

August 24, 2012

News Release

Company: Olympus Corporation
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Announcement on Succession of Business from Subsidiary Company to New Company through Company Split (Absorption-Type Company Split) and Transfer of Shares of New Company

Olympus Corporation (“Company”) hereby announces that the Company resolved at its meeting of Board of Directors held on August 24, 2012 that : (i) ITX Corporation, a consolidated subsidiary of the Company (“Former ITX” or “Splitting Company”), through a company split coming into effect on September 28, 2012 (absorption-type company split where the consideration is ultimately delivered to the shareholder of the splitting company) (“Company Split”), would transfer to ITX Corporation, a wholly owned subsidiary that the Company has newly established (“New ITX” or “Successor Company”), its businesses of (a) intermediary, brokerage or agency service for contracts to be entered into by telecommunications carriers for provision of their telecommunications services, and brokerage service for sales, consignment sales and third party sales credit of terminal devices, etc. such as mobile phone, etc., and other businesses ancillary to or related to these businesses, (b) intermediary, brokerage or agency service for contracts to be entered into by telecommunications carriers for provision of their telecommunications services concerning fixed-line communication and other businesses ancillary to or related to these businesses, and (c) services related to the Internet, etc., including services for server lease, video conference system, VPN, etc., among which the Splitting Company operates as of the date of execution of the agreement concerning the Company Split (such businesses hereinafter referred to as “Relevant Business”); and (ii) with the effective date on September 28, 2012, the Company would transfer all of the issued shares of the Successor Company to IJ Holdings Inc. (“IJ Holdings”), a wholly owned company of a partnership operated and managed by Japan Industrial Partners, Inc. (“Japan Industrial Partners”) (such transfer of shares hereinafter referred to as “Share Transfer”).

Based on these resolutions, the Company executed a share transfer agreement with IJ Holdings on August 24, 2012.

I Purposes of Company Split and Share Transfer

In the “Medium-Term Vision Toward Realization of New Olympus” announced on June 8, 2012, the Company raised “Rebuilding of the Business Portfolio and Optimal Allocation of Management Resources” as one of its basic strategies, and Company has been examining appropriate ways to improve value and effectiveness of continuing business operation of each of the businesses within Olympus’ group. Under these circumstances, although information and communication business, which centers on the sales of mobile terminal devices such as mobile phone, has generated steady cash flow and the Olympus Group has been actively engaged in this business, the Company reached the conclusion that in order to bring further growth to this business, establishment of a framework that allows expeditious and aggressive injection of management resources including know-how and funding is required, in addition to aggressive expansion of retail activities and investment in human resources.

Upon consultation with Japan Industrial Partners, the Company has decided to conduct the Company Split and Share Transfer, judging that utilizing Japan Industrial Company’s many achievements and abundant experiences in assisting subsidiaries going independent, businesses being divested, etc. and making the Relevant Business develop with the support of Japan Industrial Partners in the areas of management know-how and funding would

lead to further growth of the Relevant Business and maximization of the shareholder value of the Company.

II Company Split

1. Summary of Company Split

(1) Schedule of Company Split

Meeting of Board of Directors Approving Absorption-Type Company Split Agreement (Splitting Company)	Friday, August 24, 2012
Meeting of Board of Directors Approving Absorption-Type Company Split Agreement (Successor Company)	Friday, August 24, 2012
Date of Execution of Absorption-Type Company Split Agreement	Friday, August 24, 2012
Shareholders' Meetings Approving Absorption-Type Company Split (Splitting Company and Successor Company)	Monday, September 18, 2012 (scheduled)
Scheduled Date of Company Split (Effective Date)	Friday, September 28, 2012 (scheduled)

(2) Method of Company Split

The Company Split will be conducted as an absorption-type company split whereby the splitting company in an absorption-type company split will be the splitting company and the successor company in the absorption-type company split will be the successor company, and where the consideration will ultimately be delivered to the shareholder of the splitting company.

(3) Details of Allotment Regarding Company Split

In this Company Split, the Successor Company will issue 180 common shares and allot all of such shares to the Splitting Company. Simultaneously, the Splitting Company will deliver, as payment of dividend of surplus, all of the common shares allotted by the Successor Company to the Company, the 100% parent company of the Splitting Company.

(4) Treatment of Share Options and Corporate Bonds with Share Options After Company Split

The Splitting Company has no outstanding share options or corporate bonds with share options.

(5) Increase or Decrease in Paid-In Capital Due to Company Split

There will be no change in the amount of the paid-in capital of the Splitting Company due to the Company Split. The amount of the paid-in capital of the Successor Company will increase by JPY 98.5 million due to the Company Split.

(6) Rights and Obligations Succeeded to by Successor Company

Through this Company Split, the Successor Company will succeed to all assets, liabilities, employment agreements, and any other agreements and rights and obligations pertinent to the Relevant Business that the Splitting Company operates as of the Effective Date excluding those items as agreed otherwise in the absorption-type company split agreement dated August 24, 2012 between the Splitting Company.

The liabilities to be succeeded to by the Successor Company will be assumed by the Successor Company alone and the Splitting Company will be released from all such liabilities.

(7) Expected Performance of Obligations

The Company has determined that there are no expected issues in the performance of obligations by both the Splitting Company and Successor Company after the Company Split.

2. Overview of Parties of Company Split

	Splitting Company (Former ITX) (As of March 31, 2012)	Successor Company (New ITX) (As of August 24, 2012)
(1) Name	ITX Corporation	ITX Corporation
	* Although they have the same name, they are different companies.	
(2) Address	6-1 Higashisinbashi 1-chome, Minato-ku, Tokyo	43-2 Hatagaya 2-chome, Shibuya-ku, Tokyo
(3) Title and Name of Representative	President and Representative Director: Masaya Ogiwara	President and Representative Director: Masaya Ogiwara
(4) Description of Business	Information and communication services centering on telecommunication business	Preparation, etc. as necessary to succeed business from the Splitting Company in this Company Split
(5) Amount of Capital	JPY 25,443,500,000	JPY 500,000
(6) Date of Incorporation	May 16, 1986	August 14, 2012
(7) Total Number of Issued Shares	640,240 shares	20 shares
(8) Accounting Date	March 31	March 31
(9) Number of Employees	905	0
(10) Main Business Partner	NTT DOCOMO, INC., KDDI CORPORATION, SOFTBANK MOBILE Corp.	—
(11) Main Bank	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd.	—
(12) Major Shareholders and Shareholding Ratio	Olympus Corporation 100%	Olympus Corporation 100%
(13) Relationship with the Company		
Capital Relationship	The Company owns 100% of the issued shares of the Splitting Company and is the parent company.	The Company owns 100% of the issued shares of the Successor Company and is the parent company.
Personal Relationship	One employee of the Company concurrently serves the Splitting Company as director, and one corporate auditor and one employee of the Company concurrently serve the Splitting Company as corporate auditor. One employee of the Splitting Company is temporarily transferred to the Company.	Not Applicable
Business Relationship	The Splitting Company sells goods to the Company.	Not Applicable
Status as a Related Party	The Splitting Company is a consolidated subsidiary of the Company and falls under the category of a related party of the Company.	The Successor Company is a consolidated subsidiary of the Company and falls under the category of a related party of the Company.

(14) Financial Results and Financial Conditions of Splitting Company for Past Three Years			
	FY Ended March 2010	FY Ended March 2011	FY Ended March 2012
Consolidated Net Assets	JPY 33,514 million	JPY 37,188 million	JPY 37,779 million
Consolidated Total Assets	JPY 116,328 million	JPY 97,864 million	JPY 100,138 million
Consolidated Net Assets per Share	JPY 50,301.95	JPY 58,085.36	JPY 59,008.27
Consolidated Net Sales	JPY 237,109 million	JPY 219,513 million	JPY 229,428 million
Consolidated Operating Income	JPY 4,058 million	JPY 4,545 million	JPY 5,696 million
Consolidated Net Ordinary Income	JPY 2,625 million	JPY 3,972 million	JPY 5,311 million
Consolidated Net Income	JPY 1,509 million	JPY 3,419 million	JPY 3,341 million
Consolidated Net Income per Share	JPY 2,358.27	JPY 5,340.50	JPY 5,219.39
Dividend per Share	JPY 0	JPY 4,500	JPY 4,880

(Note) There is no finalized most recent fiscal year for the Successor Company since it was established on August 14, 2012.

3. Overview of Business to be Transferred

(1) Description of Business to be Transferred

(a) intermediary, brokerage or agency service for contracts to be entered into by telecommunications carriers for provision of telecommunications services, and brokerage service for sales, consignment sales and third party sales credit of terminal equipment, etc., including mobile phones, etc., and other businesses ancillary to and related to these businesses, (b) intermediary, brokerage or agency service for contracts to be entered into by telecommunications carriers for provision of telecommunications services concerning fixed-line communication and other businesses ancillary to and related to these businesses, and (c) services related to the Internet, etc., including services for server lease, video conference system, VPN, etc., among which the Splitting Company operates as of the date of execution of the agreement concerning the Company Split.

(2) Financial Results of Business to be Transferred

	Financial Results of Relevant Business FY Ended March 2012 (a)	Consolidated Financial Results FY Ended March 2012 (b)	Ratio (a/b) (%)
Net Sales	JPY 229,428 million	JPY 229,428 million	100%
Net Income	JPY 36,815 million	JPY 36,815 million	100%
Operating Income	JPY 5,696 million	JPY 5,696 million	100%
Ordinary Income	JPY 5,311 million	JPY 5,311 million	100%

(3) Breakdown and Amount of Assets and Liabilities to be Transferred (As of March 31, 2012)

Assets		Liabilities	
Item	Book Value	Item	Book Value
Current Assets	JPY 47,363 million	Current Liabilities	JPY 36,687 million
Fixed Assets	JPY 27,748 million	Fixed Liabilities	JPY 1,686 million
Total	JPY 75,111 million	Total	JPY 38,373 million

4. Status of Splitting Company and Successor Company Following Company Split

The Splitting Company and the Successor Company plan to relocate their head offices after the Company Split. Also, the Successor Company plans to have new directors and corporate auditors appointed after the Company Split.

Certain assets and liabilities, etc. will remain with the Splitting Company after the Company Split; however, the status of the Splitting Company after the Company Split is yet to be determined.

III. Share Transfer

1. Background of Share Transfer

Please refer to “I Purposes of Company Split and Share Transfer”. Please note that the Share Transfer will be conducted subject to the condition that the Company Split described in section II takes effect.

2. Overview of Subsidiary to be Transferred

Please refer to “2. Overview of Parties of Company Split” of “II Company Split”.

3. Overview of the Counterparty of Share Transfer (As of August 24, 2012)

Overview of IJ Holdings

(1) Name	IJ Holdings Inc.
(2) Address	6-1 Higashisinbashi 1-chome, Minato-ku, Tokyo
(3) Title and Name of Representative	CEO: Ugawa Toshikazu
(4) Description of Business	Sales of information and communication devices (*1)
(5) Amount of Capital	JPY 25,000 (*2)
(6) Date of Incorporation	August 16, 2012
(7) Relationship with the Company	
Capital Relationship	There is no capital relationship to be specified between the Company and IJ Holdings. In addition, there is no capital relationship of particular note between the Company’s affiliates and associated companies and IJ Holdings’ affiliates and associated companies.
Personal Relationship	There is no personal relationship specified between the Company and IJ Holdings. In addition, there is no personal relationship of particular note between the Company’s affiliates and associated companies and IJ Holdings’ affiliates and associated companies.
Business Relationship	There is no business relationship specified between the Company and IJ Holdings. In addition, there is no business relationship of particular note between the Company’s affiliates and associated companies and this IJ Holdings’ affiliates and associated companies.
Status as a Related Party	IJ Holdings does not fall under the category of a related party of the Company. In addition, IJ Holdings’ affiliates and associated companies do not fall under the category of related parties of the Company.

(*1) IJ Holdings is scheduled to conduct this business after the Share Transfer is conducted.

(*2) IJ Holdings is scheduled to increase capital before conducting the Share Transfer.

Overview of Japan Industrial Partners (As of March 31, 2012)

(1) Name	Japan Industrial Partners, Inc.
(2) Address	1-1 Marunouchi 2-chome, Chiyoda-ku, Tokyo
(3) Title and Name of Representative	CEO: Hidemi Moue
(4) Description of Business	Operation and management of a fund designed for business restructuring purposes and other related businesses
(5) Amount of Capital	JPY 100 million
(6) Date of Incorporation	November 1, 2002
(7) Relationship with the Company	
Capital Relationship	There is no capital relationship to be specified between the Company and Japan Industrial Partners. In addition, there is no capital relationship of particular note between the Company's affiliates and associated companies and Japan Industrial Partners' affiliates and associated companies.
Personal Relationship	There is no personal relationship specified between the Company and Japan Industrial Partners. In addition, there is no personal relationship of particular note between the Company's affiliates and associated companies and Japan Industrial Partners' affiliates and associated companies
Business Relationship	There is no business relationship specified between the Company and Japan Industrial Partners. In addition, there is no business relationship of particular note between the Company's affiliates and associated companies and Japan Industrial Partners' affiliates and associated companies.
Status as a Related Party	This company does not fall under the category of a related party of the Company. In addition, Japan Industrial Partners' affiliates and associated companies do not fall under the category of related parties of the Company.

4. Number of Transferred Shares, Purchase Price and Shareholding Status Before and After Share Transfer

(1) Number of Shares Held Before Share Transfer	200 shares	(Shareholding Ratio:100%)
(2) Number of Transferred Shares	200 shares	(Purchase Price: JPY 53,000,000,000)
(3) Number of Shares Held After Share Transfer	0 share	(Shareholding Ratio: 0%)

5. Schedule of Share Transfer

Meeting of Board of Directors Approving Share Transfer Agreement	Friday, August 24, 2012
Date of Execution of Share Transfer Agreement	Friday, August 24, 2012
Effective Date of Share Transfer	Friday, September 28, 2012 (scheduled)

IV Future Outlook

Although it is probable that the Company will recognize an extraordinary income in the consolidated financial results of the second quarter period of the fiscal year ending March 2013, its financial impact is not clear at this point because further evaluation of the transferred assets, etc. will be necessary. The Company will promptly announce such information as soon as it is made clear.

(Reference) Projected Consolidated Financial Results for this Fiscal Year Ending in March, 2013 (as announced on August 9, 2012) and Actual Consolidated Financial Results for Fiscal Year Ended in March 2012

(Unit: JPY million)

	Net sales	Operating income	Ordinary income	Net income
Projected Consolidated Financial Results (Fiscal Year Ending March 2013)	920,000	50,000	21,000	7,000
Actual Consolidated Financial Results (Fiscal Year Ended March 2012)	848,548	35,518	17,865	-48,985

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Olympus to Transfer Information and Communication Business to Japan Industrial Partners

Olympus Corporation today announced that it will transfer the information and communication business operated by its consolidated subsidiary ITX Corporation to Japan Industrial Partners, Inc., a leading investment fund in Japan, for the sum of 53 billion yen on September 28.

ITX's information and communication business, which centers on sales of mobile terminal devices such as mobile phones, has contributed steadily to Olympus Group earnings, including net sales of JPY 229.4 billion and operating income of JPY 5.3 billion for the fiscal year ended March 2012. Olympus has determined, however, that the business's continued growth require a rapid and aggressive allocation of resources, including manpower and funding, as well as an aggressive expansion of retail activities and related investment in human resources. Furthermore, Olympus has determined that the business itself is not aligned sufficiently close with the core business domains targeted under the Group's medium-term business plan. For these reasons, Olympus determined that the most suitable course of action would be to transfer this business to another company.

The funds from the business transfer are expected to be recorded as extraordinary income in the Group's consolidated earnings for the current second quarter ending September 31. Olympus will carry out due diligence to carefully examine the assets before completing the transfer. The impact on performance is unclear at the moment, but Olympus will announce any impact as soon as a final determination is made.

In the "Back to Basics" medium-term plan announced by Olympus on June 8, one of the key strategies is rebuilding the Group's business portfolio and optimally allocating Group resources. Efforts are now being made to strengthen Medical, Life Science & Industrial, and Imaging businesses, the core business domains of the Group. In the case of non-core business domains, Olympus has been considering optimized measures to increase the value of these businesses, or selling or withdrawing from those businesses judged to be difficult to continue operating due to weak business prospects and/or weak correlation with the Group's core business domains.

Olympus has determined that the transfer could provide the information and communication business with opportunities for further growth, as well as help to maximize value for Olympus shareholders, by aligning the business with the substantial know-how and capital of Japan Industrial Partners, a company with abundant experience and success in helping subsidiary companies go independent and parent companies divest themselves of businesses.

Olympus will continue to actively evaluate and reorganize its non-core business domains while investing strategically in core business domains. Olympus also will work to enhance corporate value through its medium-term strategies, including review of cost structures, restoration of financial health and restructuring of corporate governance.

For more information, please refer to “Announcement on Succession of Business from Subsidiary Company to New Company through Company Split (Absorption-Type Company Split) and Transfer of Shares of New Company” separately announced today.

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