186	31,114	18,954	**17,841**
	Overseas	101,856	96,079	79,909	69,694	73,478	**67,672**
	Total	131,446	118,819	114,095	100,808	92,432	**85,513**
Digital Cameras	Domestic	33,843	27,276	24,215	22,330	27,333	**27,234**
	Overseas	259,723	177,639	134,662	94,534	87,904	**67,867**
	Total	293,566	204,915	158,877	116,864	115,237	**95,101**
Others	Domestic	4,567	4,107	3,383	3,757	4,018	**4,126**
	Overseas	22,456	15,438	12,664	10,796	9,306	**8,411**
	Total	27,023	19,545	16,047	14,553	13,324	**12,537**
Total (Imaging)	Domestic	38,410	31,383	27,598	26,087	31,351	**31,360**
	Overseas	282,179	193,077	147,326	105,330	97,210	**76,278**
	Total	320,589	224,460	174,924	131,417	128,561	**107,638**
Information & Communication	Domestic	241,062	152,946	189,354	209,520	229,399	**114,243**
	Overseas	13,250	—	—	—	—	**—**
	Total	254,312	152,946	189,354	209,520	229,399	**114,243**
Others	Domestic	35,908	63,978	46,961	40,351	38,115	**34,069**
	Overseas	33,351	36,772	7,036	9,687	10,795	**7,664**
	Total	69,259	100,750	53,997	50,038	48,910	**41,733**
Total	Domestic	420,227	347,261	373,163	386,502	398,237	**287,025**
	Overseas	708,648	633,542	509,923	460,603	450,311	**456,826**
	Total	1,128,875	980,803	883,086	847,105	848,548	**743,851**

Notes:

1. Effective from the fiscal year ended March 31, 2009, some businesses previously reported in the Information & Communication Business segment have been reclassified and are now presented in the Others segment.
2. Effective from the fiscal year ended March 31, 2010, businesses previously reported in the Life Science Business segment are now presented in the Life Science Business and Industrial Systems Business segments.
3. Effective from the fiscal year ended March 31, 2010, some businesses previously reported in the Others segment have been reclassified and are now presented in the Life Science & Industrial Business segment.
4. In the fiscal year ended March 31, 2010 (on August 3, 2009), the Diagnostic Systems Business was divested.