December 28, 2011

News Release

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

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

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

The Company has now completed the operations to correct "Consolidated Financial Results (Kessan Tanshin) for the Nine Months of the Fiscal Year Ending March 31, 2010" dated February 10, 2010, and it accordingly announces the details of the corrections.

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

END

(After Correction)

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

February 10, 2010

Company Name: Olympus Corporation
Code Number: 7733
(URL: http://www.olympus.co.jp/)
Stock Exchange Listing: First Section of Tokyo Stock Exchange
Representative: Tsuyoshi Kikukawa, President and Representative Director
Contact: Nobuyuki Onishi, General Manager, Accounting Division
Phone: 03-3340-2111
Scheduled date to submit the Quarterly Securities Report: February 15, 2010
Scheduled date to commence dividend payments: –

(Figures are rounded off to the nearest million yen)

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

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

	Net sales		Operating income		Ordinary income		Net income	
Nine months ended	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
December 31, 2009	651,937	(13.6)	45,834	24.0	33,611	29.1	46,294	–
December 31, 2008	754,185	–	36,958	–	26,030	–	(35,303)	–

	Net income per share	Fully diluted net income per share
Nine months ended	(¥)	(¥)
December 31, 2009	171.87	171.86
December 31, 2008	(131.78)	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	(¥ million)	(¥ million)	%	(¥)
December 31, 2009	1,062,692	158,239	14.2	558.18
March 31, 2009	1,038,253	110,907	10.0	387.31

Note: Equity as of December 31, 2009: ¥150,691 million March 31, 2009: ¥103,487 million

2. Dividends

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

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

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

(% indicate changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥)
Full year	900,000	(8.2)	59,000	38.1	41,000	59.7	46,000	–	170.39

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

4. Others

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

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

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

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

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

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

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

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

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

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

As of December 31, 2009	271,283,608 shares
As of March 31, 2009	271,283,608 shares

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

As of December 31, 2009	1,314,245 shares
As of March 31, 2009	4,089,222 shares

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

Nine months ended December 31, 2009	269,352,362 shares
Nine months ended December 31, 2008	267,901,018 shares

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

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

[Qualitative Information and Financial Statements]

1. Qualitative Information Regarding Consolidated Results of Operations

The Japanese economy during the nine months ended December 31, 2009 remained weak as consumer spending continued to stagnate despite some signs of an improvement, such as the support of corporate production activities by a recovery in foreign demand from China and other countries. Around the world, although there was a moderate improvement trend in the U.S. and Europe, the recession continued to deepen.

Amid this mixed business environment, the Olympus Group has continuously been promoting cost reduction activities and reform of production structure as part of high profitability-oriented business structural reforms. In August 2009, our diagnostic systems business was transferred to the Beckman Coulter Group of the U.S.

The consolidated net sales for the Olympus Group over the nine months of the fiscal year under review decreased 13.6% year on year to ¥651,937 million from declines in revenue in each of our businesses, except the Information & Communication Business, as a result of the global recession and the appreciating yen. Operating income was ¥45,834 million (up 24.0% year on year) due to lower cost of sales and reduced general and administrative expenses through business structural reforms, with ordinary income of ¥33,611 million (up 29.1% year on year). Net income was ¥46,294 million (compared with a net loss of ¥35,303 million in the same period of the previous fiscal year) as a result of the recording of extraordinary income following the transfer of the diagnostic systems business.

During the nine months, the Olympus Group invested ¥42,673 million on research and development, and spent ¥25,902 million on capital investments.

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

Imaging Systems Business

In the Imaging Systems Business, the Olympus Group registered consolidated net sales for the nine months of ¥135,972 million (down 27.9 % year on year) and operating income of ¥3,575 million (down 3.2% year on year).

Sales grew favorably both in Japan and abroad for the “OLYMPUS PEN” series interchangeable lens system digital camera with a small, lightweight and dignified design compliant with the “Micro Four Thirds System” standard. However, the Imaging Systems Business saw a decline in revenue on the whole due to decreases in both units sold and unit prices in the wake of the appreciating yen and the economic downturn.

Operating income roughly equal to the same period of the previous fiscal year was secured, thanks to cost reduction activities.

Medical Systems Business

Consolidated net sales in the Medical Systems Business during the nine months amounted to ¥255,749 million (down 11.8% year on year), while operating income amounted to ¥56,519 million (up 2.2% year on year).

Both in Japan and abroad, there was growth in medical endoscopes with respect to the number of contracts in the Value-per-Procedure program as well as in sales of therapeutic products particularly sampling treatment devices. Also, in the Chinese market, there was an expansion of sales for both medical endoscopes and surgical and therapeutic devices. However, revenue declined on the whole in the Medical Systems Business due to effects from the appreciating yen.

Operating income went up thanks in part to efforts to lower cost of sales particularly in the surgical and therapeutic devices field.

Life Science Business

Consolidated net sales for the Life Science Business during the nine months was ¥58,379 million (down 33.7% year on year), while operating income amounted to ¥2,460 million (down 4.0% year on year).

Although sales of biological microscopes to China were favorable, the global economic recession that constricted the research market and capital investments at companies, as well as the transfer of the Olympus Group’s diagnostic systems business to the Beckman Coulter Group of the U.S. in August 2009, led to a decline in revenue on the whole for the Life Science Business.

Operating income decreased due to lower revenue as a result of the business transfer despite substantial improvements in earnings for the micro-imaging (microscopes) field as cost reduction activities progressed.

Information & Communication Business

Consolidated net sales for the Information & Communication Business during the nine months was ¥134,583 million (up 22.2% year on year), while operating income amounted to ¥3,223 million (compared with an operating loss of ¥383 million in the same period of the previous fiscal year).

This increase was due to an aggressive expansion in sales channels for mobile phones attributable to corporate acquisitions and others.

Regarding operating income, expanded sales channels for mobile phones and enhanced profitability resulting from the streamlining of sales costs turned the operating loss recorded in the same period of the previous fiscal year into operating income.

Others

Consolidated net sales for other businesses in the nine months was ¥67,254 million (down 13.3% year on year), with an operating loss of ¥1,463 million (compared with an operating loss of ¥3,540 million recorded in the same period of the previous fiscal year).

In the non-destructive testing equipment field, new products among phased array testing devices sold robustly and “OSferion” artificial bone replacement material in the biomedical materials field expanded. However, sales to companies were sluggish in each field and revenue in other businesses declined on the whole as the global capital investment constricted mostly in manufacturing sectors.

The operating loss contracted as a result of lower costs associated with amortization of goodwill of subsidiaries.

2. Qualitative Information Regarding Consolidated Financial Position

As of the end of the third quarter, total assets increased ¥24,439 million compared to the end of the previous fiscal year to ¥1,062,692 million.

This was primarily as a result of increases in cash and time deposits of ¥86,305 million and in investment securities of ¥17,811 million, notwithstanding decreases in notes and accounts receivable of ¥13,308 million, in property, plant and equipment of ¥14,484 million and in intangible fixed assets of ¥34,338 million due to the amortization of goodwill, among others.

Total liabilities decreased ¥22,893 million compared to the end of the previous fiscal year to ¥904,453 million due to decreases in other payable of ¥14,992 million, in short-term borrowings of ¥14,162 million and in long-term bonds, less current maturities of ¥19,840 million, among others, notwithstanding increases in long-term borrowings, less current maturities of ¥30,775 million and in income taxes payable of ¥13,329 million.

Net assets increased ¥47,332 million compared to the end of the previous fiscal year to ¥158,239 million. This was primarily due to an increase in shareholders' equity of ¥47,821 million attributable to the recording of ¥46,294 million in net income.

As a result of the foregoing, equity ratio increased from 10.0% as of the end of the previous fiscal year to 14.2%.

Cash flow position

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

"Cash flows from operating activities" increased net cash by ¥57,074 million. This was primarily due to income before provision for income taxes of ¥77,806 million and depreciation and amortization of ¥31,868 million, notwithstanding a ¥46,108 million gain on transfer of business included in income before provision for income taxes, and other adjustments.

"Cash flows from investing activities" increased net cash by ¥42,161 million. This was mainly due to proceeds from transfer of business of ¥74,402 million. Contrastingly, decreasing factors mainly included ¥32,966 million for the purchase of property, plant and equipment.

"Cash flows from financing activities" decreased net cash by ¥8,294 million. Decreasing factors mainly consisted of ¥45,044 million in repayments of long-term debt, ¥20,000 million in redemption of bonds and ¥7,627 million net decrease in short-term borrowings. Contrastingly, increasing factors mainly consisted of a ¥68,714 million in proceeds from long-term debt.

As a result, cash and cash equivalents at the end of the third quarter reached ¥222,597 million, an increase of ¥89,877 million compared to the end of the previous fiscal year.

3. Qualitative Information Regarding Forecast of Consolidated Financial Results

Regarding full-year net sales, taking into consideration the expected continuation of the decline in unit prices in the Imaging Systems Business, the Olympus Group has revised as follows the previously announced forecast (November 6, 2009). Contrastingly, in terms of profits, an upward revision was made for ordinary income by ¥1,000 million thanks to improvements in non-operating income, and for net income by ¥6,000 million due partly to a revision in income taxes payable.

The average foreign exchange rates for the entire year, a precondition for the forecast, are expected to be ¥91 per U.S. dollar and ¥131 per euro.

Fiscal year ending March 31, 2010

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	(¥ million)	(¥ million)	(¥ million)	(¥ million)	(¥)
Previous Forecast (A)	920,000	59,000	40,000	40,000	148.16
Revised Forecast (B)	900,000	59,000	41,000	46,000	170.39
Increase (Decrease) (B-A)	(20,000)	–	1,000	6,000	–
Increase (Decrease) Ratio (%)	(2.2)	–	2.5	15.0	–

4. Others

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

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

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

1) Calculation of taxes

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

2) Valuation method of inventories

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

3) Calculation method of depreciation of fixed assets

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

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

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

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

2) Changes in business segmentation of the segment information

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

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2009	As of March 31, 2009 (Summary)
ASSETS		
Current assets		
Cash and time deposits	223,182	136,877
Notes and accounts receivable	146,950	160,258
Securities	4,500	199
Merchandise and finished goods	54,328	58,683
Work in process	19,600	21,230
Raw materials and supplies	14,792	15,627
Other current assets	78,434	84,077
Allowance for doubtful accounts	(4,051)	(4,594)
Total current assets	537,735	472,357
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	70,848	76,782
Machinery and equipment, net	13,545	16,326
Tools, furniture and fixtures, net	38,420	42,594
Land	19,010	19,839
Lease assets, net	3,860	3,512
Construction in progress	2,277	3,391
Net property, plant and equipment	147,960	162,444
Intangible fixed assets		
Goodwill	147,204	170,252
Others	72,220	83,510
Total intangible fixed assets	219,424	253,762
Investments and other assets		
Investment securities	80,400	62,589
Investment fund assets	8,083	8,458
Other assets	75,731	84,924
Allowance for doubtful accounts	(6,641)	(6,281)
Total investments and other assets	157,573	149,690
Total fixed assets	524,957	565,896
Total assets	1,062,692	1,038,253

(Millions of yen)

	As of December 31, 2009	As of March 31, 2009 (Summary)
LIABILITIES		
Current liabilities		
Notes and accounts payable	63,326	66,604
Short-term borrowings	82,906	97,068
Current maturities of bonds	20,340	20,300
Income taxes payable	28,929	15,600
Provision for product warranties	8,566	8,875
Other reserves	7	61
Other current liabilities	114,032	140,593
Total current liabilities	318,106	349,101
Non-current liabilities		
Long-term bonds, less current maturities	110,360	130,200
Long-term borrowings, less current maturities	426,046	395,271
Severance and retirement allowance	18,673	18,744
Other reserves	637	130
Other non-current liabilities	30,631	33,900
Total non-current liabilities	586,347	578,245
Total liabilities	904,453	927,346
NET ASSETS		
Shareholders’ equity		
Common stock	48,332	48,332
Capital surplus	55,166	73,049
Retained earnings	109,088	52,124
Treasury stock, at cost	(4,134)	(12,874)
Total shareholders’ equity	208,452	160,631
Valuation and translation adjustments		
Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	8,105	(2,311)
Net unrealized gains (losses) on hedging derivatives, net of taxes	(949)	(1,330)
Foreign currency translation adjustments	(64,917)	(53,503)
Total valuation and translation adjustments	(57,761)	(57,144)
Minority interests	7,548	7,420
Total net assets	158,239	110,907
Total liabilities and net assets	1,062,692	1,038,253

(2) Consolidated Statements of Income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2008	Nine months ended December 31, 2009
Net sales	754,185	651,937
Costs of sales	393,045	348,305
Gross profit	361,140	303,632
Selling, general and administrative expenses	324,182	257,798
Operating income	36,958	45,834
Non-operating income		
Interest income	2,173	822
Dividends income	893	692
Foreign currency exchange gain	3,068	702
Others	2,528	2,660
Total non-operating income	8,662	4,876
Non-operating expenses		
Interest expenses	11,849	10,543
Others	7,741	6,556
Total non-operating expenses	19,590	17,099
Ordinary income	26,030	33,611
Extraordinary income		
Gain on sales of investment securities	–	652
Gain on sales of investment securities in subsidiaries and affiliates	–	2,536
Gain on transfer of business	–	46,108
Total extraordinary income	–	49,296
Extraordinary losses		
Impairment loss on fixed assets	952	331
Loss on sales of investment securities	–	315
Loss on sales of investment securities in subsidiaries and affiliates	–	97
Provision of allowance for investment loss	–	129
Loss on valuation of investment securities	10,683	2,291
Amortization of goodwill	20,594	1,064
Loss on funds invested	1,316	374
Provision of allowance for doubtful accounts	4,763	–
Others	–	500
Total extraordinary losses	38,308	5,101
Income (loss) before provision for income taxes	(12,278)	77,806
Income taxes	24,616	31,184
Minority interest in income (losses) of consolidated subsidiaries	(1,591)	328
Net income (loss)	(35,303)	46,294

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2008	Nine months ended December 31, 2009
Cash flows from operating activities		
Income (loss) before provision for income taxes	(12,278)	77,806
Depreciation and amortization	34,165	31,868
Impairment loss on fixed assets	952	331
Amortization of goodwill	34,126	10,039
Increase (decrease) in severance and retirement allowance	2,548	1,167
Increase (decrease) in allowance for investment loss	–	129
Interest and dividend income	(3,066)	(1,514)
Interest expense	11,849	10,543
Loss (gain) on transfer of business	–	(46,108)
Loss (gain) on sales of investment securities in subsidiaries and affiliates	–	(2,439)
Loss (gain) on valuation of investment securities	10,683	2,291
Decrease (increase) in accounts receivable	19,226	(1,742)
Decrease (increase) in inventories	(5,374)	(877)
Increase (decrease) in accounts payable	(12,248)	2,233
Increase (decrease) in other payable	2,868	(682)
Increase (decrease) in accrued expense	(16,173)	(9,506)
Increase (decrease) in allowance for doubtful accounts on funds	4,763	–
Loss on funds invested	1,316	374
Other	(7,858)	3,969
Sub-total	65,501	77,882
Interest and dividend received	3,117	1,614
Interest payments	(10,431)	(9,181)
Outflow of money from funds	(4,763)	–
Income taxes paid	(30,808)	(13,241)
Net cash provided by operating activities	22,616	57,074
Cash flows from investing activities		
Deposits in time deposits	(2,673)	(3,934)
Withdrawals from time deposits	3,234	3,562
Purchase of property, plant and equipment	(31,701)	(32,966)
Purchases of intangible fixed assets	(3,978)	(3,918)
Purchases of investment securities	(4,067)	(3,420)
Sales and redemption of investment securities	2,050	1,009
Payments for acquisition of new consolidated subsidiaries related to changes in scope of consolidation	(128)	(372)
Net decrease from sales of investment in subsidiaries related to changes in scope of consolidation	(95)	(21)
Net increase from sales of investment in subsidiaries related to changes in scope of consolidation	–	17,579
Payments for acquisition of new consolidated subsidiaries	(20,475)	(1,517)
Payments for transfer of business	–	(6,851)
Proceeds from transfer of business	–	74,402
Money transfer to funds	(19,012)	–
Collection of fund assets invested	76,615	–
Other	(491)	(1,392)
Net cash provided by (used in) investing activities	(720)	42,161

(Millions of yen)

	Nine months ended December 31, 2008	Nine months ended December 31, 2009
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(200,367)	(7,627)
Proceeds from long-term debt	257,157	68,714
Repayments of long-term debt	(29,633)	(45,044)
Proceeds from issuance of bonds	45,166	200
Redemption of bonds	(30,185)	(20,000)
Expenditure on acquisition of treasury stock	(10,223)	–
Dividends paid	(10,438)	(3,826)
Other	(400)	(711)
Net cash provided by (used in) financing activities	21,077	(8,294)
Effect of exchange rate changes on cash and cash equivalents	(7,957)	(1,629)
Net increase (decrease) in cash and cash equivalents	35,015	89,312
Cash and cash equivalents at beginning of period	119,842	132,720
Net increase in cash and cash equivalents associated with newly consolidated subsidiaries	–	477
Net decrease in cash and cash equivalents associated with exclusion from scope of consolidation	(6)	–
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	170	88
Cash and cash equivalents at end of period	155,021	222,597

(4) Notes on premise of going concern

No items to report

(5) Segment information

a. Segment information by type of business

Nine months of the fiscal year ended March 31, 2009 (from April 1, 2008 to December 31, 2008)

(Millions of yen)

	Imaging Systems	Medical Systems	Life Science	Information & Communication	Others	Total	Elimination or Unallocation	Consolidated
Net sales								
(1) Sales to outside customers	188,569	289,843	88,088	137,412	50,273	754,185	–	754,185
(2) Internal sales or transfer among segments	99	47	148	–	262	556	(556)	–
Total	188,668	289,890	88,236	137,412	50,535	754,741	(556)	754,185
Operating income (or operating loss)	3,695	55,285	2,563	(269)	(3,654)	57,620	(20,662)	36,958

Nine months of the fiscal year ending March 31, 2010 (from April 1, 2009 to December 31, 2009)

(Millions of yen)

	Imaging Systems	Medical Systems	Life Science	Information & Communication	Others	Total	Elimination or Unallocation	Consolidated
Net sales								
(1) Sales to outside customers	135,972	255,749	58,379	134,583	67,254	651,937	–	651,937
(2) Internal sales or transfer among segments	61	22	114	–	275	472	(472)	–
Total	136,033	255,771	58,493	134,583	67,529	652,409	(472)	651,937
Operating income (or operating loss)	3,575	56,519	2,460	3,223	(1,463)	64,314	(18,480)	45,834

Notes:

1. Method of segmentation of business

Business established based on product line are segmented taking into consideration similarities in sales markets.

2. The main products for each business are as follows:

Nine months of the fiscal year ended March 31, 2009

(1) Imaging Systems: Digital cameras, Voice recorders

(2) Medical Systems: Medical endoscopes, Surgical endoscopes, Endo-therapy devices, Ultrasound endoscopes

(3) Life Science: Blood analyzer (clinical chemistry analyzer), Biological microscopes, Industrial microscopes

(4) Information & Communication: Sales of mobile terminals including mobile handsets, Development and sales of business package software, Mobile solution, Mobile content services, Sales of network infrastructure systems, Sales of semiconductor devices and electric equipment

(5) Others: Industrial endoscopes, Non-destructive testing equipment, Printers, Bar code data processing equipment, System development, etc.

Nine months of the fiscal year ending March 31, 2010

(1) Imaging Systems: Digital cameras, Voice recorders

(2) Medical Systems: Medical endoscopes, Surgical endoscopes, Endo-therapy devices, Ultrasound endoscopes

(3) Life Science: Blood analyzer (clinical chemistry analyzer), Biological microscopes, Industrial microscopes

(4) Information & Communication: Sales of mobile terminals including mobile handsets

(5) Others: Industrial endoscopes, Non-destructive testing equipment, Printers, Mobile solution, Mobile content services, Development and sales of business package software, Sales of network infrastructure systems, Sales of semiconductor devices and electric equipment, System development, etc.

3. Changes in business segmentation

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

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

Nine months of the fiscal year ended March 31, 2009 (from April 1, 2008 to December 31, 2008)

(Millions of yen)

	Imaging Systems	Medical Systems	Life Science	Information & Communication	Others	Total	Elimination or Unallocation	Consolidated
Net sales								
(1) Sales to outside customers	188,569	289,843	88,088	110,139	77,546	754,185	–	754,185
(2) Internal sales or transfer among segments	99	47	148	–	262	556	(556)	–
Total	188,668	289,890	88,236	110,139	77,808	754,741	(556)	754,185
Operating income (or operating loss)	3,695	55,285	2,563	(383)	(3,540)	57,620	(20,662)	36,958

b. Segment information by region

Nine months of the fiscal year ended March 31, 2009 (from April 1, 2008 to December 31, 2008)

(Millions of yen)

	Japan	Americas	Europe	Asia	Total	Elimination or Unallocation	Consolidated
Net sales							
(1) Sales to outside customers	289,896	201,830	204,534	57,925	754,185	–	754,185
(2) Internal sales or transfer among segments	211,339	6,641	14,066	65,550	297,596	(297,596)	–
Total	501,235	208,471	218,600	123,475	1,051,781	(297,596)	754,185
Operating income	28,712	5,993	13,265	7,858	55,828	(18,870)	36,958

Nine months of the fiscal year ending March 31, 2010 (from April 1, 2009 to December 31, 2009)

(Millions of yen)

	Japan	Americas	Europe	Asia	Total	Elimination or Unallocation	Consolidated
Net sales							
(1) Sales to outside customers	294,644	157,019	152,735	47,539	651,937	–	651,937
(2) Internal sales or transfer among segments	158,490	5,698	11,073	49,165	224,426	(224,426)	–
Total	453,134	162,717	163,808	96,704	876,363	(224,426)	651,937
Operating income	34,042	7,803	16,164	3,776	61,785	(15,951)	45,834

Notes:

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

c. Overseas sales

Nine months of the fiscal year ended March 31, 2009 (from April 1, 2008 to December 31, 2008)

(Millions of yen)

	North America	Europe	Asia	Others	Total
I. Overseas sales	186,265	206,048	91,559	18,471	502,343
II. Consolidated sales					754,185
III. Percentage of overseas sales in consolidated sales (%)	24.7	27.4	12.1	2.4	66.6

Nine months of the fiscal year ending March 31, 2010 (from April 1, 2009 to December 31, 2009)

(Millions of yen)

	North America	Europe	Asia	Others	Total
I. Overseas sales	145,618	146,988	73,296	18,083	383,985
II. Consolidated sales					651,937
III. Percentage of overseas sales in consolidated sales (%)	22.3	22.5	11.3	2.8	58.9

Notes:

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

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

No items to report

6. Other Information

(Business combinations)

Nine months of the fiscal year ending March 31, 2010 (from April 1, 2009 to December 31, 2009)

(Business divestiture)

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

(1) Name of divestee

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

(2) Details of divested business

Diagnostic systems business of the Olympus Group

(3) Purpose of the divestiture

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

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

(4) Date of divestiture

August 3, 2009

(5) Outline of divestiture including legal form

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

2. Overview of accounting treatment applied

(1) Income/loss from transfer

¥46,108 million

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

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

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

3. Estimates of income and loss amounts relating to the divested business recorded in the Consolidated Statements of Income for the nine months ended December 31, 2009

	(Millions of yen)
Net sales	16,432
Operating income	1,924

(Before Correction)

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

February 10, 2010

Company Name: Olympus Corporation
Code Number: 7733
(URL: http://www.olympus.co.jp/)
Stock Exchange Listing: First Section of Tokyo Stock Exchange
Representative: Tsuyoshi Kikukawa, President and Representative Director
Contact: Nobuyuki Onishi, General Manager, Accounting Division
Phone: 03-3340-2111
Scheduled date to submit the Quarterly Securities Report: February 15, 2010
Scheduled date to commence dividend payments: –

(Figures are rounded off to the nearest million yen)

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

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

	Net sales		Operating income		Ordinary income		Net income	
Nine months ended	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
December 31, 2009	651,937	(13.6)	45,046	50.4	33,135	66.8	43,685	–
December 31, 2008	754,185	–	29,945	–	19,864	–	(27,672)	–

	Net income per share	Fully diluted net income per share
Nine months ended	(¥)	(¥)
December 31, 2009	162.19	162.18
December 31, 2008	(103.29)	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	(¥ million)	(¥ million)	%	(¥)
December 31, 2009	1,128,901	214,952	18.4	768.25
March 31, 2009	1,106,318	168,784	14.6	603.92

Note: Equity as of December 31, 2009: ¥207,404 million March 31, 2009: ¥161,364 million

2. Dividends

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

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

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

(% indicate changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥)
Full year	900,000	(8.2)	59,000	70.6	41,000	122.9	46,000	–	170.39

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

4. Others

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

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

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

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

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

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

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

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

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

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

As of December 31, 2009	271,283,608 shares
As of March 31, 2009	271,283,608 shares

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

As of December 31, 2009	1,314,245 shares
As of March 31, 2009	4,089,222 shares

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

Nine months ended December 31, 2009	269,352,362 shares
Nine months ended December 31, 2008	267,901,018 shares

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

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

[Qualitative Information and Financial Statements]

1. Qualitative Information Regarding Consolidated Results of Operations

The Japanese economy during the nine months ended December 31, 2009 remained weak as consumer spending continued to stagnate despite some signs of an improvement, such as the support of corporate production activities by a recovery in foreign demand from China and other countries. Around the world, although there was a moderate improvement trend in the U.S. and Europe, the recession continued to deepen.

Amid this mixed business environment, the Olympus Group has continuously been promoting cost reduction activities and reform of production structure as part of high profitability-oriented business structural reforms. In August 2009, our diagnostic systems business was transferred to the Beckman Coulter Group of the U.S.

The consolidated net sales for the Olympus Group over the nine months of the fiscal year under review decreased 13.6% year on year to ¥651,937 million from declines in revenue in each of our businesses, except the Information & Communication Business, as a result of the global recession and the appreciating yen. Operating income was ¥45,046 million (up 50.4% year on year) due to lower cost of sales and reduced general and administrative expenses through business structural reforms, with ordinary income of ¥33,135 million (up 66.8% year on year). Net income was ¥43,685 million (compared with a net loss of ¥27,672 million in the same period of the previous fiscal year) as a result of the recording of extraordinary income following the transfer of the diagnostic systems business.

During the nine months, the Olympus Group invested ¥42,673 million on research and development, and spent ¥25,902 million on capital investments.

Regarding foreign exchange, the yen appreciated against both the U.S. dollar and the euro compared to the same period of the previous fiscal year, with an average exchange rate during the period of ¥93.56 against the U.S. dollar (¥102.84 in the same period of the previous fiscal year) and ¥133.00 against the euro (¥150.70 in the same period of the previous fiscal year), which caused net sales and operating income to drop by ¥46,100 million and ¥13,200 million, respectively, year on year.

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

Imaging Systems Business

In the Imaging Systems Business, the Olympus Group registered consolidated net sales for the nine months of ¥135,972 million (down 27.9 % year on year) and operating income of ¥3,575 million (down 3.2% year on year).

Sales grew favorably both in Japan and abroad for the “OLYMPUS PEN” series interchangeable lens system digital camera with a small, lightweight and dignified design compliant with the “Micro Four Thirds System” standard. However, the Imaging Systems Business saw a decline in revenue on the whole due to decreases in both units sold and unit prices in the wake of the appreciating yen and the economic downturn.

Operating income roughly equal to the same period of the previous fiscal year was secured, thanks to cost reduction activities.

Medical Systems Business

Consolidated net sales in the Medical Systems Business during the nine months amounted to ¥255,749 million (down 11.8% year on year), while operating income amounted to ¥56,280 million (up 3.7% year on year).

Both in Japan and abroad, there was growth in medical endoscopes with respect to the number of contracts in the Value-per-Procedure program as well as in sales of therapeutic products particularly sampling treatment devices. Also, in the Chinese market, there was an expansion of sales for both medical endoscopes and surgical and therapeutic devices. However, revenue declined on the whole in the Medical Systems Business due to effects from the appreciating yen.

Operating income went up thanks in part to efforts to lower cost of sales particularly in the surgical and therapeutic devices field.

Life Science Business

Consolidated net sales for the Life Science Business during the nine months was ¥58,379 million (down 33.7% year on year), while operating income amounted to ¥2,460 million (down 4.0% year on year).

Although sales of biological microscopes to China were favorable, the global economic recession that constricted the research market and capital investments at companies, as well as the transfer of the Olympus Group’s diagnostic systems business to the Beckman Coulter Group of the U.S. in August 2009, led to a decline in revenue on the whole for the Life Science Business.

Operating income decreased due to lower revenue as a result of the business transfer despite substantial improvements in earnings for the micro-imaging (microscopes) field as cost reduction activities progressed.

Information & Communication Business

Consolidated net sales for the Information & Communication Business during the nine months was ¥134,583 million (up 22.2% year on year), while operating income amounted to ¥3,223 million (compared with an operating loss of ¥383 million in the same period of the previous fiscal year).

This increase was due to an aggressive expansion in sales channels for mobile phones attributable to corporate acquisitions and others.

Regarding operating income, expanded sales channels for mobile phones and enhanced profitability resulting from the streamlining of sales costs turned the operating loss recorded in the same period of the previous fiscal year into operating income.

Others

Consolidated net sales for other businesses in the nine months was ¥67,254 million (down 13.3% year on year), with an operating loss of ¥2,012 million (compared with an operating loss of ¥9,527 million recorded in the same period of the previous fiscal year).

In the non-destructive testing equipment field, new products among phased array testing devices sold robustly and “OSferion” artificial bone replacement material in the biomedical materials field expanded. However, sales to companies were sluggish in each field and revenue in other businesses declined on the whole as the global capital investment constricted mostly in manufacturing sectors.

The operating loss contracted as a result of lower costs associated with amortization of goodwill of subsidiaries.

2. Qualitative Information Regarding Consolidated Financial Position

As of the end of the third quarter, total assets increased ¥22,583 million compared to the end of the previous fiscal year to ¥1,128,901 million.

This was primarily as a result of increases in cash and time deposits of ¥86,305 million and in investment securities of ¥16,733 million, notwithstanding decreases in notes and accounts receivable of ¥13,308 million, in property, plant and equipment of ¥14,545 million and in intangible fixed assets of ¥35,320 million due to the amortization of goodwill, among others.

Total liabilities decreased ¥23,585 million compared to the end of the previous fiscal year to ¥913,949 million due to decreases in other payable of ¥14,992 million, in short-term borrowings of ¥14,162 million and in long-term bonds, less current maturities of ¥19,840 million, among others, notwithstanding increases in long-term borrowings, less current maturities of ¥29,690 million and in income taxes payable of ¥13,721 million.

Net assets increased ¥46,168 million compared to the end of the previous fiscal year to ¥214,952 million. This was primarily due to an increase in shareholders' equity of ¥45,212 million attributable to the recording of ¥43,685 million in net income.

As a result of the foregoing, equity ratio increased from 14.6% as of the end of the previous fiscal year to 18.4%.

Cash flow position

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

"Cash flows from operating activities" increased net cash by ¥57,074 million. This was primarily due to income before provision for income taxes of ¥75,588 million and depreciation and amortization of ¥32,000 million, notwithstanding a ¥46,108 million gain on transfer of business included in income before provision for income taxes, and other adjustments.

"Cash flows from investing activities" increased net cash by ¥42,161 million. This was mainly due to proceeds from transfer of business of ¥74,402 million. Contrastingly, decreasing factors mainly included ¥32,966 million for the purchase of property, plant and equipment.

"Cash flows from financing activities" decreased net cash by ¥8,294 million. Decreasing factors mainly consisted of ¥45,044 million in repayments of long-term debt, ¥20,000 million in redemption of bonds and ¥7,627 million net decrease in short-term borrowings. Contrastingly, increasing factors mainly consisted of a ¥68,714 million in proceeds from long-term debt.

As a result, cash and cash equivalents at the end of the third quarter reached ¥222,597 million, an increase of ¥89,877 million compared to the end of the previous fiscal year.

3. Qualitative Information Regarding Forecast of Consolidated Financial Results

Regarding full-year net sales, taking into consideration the expected continuation of the decline in unit prices in the Imaging Systems Business, the Olympus Group has revised as follows the previously announced forecast (November 6, 2009). Contrastingly, in terms of profits, an upward revision was made for ordinary income by ¥1,000 million thanks to improvements in non-operating income, and for net income by ¥6,000 million due partly to a revision in income taxes payable.

The average foreign exchange rates for the entire year, a precondition for the forecast, are expected to be ¥91 per U.S. dollar and ¥131 per euro.

Fiscal year ending March 31, 2010

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	(¥ million)	(¥ million)	(¥ million)	(¥ million)	(¥)
Previous Forecast (A)	920,000	59,000	40,000	40,000	148.16
Revised Forecast (B)	900,000	59,000	41,000	46,000	170.39
Increase (Decrease) (B-A)	(20,000)	–	1,000	6,000	–
Increase (Decrease) Ratio (%)	(2.2)	–	2.5	15.0	–

4. Others

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

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

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

1) Calculation of taxes

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

2) Valuation method of inventories

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

3) Calculation method of depreciation of fixed assets

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

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

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

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

2) Changes in business segmentation of the segment information

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

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2009	As of March 31, 2009 (Summary)
ASSETS		
Current assets		
Cash and time deposits	223,182	136,877
Notes and accounts receivable	146,950	160,258
Securities	4,500	199
Merchandise and finished goods	54,328	58,683
Work in process	19,600	21,230
Raw materials and supplies	15,942	16,577
Other current assets	78,434	85,337
Allowance for doubtful accounts	(4,051)	(4,394)
Total current assets	538,885	474,767
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	70,992	76,940
Machinery and equipment, net	13,972	16,784
Tools, furniture and fixtures, net	38,440	42,630
Land	19,027	19,856
Lease assets, net	3,860	3,512
Construction in progress	2,277	3,391
Net property, plant and equipment	148,568	163,113
Intangible fixed assets		
Goodwill	156,600	180,540
Others	72,700	84,080
Total intangible fixed assets	229,300	264,620
Investments and other assets		
Investment securities	143,877	127,144
Other assets	69,557	77,912
Allowance for doubtful accounts	(1,286)	(1,238)
Total investments and other assets	212,148	203,818
Total fixed assets	590,016	631,551
Total assets	1,128,901	1,106,318

(Millions of yen)

	As of December 31, 2009	As of March 31, 2009 (Summary)
LIABILITIES		
Current liabilities		
Notes and accounts payable	63,326	66,604
Short-term borrowings	82,906	97,068
Current maturities of bonds	20,340	20,300
Income taxes payable	22,125	8,404
Provision for product warranties	8,566	8,875
Other reserves	7	61
Other current liabilities	114,032	140,593
Total current liabilities	311,302	341,905
Non-current liabilities		
Long-term bonds, less current maturities	110,360	130,200
Long-term borrowings, less current maturities	442,346	412,656
Severance and retirement allowance	18,673	18,744
Other reserves	637	130
Other non-current liabilities	30,631	33,899
Total non-current liabilities	602,647	595,629
Total liabilities	913,949	937,534
NET ASSETS		
Shareholders' equity		
Common stock	48,332	48,332
Capital surplus	55,166	73,049
Retained earnings	164,762	110,407
Treasury stock, at cost	(4,134)	(12,874)
Total shareholders' equity	264,126	218,914
Valuation and translation adjustments		
Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	9,576	(1,457)
Net unrealized gains (losses) on hedging derivatives, net of taxes	(949)	(1,330)
Foreign currency translation adjustments	(65,349)	(54,763)
Total valuation and translation adjustments	(56,722)	(57,550)
Minority interests	7,548	7,420
Total net assets	214,952	168,784
Total liabilities and net assets	1,128,901	1,106,318

(2) Consolidated Statements of Income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2008	Nine months ended December 31, 2009
Net sales	754,185	651,937
Costs of sales	393,092	348,335
Gross profit	361,093	303,602
Selling, general and administrative expenses	331,148	258,556
Operating income	29,945	45,046
Non-operating income		
Interest income	2,173	822
Dividends income	893	692
Foreign currency exchange gain	3,068	702
Others	2,795	2,460
Total non-operating income	8,929	4,676
Non-operating expenses		
Interest expenses	11,849	10,543
Others	7,161	6,044
Total non-operating expenses	19,010	16,587
Ordinary income	19,864	33,135
Extraordinary income		
Gain on sales of investment securities	657	652
Gain on sales of investment securities in subsidiaries and affiliates	–	2,536
Gain on transfer of business	–	46,108
Total extraordinary income	657	49,296
Extraordinary losses		
Impairment loss on fixed assets	952	331
Loss on sales of investment securities	–	392
Loss on sales of investment securities in subsidiaries and affiliates	–	97
Provision of allowance for investment loss	–	1,929
Loss on valuation of investment securities	10,288	2,530
Amortization of goodwill	20,594	1,064
Others	–	500
Total extraordinary losses	31,834	6,843
Income (loss) before provision for income taxes	(11,313)	75,588
Income taxes	17,962	31,575
Minority interest in income (losses) of consolidated subsidiaries	(1,603)	328
Net income (loss)	(27,672)	43,685

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2008	Nine months ended December 31, 2009
Cash flows from operating activities		
Income (loss) before provision for income taxes	(11,313)	75,588
Depreciation and amortization	34,328	32,000
Impairment loss on fixed assets	952	331
Amortization of goodwill	40,953	10,676
Increase (decrease) in severance and retirement allowance	2,548	1,167
Increase (decrease) in allowance for investment loss	–	1,929
Interest and dividend income	(3,066)	(1,514)
Interest expense	11,849	10,543
Loss (gain) on transfer of business	–	(46,108)
Loss (gain) on sales of investment securities in subsidiaries and affiliates	–	(2,439)
Loss (gain) on valuation of investment securities	10,288	2,530
Decrease (increase) in accounts receivable	19,226	(1,742)
Decrease (increase) in inventories	(5,749)	(1,077)
Increase (decrease) in accounts payable	(12,248)	2,233
Increase (decrease) in other payable	2,868	(682)
Increase (decrease) in accrued expense	(16,173)	(9,506)
Other	(8,962)	3,953
Sub-total	65,501	77,882
Interest and dividend received	3,117	1,614
Interest payments	(10,431)	(9,181)
Income taxes paid	(30,808)	(13,241)
Net cash provided by operating activities	27,379	57,074
Cash flows from investing activities		
Deposits in time deposits	(2,673)	(3,934)
Withdrawals from time deposits	38,234	3,562
Purchase of property, plant and equipment	(31,701)	(32,966)
Purchases of intangible fixed assets	(3,978)	(3,918)
Purchases of investment securities	(4,067)	(3,420)
Sales and redemption of investment securities	38,901	1,009
Payments for acquisition of new consolidated subsidiaries related to changes in scope of consolidation	(128)	(372)
Net decrease from sales of investment in subsidiaries related to changes in scope of consolidation	(95)	(21)
Net increase from sales of investment in subsidiaries related to changes in scope of consolidation	–	17,579
Payments for acquisition of new consolidated subsidiaries	(39,486)	(1,517)
Payments for transfer of business	–	(6,851)
Proceeds from transfer of business	–	74,402
Other	(491)	(1,392)
Net cash provided by (used in) investing activities	(5,484)	42,161

(Millions of yen)

	Nine months ended December 31, 2008	Nine months ended December 31, 2009
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(200,367)	(7,627)
Proceeds from long-term debt	257,157	68,714
Repayments of long-term debt	(29,633)	(45,044)
Proceeds from issuance of bonds	45,166	200
Redemption of bonds	(30,185)	(20,000)
Expenditure on acquisition of treasury stock	(10,223)	–
Dividends paid	(10,438)	(3,826)
Other	(400)	(711)
Net cash provided by (used in) financing activities	21,077	(8,294)
Effect of exchange rate changes on cash and cash equivalents	(7,957)	(1,629)
Net increase (decrease) in cash and cash equivalents	35,015	89,312
Cash and cash equivalents at beginning of period	119,842	132,720
Net increase in cash and cash equivalents associated with newly consolidated subsidiaries	–	477
Net decrease in cash and cash equivalents associated with exclusion from scope of consolidation	(6)	–
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	170	88
Cash and cash equivalents at end of period	155,021	222,597

(4) Notes on premise of going concern

No items to report

(5) Segment information

a. Segment information by type of business

Nine months of the fiscal year ended March 31, 2009 (from April 1, 2008 to December 31, 2008)

(Millions of yen)

	Imaging Systems	Medical Systems	Life Science	Information & Communication	Others	Total	Elimination or Unallocation	Consolidated
Net sales								
(1) Sales to outside customers	188,569	289,843	88,088	137,412	50,273	754,185	–	754,185
(2) Internal sales or transfer among segments	99	47	148	–	262	556	(556)	–
Total	188,668	289,890	88,236	137,412	50,535	754,741	(556)	754,185
Operating income (or operating loss)	3,695	54,259	2,563	(269)	(9,641)	50,607	(20,662)	29,945

Nine months of the fiscal year ending March 31, 2010 (from April 1, 2009 to December 31, 2009)

(Millions of yen)

	Imaging Systems	Medical Systems	Life Science	Information & Communication	Others	Total	Elimination or Unallocation	Consolidated
Net sales								
(1) Sales to outside customers	135,972	255,749	58,379	134,583	67,254	651,937	–	651,937
(2) Internal sales or transfer among segments	61	22	114	–	275	472	(472)	–
Total	136,033	255,771	58,493	134,583	67,529	652,409	(472)	651,937
Operating income (or operating loss)	3,575	56,280	2,460	3,223	(2,012)	63,526	(18,480)	45,046

Notes:

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

Nine months of the fiscal year ended March 31, 2009

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

Nine months of the fiscal year ending March 31, 2010

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

3. Changes in business segmentation

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

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

Nine months of the fiscal year ended March 31, 2009 (from April 1, 2008 to December 31, 2008)

(Millions of yen)

	Imaging Systems	Medical Systems	Life Science	Information & Communication	Others	Total	Elimination or Unallocation	Consolidated
Net sales								
(1) Sales to outside customers	188,569	289,843	88,088	110,139	77,546	754,185	–	754,185
(2) Internal sales or transfer among segments	99	47	148	–	262	556	(556)	–
Total	188,668	289,890	88,236	110,139	77,808	754,741	(556)	754,185
Operating income (or operating loss)	3,695	54,259	2,563	(383)	(9,527)	50,607	(20,662)	29,945

b. Segment information by region

Nine months of the fiscal year ended March 31, 2009 (from April 1, 2008 to December 31, 2008)

(Millions of yen)

	Japan	Americas	Europe	Asia	Total	Elimination or Unallocation	Consolidated
Net sales							
(1) Sales to outside customers	289,896	201,830	204,534	57,925	754,185	–	754,185
(2) Internal sales or transfer among segments	211,339	6,641	14,066	65,550	297,596	(297,596)	–
Total	501,235	208,471	218,600	123,475	1,051,781	(297,596)	754,185
Operating income	22,725	5,086	13,146	7,858	48,815	(18,870)	29,945

Nine months of the fiscal year ending March 31, 2010 (from April 1, 2009 to December 31, 2009)

(Millions of yen)

	Japan	Americas	Europe	Asia	Total	Elimination or Unallocation	Consolidated
Net sales							
(1) Sales to outside customers	294,644	157,019	152,735	47,539	651,937	–	651,937
(2) Internal sales or transfer among segments	158,490	5,698	11,073	49,165	224,426	(224,426)	–
Total	453,134	162,717	163,808	96,704	876,363	(224,426)	651,937
Operating income	33,494	7,590	16,137	3,776	60,997	(15,951)	45,046

Notes:

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

c. Overseas sales

Nine months of the fiscal year ended March 31, 2009 (from April 1, 2008 to December 31, 2008)

(Millions of yen)

	North America	Europe	Asia	Others	Total
I. Overseas sales	186,265	206,048	91,559	18,471	502,343
II. Consolidated sales					754,185
III. Percentage of overseas sales in consolidated sales (%)	24.7	27.4	12.1	2.4	66.6

Nine months of the fiscal year ending March 31, 2010 (from April 1, 2009 to December 31, 2009)

(Millions of yen)

	North America	Europe	Asia	Others	Total
I. Overseas sales	145,618	146,988	73,296	18,083	383,985
II. Consolidated sales					651,937
III. Percentage of overseas sales in consolidated sales (%)	22.3	22.5	11.3	2.8	58.9

Notes:

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

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

No items to report

6. Other Information

(Business combinations)

Nine months of the fiscal year ending March 31, 2010 (from April 1, 2009 to December 31, 2009)

(Business divestiture)

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

(1) Name of divestee

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

(2) Details of divested business

Diagnostic systems business of the Olympus Group

(3) Purpose of the divestiture

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

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

(4) Date of divestiture

August 3, 2009

(5) Outline of divestiture including legal form

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

2. Overview of accounting treatment applied

(1) Income/loss from transfer

¥46,108 million

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

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

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

3. Estimates of income and loss amounts relating to the divested business recorded in the Consolidated Statements of Income for the nine months ended December 31, 2009

	(Millions of yen)
Net sales	16,432
Operating income	1,924