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News Release

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Notice Concerning Commencement of Consideration on Intra-Group Reorganization of Scientific Solutions Business

Olympus Corporation ("Olympus") hereby announces that it will commence considerations toward an intra-group reorganization of Olympus's Scientific Solutions Business whereby it will transfer its Scientific Solutions Business into its wholly-owned subsidiary which it will newly establish.

1. Background and purpose

Olympus's Scientific Solutions Business contributes to life science research and the promotion of a safe and secure society through our core products such as microscopes, which we have developed and manufactured since its foundation in 1919. These products include industrial endoscopes, non-destructive testing instruments, and X-ray fluorescence analyzers. As a result of providing solutions that improve the overall efficiency of customer workflows with high quality products, all of the core products of the Scientific Solutions Business have gained a leading share in the global market. In terms of business performance, the Scientific Solutions Business achieved increases in both revenue and operating profit for three consecutive years up to the fiscal year ended March 2020, contributing to Olympus's consolidated business results. In the fiscal year ended March 31, 2021, both revenue and operating profit decreased due to the impact of the global spread of the novel coronavirus disease (COVID-19), but in the fiscal year ending March 31, 2022, the recovery of the business environment and efforts to improve cost efficiency are expected to bring revenue and operating profit higher than in the fiscal year ended March 2020, before the impact of the COVID-19 became apparent.

Olympus announced, on November 6, 2019, its new corporate strategy ("Corporate Strategy") to achieve growth as a global medical technology ("medtech") company. Under this Corporate Strategy, we are striving to strengthen our management base by allocating management resources to the medical business, with a focus on the Endoscopic Solutions Business and Therapeutic Solutions Business, in order to achieve sustainable growth for the Olympus Group overall.

Olympus will accelerate its efforts to achieve sustainable growth and improve the profitability of the Scientific Solutions Business by transferring its Scientific Solutions Business into its newly established subsidiary and by establishing a globally integrated business structure suited to the characteristics of the

Scientific Solutions Business with the management structure that enables agile and rapid decision-making. In addition, we believe that strategically allocating management resources to the medical business and building an optimal management foundation for the medical business will ensure sustainable growth in the medical business. For these reasons, we have come to the conclusion that separating the operation of the Scientific Solutions Business will contribute to the enhancement of the corporate value of the entire Olympus group, and have decided to consider the reorganization of the Scientific Solutions Business.

2. Future outlook

Subject to consultation and agreement with employee representatives in accordance with applicable local regulations, the reorganization of the Scientific Solutions Business is scheduled on April 1, 2022. We will make a further announcement as soon as the specific method and details are determined.

(Reference) Trend of business results for Scientific Solutions Business

(Unit: JPY millions)

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ending March 31, 2022 (Forecast)
Revenue	100,016	104,225	105,189	95,861	108,000
Operating profit	6,425	8,135	9,997	4,949	11,000
Operating profit margin	6.4%	7.8%	9.5%	5.2%	10.2%