



May 11, 2018

News Release

Company: Olympus Corporation
Representative Director, President: Hiroyuki Sasa
(Code: 7733, First Section, Tokyo Stock Exchange)
Contact: Takaaki Sakurai, General Manager, Public Relations and IR Office

(Progress of Disclosure Matters)
Impact on Business Performance of Discontinuation of Operations of Consolidated Subsidiary

As announced in the Notice Concerning Shutdown of Consolidated Subsidiary (Chinese Production Subsidiary for the Imaging Business) dated May 7, 2018, Olympus Corporation decided on the same day to shut down operations at Olympus (Shenzhen) Industrial Ltd. (OSZ), its subsidiary located in Shenzhen Date, China. This current notice gives an assessment of the impact on our consolidated performance as below.

1. Impact on consolidated performance for the year ending March 2018

Temporary costs of ¥2.4 billion will occurred due to book value depreciation of fixed assets following age deterioration of equipment over the 26 years since OSZ was established, and the recording of valuation reserves.

2. Impact on consolidated performance for the year ending March 2019

We expect some impact on our business performance due to the discontinuation of operations at OSZ, as well as the subsequent reorganization such as the relocation of the production line to Olympus Vietnam Co., Ltd., (Olympus Vietnam), located in Dong Nai Province, Vietnam. The costs we can estimate at the current time regarding impact on performance are ¥4 billion, which is subject to change as the reorganization progresses in future.

We also expect a certain amount of time to be required until the production volume at Olympus Vietnam reaches the expected level after relocation. Accordingly, our imaging business will be affected not only by the above costs but also by short-term restrictions on our sales activities in terms of product supply, which will also impact on performance. We shall immediately give notice of any matters requiring additional disclosure.