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News Release

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## Notice Concerning Ruling of the Lawsuit against Consolidated Subsidiary

As disclosed in “Notice Concerning Judgment of the Lawsuit against Consolidated Subsidiary” dated August 7, 2018 and “Notice Concerning Launch of Appeal on Decision against Olympus Subsidiary” dated August 30, 2018, Olympus (Shenzhen) Industrial Ltd. (“OSZ”), an Olympus subsidiary in China, filed an appeal to the Guangdong Higher People’s Court regarding the first judgement on a lawsuit filed by Shenzhen Anping Tai Investment and Development Co., Ltd. (“Anpingtai”) against OSZ. The Guangdong Higher People's Court ruled on the lawsuit on July 1, 2020, and the ruling document was sent to legal counsel of OSZ on July 9, 2020. Details of the judgement are as follows.

1. The court and the date of the ruling  
Guangdong Higher People's Court  
July 1, 2020

2. Background to the Lawsuit

OSZ is located in Shenzhen, Guangdong, in the Republic of China. Around 2011, it outsourced the running of its cafeteria and security duties to Anpingtai. In 2014, OSZ appointed Anpingtai to serve as a consultant to resolve a tax issue that had occurred between OSZ and the Shenzhen Customs Authority. The background to OSZ's appointment of Anpingtai as a consultant for its tax issue was disclosed in "Certain Reports on the Company and its Subsidiary," dated June 27, 2016.

On resolution of the tax issue, OSZ paid Anpingtai 24 million RMB (approx. 400 million yen) based on the service agreement, and also lent to Anpingtai two of its employee dormitories.

Subsequent to this, Anpingtai claimed that OSZ was obligated to transfer ownership of the two employee dormitories to Anpingtai as part of the payment for its consulting services, and that this obligation had not been met. Based on a memorandum dated October 16, 2013 (the “Memorandum”), Anpingtai filed a lawsuit with the Shenzhen Intermediate People's Court, seeking damages of 274,905,271.36 RMB (equivalent to approximately 4.643 billion yen at the exchange rate on that date) as compensation.

In response to this, OSZ disputed in full Anpingtai's claims, questioning the authenticity of the Memorandum used as the grounds for Anpingtai's claim, and also launched a countersuit against Anpingtai on March 17, 2017, seeking to make Anpingtai vacate two employee dormitories and to pay 4,424,760.45 RMB (equivalent to approximately 72 million yen at the exchange rate on that date) in usage fees.

On July 30, 2018, the Shenzhen Intermediate People's Court ordered OSZ to pay 30,774,390 dollars as the compensation for damages and delinquent charge to Anpingtai. In addition, the Shenzhen Intermediate People's Court ordered Anpingtai to hand over two employee dormitories in exchange of the payment from OSZ.

OSZ objects to this judgment, and on August 17, 2018, filed an appeal to the Guangdong Higher People's Court.

3. Outline of the Ruling

On July 1, 2020, the Guangdong Higher People's Court vacated the first judgement, in which OSZ was ordered to pay the compensation for damages etc., and remanded the case to the Shenzhen Intermediate People's Court, because the basic facts of the case, such as the validity of the Memorandum based on which Anpingtai made its claims, are unclear.

4. Measures to be Taken by the Company

During the remanded proceedings, OSZ will continue to present its case, by challenging the authenticity of the Memorandum, and via other means. Olympus, with regard to the first judgement, recorded 3.457 billion yen for the compensation for damages and delinquent charge as other expenses in the first quarter of the fiscal year ending March 31, 2019. Olympus is now carefully examining the ruling and considering how to deal with the expenses, and will disclose immediately if any event which requires disclosure arises.