

February 9, 2017

News Release

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

## Notice Concerning Subscription to Own Share Repurchase Trading (ToSTNeT-3) by Terumo Corporation, Extraordinary Gains and Revision of Earnings Forecast

At a meeting of the board of directors held today, Olympus Corporation resolved to subscribe all of the common stocks of Terumo Corporation (hereafter "Terumo") we possess to the repurchasing of own shares (hereafter the "Purchase") resolved upon today in a meeting of the board of directors of Terumo.

### Details

#### 1. Reason for Subscribing to This Purchase

Olympus and Terumo signed a comprehensive business alliance agreement concerning the development of medical equipment in 2001. Subsequently, as both companies shared a common aim of realizing minimally invasive medical treatment, we agreed to reinforce our business alliance under the joint recognition of the fact that bringing together our respective core technologies and broad knowhow would strongly boost our international competitiveness. As a means to underpin the promotion of this enhanced business alliance at a management level, in August 2005 both companies formed a capital tie-up. Since then, both corporations have mutually succeeded in raising their corporate value.

However, in considering the possession of Terumo stocks from a mid/longterm perspective for Olympus based upon the basic policy for corporate governance as outlined in the management policy of our 2016 corporate strategic plan, as announced on March 30, 2016, both companies agreed, as a result of repeated consultations on the nature of our business alliance and capital tie-up, that we could maintain a good relationship without a capital tie-up, and accordingly agreed to end the capital tie-up. We shall strive to mutually improve our corporate value through continuing our business alliance with Terumo.

#### 2. Outline of Terumo

① Name	Terumo Corporation
② Street Address	2-44-1 Hatagaya, Shibuya-ku, Tokyo
③ Title and Name of Representative	President and CEO: Yutaro Shintaku Director and Executive Vice President: Hiroshi Matsumura
④ Description of Business	Manufacture and sale of medical equipment and pharmaceuticals
⑤ Capital	JPY 38.7 billion
⑥ Date of Foundation	September 17, 1921
⑦ Number of Shares Issued	379,760,520
⑧ Fiscal Year Ends	March 31
⑨ Major Shareholder and Shareholding Ratio (As of September 30, 2016)	The Master Trust Bank of Japan, Ltd. (trust account) 11.54% Japan Trustee Services Bank, Ltd. (trust account) 6.69% Dai-ichi Life Insurance Company (stocks) (5.33%) Meiji Yasuda Life Insurance Company (mutual) 3.57% State Street Bank and Trust Company 505223 2.54%

⑩ Relationship between Olympus and said Company	Capital Tie-up	Olympus possesses 2.48% of the total number of shares issued by Terumo, and Terumo possesses 1.63% of the total number of shares issued by Olympus. Both companies also own affiliated companies with shared capital subscriptions.	
	Personal Relationships	No applicable matters	
	Transactional Relationships	Both companies supply products mutually.	
⑪ Consolidated Financial Conditions and Consolidated Management Results for the Last 3 Years			
	Term ending March 31, 2014	Term ending March 31, 2015	Term ending March 31, 2016
Consolidated Net Assets	JPY 496,245 million	JPY 573,523 million	JPY 511,544 million
Consolidated Total Assets	JPY 832,814 million	JPY 992,073 million	JPY 901,685 million
Consolidated Net Assets Per Share	JPY 1,306.72	JPY 1,513.73	JPY 1,408.53
Consolidated Sales	JPY 467,359 million	JPY 489,506 million	JPY 525,026 million
Consolidated Operating Income	JPY 65,288 million	JPY 67,456 million	JPY 81,703 million
Consolidated Ordinary Income	JPY 63,802 million	JPY 70,730 million	JPY 73,090 million
Current Net Income Belonging to Parent Company Shareholder	JPY 34,096 million	JPY 38,470 million	JPY 50,676 million
Consolidated Current Net Income Per Share	JPY 89.78	JPY 101.33	JPY 135.14
Dividend Per Share	JPY 58.00	JPY 30.50	JPY 39.00

### 3. Outline of the Purchase

Terumo shall commission the Purchase via an own shares off-hour repurchase trading (ToSTNeT-3) on the Tokyo Stock Exchange at 8:45 a.m. on February 10, 2017, at the closing price of today (February 9, 2017).

### 4. Status of Stocks Owned Before and After the Subscription to This Purchase

(1) Number of stocks owned prior to the subscription	9,430,800 (Number of voting rights: 94,308) (Percentage of total number of shares issued: 2.48%)
(2) Number of stocks to subscribe	9,430,800 (Number of voting rights: 94,308) (Percentage of total number of shares issued: 2.48%)
(3) Number of stocks owned after the subscription	0 (Number of voting rights: 0) (Percentage of total number of shares issued: 0.00%)

## 5. Posting of Extraordinary Gain

As a result of the transfer of stocks by the subscription to this Purchase, we expect to post an extraordinary gain of approximately 23 billion yen via profit on sale of investment securities in our earnings for the term ending March 31, 2017. The calculation of the profit on the sale is predicated on sale of all Terumo stocks owned by Olympus at the closing price on the previous day (February 8, 2017).

## 6. Revision of Projected Business Results

As stated above, we expect to post an extraordinary gain, hence the projected consolidated business results announced on February 2, 2017 for the term ending March 31, 2017 have been revised as follows.

Projected consolidated business results for term ending March 31, 2017 (April 1, 2016 to March 31, 2017)

(Units: JPY millions)

	Net Sales	Operating Income	Ordinary Income	Current Net Income Belonging to Parent Company Shareholder	Per share Current Net Income
Previous projection (A)	743,000	76,000	63,000	60,000	Yen Sen 175.32
Current projections (B)	743,000	76,000	63,000	77,000	Yen Sen 224.99
Difference (B-A)	—	—	—	17,000	—
Difference (%)	—	—	—	28.3%	—
(For reference) Term ending March 31, 2016 Consolidated Results	804,578	104,464	90,898	62,594	Yen Sen 182.90