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News Release

Company: Olympus Corporation
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**Notice of Discontinuation of the Manufacture and Sale of Veran Medical Technologies'
Electromagnetic Navigation Systems and Posting of Other Expense**

Olympus Corporation ("Olympus") hereby announces that it has decided to terminate the manufacture and sale of electromagnetic navigation systems and related products developed and manufactured by its consolidated subsidiary Veran Medical Technologies, Inc. ("VMT").

1. Reasons for discontinuation of the manufacture and sale of VMT's products

We place the highest priority on patient safety and in order to ensure that our medical products can be used with confidence, we voluntarily conduct surveys on product quality, safety and efficacy (hereinafter referred to as "voluntary surveys") after the launch of our products.

With regard to VMT, in December 2020, we acquired VMT with the aim of advancing early diagnosis and minimally invasive treatment of respiratory diseases by combining VMT's electromagnetic navigation system and various related devices with our bronchoscopy system, and we have been working to grow our business in the respiratory area.

However, voluntary surveys revealed that VMT's technology and products did not meet our quality requirements. Olympus suspended shipments of VMT's products in February 2023, to conduct further analyses and consider the future direction of this product line. As a result, with patient safety as our primary focus and top priority, Olympus recalled this product line and subsequently has decided to terminate the manufacture and sale of VMT's products due to the high cost to remediate the products to Olympus standards, the long timeline to return to market and the rapidly evolving clinical needs of our customers. Olympus has determined that our resources can be better applied elsewhere as we strive to deliver market leading products that align with the evolving needs of our customers and the highest quality standards.

Although we will no longer manufacture and sell VMT's products, we will continue our efforts to improve the standard of medical care for respiratory diseases, most notably devices and systems utilized in bronchoscopy procedures as well as those involved in the diagnosis and staging of lung cancer.

2. Overview of discontinuation of the manufacture and sale of VMT's products

(1) Overview of VMT

(i) Name	Veran Medical Technologies, Inc.
(ii) Street Address	St. Louis, MO, U.S.
(iii) Title and Name of Representative	President and Director, Michael Noyes
(iv) Description of Business	Internal R&D & Manufacturing with some component and finished goods outsourcing
(v) Capital Stock	USD 302 million
(vi) Major Shareholder and Shareholding Ratio	Olympus Corporation of the Americas(note) 100%

Note: Olympus Corporation of the Americas is a consolidated subsidiary of Olympus.

(2) Operating results and financial standing last fiscal year (Yen in millions)

	VMT's products (A)	Consolidated results (B)	Ratio (A/B)
Revenue	2,393	881,923	0.27%

(3) Handling of employees working at VMT and assets belong to VMT

Employees related to the VMT's products will be reassigned within the Olympus group or offered severance. Regarding the assets belonging to VMT, we plan to impair intangible assets, including goodwill, and dispose of other assets, such as inventory, by sale or disposal.

3. Schedule

Date of termination of manufacture and sale of VMT's products: September 2023

4. Future Outlook

The loss on discontinuation of the manufacture and sale of VMT's products is currently estimated to be approximately 50 billion yen and this loss will be recorded as "Other expenses" in the consolidated financial results for the second quarter of the fiscal year ending March 31, 2024. It affects operating profit. The amount of the loss may differ due to exchange rate fluctuations and other factors. In addition, the impact for the cash flow is very limited because this loss is mainly impairment of the intangible asset and goodwill.

The consolidated earnings forecast for the fiscal year ending March 31, 2024 will be announced as soon as it is finalized.

Olympus remains committed to developing innovative and meaningful solutions that elevate the standard of care in targeted disease states, including lung cancer. As a leader in respiratory medical technologies, we aim to build a presence in growth markets that offer it significant, long-term potential and the greatest clinical impact.