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Annual Securities Report

(Report pursuant to Article 24, Paragraph 1 of the Financial Instruments and Exchange Act)

**The 158th fiscal year
(fiscal year ended March 31, 2026)**

From April 1, 2025 to March 31, 2026

Olympus Corporation

(E02272)

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[Audit report]

[Internal control report]

[Cover]

[Document Submitted]	Annual Securities Report
[Article of the Applicable Law Requiring Submission of This Document]	Article 24, Paragraph 1 of the Financial Instruments and Exchange Act
[Submitted to]	Director-General of the Kanto Local Finance Bureau
[Date of Submission]	June 18, 2026
[Fiscal Year]	The 158th fiscal year (fiscal year ended March 31, 2026) (from April 1, 2025 to March 31, 2026)
[Company Name]	Olympus Kabushiki Kaisha
[Company Name in English]	OLYMPUS CORPORATION
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Part I. Company Information

I. Overview of Company

1. Key Financial Data

(1) Key financial data of group

Fiscal Year		154th	155th	156th	157th	158th
Year End		March 2022	March 2023	March 2024	March 2025	March 2026
Revenue	(Millions of yen)	750,123	881,923	925,752	997,332	1,010,676
Profit before tax	(Millions of yen)	141,701	182,294	43,611	159,070	93,994
Profit attributable to owners of parent	(Millions of yen)	115,742	143,432	242,566	117,855	68,172
Comprehensive income attributable to owners of parent	(Millions of yen)	160,773	196,481	316,062	113,464	130,451
Equity attributable to owners of parent	(Millions of yen)	510,168	640,085	757,186	751,733	812,040
Total assets	(Millions of yen)	1,357,999	1,508,701	1,534,216	1,433,273	1,537,162
Equity attributable to owners of parent per share	(Yen)	400.75	510.62	649.59	666.54	737.48
Basic earnings per share	(Yen)	90.22	113.22	199.91	102.99	61.32
Diluted earnings per share	(Yen)	90.17	113.08	199.44	102.80	61.20
Ratio of equity attributable to owners of parent to total assets	(%)	37.6	42.4	49.4	52.4	52.8
Ratio of equity attributable to owners of parent to profit	(%)	25.6	24.9	34.7	15.6	8.7
Price-earnings ratio	(Times)	25.93	20.48	11.07	18.91	24.27
Cash flows from operating activities	(Millions of yen)	169,729	98,490	42,365	190,463	100,585
Cash flows from investing activities	(Millions of yen)	(71,016)	(58,414)	359,992	(65,469)	(87,408)
Cash flows from financing activities	(Millions of yen)	(40,667)	(143,178)	(276,010)	(211,542)	(87,627)
Cash and cash equivalents at end of period	(Millions of yen)	302,572	205,512	340,933	252,532	188,038
Numbers of employees		31,557	32,805	28,838	29,297	28,138
(Excludes average number of temporary employees)	(Persons)	[934]	[786]	[942]	[699]	[1,187]

Notes: 1. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (hereinafter "IFRS").

2. Separately from the number of employees in the key financial data of group, the average number of temporary employees is shown in parentheses.

3. The figures in the consolidated statement of financial position have been retroactively revised to correct fair values of assets and liabilities acquired in association with the business combination, which were provisionally measured for the fiscal year ended March 31, 2026. In conjunction with this, the key financial data of group for the fiscal year ended March 31, 2025 indicate monetary values after these adjustments have been applied. For more information on the contents of these retroactive revisions, please refer to "V. Financial Information, 1. Consolidated Financial Statements and Other Notes, Notes to the Consolidated Financial Statements, 40. Business Combinations (Revised provisional amounts)."

(2) Business results of reporting company

Fiscal Year		154th	155th	156th	157th	158th
Year End		March 2022	March 2023	March 2024	March 2025	March 2026
Revenue	(Millions of yen)	378,637	380,014	379,373	389,797	406,996
Ordinary profit	(Millions of yen)	57,187	152,299	135,139	69,516	77,204
Profit	(Millions of yen)	84,844	130,338	293,613	61,665	86,104
Share capital	(Millions of yen)	124,643	124,643	124,643	124,643	124,643
Total number of issued shares	(Thousand shares)	1,299,294	1,266,179	1,215,147	1,139,116	1,114,486
Net assets	(Millions of yen)	357,229	418,309	512,912	457,205	472,974
Total assets	(Millions of yen)	900,917	973,602	954,925	913,012	890,594
Net assets per share	(Yen)	280.30	333.48	439.81	405.22	429.41
Dividend per share		14.00	16.00	18.00	20.00	30.00
(Includes interim dividend paid per share)	(Yen)	[-]	[-]	[-]	[-]	[-]
Basic earnings per share	(Yen)	66.13	102.88	241.97	53.89	77.45
Diluted earnings per share	(Yen)	66.10	102.76	241.41	53.79	77.30
Equity ratio	(%)	39.6	42.9	53.7	50.1	53.1
Rate of return on equity	(%)	24.0	33.6	63.1	12.7	18.5
Price-earnings ratio	(Times)	35.4	22.5	9.1	36.1	19.2
Payout ratio	(%)	21.2	15.6	7.4	37.1	38.7
Numbers of employees	(Persons)	3,478	2,727	2,834	2,494	2,469
Total shareholder return	(%)	102.7	102.5	98.7	88.0	69.2
(Comparison indicator: TOPIX (including dividends))	(%)	(102.0)	(107.9)	(152.5)	(150.2)	(202.2)
Highest share price	(Yen)	2,741	3,198	2,532	2,867	2,168
Lowest share price	(Yen)	1,998	2,175	1,782	1,931	1,303

- Notes: 1. The highest and lowest share prices are those quoted on the Prime Market of the Tokyo Stock Exchange from April 4, 2022, and on the First Section of the Tokyo Stock Exchange before that date.
2. Effective April 1, 2022, Olympus Corporation transferred its Scientific Solutions Business to its subsidiary, Evident Corporation, through an absorption-type split, in order to achieve sustainable growth and profitability in the Scientific Solutions Business. On April 3, 2023, the Scientific Solutions Business was transferred to K.K. BCJ-66 with the aim of enhancing the corporate value of the Olympus Group and realizing autonomous and sustainable growth for the Scientific Solutions Business.

2. History

Month / Year	Overview
October 1919	Takachiho Seisakusho was established in Hatagaya, Shibuya-ku, Tokyo, with a view to achieving domestic production of microscopes and other optical machinery
April 1936	Began manufacturing photographic equipment
June 1942	Renamed Takachiho Optical Co., Ltd.
February 1944	Opened Ina Factory (currently Nagano Facility) in Ina-shi, Nagano Prefecture
January 1949	Renamed Olympus Optical Co., Ltd.
May 1949	Stock listed on the Tokyo Stock Exchange
May 1952	Began manufacturing medical equipment
May 1955	Participated in the management of Takachiho Shokai and strengthened domestic sales of photographic equipment
October 1960	Began manufacturing measuring equipment
August 1963	Opened Hachioji Plant (currently Technology Development Center Ishikawa) in Hachioji-shi, Tokyo
May 1964	Established Olympus Optical Co. (Europa) GmbH (currently Olympus Europa SE & Co. KG, a consolidated subsidiary) to strengthen sales of Olympus Corporation's products in Europe (subsequently established manufacturing and sales locations throughout Europe)
January 1968	Established Olympus Corporation of America (currently Olympus America Inc., a consolidated subsidiary) to strengthen sales of microscopes and medical equipment in the U.S.
May 1969	Established Olympus Seiki (currently Aizu Olympus Co., Ltd., a consolidated subsidiary) (subsequently established manufacturing affiliates in various locations in Japan)
March 1977	Established Olympus Camera Corporation (currently Olympus America Inc., a consolidated subsidiary) to strengthen sales of photographic equipment in the U.S.
February 1980	Relocated headquarters to Nishi-Shinjuku, Shinjuku-ku, Tokyo
November 1981	Established Tatsuno Plant (currently Nagano Facility) in Kamiina-gun, Nagano Prefecture
February 1988	Opened Utsugi Technology Research Institute in Hachioji-shi, Tokyo
June 1990	Established Olympus USA Incorporated (currently Olympus Corporation of the Americas, a consolidated subsidiary) to strengthen the business foundation in the U.S.
April 1993	Opened Hinode Plant in (relocated Hachioji Plant to) Nishitama-gun, Tokyo
October 2003	Renamed Olympus Corporation
October 2004	Spun off the Imaging and Medical businesses to create Olympus Imaging Corporation and Olympus Medical Systems Corp.
June 2005	Established Olympus NDT Corporation to strengthen non-destructive testing business
February 2008	Acquired Gyrus Group PLC to strengthen the surgical area in the medical field
April 2011	Set Olympus Corporation of Asia Pacific Limited as the supervising company for Asia and Oceania to strengthen the business foundation in the region
October 2011	Olympus Opto-Technology Co. Ltd. and Okaya Olympus Co., Ltd. merged to form Nagano Olympus Co., Ltd. (currently a consolidated subsidiary)
September 2012	Transferred the information and communication business to IJ Holdings, Inc. established by Japan Industrial Partners, Inc.
April 2015	Absorbed the medical and imaging businesses through an absorption-type company split in which Olympus Corporation is the succeeding company and Olympus Medical Systems Corp. is the splitting company, and an absorption-type merger between Olympus Corporation and Olympus Imaging Corporation
April 2016	Changed the address of registered head office to Hachioji-shi, Tokyo
April 2020	Split off certain functions such as R&D, manufacturing, and repair planning to Olympus Medical Systems Corp. through an absorption-type company split to strengthen Olympus Corporation's quality regulatory functions in the medical field
January 2021	Transferred the Imaging business to OM Digital Solutions Corporation and then to OJ Holdings, Ltd. established by Japan Industrial Partners, Inc.
February 2021	Acquired Quest Photonic Devices B.V. to strengthen fluorescence imaging technology in the medical field for surgical applications
May 2021	Acquired Medi-Tate Ltd. to strengthen the urology area in the medical field
October 2021	Transferred the domestic sales function of the medical business to Olympus Medical Science Sales Corporation, and Olympus Medical Science Sales Corporation renamed Olympus Marketing, Inc.
April 2022	Spun off the Scientific Solutions business to create Evident Corporation
December 2022	Acquired Odin Medical Ltd. to strengthen the use of digital technology in the medical field

Month / Year	Overview
April 2023	Transferred Evident Corporation to K.K. BCJ-66, a special purpose company indirectly owned by funds advised by Bain Capital Private Equity, LP
April 2024	Relocated headquarters to Ishikawa-machi, Hachioji-shi, Tokyo
July 2024	Transferred the Orthopedic business to PTCJ-6O Holdings Inc. and PTCJ-6F Holdings Inc., established by Polaris Capital Group Co., Ltd.
June 2026	Acquired BioProtect Ltd. to strengthen the urology area in the medical field

3. Description of Business

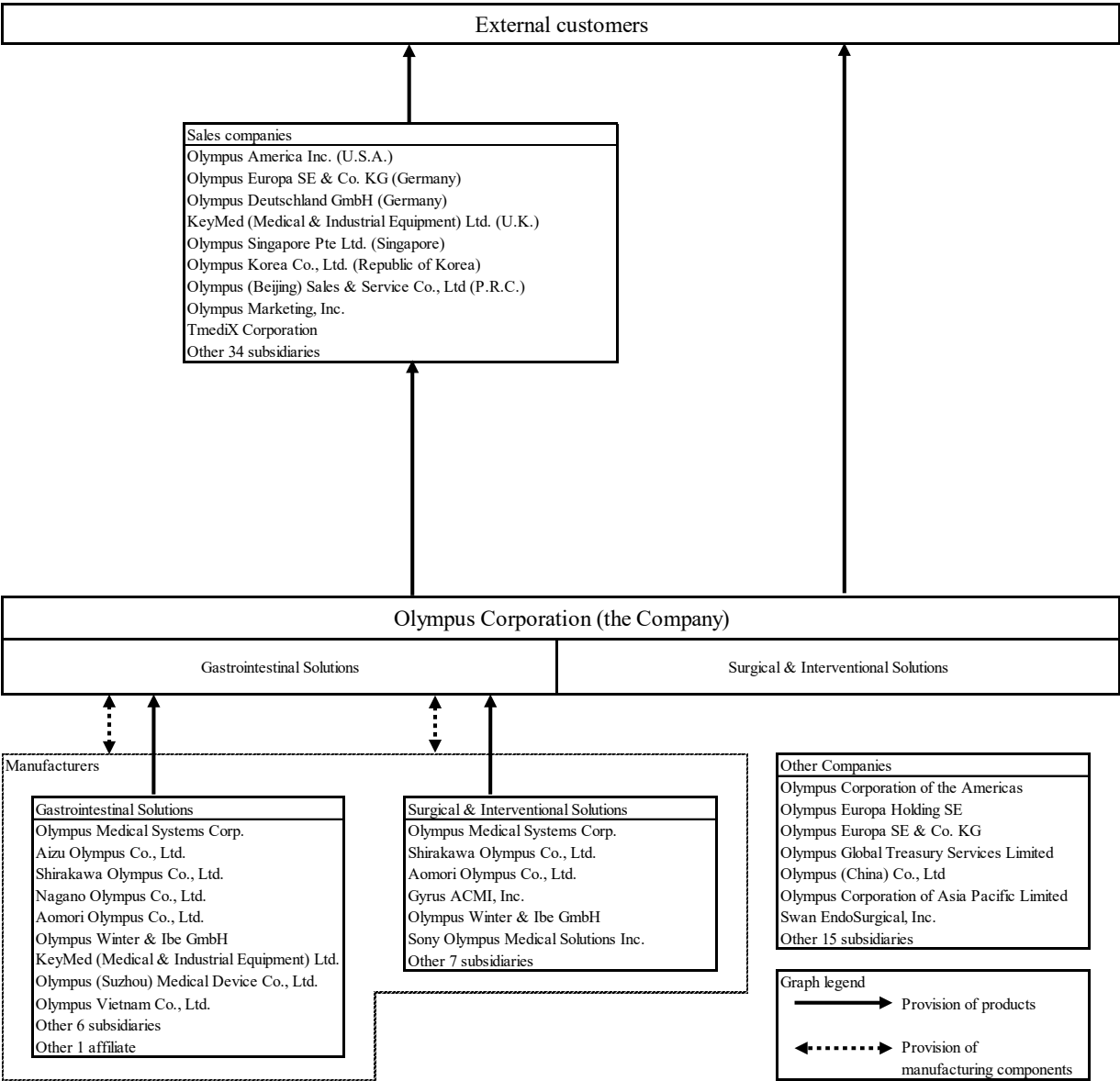
The Olympus Group consists of Olympus Corporation, 80 subsidiaries, 2 affiliates and 1 joint venture, and is primarily engaged in the Gastrointestinal Solutions Division and the Surgical & Interventional Solutions Division, as well as serving as a holding company and engaging in financial investment and other business activities related to each Division.

The following two businesses, “Gastrointestinal Solutions Division” and “Surgical & Interventional Solutions Division” are the same as the segment classifications stated in “V. Financial Information, 1. Consolidated Financial Statements and Other Notes, (1) Consolidated Financial Statements, Notes to the Consolidated Financial Statements, 6. Business Segments.”

In the past, the Olympus Group had two reportable segments: “Endoscopic Solutions” and “Therapeutic Solutions.” However, from the six months ended September 30, 2025, we have changed to two reportable segments: “Gastrointestinal Solutions Division” and “Surgical & Interventional Solutions Division.” For more information, please refer to “V. Financial Information, 1. Consolidated Financial Statements and Other Notes, (1) Consolidated Financial Statements, Notes to the Consolidated Financial Statements, 6. Business Segments.”

Business	Principal products and businesses	Names of major companies
Gastrointestinal Solutions	GI Endoscopy, GI EndoTherapy, medical service	Olympus Corporation (Consolidated subsidiaries) Olympus Medical Systems Corp., Olympus Marketing, Inc., Aizu Olympus Co., Ltd., Shirakawa Olympus Co., Ltd., Nagano Olympus Co., Ltd., Aomori Olympus Co., Ltd., TmediX Corporation, Olympus America Inc., Olympus Europa SE & Co. KG, Olympus Deutschland GmbH, KeyMed (Medical & Industrial Equipment) Ltd., Olympus Winter & Ibe GmbH, Olympus (Beijing) Sales & Service Co., Ltd., Olympus (Suzhou) Medical Device Co., Ltd., Olympus Korea Co., Ltd., Olympus Singapore Pte. Ltd., Olympus Vietnam Co., Ltd. (Joint venture) Swan EndoSurgical, Inc.
Surgical & Interventional Solutions	Urology products, respiratory products, surgical endoscopes, energy devices, ENT products, gynecology products	Olympus Corporation (Consolidated subsidiaries) Olympus Medical Systems Corp., Olympus Marketing, Inc., Shirakawa Olympus Co., Ltd., Aomori Olympus Co., Ltd., TmediX Corporation, Olympus America Inc., Olympus Europa SE & Co. KG, Olympus Deutschland GmbH, Gyrus ACMI, Inc., Olympus Winter & Ibe GmbH, Olympus (Beijing) Sales & Service Co., Ltd., Olympus Korea Co., Ltd., Olympus Singapore Pte. Ltd. (Affiliated companies) Sony Olympus Medical Solutions Inc.
Common	Holding company, financial investment	Olympus Corporation (Consolidated subsidiaries) Olympus Corporation of the Americas, Olympus Europa Holding SE, Olympus Europa SE & Co. KG, Olympus (China) Co., Ltd., Olympus Corporation of Asia Pacific Limited, Olympus Global Treasury Services Limited

The business structure of the Olympus Group as of March 31, 2026 is shown in the following diagram, which schematically illustrates the matters described above.



4. Subsidiaries and Other Affiliated Entities

(As of March 31, 2026)

Company name	Location	Capital stock or capital contribution	Main business	Voting rights held by Olympus Corporation (%)	Relationship with Olympus Corporation				
					Concurrent officers, etc.		Financial assistance loans	Business transactions	Major profit/loss information, etc. (1) Revenue (2) Operating profit (3) Profit (4) Total equity (5) Total assets (Millions of yen)
					Officers of the reporting company	Employees of the reporting company			
(Consolidated subsidiaries)									
Olympus Medical Systems Corp. (Note 2)	Hachioji-shi, Tokyo	¥90 million	Manufacturing Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100	Yes	Yes	No	Manufacturing Olympus Corporation's products	
Aizu Olympus Co., Ltd.	Aizu-Wakamatsu-shi, Fukushima	¥214 million	Manufacturing Gastrointestinal Solutions Division products	100	No	Yes	No	Manufacturing Olympus Corporation's products	
Aomori Olympus Co., Ltd.	Kuroishi-shi, Aomori	¥26 million	Manufacturing Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100	No	Yes	No	Manufacturing Olympus Corporation's products	
Nagano Olympus Co., Ltd.	Tatsuno-machi, Kamiina-gun, Nagano	¥100 million	Manufacturing Gastrointestinal Solutions Division products	100	No	Yes	Lending of ¥484 million for working capital	Manufacturing Olympus Corporation's products	
Shirakawa Olympus Co., Ltd.	Nishigo-mura, Nishishirakawa-gun, Fukushima	¥80 million	Manufacturing Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100	No	Yes	No	Manufacturing Olympus Corporation's products	
Olympus Marketing, Inc. (Note 2)	Hachioji-shi, Tokyo	¥96 million	Sales of Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100	No	Yes	No	Sales of Olympus Corporation's products	
TmediX Corporation (Note 1)	Shinjuku-ku, Tokyo	¥50 million	Lease of products of the Gastrointestinal Solutions Division	100 [100]	No	Yes	No	Sales of Olympus Corporation's products	
Olympus-Supportmate Corp.	Hachioji-shi, Tokyo	¥10 million	Administration services for domestic subsidiaries and affiliates	100	No	Yes	Lending of ¥9 million for working capital	Provision of administration services	

Company name	Location	Capital stock or capital contribution	Main business	Voting rights held by Olympus Corporation (%)	Relationship with Olympus Corporation				
					Concurrent officers, etc.		Financial assistance loans	Business transactions	Major profit/loss information, etc. (1) Revenue (2) Operating profit (3) Profit (4) Total equity (5) Total assets (Millions of yen)
					Officers of the reporting company	Employees of the reporting company			
Olympus Corporation of the Americas (Note 2)	Pennsylvania, U.S.A.	US\$15 thousand	Holding company of corporate planning and financial support to affiliated companies in Americas region	100	Yes	Yes	No	Sales of Olympus Corporation's products	
Olympus America Inc. (Notes 1, 2, 3)	Pennsylvania, U.S.A.	US\$0 thousand	Sales of Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100 [100]	No	Yes	No	Sales of Olympus Corporation's products	(1) 375,387 (2) 81,820 (3) 78,651 (4) 225,793 (5) 288,707
Olympus Latin America, Inc. (Note 1)	Florida, U.S.A.	US\$0 thousand	Sales of Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100 [100]	No	Yes	No	Sales of Olympus Corporation's products	
Gyrus ACMI, Inc. (Note 1)	Massachusetts, U.S.A.	US\$1 thousand	Manufacturing Surgical & Interventional Solutions Division products	100 [100]	Yes	Yes	No	Manufacturing Olympus Corporation's products	
Olympus Innovation Ventures, LLC (Note 1)	Massachusetts, U.S.A.	US\$0 thousand	Investment in Gastrointestinal Solutions Division and Surgical & Interventional Solutions Division	100 [100]	Yes	No	No	No	
Olympus Europa Holding SE	Hamburg, Germany	€1,000 thousand	Holding company of corporate planning to affiliated companies in Europe region	100	Yes	Yes	No	No	
Olympus Europa SE & Co. KG (Notes 1, 2)	Hamburg, Germany	€100,000 thousand	Holding company and sales of Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100 [100]	No	No	No	Sales of Olympus Corporation's products	
Olympus Deutschland GmbH (Note 1)	Hamburg, Germany	€10,100 thousand	Sales of Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100 [100]	No	Yes	No	Sales of Olympus Corporation's products	

Company name	Location	Capital stock or capital contribution	Main business	Voting rights held by Olympus Corporation (%)	Relationship with Olympus Corporation				
					Concurrent officers, etc.		Financial assistance loans	Business transactions	Major profit/loss information, etc. (1) Revenue (2) Operating profit (3) Profit (4) Total equity (5) Total assets (Millions of yen)
					Officers of the reporting company	Employees of the reporting company			
Olympus France S.A.S. (Note 1)	Rungis Cedex, France	€3,914 thousand	Sales of Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100 [100]	No	No	No	Sales of Olympus Corporation's products	
Olympus Winter & Ibe GmbH (Note 1)	Hamburg, Germany	€8,182 thousand	Manufacturing Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100 [100]	Yes	Yes	No	Manufacturing Olympus Corporation's products	
KeyMed (Medical & Industrial Equipment) Ltd. (Note 1)	Essex, U.K.	£10 thousand	Manufacturing and sales of Gastrointestinal Solutions Division products	100 [100]	No	Yes	No	Manufacturing and sales of Olympus Corporation's products	
Arc Medical Design Limited (Note 1)	West Yorkshire, U.K.	£52 thousand	Manufacturing Gastrointestinal Solutions Division products	100 [100]	No	Yes	No	Manufacturing Olympus Corporation's products	
Olympus Global Treasury Services Limited	Essex, U.K.	£52,764 thousand	Fund management of the whole group	100	Yes	Yes	No	No	
Odin Medical Ltd.	London, U.K.	£1,404 thousand	Development of Gastrointestinal Solutions Division products	100	No	Yes	No	Development of Olympus Corporation's products	
Medi-Tate Ltd. (Note 1)	Or-Akiva, Israel	₪28 thousand	Development and manufacturing of Surgical & Interventional Solutions Division products	100 [100]	No	Yes	No	Manufacturing Olympus Corporation's products	
Olympus Corporation of Asia Pacific Limited (Note 2)	Hong Kong	HK\$1,729,704 thousand	Holding company of corporate planning to affiliated companies in Asia region	100	Yes	No	No	No	
Olympus Hong Kong and China Limited (Note 1)	Hong Kong	HK\$540,000 thousand	Sales of Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100 [100]	No	No	No	Manufacturing and sales of Olympus Corporation's products	

Company name	Location	Capital stock or capital contribution	Main business	Voting rights held by Olympus Corporation (%)	Relationship with Olympus Corporation				
					Concurrent officers, etc.		Financial assistance loans	Business transactions	Major profit/loss information, etc. (1) Revenue (2) Operating profit (3) Profit (4) Total equity (5) Total assets (Millions of yen)
					Officers of the reporting company	Employees of the reporting company			
Olympus (China) Co., Ltd. (Note 1)	Beijing, P.R.C.	US\$31,000 thousand	Holding company of corporate planning to affiliated companies in China	100 [100]	Yes	Yes	No	No	
Olympus (Beijing) Sales & Service Co., Ltd. (Note 1)	Beijing, P.R.C.	US\$5,000 thousand	Sales of Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100 [100]	No	Yes	No	Sales of Olympus Corporation's products	
Olympus Trading (Shanghai) Limited (Notes 1, 2)	Shanghai, P.R.C.	US\$1,000 thousand	Sales of Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100 [100]	No	Yes	No	Import and sales of Olympus Corporation's products	
Olympus (Suzhou) Medical Device Co., Ltd. (Note 1)	Suzhou, Jiangsu Province, P.R.C.	CNY190,000 thousand	Manufacturing Gastrointestinal Solutions Division products	100 [100]	No	Yes	No	No	
Olympus Korea Co., Ltd.	Seoul, Republic of Korea	₩18,000 million	Sales of Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100	Yes	Yes	No	Sales of Olympus Corporation's products	
Olympus Singapore Pte. Ltd. (Note 1)	Singapore	S\$330 thousand	Sales of Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100 [100]	No	Yes	No	Sales of Olympus Corporation's products	
Olympus Vietnam Co., Ltd.	Vietnam	US\$24,000 thousand	Manufacturing Gastrointestinal Solutions Division products	100	No	Yes	No	Manufacturing Olympus Corporation's products	
Olympus Australia Pty Ltd. (Note 1)	Victoria, Australia	A\$7,928 thousand	Sales of Gastrointestinal Solutions Division products and Surgical & Interventional Solutions Division products	100 [100]	No	No	No	Sales of Olympus Corporation's products	
47 others	—	—	—	—	—	—	—	—	—
(Equity-method companies)									

Company name	Location	Capital stock or capital contribution	Main business	Voting rights held by Olympus Corporation (%)	Relationship with Olympus Corporation				
					Concurrent officers, etc.		Financial assistance loans	Business transactions	Major profit/loss information, etc. (1) Revenue (2) Operating profit (3) Profit (4) Total equity (5) Total assets (Millions of yen)
					Officers of the reporting company	Employees of the reporting company			
Sony Olympus Medical Solutions Inc.	Hachioji-shi, Tokyo	¥50 million	Development of Surgical & Interventional Solutions Division products	49	No	Yes	No	Development of Olympus Corporation's products	
Swan EndoSurgical, Inc. (Notes 1, 4)	Texas, U.S.A.	US\$0 thousand	Development of Gastrointestinal Solutions Division products	45 [45]	Yes	No	No	Development of Olympus Corporation's products	
1 other	—	—	—	—	—	—	—	—	—

- Notes: 1. Figures disclosed in parentheses in the “Voting rights held by Olympus Corporation” column represent voting rights held indirectly by Olympus Corporation.
2. The company falls under the category of “specified subsidiary.”
3. Olympus America Inc. accounts for more than one-tenth of consolidated revenue.
4. The company is a joint venture.
5. No company has filed a securities registration statement or securities report.

II. Overview of Business

1. Management Policy, Business Environment, Issues to Address

The management policy, business environment, and issues to address of the Olympus Group are as follows: Note that matters related to future developments that are mentioned in this section are judgments of the Olympus Group that were made as of the end of the fiscal year ended March 31, 2026 (on a consolidated basis).

(1) Basic Management Policy

The Olympus Group's corporate philosophy, Our Purpose, is to contribute broadly to society by meeting the fundamental needs of people and society around the world for healthy, safe and fulfilling lives through our business activities, and this is expressed as "Making people's lives healthier, safer and more fulfilling" as the basic philosophy of all our activities.

The Olympus Group continue to provide innovative products and services to society to realize its corporate philosophy, and strive for sustainable business growth and increased corporate value.

OUR PURPOSE
Making people's lives healthier, safer and more fulfilling

OUR CORE VALUES



(2) Corporate strategy

In November 2025, we announced our new corporate strategy centered on Our Purpose. Under this corporate strategy, while pursuing both sustainable growth and improved profitability, we aim for further evolution as a MedTech company.

Against backgrounds such as a global aging population, an increase in chronic diseases, and expanding healthcare access, demand for endoscopy-enabled care continues to grow, and the markets in which we operate are expected to achieve stable medium- to long-term growth. In this business environment, we are advancing the following strategies to achieve sustainable growth.

(Strengthening our product portfolio)

To reliably deliver the products customers need, we are strengthening our product portfolio, focusing on priority areas. To enable faster product delivery, we are selectively focusing our R&D efforts and working to achieve rapid launches, while planning to expand our lineup of the latest endoscopy systems and scopes and pursue global expansion, including into new markets.

*(Accelerating investments in the Endosuite*¹ of the future)*

As part of developing future-leading technologies, we are also working on optimizing procedures and outcomes through AI, robotics, and workflow management.

We are developing the OLYSENSE*² platform with the aim of improving clinical and operational efficiency through an intelligent endoscopy ecosystem. For OLYSENSE, we launched several CAD in the United States and selected European countries in the fiscal year ended March 31, 2026. By the fiscal year ending March 31, 2028, we anticipate to connect up to 5% of our installed base to this cloud-AI-supported platform, with a gradual increase to 25% by the fiscal year ending March 31, 2031. Going forward, OLYSENSE will expand its sales regions alongside the enhancement of applications, with the

aim to revolutionize workflows, training of device usage and management, and detection and characterization of various diseases, and eventually standardize complex procedures.

We are also advancing endoluminal robotics. We established the joint venture Swan EndoSurgical, Inc. with RVLHC SE Holdings, LLC to accelerate the development of endoluminal robotics. Furthermore, we entered into an exclusive global sales agreement with EndoRobotics Co., Ltd., which is developing solutions for endotherapies utilizing robotics technology. Robotics technology has the potential to set a new standard, reaching diseases that were once unreachable, with shorter procedure times and fewer complications. Moreover, it is expected to help democratize therapeutic procedures and further promote flexible ESD throughout the colon. It is predicted that this will be a 2 billion USD market in the United States alone by 2040.

We will continue to contribute to further improvements in patient outcomes and healthcare quality through these initiatives.

*1 A solution that could extend the reach of endotherapies while improving the quality of healthcare experienced by patients, using artificial intelligence (AI) and other digital tools and technologies.

*2 OLYSENSE is a trademark of Olympus Corporation and/or its affiliated entities. All trademarks, logos and brand names are the property of their respective owners.

Note: Products or devices presented include future technology which may be pending regional regulatory approval and are not available for sale in all regions.

(Strategic pillars)

The Olympus Group is executing the above strategies through initiatives centered on its three strategic pillars—Innovation-Driven Growth, Simplicity, and Accountability.

Under Innovation-Driven Growth, we are advancing the development of products and solutions utilizing advanced technologies such as AI, digital technologies, and robotics in our core business area of endoscopy-enabled care. We are focusing on strengthening our product portfolio through the introduction of principal products in priority areas and building an advanced ecosystem that will shape the future of endoscopy-enabled care, while also strengthening our presence in China and emerging markets and advancing the acquisition of technologies and capabilities through partnerships with external parties and M&A.

Under Simplicity, we are transitioning from a traditional region-based organizational operation to a simpler, business-driven operating model. This approach aims to accelerate decision-making, improve operational consistency, and establish a customer-centric organizational operation structure. We are also working to improve productivity and strengthen cost competitiveness by streamlining our organizational structure, reviewing business processes, and leveraging data and AI.

Furthermore, under Accountability, we are thoroughly implementing business operations with quality and safety as the top priority, based on a patient-centric value. Moreover, we are fostering a corporate culture that emphasizes ownership and execution capability, while aiming to enhance sustainable corporate value through ESG initiatives and the development of our global Olympus management system.

By strengthening these strategic pillars, we are enhancing our ability to execute growth strategies and improving our medium- to long-term competitiveness.



(Financial guidance)

Through the execution of the above strategies, we aim to achieve both accelerated sales growth and improved profitability, thereby enhancing our sustainable corporate value.

Specifically, for revenue excluding the impact of foreign exchange rates, we aim to achieve gradual year-on-year growth of approximately 3% in the fiscal year ending March 31, 2027, approximately 4% in the fiscal year ending March 31, 2028, and approximately 5% in the fiscal year ending March 31, 2029. For adjusted operating margin, we target continuous improvement of approximately 100 basis points or more per year, starting from the fiscal year ended March 31, 2026. By realizing this growth and profitability improvement, we are working toward steady improvement in free cash flow while also enhancing capital efficiency.

With regard to capital allocation, while prioritizing investment in growth drivers, we will shift our shareholder return policy from a dividend-centered return model to a more flexible framework combining dividends and flexible share repurchases starting from the fiscal year ending March 31, 2027.

Through these initiatives, we aim to achieve a balanced mix of sales growth, increased efficiency, and improved operating margin, while aiming for sustainable growth and corporate value enhancement.



*1 Constant currency basis.

*2 After adjusting special factors: Excluding other income and expenses; impact from fluctuations in the exchange rate is not adjusted. The actual foreign exchange rate is used.

(3) Strengthening quality culture

The Olympus Group is advancing the strengthening of its quality management system and embedding a culture that prioritizes quality above all else across the Group. To date, we have been executing “Elevate,” a global cross-functional quality and regulatory transformation project. With respect to the observations received from the U.S. Food and Drug Administration (FDA) in late 2025, remediation activities are progressing steadily on a global basis, and we continue to engage in constructive and transparent dialogue with the FDA. In addition, we are also progressing with the resumption of shipments for products affected by voluntary ship-holds. We will continue to address the remaining challenges with discipline and rigor, and remain committed to delivering quality and compliance that meet and exceed the expectations of patients, healthcare professionals, and regulatory authorities.

Remediation

- All 8 inspected facilities in the second half of 2025 progressing systematically
- Quality management systems strengthened for durability
- Quality culture embedded in daily ways of working
- One-off remediation costs substantially absorbed in FY2026

FDA Engagement

- Engaging constructively; focused on achieving a durable, compliant end state
- Committed to full transparency with regulators and investors as work progresses

Products Supply Recovery

- Some of the products impacted by the voluntary ship-holds back in market
- Improving supply visibility for customers
- Progress is on track for resuming shipments of products that remain shipping-holds

Note: The information above reflects the situation as of May 2026.

(4) Evolving our portfolio

As part of its broader capital allocation strategy, the Olympus Group evaluates all of its businesses on an ongoing basis against consistent criteria, including strategic fit, accretive growth, and return on invested capital. We will also review the Surgical business included within our Surgical & Interventional

Solutions Division—specifically Surgical Endoscopy and Other Therapeutic Areas—along those dimensions, and explore a range of strategic options to optimize performance and enhance value. It should be noted that these efforts do not represent any change to our core Gastrointestinal Solutions Division strategy, nor to our strategies in Respiratory or Urology. Rather, they reflect our policy to disciplined capital allocation toward higher-return opportunities going forward.

Enterprise-Wide Framework

- Every business assessed against three consistent criteria
 - Strategic fit
 - Accretive growth
 - Return on invested capital
- Where ambitions are not met, assess options to optimize performance and unlock greater value

Surgical Business Review

- Surgical Endoscopy and Other Therapeutic Areas in SIS
- Initiating strategic review to explore a full range of options to unlock value – nothing off the table
- No specific timeline or pre-determined outcome
- Olympus remains fully committed to our Surgical Endoscopy and Other Therapeutic Areas customers and employees throughout this process

2. Approach and Initiatives for Sustainability

(1) Sustainability in general

Matters related to future developments that are mentioned in this section are judgments of the Olympus Group that were made as of the end of the fiscal year ended March 31, 2026 (on a consolidated basis). The Olympus Group strives to contribute to society through activities aimed at achieving Our Purpose, “making people’s lives healthier, safer and more fulfilling.” We recognize that through doing this, the Olympus Group will be able to continue functioning as a sustainable company. Therefore, the Olympus Corporation’s ESG strategy is crucial for achieving Our Purpose.

<Governance>

To reinforce the implementation of the ESG measures, in April 2021, we designated an officer in charge of ESG (ESG Officer) to be responsible for our ESG initiatives and established the KPIs to be specified in our Company Strategy. The ESG Officer comprehensively manages ESG initiatives while monitoring the implementation progress of ESG measures. The ESG Officer also reports the status of the progress to the Group Executive Committee and the Board of Directors for deliberation. From the fiscal year ended March 31, 2021, part of the executive officers’ performance share unit (PSU) of long-term incentive compensation, was linked to the results of ESG initiatives. As indicators for measuring ESG initiative results in executive officer compensation, we had used both the achievement rate of internally defined KPIs and evaluation results from an external ESG rating agency through the fiscal year ended March 31, 2026. However, starting from the fiscal year ending March 31, 2027, we have adopted only the achievement rate of internally defined KPIs as the evaluation criterion, with the aim of further accelerating our ESG strategy. Since ESG initiatives are integral to corporate management itself to require long term for the outcome, the achievements are linked to long-term incentives and evaluated based on the results of over the three-year period, rather than a single year. We have also continued the Group-level ESG governance structure established in the fiscal year ended March 31, 2024, setting up the ESG Committee, which mainly consists of heads of respective functions to drive and monitor the implementation of the ESG strategy. Under the ESG Committee, working groups are set for some of ESG initiatives which require cross-functional approach to implement the strategy. In addition, the progress, outcomes and issues in the implementation of ESG strategy are regularly reported to the Group Executive Committee and the Board of Directors. In the fiscal year ended March 31, 2026, regular reporting sessions were held twice in the Group Executive Committee and once in the Board of Directors. By receiving instructions and advice from the Group Executive Committee and the Board of Directors, the ESG strategy is appropriately implemented under a proper governance structure.

<Governance system>



<Strategy>

The Olympus Group developed its ESG strategy in the fiscal year ended March 31, 2023, as part of its corporate strategy. The new ESG strategy was developed through a process including communication with stakeholders, analysis in the increasing expectations and requirements from society to companies on

sustainability, major trend of MedTech industry and discussion in the Group Executive Committee and the Board of Directors, and 25 Materiality Topics were identified under the “six focus areas.” In the process of identifying the 25 Materiality Topics, we prioritize them into three levels: “top priority,” “high priority,” and “others,” according to the stakeholder impact and the impact on our business. Furthermore, in April 2025, our commitment to cultivating an inclusive environment to enable all our employees the opportunity to succeed, previously represented as “Diversity, equity and inclusion,” was updated to redefine under the name of “Inclusion.” In accordance with the update, some relevant materiality topics were reviewed to restructure 25 Materiality Topics into 24 Materiality Topics.

The new corporate strategy announced in November 2025 sets forth the three priorities of Innovation-Driven Growth, Simplicity, and Accountability, and positions the promotion of ESG as one of the important initiatives under Accountability. Under the new corporate strategy, the Olympus Group continues to promote ESG activities while emphasizing affinity and consistency with the corporate strategy, business strategy, and functional strategy.

In the fiscal year ended March 31, 2026, we developed a new ESG strategy, with the fiscal year ending March 31, 2027 as the first year, based on the previous ESG strategy. In developing our new ESG strategy, discussions at the Group Executive Committee and the Board of Directors were reflected to further enhance consistency with the corporate strategy, business strategy, and functional strategy.

While maintaining the previous “six focus areas” and 24 Materiality Topics identified based on the two axes of the stakeholder impact and the impact on our business, the new ESG strategy reviewed the quantitative and qualitative KPIs and targets previously set for each, based on Simplicity, a pillar of the new corporate strategy.

These “six focus areas” and 24 Materiality Topics are embedded in the initiatives of the Olympus Group’s company management and business management to represent our commitment to our contribution to solve social issues through our ESG strategy. We recognize ESG as one of the most topics to become a global leading MedTech company as well as to contribute to realize a sustainable society. Materiality needs to be reviewed and improved continuously according to changes in society and business environment.

Six focus areas

- Healthcare access and outcomes
- Compliance, product quality and safety
- Responsible supply chain
- Healthy organization
- Carbon neutral society and circular economy
- Corporate governance

6 Focus Areas / 24 materiality topics / 3 priority categories

Focus areas	24 Materiality topics		
	Top Priority (8 topics)	High Priority (9 topics)	Others (7 topics)
Healthcare Access and Outcome	- Contribution to health equity and access - Contribution to health equity - HCP training and enablement - Strategy to improve accessibility to product	- Innovation for better healthcare outcome - Public awareness building on early detection and treatment	Corporate citizenship and philanthropy
Compliance, Product Quality and Safety	Quality, safety and regulatory compliance in product, service and solutions	- Business ethics and compliance - Privacy, Information and cyber security	- Tax transparency - Ethical marketing practice - Risk and resilience management, risk culture - Innovation to improve mfg process
Responsible Supply Chain	Supply chain risk mitigation and resilience	Human rights commitment in supply chain management	
Healthy Organization	Inclusion	- Employee development and engagement - Workplace safety and human rights	
Carbon Neutral Society and Circular Economy	- Scope 1 and 2 carbon emissions - Scope 3 carbon emissions - Circularity through product stewardship	- Water and waste management - Climate risk resilience	Environmental reporting transparency
Corporate Governance	Corporate governance and reporting transparency		Involvement of other stakeholders

<Risk management>

To support the achievement of its corporate philosophy, corporate strategies, and more, the Olympus Group extracts risks that could affect its business to identify and evaluate the risks with potential of significant impact on business operations, based on Enterprise Risk Management Methodology. In this process, we also identify potential risks related to sustainability and ESG, and manage them through the enterprise risk management system.

Identified risks are prioritized and evaluated based on the degree of impact and likelihood of occurrence if they materialize, and countermeasures are formulated to manage the risks. To address those risks that could have a particularly substantial impact on business operations, we periodically monitor the status of organizational risk management and report the results to the Group Executive Committee and Board of Directors. For details on enterprise risk management, please refer to “3. Business Risks.”

<Indexes and targets>

In the fiscal year ended March 31, 2026, we continued to use the Dow Jones Best-in-Class Indices (DJBIC Indices; former DJSI^{*1}), one of the most globally recognized corporate sustainability indices, as an indicator to measure the achievement and effort in our ESG activities, aiming to be selected to some of the indices. So far, we were selected as a composite of the DJBIC Asia Pacific (former DJSI Asia Pacific) for the first time in 2018 and that of DJBIC World (former DJSI World) in December 2022, the year following the fiscal year ended March 31, 2022, when the ESG rating by an external ESG rating agency is linked to the long-term incentives of executive officers. Since then, we have been selected a composite of the DJBIC World for five consecutive years and the DJBIC Asia Pacific for seven consecutive years up until now.

We also set flagship initiatives to implement the ESG strategy, focusing on the materiality topics in the top priority category with quantitative and qualitative KPIs and targets for each of them. From the fiscal year ended March 31, 2025, we had conducted performance evaluations for executive officer compensation based not only on the external indicator DJBIC Indices, but also on the KPIs and targets defined in our ESG strategy. However, starting from the fiscal year ending March 31, 2027, we adopt only the achievement rate of internally defined KPIs as the evaluation criterion, with the aim of further accelerating our ESG strategy. Going forward, while continuing to refer to DJBIC Indices as external evaluation indicators, we will advance our ESG activities based on the “six focus areas” and 24 Materiality Topics.

*1 It was announced by S&P Global that the name was changed from DJSI (Dow Jones Sustainability Indices) to DJBIC (Dow Jones Best-in-Class) Indices in February 2025.

<ESG strategy through the fiscal year ended March 31, 2026: “Six focus areas” and top priority materiality topics>



*Olympus Corporation

Results for the fiscal year ended March 31, 2026

Focus Area	Healthcare Access and Outcome	Compliance, Product Quality and Safety	Responsible Supply Chain	Healthy Organization	Carbon Neutral Society and Circular Economy	Corporate Governance
Indicator	Colorectal cancer related training in target emerging countries and regions	ESG disclosures according to SASB Standards	Assessment / monitoring for multi-tier supply chain risks	Eligible employees in Japan* take parental leave	Net-zero GHG emissions across scope 1, 2 and 3	Enterprise Risk Management applied consistently across the globe
Goal	CAGR +20%	Timely and appropriate disclosure	Annual assessment and monitoring	By FY2026: 100%	Net-zero by FY2040	Annually conduct Enterprise Risk Management
Result in Mar. FY2026	84 programs (CAGR +105% compared to FY2024 result) *FY2025 CAGR +185% compared to FY2024 result	Appropriate disclosure was done *Details shown in the following chart	Continued multi-tier supply chain risk assessment and monitoring across direct material suppliers through a digital platform. In FY2026, we further advanced supplier engagement in SCV, BCP, and ESG assessments, strengthening risk visibility and enabling more targeted mitigation.	100.6%	**Suppliers accounting for roughly 30% of Scope 3 emissions have completed setting Science Based Targets (SBTs)-aligned greenhouse gas reduction target.	Conducted Enterprise Risk Management based on "Olympus Group Risk Management and Crisis Response Policy" and relevant internal rules. The result was reported to the Group Executive Committee and Board of Directors
Indicator	Colorectal cancer related online / hybrid training provided with HCPs globally				Carbon Neutral in our site operations across scope 1 and 2	
Goal	CAGR +20%				Carbon Neutral by FY2031	
Result in Mar. FY2026	87 programs (CAGR +22% compared to FY2024 result) *FY2025 CAGR +50% compared to FY2024 result				**GHG emissions : 62% reduced (compared to Mar. FY2020)	
Remark	* The result of CAGR in Mar. FY2025 compared to FY2024 result is restated because CAGR was calculated based on the FY2024 target in the FY2025 security report		SCV: Supply Chain Visibility, BCP: Business Continuity Plan	* Employees of Olympus Corporation	**The data of GHG & CO2 emissions in FY2025 with independent assurance. Regarding Scope 1 and 2 results, comes to -70% (compared to FY2020) when emissions reduced through offsetting using carbon offset gas are included	For details, refer 3. [Business Risks]

Information disclosure along SASB standards regarding product quality and safety

SASB Code	Accounting Metrics	Our disclosed information
SASB:HC-MS-250a.1	Number of recalls issued, total units recalled	Appropriately disclosed on the websites of regulatory authorities in each country e.g.) U.S. FDA : Medical Device Recalls (fda.gov) https://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfres/res.cfm?start_search=11&event_id=&productdescriptiontxt=&productcode=&rootCauseText=&centerclassificationtypetext=&recallnumber=&postdatefrom=&postdateto=&productshortreasonstxt=&firmlegalnam=&PMA_510K_Num=&pnumber=&knumber=&sortcolumn=cdd
SASB:HC-MS-250a.2	List of products listed in the FDA's MedWatch Safety Alerts for Human Medical Products database	Appropriately disclosed in accordance with U.S. FDA requirements MedWatch: The FDA Safety Information and Adverse Event Reporting Program FDA https://www.fda.gov/safety/medwatch-fda-safety-information-and-adverse-event-reporting-program
SASB:HC-MS-250a.3	Number of fatalities related to products as reported in the FDA Manufacturer and User Facility Device Experience	Appropriately disclosed in accordance with U.S. FDA requirements MAUDE - Manufacturer and User Facility Device Experience (fda.gov) https://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfmaude/search.cfm
SASB:HC-MS-250a.4	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices(cGMP), by type	Appropriately disclosed on the following website https://datadashboard.fda.gov/ora/cd/inspections.htm

<ESG strategy from the fiscal year ending March 31, 2027: “Six focus areas” and top priority materiality topics>



(2) Climate change

Matters related to future developments that are mentioned in this section are judgments of the Olympus Group that were made as of the end of the fiscal year ended March 31, 2026 (on a consolidated basis).

<Governance>

Governance related to climate change is incorporated into the system described in (1) Sustainability in general, <Governance>. The ESG Committee, with the ESG Officer as owner and the heads of respective functions as members, deliberates on important measures and monitors progress. Matters confirmed by the ESG Committee are reported to the Group Executive Committee and the Board of Directors, and both meeting bodies provide advice and instructions to ensure the effectiveness of the process. A Carbon Neutral Working Group has been established under the ESG Committee to conduct cross-functional examination of measures and promotion activities.

In addition, to strengthen the management’s commitment to ESG initiatives including climate change response, a portion of the performance-based stock compensation under long-term incentive compensation for executive officers is linked to the achievement of CO₂ emission reduction targets from our site operations.

<Strategy>

The Olympus Group identifies risks and opportunities related to climate change for the short-term, medium-term, and long-term periods by using scenario analysis. The influence of climate change on our business activities is analyzed based on the 1.5°C: RCP1.9 (NZE) (holding the increase in the global average temperature to below 1.5°C above pre-industrial levels) and the 4°C: RCP8.5 (where the increase is assumed to be up to 4°C above pre-industrial levels), both of which were presented by the International Energy Agency (IEA). We recognize that major risks within the short-term period (less than one year) and medium-term period (one to five years) would be the suspension of factory operations or breakdown of the supply chain due to natural disasters or harm to our evaluations or reputation by stakeholders due to insufficient climate change response or insufficient disclosure of our climate change response. On the other hand, the risks within the long-term period (five years or more) would include an increase in business costs due to the introduction of carbon taxes and further tightening of greenhouse gas emission regulations and a decline in competitiveness due to insufficient response to stronger regulatory action on greenhouse gas emissions in product categories.

Although such climate change risks could affect the Olympus Group’s strategy and financial plan, we estimate that the scope of influence would be comparatively small. We expect an increase in operational costs due to carbon taxes etc. as a transition risk. However, the percentage of energy costs in the

manufacturing sites among overall business costs is small, and, therefore, the impact on our business will be limited. Regarding physical risks, while it is conceivable that operations at our factories could be affected by natural disasters such as typhoons, we have confirmed that our factories are at low-risk locations and a business continuation plan for each site was created in case of emergency. As a supply chain risk, we consider our ability to procure materials and supply products could be impacted given the occurrence of typhoons and flooding across the world in recent years, and we are therefore building systems such as a production contingency system involving alternative suppliers.

As a climate change opportunity, we will continue development of environmentally conscious products with energy-saving and other functions, taking the rising requirement for such products, which contribute to greenhouse gas emissions reduction, as a business opportunity. However, we estimate the impact from this opportunity on our business will not be so large because the majority of our products are already small with low energy consumption, and the nature of our products and services are relatively independent from any impact from climate change.

Scenario	Environmental changes	Risks	Opportunities	Measures
1.5°C scenario	Stronger regulatory actions and market changes in conjunction with transition to a low carbon society	<Transition risks> • Increase in procurement and operating cost due to carbon tax, carbon emissions trading and stronger regulatory action on greenhouse gas emissions by various countries • Decline in market competitiveness due to insufficient responses to strengthening of regulatory action on greenhouse gas emissions associated with products • Harm to evaluations or reputation by stakeholders due to insufficient climate change response or insufficient disclosure of climate change response	• Reduction of business costs by energy-saving measures • Improvements in market competitiveness by development of environmentally conscious products • Reduction of raw material costs and amount of waste due to the review of products and packaging materials	• Improvements in energy efficiency • Wider use of renewable energy • Diversification of suppliers • Strengthening of engagement with suppliers • Enhancement of disclosures regarding climate change response policies and initiatives
4°C scenario	Rise in temperature and increased extreme weather events	<Physical risks> • Supply chain disruption caused by growing scale of natural disasters, such as typhoons, floods, etc. • Suspension of deliveries from suppliers and to customers due to suspension of distribution bases, repair centers and sales branches, etc. • Higher air conditioning costs due to rising average temperatures, and lower labor productivity due to changes in employees' health condition	• Reduction of greenhouse gas emissions across the supply chain through strengthening relationships with stakeholders	• Environmentally conscious design in the product/service design & development stage

<Risk management>

To support the achievement of its corporate philosophy, corporate strategies, and more, the Olympus Group extracts risks that could affect its business to identify and evaluate the risks with potential of

significant impact on business operations, based on Enterprise Risk Management Methodology. In this process, we also identify potential risks related to sustainability and ESG, and manage them through the enterprise risk management system. This also includes risks arising from regulatory and technological changes related to climate change, as well as natural disasters.

Identified risks are prioritized and evaluated based on the degree of impact and likelihood of occurrence if they materialize, and countermeasures are formulated to manage the risks. To address those risks that could have a particularly substantial impact on business operations, we periodically monitor the status of organizational risk management and report the results to the Group Executive Committee and Board of Directors. For details on enterprise risk management, please refer to “3. Business Risks.”

<Indexes and targets>

The Olympus Group has set two targets. One is carbon neutrality by the fiscal year ending March 31, 2031 for its site operations (Scope 1, 2), and the other is using electricity generated 100% from renewable energy at our site operations also by the fiscal year ending March 31, 2031. In order to contribute broadly to the development of a decarbonized society, we believe that it is necessary to take action concerning not just the Group’s own greenhouse gas emission reduction, but all greenhouse gas emission reduction throughout the supply chain, and in light of this, we set a target of achieving net zero greenhouse gas emissions throughout the entire supply chain (Scope 1, 2, and 3) by the fiscal year ending March 31, 2040. In October 2023, the Olympus Group’s short-term goals and net zero goals were certified by the Science Based Targets initiative (SBTi) as being in line with the target of 1.5°C set by the Paris Agreement.

Achievements during the fiscal year ended March 31, 2025 include a 70% reduction in greenhouse gas emissions (Scope 1 and 2) compared to the fiscal year ended March 31, 2020 (62% reduction excluding carbon offsets) and an 89% introduction rate of electricity derived from renewable energy. We will continue our production efficiency improvements, energy-saving activities and introduction of renewable energy in business sites across the world, in order to achieve the targets by the fiscal year ending March 31, 2031. Along with this, we will also pursue the development of environmentally conscious products, green procurement, and improvement of logistical efficiency with an aim to reduce greenhouse gas emissions across the supply chain.

Results for the fiscal year ended March 31, 2025 and targets

	Fiscal year ended March 31, 2025		Fiscal year ending March 31, 2031
	Target	Results	Target
Greenhouse gas emissions (Scope 1, 2)	60% reduction (in comparison to the fiscal year ended March 31, 2020)	70% reduction* ¹ (in comparison to the fiscal year ended March 31, 2020)	Achieve carbon neutrality* ²
Percentage of renewable energy usage	85%	89%	100%

*1 Excluding carbon offsets, greenhouse gas emissions were reduced by 62% compared to the fiscal year ended March 31, 2020.

*2 Reducing greenhouse gas emissions from site operations (Scope 1, 2) by 70% and using carbon offsets equivalent to amount of remaining greenhouse gas emissions to achieve net zero emissions.

Total greenhouse gas emissions from entire supply chain (unit: t-CO₂e)

Category	Fiscal year ended March 31, 2025
Scope 1	24,120
Scope 2	8,054
Total (Scope 1 + 2)	32,174
Scope 3	863,583
Total (Scope 1 + 2 + 3)	895,757

* Actual data is for the fiscal year ended March 31, 2025, for which third-party assurance was obtained at the time of filing of this Annual Securities Report.

For detailed information, please refer to our website or Sustainability Report 2025.

URL:

https://www.olympus-global.com/csr/download/pdf/olympus_sustainability_report_2025_en.pdf

Sustainability Report 2026 is planned to be posted on our website around October 2026.

(3) Olympus Group's approach to human capital

For "Olympus Group's approach to human capital," please refer to "IV. Information about Reporting Company, 5. Employees, (1) Basic Policy on Human Resources Strategy, etc."

3. Business Risks

Matters related to future developments that are mentioned in this section are judgments of the Olympus Group that were made as of the end of the fiscal year ended March 31, 2026 (on a consolidated basis).

The business performance of the Olympus Group may be affected by various risks (uncertainties) that could occur in the future. The Olympus Group has established a comprehensive global Enterprise Risk Management framework to facilitate the attainment of its strategic business objectives, which encompass, among other aspects, Olympus' corporate philosophy and Guiding Principles. The Enterprise Risk Management structure implemented by the Olympus Group is based on and operates in accordance with the Company's formalized "Policy of Risk Management & Crisis Response." The Olympus Group is undertaking Enterprise Risk Management from the perspective of both opportunities and threats. Opportunities are seized through active and appropriate risk taking, leading to sustainable growth and value creation for the Olympus Group. Threats are identified, prioritized, and addressed to ensure the achievement of business objectives and to prevent non-compliance.

The global organizational design integrates the five functions, Risk & Controls, Compliance, Third-Party Risk Management, Information Security and Privacy, to deliver a holistic view on risks Olympus-wide under the "Aligned Assurance" concept. These functions form the Global Risk Assurance and Compliance (RAC) function under Global Legal, Risk and Compliance function (LRC) reporting into the Global General Counsel (GGC) as executive officer. The Global Chief Compliance Officer (GCCO) maintains regular reporting to the CEO, the Audit Committee, and the Board of Directors (BoD) while he or she continues to attend applicable Group Executive Committee (GEC) meetings.

The elements of the enhanced Enterprise Risk Management System are:

- A global Risk & Controls organization embedded in the LRC function,
- An enhanced global Enterprise Risk Management Methodology and Approach, and
- A globally harmonized Enterprise Risk Management Process.

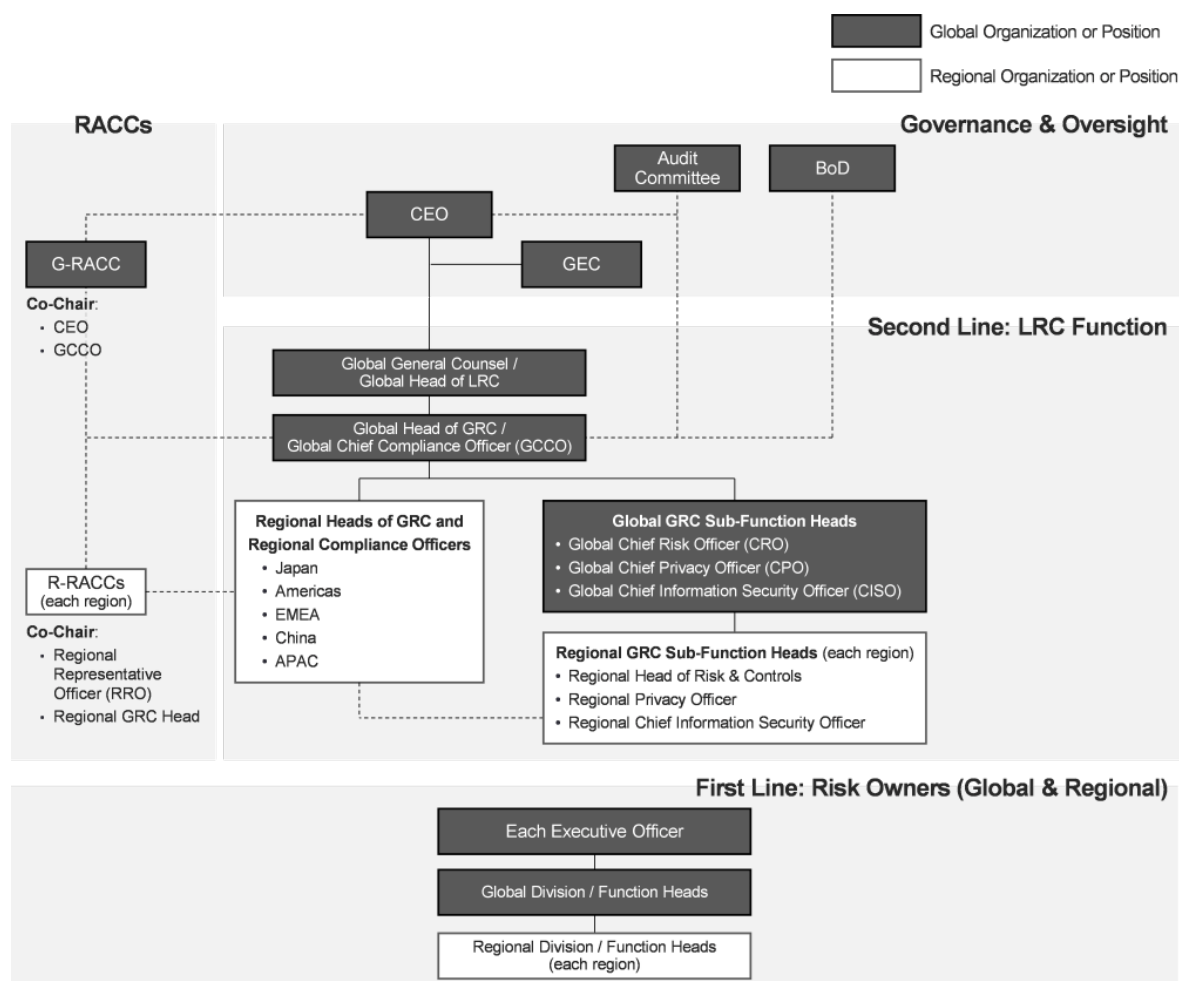
Those three elements aim to ensure a streamlined Enterprise Risk Management program that feeds into business and financial planning and safeguards the achievement of Olympus' business objectives and its corporate strategy by supporting informed decision making. Further building on the global Enterprise Risk Management Portfolio, Olympus conducted Risk Assessments with all relevant functions during the fiscal year, to validate and update Olympus' regional and global Risk Portfolio.

Enterprise Risk Management Organizational Setup

The Olympus Group has established a committee structure on both a global and regional level, the Global and Regional Risk Assurance and Compliance Committees (G-RACC and R-RACC, collectively the "RACCs"). The objectives of the RACCs are to establish, implement and manage a framework for addressing enterprise risk and complying with applicable policies, laws, and regulations. Recommendations, guidance, and significant risks are regularly reported to the Olympus GEC, the Board of Directors, and the Audit Committee for ongoing monitoring.

The Olympus Group also identified and collaboratively nominated Risk Owners, i.e., Global Division and Function Heads, Regional Division and Function Heads, and respective Risk Coordinators responsible for managing risks. Each Risk Owner is accountable to execute the necessary measures (organizational structure, process preparation, treatment measures, etc.) in their designated area of risk.

< Enterprise Risk Management Organizational Chart >



Enterprise Risk Management Methodology and Approach

The Olympus Group has established a global Enterprise Risk Management Methodology and Approach which includes five Risk Categories (1. Strategic (incl. External), 2. Operations & Product, 3. Financial, 4. Governance, and 5. IT & Digital) and corresponding Risk Sub-Categories.

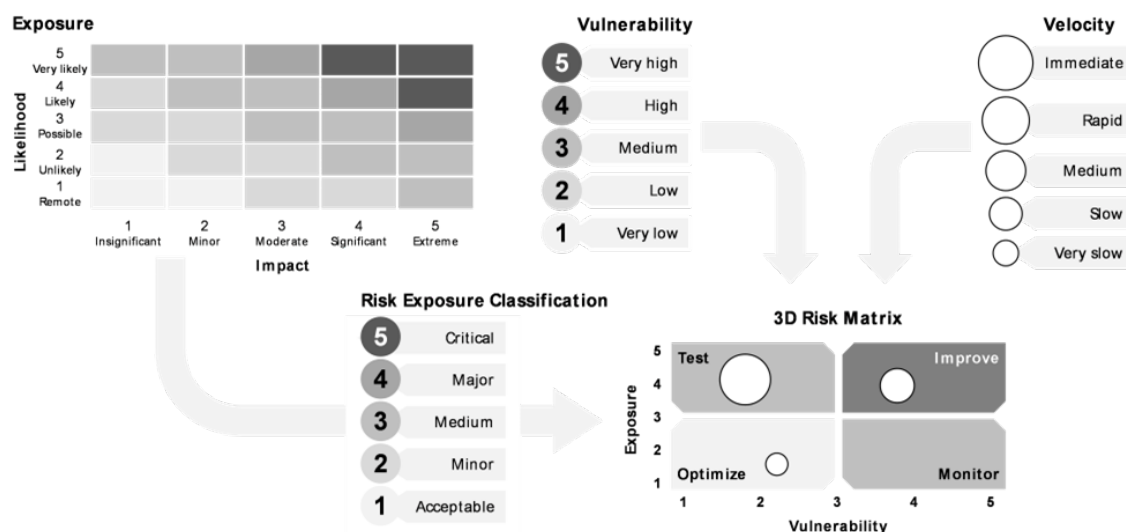
< Enterprise Risk Management Risk Categories >

Risk Categories	Strategic (incl. External)	Operations & Product	Financial	Governance	IT & Digital
Risk Sub-Categories	- Force Majeure - Planning & Resource Allocation - Growth Strategy - Business Development & Investment - Communication & Stakeholder Management - Market Dynamics - Major Projects & Programs	- Research & Development - Manufacturing & Repair - End-to-end Supply Chain - Sales, Marketing & Service - Quality - Physical Assets - People & HR	- Capital Structure - Accounting & Reporting - Liquidity & Credit - Revenue Cycle - Tax	- Culture - Regulatory - Legal - Compliance - Data Privacy - Corporate Governance - Resilience Governance 3rd Party Risk Management	- IT Security & Cyber - IT Applications - IT Governance - IT Infrastructure & Services - Digital

The Olympus Group bases the risk assessments on three Risk Evaluation Criteria (1. Exposure, 2. Vulnerability, 3. Velocity) to evaluate and demonstrate how risks might reasonably affect the achievement of Olympus' business objectives and corporate strategy:

1. Exposure which is determined by likelihood and impact. The likelihood indicates the probability of a risk materializing, while the impact assesses the severity of the consequences if a risk does materialize. Likelihood and impact levels are defined as quantitative (financial) or qualitative criteria.
2. Vulnerability which refers to how well the organization is prepared to manage a risk if it occurs.
3. Velocity which indicates how fast Olympus Corporation would be affected by a risk after it occurs.

< Enterprise Risk Management Risk Evaluation Method >



Based on the three dimensions, the Olympus Group actively identifies, mitigates, and monitors risks. Mitigation measures are regularly reviewed and tested for effectiveness.

The Olympus Group utilizes a “3D Risk Matrix” to effectively visualize and manage risks. This matrix combines Risk Exposure levels with assessed Vulnerability and incorporates Risk Velocity. The 3D Risk Matrix is divided into four quadrants, each providing specific guidance on appropriate risk response strategies.

The Olympus Group has implemented an enhanced IT system featuring integrated databases and visual dashboards (Enterprise Risk Management (ERM) IT system) to enable more effective and data driven risk-based decision making. During the fiscal year ended March 31, 2026, the ERM IT system has been upgraded with in-house design and tested artificial intelligence tools to optimize the risk portfolio completeness, while simultaneously structuring, categorizing, and standardizing risk descriptions to enhance clarity and comprehension.

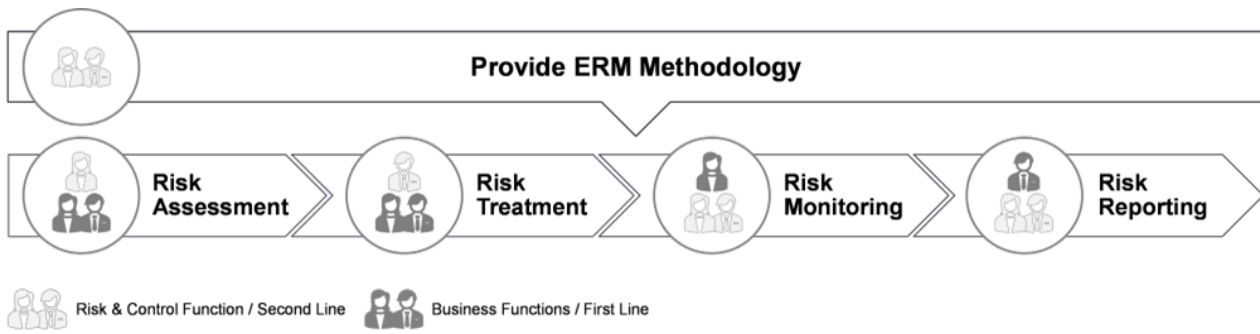
Enterprise Risk Management Process

The main components of the Enterprise Risk Management Process are:

- Risk Assessment to identify, analyze, and evaluate risks.
- Risk Treatment to mitigate risk, coordinate and execute Risk Management Activities.
- Risk Monitoring to design and implement monitoring procedures on risks and evaluate effectiveness of Risk Treatment activities.
- Risk Reporting to aggregate and evaluate risk and mitigating measures and report to relevant stakeholders regularly. Risk Reporting is developed and deployed internally as part of the annual plan.

The Enterprise Risk Management Process is based on the strong collaboration between the Risk & Controls Function and the Divisions/Business Functions following the principle of the Three Lines Model. Risk & Controls is responsible for providing, maintaining, and developing Enterprise Risk Management Methodology and operational guidance. Risk management is further enhanced through close partnership with the Legal Function, which fulfills an important role across a range of risk domains.

< Enterprise Risk Management Process >



Macroeconomic Business Environment

From April 2025 onward, the global economy has remained resilient but continues to face significant uncertainty. GDP growth momentum varies across regions, with advanced economies experiencing relatively subdued expansion compared to emerging markets. Inflationary pressures remain volatile due to renewed geopolitical tensions and energy price fluctuations. In particular, recent conflicts in the Middle East have contributed to rising energy costs and increased inflation expectations, posing challenges for monetary policy and economic stability.

Geopolitical tensions continue to represent a major risk to the global macroeconomic environment. Ongoing geopolitical conflicts, as well as persistent trade frictions between major economies are contributing to supply chain disruptions, trade fragmentation, and policy uncertainty. In addition, the increasing use of tariffs and industrial policies is reshaping global trade patterns and investment decisions.

Technological advancements, particularly in artificial intelligence, digitalization, and automation, are driving productivity gains and supporting economic growth. At the same time, these developments introduce new risks, including cybersecurity threats, data privacy concerns, and potential market imbalances associated with rapid technology investment cycles.

Climate change and sustainability remain key global priorities. Governments and companies are accelerating efforts to reduce carbon emissions and transition to low-carbon economies. However, this transition requires substantial capital investment and may lead to structural shifts and disruptions in certain industries.

Industry-specific Business Environment

In addition to the macroeconomic conditions described above, the MedTech sector continues to be influenced by industry-specific regulatory, technological, and demographic factors.

Healthcare systems worldwide are undergoing continuous reform aimed at improving efficiency, controlling costs, and enhancing patient outcomes. At the same time, regulatory requirements for medical devices continue to evolve, increasing the complexity and cost of product development and market access.

The demand for advanced healthcare solutions is rising, driven primarily by aging populations in developed countries and expanding healthcare access in emerging markets. This trend is creating growth opportunities but also increasing pressure on healthcare systems to balance cost efficiency with quality of care.

Technological innovation in areas such as minimally invasive procedures, digital health, robotics, and AI-enabled diagnostics is accelerating however with increased competition. These developments are fundamentally reshaping the competitive landscape and increasing the pace of innovation.

Infection prevention, reprocessing requirements, and patient safety standards continue to become more complex, requiring ongoing investment in compliance and product innovation. In addition, supply chain resilience and localization strategies have become more important in response to recent global disruptions.

Furthermore, competition for skilled talent remains strong across the MedTech industry. Demographic changes and evolving workforce expectations are contributing to higher turnover rates and increasing the importance of attracting, developing, and retaining highly qualified personnel.

These risk assessments are conducted based on publicly available information published by international organizations, governmental institutions, and industry associations, as well as the Group's business operations and past experience.

The Olympus Group's Risk State for the Fiscal Year Ended March 31, 2026

Based on the Olympus Group's global Risk Assessment performed in the fiscal year ended March 31, 2026, risks impacting the Olympus Group have been identified, evaluated, and prioritized.

Risks designated as "Improve" in the 3D-Risk Matrix have been prioritized for Risk Treatment. For the risks in the "Test" quadrant controls are in place. Routine audits should ensure that the existing controls are designed well and operate effectively. Risks located in the "Monitor" quadrant are subject to periodic re-evaluation to ensure that their Risk Exposure is still at an acceptable level or to initiate additional Risk Treatment where necessary.

The Olympus Group reports the following top risks per Risk Category:

Risk Category: "Strategy (incl. External)"	Type: Opportunity and Threat	Trend: Unchanged →
Risk Scenarios		
The "Strategy" Risk Category includes Force Majeure, Planning & Resource Allocation, Growth Strategy, Business Development & Investment, Communication & Stakeholder Management, Market Dynamics, and Major Projects & Programs. The highest rated risks relate to operational dependencies, competitive dynamics, and the ability to anticipate and respond to market developments. • Geopolitical tensions have been categorized as having Top Risk status, threatening supply chains through military conflicts and trade wars that increase costs and create compliance risks from rapidly changing sanctions regimes. • In major markets, the market environment is changing significantly due to the implementation of protective measures for domestic industries and other factors. Earnings may be adversely affected due to factors such as fluctuations in tariffs and preferential treatment for domestic suppliers. • Intensifying competition across key markets may impact the Group's ability to sustain its market position and profitability, particularly in areas characterized by rapid technological advancement and pricing pressure. • Insufficient depth or timeliness of market intelligence, as well as misjudgment of market trends, customer needs, or competitor actions, may impair strategic decision-making and the ability to maintain competitive positioning. • M&A activities present both opportunities and threats, requiring rigorous due diligence and structured integration processes. Insufficient risk mitigation may adversely affect business execution, performance, and financial position through goodwill impairment or related expenses.		
Risk Treatment		
• To address risks arising from intensifying competition, the Olympus Group advances initiatives to enhance innovation effectiveness and accelerate product development cycles. • In China, we are making progress with preparations for local manufacturing, and in the United States, while monitoring the situation regarding tariffs, we are working closely with industry associations, with the safety and health of patients as our top priority. • To mitigate risks related to insufficient or untimely market intelligence, the Olympus Group strengthens its market and competitive intelligence capabilities by aligning activities with the strategic importance of business units. This includes the development of standardized and partially automated analyses, with a focus on the timely delivery of actionable insights. • To address risks arising related to market position and customer needs, the Olympus Group undertakes innovation through both in-house development and external technology acquisition via M&A and strategic alliances; as well as targeting high-value-added products such as those that may be used in an Intelligent Endoscopy Ecosystem. • To minimize risks associated with M&A activities, the Olympus Group engages in the continuous refinement of M&A processes and systems to improve target selection, due diligence, and post-acquisition integration effectiveness.		
Connection with corporate strategy and policies: Innovation driven growth, Simplicity, and Accountability		

Risk Category: “Operations & Product”	Type: Opportunity and Threat	Trend: Increasing ↑
Risk Scenarios		
The “Operations & Product” Risk Category includes Manufacturing & Repair, End-to-End Supply Chain, Research & Development, Sales, Marketing & Service, Quality, Physical Assets, as well as People & HR. Risks relate to operational continuity, supplier dependencies, and the transformation of products and operating models. • Continuation of remediation activities associated with the FDA warning letters may require significant resource allocation, process enhancements and system improvements across Manufacturing, Quality, Supply Chain Management, and R&D functions. • Disruptions to critical operational infrastructure or logistics networks, particularly where dependencies are concentrated, may adversely affect product availability, business continuity, and the ability to serve customers and patients. • Heightened geopolitical tensions, including those in the Middle East, the expansion of sanctions, and instability in logistics networks and energy supply may disrupt the procurement of raw materials and components. • In particular, shortages or supply constraints of critical raw materials, including semiconductors, could result in production delays or adjustments and may impact product supply. • Potential disruptions to manufacturing operations, including downtime of production sites, may result in delays in production and impact the Group’s ability to meet customer demand. • Insufficient transparency regarding dependencies on single or sole source suppliers, as well as supplier disruptions, may adversely affect the stability and resilience of the supply chain. • Security breaches or disruptions at third-party service providers may impact critical operations, data integrity, and service continuity. • In the event of a crisis, suppliers may not recover within required timeframes, potentially resulting in material shortages and disruptions to production. • The increasing adoption of digital technologies and artificial intelligence in products and services may require adjustments to the operating model, organizational capabilities, and governance structures. Failure to effectively manage this transformation may impact competitiveness and operational effectiveness.		
Risk Treatment		
• To mitigate risks related to manufacturing disruptions, the Group enhances operational resilience through a range of measures, including the implementation of business continuity plans, the establishment of safety stocks for critical materials and finished goods, and the safeguarding of key production capabilities and equipment. • To address risks related to supplier dependencies, the Group strengthens supply chain resilience by increasing transparency on supplier structures and reducing reliance on single or sole sources. This includes targeted initiatives to diversify sourcing and the establishment of appropriate safety-stock levels for critical materials. • To mitigate risks related to disruptions of critical operational infrastructure and logistics networks, the Group identifies key dependencies and critical locations and implements a structured Business Continuity Management (BCM) framework. This includes the development and continuous enhancement of Business Continuity Plans, as well as the strengthening of crisis management capabilities and organizational readiness. • To mitigate risks associated with third-party security, the Group implements a structured third-party risk management approach, including dedicated governance within the risk and compliance framework to assess, monitor, and manage external security risks. • To address risks related to supplier recovery in crisis situations, the Group enhances supply chain visibility and conducts regular assessments of supplier resilience and business continuity capabilities. In addition, safety stock strategies for critical raw materials are implemented to reduce potential supply disruptions. • To mitigate risks related to digitalization and the adoption of artificial intelligence, the Group advances its digital transformation by strengthening governance structures, enhancing technology development processes, and investing in digital capabilities and talent. This includes the establishment of appropriate oversight mechanisms and the standardization of development and governance frameworks.		
Connection with corporate strategy and policies: Innovation driven growth, Simplicity, and Accountability		

Risk Category: “Financial”	Type: Opportunity and Threat	Trend: Unchanged →
Risk Scenarios		
The “Financial” Risk Category includes Accounting & Reporting, Capital Structure, Liquidity & Credit, Revenue Cycle and Tax. The overall risk exposure in this category remains limited compared to other risk categories, reflecting the Group’s stable financial position and effective risk management practices. • Foreign currency exchange rate fluctuations may present significant exposure. We hedge against foreign currency-denominated transactions, but business performance can potentially be adversely affected by a strong yen and positively affected by a weak yen. • Financing risks emerge from financial market volatility affecting access to capital and borrowing, and from company performance influencing borrowing costs. Deteriorating company performance and changes in the financial market environment potentially narrow financing options. • Tax burden may increase through changes in applicable tax laws or interpretations across global jurisdictions. Deferred tax asset valuations may require reassessment due to changing business conditions or organizational restructuring. • Credit risks from customers and suppliers may further impact financial stability.		
Risk Treatment		
The Group maintains a robust financial risk management framework, including structured planning and monitoring processes, centralized treasury activities, and appropriate controls to manage liquidity, foreign exchange, and other financial risks. These measures support financial stability and enable timely responses to potential changes in the financial environment. • To mitigate risks related to foreign currency fluctuations, the Group utilizes derivative instruments including forward exchange contracts and currency swaps to manage exchange fluctuations, complemented by global cash pooling to reduce foreign currency exposure. • Diversification of funding methods such as public bonds to optimize financing costs, coupled with fixed interest rate policies for long-term debt to minimize interest rate volatility. • To address tax risks, the Group proactively monitors and responds to tax legislation changes across jurisdictions, with appropriate adjustments to intra-group transaction rules and close profitability management to enhance the recoverability of deferred tax assets.		
Connection with corporate strategy and policies: Simplicity and Accountability		

Risk Category: “Governance”	Type: Opportunity and Threat	Trend: Increasing ↑
Risk Scenarios		
The “Governance” Risk Category includes Compliance, Regulatory, Legal, Culture, Data Privacy, Corporate Governance, Resilience Governance (Governance Framework for Business Continuity, Emergency and Crisis Response) and Third-Party Risk Management. Risks related to regulatory compliance, interactions with regulatory authorities, and the effectiveness of governance and control frameworks are proactively managed. • Potential non-compliance with applicable laws and regulations may result in delays in product commercialization, restrictions on market access, litigation or other regulatory actions. • Incomplete or delayed resolution of the FDA warning letters and/or a failure to address FDA observations to the satisfaction of the FDA could result in regulatory actions and potentially impact product supply. • Inadequate management of third-party risks may expose the Group to operational disruptions, compliance risks, and potential legal or reputational impacts.		
Risk Treatment		
• To mitigate risks related to regulatory non-compliance, the Group enhances its compliance framework by strengthening global processes, policies, monitoring activities, training programs and controls. • To address regulatory and quality risks from the FDA warning letters, the Group implemented a structured remediation program to address the FDA warning letters. • On June 24, 2025 (U.S. time), the FDA published import alerts for certain medical devices manufactured at the company’s Aizu facility in Fukushima, Japan. This action prevents the import of the specified devices into the U.S. until further notice. The devices affected include certain bronchoscopes, laparoscopes, ureterorenoscopes, and automated endoscope reprocessors. We are addressing the FDA’s concerns promptly and ensuring that our products meet the highest quality standards. • In late 2025, the FDA conducted inspections at eight Olympus facilities in the U.S., Europe, and Japan, thereby providing an opportunity to review our ongoing operational and quality improvements. The inspections resulted in FDA observations. Many relate to activities that predate our recent changes, while others reflect areas where we need to further advance the maturity, consistency, and integration of our quality systems and processes. We are addressing these findings through a coordinated, enterprise-wide approach. Actions underway include a risk-based review of our product portfolio that prioritizes patient safety, continued global harmonization of quality systems, and targeted strengthening of our quality and regulatory teams. The inspection results remain an open matter with the FDA — we are in direct communication with the Agency regarding the proactive nature of the actions we are taking. • To address risks associated with third-party management, the Group enhances its third-party risk management framework through continuous improvement of governance structures, operating models, and compliance processes. This includes strengthening risk assessment methodologies, increasing transparency, and ensuring consistent application of compliance standards across third parties.		
Connection with corporate strategy and policies: Innovation driven growth, Simplicity, and Accountability		

Risk Category: “IT & Digital”	Type: Opportunity and Threat	Trend: Increasing ↑
Risk Scenarios		
The “IT & Digital” Risk Category includes IT Security & Cyber, IT Applications, IT Governance, IT Infrastructure & Services, and Digital Enablement. Potential risks relate to cybersecurity threats, the resilience of IT systems, and the governance of digital environments. • The increasing frequency and sophistication of cybersecurity threats may result in unauthorized access to systems, data breaches, or disruptions to critical operations. • The aging or obsolescence of IT infrastructure and applications, including end-of-life or end-of-support systems, may increase the risk of operational disruptions, system failures, and security vulnerabilities. • Insufficient governance and management of decentralized or non-standard IT solutions may increase exposure to security vulnerabilities, data inconsistencies, and compliance risks. • Disruptions or failures of critical enterprise systems may adversely affect core business processes, including manufacturing and supply chain operations.		
Risk Treatment		
• To mitigate cybersecurity risks, the Group implements a comprehensive information security program, including continuous monitoring, threat detection, and the strengthening of preventive and responsive security measures across the IT landscape. • To address risks related to aging IT infrastructure and applications, the Group advances structured lifecycle management, including the prioritization of system upgrades, replacements, and migrations to ensure operational stability and security. • To mitigate risks associated with decentralized IT environments, the Group strengthens governance by integrating non-standard IT activities into centralized structures and enhancing oversight, standardization, and security controls across the organization. • To address risks related to critical system disruptions, the Group enhances IT resilience through the development of recovery and continuity plans, as well as the implementation of measures to safeguard system availability and support business continuity.		
Connection with corporate strategy and policies: Innovation driven growth, Simplicity, and Accountability		

4. Management Analysis of Financial Position, Operating Results and Cash Flows

(1) Overview of business results, etc.

(i) Business results

During the fiscal year ended March 31, 2026, the global economy has been gradually recovering, but uncertainties stemming from international developments, such as the situation in the Middle East region, as well as downside risks of trade policies, primarily the U.S. tariffs, the volatility in the financial markets, and policy trends in Europe and the U.S. need to be closely monitored. Notwithstanding a gradual recovery in business conditions for the Japanese economy, the outlook for the global economy also needs to be closely monitored.

In this environment, the Olympus Group is continuing to work to realize Our Purpose of “Making people’s lives healthier, safer and more fulfilling.”

Business results

Business results of continuing operations are presented in (1) to (10), and business results of the sum of continuing operations and discontinued operation are presented in (11) below.

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Increase (Decrease)	Increase (Decrease) ratio (%)
(1) Revenue	997,332	1,010,676	13,344	1.3%
(2) Cost of sales	313,635	356,586	42,951	13.7%
(3) Selling, general and administrative expenses	495,654	507,080	11,426	2.3%
(4) Share of profit (loss) of investments accounted for using equity method/Other income/Other expenses	(25,581)	(49,890)	(24,309)	—
(5) Operating profit	162,462	97,120	(65,342)	(40.2)%
(6) Adjusted operating profit	188,509	143,310	(45,199)	(24.0)%
(7) Finance income (loss)	(3,392)	(3,126)	266	—
(8) Profit before tax	159,070	93,994	(65,076)	(40.9)%
(9) Income taxes	41,270	25,822	(15,448)	(37.4)%
(10) Profit from continuing operations	117,800	68,172	(49,628)	(42.1)%
(11) Profit attributable to owners of parent	117,855	68,172	(49,683)	(42.2)%
Exchange rate (Yen/USD)	152.58	150.77	(1.81)	—
Exchange rate (Yen/EUR)	163.75	174.79	11.04	—
Exchange rate (Yen/CNY)	21.10	21.25	0.15	—

(1) Revenue

Revenue increased by ¥13,344 million year on year to ¥1,010,676 million, with revenue growth in the Gastrointestinal Solutions Division and revenue decline in the Surgical & Interventional Solutions Division. Details are as described in “Analysis of the performance by segment” below.

(2) Cost of sales

Cost of sales increased by ¥42,951 million year on year to ¥356,586 million. The cost-to-sales ratio deteriorated by 3.8 percentage points year on year to 35.3% due to factors such as the impact of the U.S. tariffs and the deterioration in the sales mix.

(3) Selling, general and administrative expenses

Selling, general and administrative expenses increased by ¥11,426 million year on year to ¥507,080 million. The ratio of selling, general and administrative expenses to revenue deteriorated by 0.5 percentage points year on year to 50.2% as a result of increases in expenses on sales and manufacturing functions.

(4) Share of profit (loss) of investments accounted for using equity method/Other income/Other expenses

The sum of share of profit (loss) of investments accounted for using equity method, other income, and other expenses amounted to expenses of ¥49,890 million, and the profit or loss deteriorated by ¥24,309 million year on year.

With regard to the share of loss (profit) of investments accounted for using equity method, the Olympus Group jointly invested in Swan EndoSurgical, Inc. as a joint venture with RVLHC SE Holdings, LLC, with the aim of developing endoluminal robot products. Due to the impact of recording approximately ¥4,400 million as expenses for this investment, the share of loss (profit) of investments accounted for using equity method deteriorated by ¥4,166 million year on year.

In terms of other income, in the fiscal year ended March 31, 2025, consolidated subsidiary, Olympus (Shenzhen) Industrial Ltd. received compensation income of approximately ¥1,200 million in relation to the return of usage rights for land and buildings in Shenzhen City, China, to the government of Shenzhen City. On the other hand, in the fiscal year ended March 31, 2026, Olympus Corporation recorded approximately ¥6,000 million in other income as consideration based on an agreement licensing usage to Evident Corporation and also recorded approximately ¥1,200 million in gain on sale of buildings held by consolidated subsidiary, Olympus Czech Group, s.r.o., resulting in a year-on-year increase of ¥6,099 million.

Additionally, other expenses increased by ¥26,242 million year on year due to the recording of approximately ¥26,900 million in expenses associated with the implementation of measures to reform the organizational structure at a global level and optimize positions, along with an impairment losses of approximately ¥1,600 million on some intangible assets such as technology-related assets in the Surgical & Interventional Solutions Division, as well as impairment losses on development assets in the Gastrointestinal Solutions Division and the Surgical & Interventional Solutions Division, which increased by approximately ¥3,400 million and ¥2,500 million respectively. This increase occurred despite a decrease of approximately ¥8,600 million in one-off expenses related to the quality and regulatory transformation project Elevate and the absence of approximately ¥2,900 million in special additional payment and other expenses associated with the implementation of a career support system for external opportunities that were recorded in the previous fiscal year.

(5) Operating profit

Reflecting the factors stated above, operating profit decreased by ¥65,342 million year on year to ¥97,120 million.

(6) Adjusted operating profit

Reflecting the factors stated above, adjusted operating profit, which is the amount of profit after deducting other income and other expenses from operating profit, decreased by ¥45,199 million year on year to ¥143,310 million.

(7) Finance income (loss)

Finance loss, which reflects finance income and finance costs, improved ¥266 million year on year to ¥3,126 million. Although foreign exchange loss was reduced year on year, during the fiscal year ended March 31, 2026, Olympus Corporation recorded a fair value measurement of options on Swan EndoSurgical, Inc., and there was an increase in interest expenses accompanying a rise in a borrowing rate due to refinancing.

(8) Profit before tax

Reflecting the factors stated above, profit before tax decreased by ¥65,076 million year on year to ¥93,994 million.

(9) Income taxes

The decreased profit before tax led income taxes to decrease by ¥15,448 million year on year to ¥25,822 million.

(10) Profit from continuing operations

Reflecting the factors stated above, profit from continuing operations decreased by ¥49,628 million year on year to ¥68,172 million.

(11) Profit attributable to owners of parent

The decreased profit from continuing operations led profit attributable to owners of parent to decrease by ¥49,683 million year on year to ¥68,172 million.

(Research and development, and capital investments)

During the fiscal year ended March 31, 2026, the Olympus Group invested ¥109,948 million on research and development, and spent ¥92,239 million on capital investments in continuing operations, excluding discontinued operation.

(Impact of foreign exchanges rates)

Compared to the previous fiscal year, the yen appreciated against the USD, and depreciated against the EUR and CNY. The average exchange rate during the period was ¥150.77 against the USD (¥152.58 in the previous fiscal year), ¥174.79 against the EUR (¥163.75 in the previous fiscal year) and ¥21.25 against the CNY (¥21.10 in the previous fiscal year), which caused revenue to increase by ¥13,560 million, operating profit to decrease by ¥339 million, and adjusted operating profit to increase by ¥490 million, year on year. Consolidated revenue was on par with the previous fiscal year, and consolidated operating profit decreased 40.0% year on year, excluding the impact of the foreign exchange rate.

Analysis of the performance by segment

The Olympus Group previously had the two reportable segments of “Endoscopic Solutions” and “Therapeutic Solutions,” but we have implemented a reorganization of business units and a restructuring of the organization with the aim of developing a more efficient and a more patient- and customer-centric business. The result is that, beginning in the six months ended September 30, 2025, the two reportable segments have been changed to “Gastrointestinal Solutions Division” and “Surgical & Interventional Solutions Division.”

	Revenue			Operating profit (loss)		
	Previous fiscal year (Millions of yen)	Current fiscal year (Millions of yen)	Increase (Decrease) ratio (%)	Previous fiscal year (Millions of yen)	Current fiscal year (Millions of yen)	Increase (Decrease) ratio (%)
Gastrointestinal Solutions	674,043	697,359	3.5	171,441	136,359	(20.5)
Surgical & Interventional Solutions	322,759	313,109	(3.0)	15,265	(14,986)	–
Subtotal	996,802	1,010,468	1.4	186,706	121,373	(35.0)
Other	530	208	(60.8)	(474)	(499)	–
Elimination or Unallocation	–	–	–	(23,770)	(23,754)	–
Consolidated total	997,332	1,010,676	1.3	162,462	97,120	(40.2)

Note: Businesses are segmented by adding similarities of sales market to the business established based on line of products.

Gastrointestinal Solutions Division

Consolidated revenue in the Gastrointestinal Solutions Division amounted to ¥697,359 million (up 3.5% year on year), while operating profit amounted to ¥136,359 million (down 20.5% year on year).

GI Endoscopy field was weak at the beginning of the fiscal year but achieved double-digit growth in the fourth quarter ended March 31, 2026 in North America, Europe, Asia and Oceania, resulting in revenue growth year on year. The growth for the fiscal year ended March 31, 2026 was supported by solid performance in Europe, particularly due to favorable performance in several countries such as the UK, and Asia and Oceania region. In North America, while there was an effect from the new products of the gastrointestinal endoscopy system “EVIS X1” and a boost associated with the processing of the backlogged orders that developed following the Noto Peninsula Earthquake in the fiscal year ended March 31, 2025, performance in the fiscal year ended March 31, 2026 fluctuated from quarter to quarter due to factors such as the timing of demonstrations. However, performance in the fourth quarter ended March 31, 2026 was exceptionally strong, driven by improved commercial execution and the steady execution of demonstrations for the EDof scopes and the EU-ME3 endoscopic ultrasound processor. In China, we continued to face challenges, characterized by heightened competition and policies favoring domestically manufactured products, which weighed on performance in the fourth quarter ended March 31, 2026. In Japan, although budget execution on hospitals remain severe, the margin of deficit narrowed toward the end of the fiscal year due to the effect of the launch of the EVIS X1 Video System Center—which includes an observation mode combining NBI and TXI technologies—during the third quarter ended December 31, 2025.

GI EndoTherapy field delivered year-on-year revenue growth, supported by strong regional execution and contributions from new products, despite the headwinds presented by the ship-holds for some products. North America posted strong results, driven in part by contributions from the metallic biliary stent GORE VIABIL Biliary Endoprosthesis, which was launched in January 2026. Besides the stent-related product group, Endoscopic Retrograde Cholangio Pancreatography (ERCP) related products, which are used in endoscopic diagnoses and treatment of pancreatic duct, bile duct, etc., also contributed positively to overall growth.

Medical Services field delivered stable revenue growth year on year, supported primarily by strong performance in Europe.

Operating profit in the Gastrointestinal Solutions Division decreased. This was in spite of a decrease of approximately ¥5,800 million in one-off expenses related to the quality and regulatory transformation project Elevate and the absence of the approximately ¥1,600 million recorded for the fiscal year ended March 31, 2025 as special additional payments and other expenses associated with the implementation of a career support system for external opportunities. In addition to the profit decline caused by the impact of U.S. tariffs and the deterioration in the sales mix, other contributing factors were the recording of expenses of approximately ¥4,400 million for the Olympus Group’s joint investment with RVLHC SE Holdings, LLC in Swan EndoSurgical, Inc. as a joint venture to develop endoluminal robot products, the recording of approximately ¥14,100 million in expenses associated with the implementation of measures to reform the organizational structure at a global level and optimize positions of Olympus Corporation, and an increase of approximately ¥3,400 million in impairment losses on development assets.

Revenue increased 2.1% year on year, and operating profit decreased 21.4% year on year, excluding the impact of the foreign exchange rate.

Surgical & Interventional Solutions Division

Consolidated revenue in the Surgical & Interventional Solutions Division amounted to ¥313,109 million (down 3.0% year on year), while operating loss amounted to ¥14,986 million (compared with an operating profit of ¥15,265 million in the previous fiscal year).

In the urology field, there was an upward effect from the processing of the backlogged orders during the fiscal year ended March 31, 2025, and while sales declined in North America during the fiscal year ended March 31, 2026 due to the impact of ship-holds for certain products, overall revenue increased year on year due to higher revenue in Europe where the favorable performance was seen in several countries, such as the UK. Product groups associated with resectioning for BPH (Benign Prostatic Hyperplasia) turned in a solid performance.

In the respiratory field, sales were favorable in North America and Europe, which led to revenue growth. Despite headwinds such as ship-holds for some products, steady performance in EBUS

scopes and needles used for EBUS-TBNA (Endobronchial Ultrasound-guided Transbronchial Needle Aspiration) has offset this impact.

In Surgical Endoscopy, although sales of the “VISERA ELITE III” surgical endoscopy system were favorable, sales declined in China, where the competitive environment is becoming increasingly intense mainly due to the impact of policies favoring domestic products, as well as in Japan, where budget constraints on hospitals are severe, resulting in lower revenue overall.

In other therapeutic areas, revenue decreased due to the impact on surgical devices of ship-holds, and other factors.

The Surgical & Interventional Solutions Division recorded an operating loss because although one-off expenses related to the quality and regulatory transformation project Elevate declined by approximately ¥2,800 million, in addition to a decline in profit caused by lower revenue and the deteriorated cost-of-sales ratio due to the impact of U.S. tariffs and the recording of a provision of approximately ¥2,500 million for expenses associated with the voluntary recall of certain surgical device products. In addition, approximately ¥6,700 million were recorded in expenses associated with the implementation of measures to reform the organizational structure at a global level and optimize positions, approximately ¥1,600 million were recorded in an impairment losses of on some intangible assets such as technology-related assets, and impairment losses on development assets increased by approximately ¥2,500 million.

Revenue decreased 4.3% year on year, and operating profit decreased by ¥28,632 million year on year, excluding the impact of the foreign exchange rate.

(ii) Financial position

	As of March 31, 2025 (Millions of yen)	As of March 31, 2026 (Millions of yen)	Increase (Decrease) (Millions of yen)	Increase (Decrease) ratio (%)
Total assets	1,433,273	1,537,162	103,889	7.2
Total equity	751,733	812,040	60,307	8.0
Equity attributable to owners of parent to total assets	52.4%	52.8%	0.4%	

[Assets]

As of the end of the fiscal year ended March 31, 2026, total assets increased by ¥103,889 million from the end of the previous fiscal year to ¥1,537,162 million. Trade and other receivables, property, plant and equipment, inventories, other financial assets, and goodwill increased by ¥52,673 million, ¥23,869 million, ¥19,947 million, ¥17,957 million, and ¥13,645 million, respectively, mainly due to a depreciation of the yen against foreign currencies as of the end of the fiscal year ended March 31, 2026 compared to the end of the previous fiscal year. On the other hand, cash and cash equivalents decreased by ¥64,494 million mainly due to payments for share repurchase of ¥50,002 million.

[Liabilities]

Total liabilities increased by ¥43,582 million from the end of the previous fiscal year to ¥725,122 million. Other current liabilities increased by ¥13,544 million mainly due to an increase in accrued expenses. In addition, due to financing activities during the fiscal year ended March 31, 2026 and the depreciation of the yen against foreign currencies as of March 31, 2026 compared to March 31, 2025, bonds and borrowings increased by ¥10,474 million.

[Equity]

Total equity increased by ¥60,307 million from the end of the previous fiscal year to ¥812,040 million. Other components of equity increased by ¥56,983 million due to the increase in exchange differences on translation of foreign operations.

As a result of the foregoing, equity attributable to owners of parent to total assets increased by 0.4 percentage points from 52.4% as of the previous fiscal year to 52.8%.

(iii) Cash flows

	Previous fiscal year (Millions of yen)	Current fiscal year (Millions of yen)	Increase (Decrease) (Millions of yen)
Cash flows from operating activities	190,463	100,585	(89,878)
Cash flows from investing activities	(65,469)	(87,408)	(21,939)
Cash flows from financing activities	(211,542)	(87,627)	123,915
Cash and cash equivalents at end of year	252,532	188,038	(64,494)

[Cash flows from operating activities]

Net cash provided by operating activities for the fiscal year ended March 31, 2026 was ¥100,585 million (compared with ¥190,463 million provided for the fiscal year ended March 31, 2025). This was mainly attributable to profit before tax of ¥93,994 million and an adjustment for depreciation and amortization of ¥67,216 million, despite income taxes paid of ¥62,374 million.

[Cash flows from investing activities]

Net cash used in investing activities for the fiscal year ended March 31, 2026 was ¥87,408 million (compared with ¥65,469 million used for the fiscal year ended March 31, 2025). The main factors were purchase of property, plant and equipment of ¥55,558 million and purchase of intangible assets of ¥26,865 million.

[Cash flows from financing activities]

Net cash used in financing activities for the fiscal year ended March 31, 2026 was ¥87,627 million (compared with ¥211,542 million used for the fiscal year ended March 31, 2025). The main factors were payments for share repurchase of ¥50,002 million, dividends paid of ¥22,556 million, and repayments of lease liabilities of ¥19,910 million.

As a result of the foregoing, cash and cash equivalents at the end of the fiscal year ended March 31, 2026 amounted to ¥188,038 million, a decrease of ¥64,494 million from the end of the previous fiscal year.

(2) Production, orders, and sales results

(i) Production results

Segment	Production (Millions of yen)	Increase (Decrease) ratio (%)
Gastrointestinal Solutions	652,512	(0.4)
Surgical & Interventional Solutions	258,579	1.4
Other	399	(49.4)
Total	911,491	0.0

Note: Amounts are based on sales prices and before intersegment transfers.

(ii) Order results

Because the Olympus Group's products are mainly manufactured on a production schedule, the description of orders received is omitted.

(iii) Sales results

Segment	Sales (Millions of yen)	Increase (Decrease) ratio (%)
Gastrointestinal Solutions	697,359	3.5
Surgical & Interventional Solutions	313,109	(3.0)
Other	208	(60.8)
Total	1,010,676	1.3

Note: Intersegment transactions are offset and eliminated.

(3) Management analysis of financial position, operating results and cash flows

The future outlooks described below are based on the forecasts made as of the end of the fiscal year ended March 31, 2026.

(i) Analysis of financial position and operating results for the fiscal year ended March 31, 2026

In the fiscal year ended March 31, 2026, we faced a number of challenges, including FDA-related import alerts, voluntary ship-holds, and the impact of U.S. tariffs. Despite these circumstances, demand in the Gastrointestinal Solutions Division remained firm, particularly in Europe, Asia, and Oceania, and strong growth was also confirmed in North America in the fourth quarter, demonstrating the strength of the business foundation. However, due to the impact of import alerts and voluntary ship-holds, revenue remained flat year on year, excluding the impact of the foreign exchange rate.

Adjusted operating margin deteriorated by 4.7 percentage points year on year to 14.2%, but profitability has remained generally stable excluding the one-time factors mentioned above.

Going forward, we will continue to work on sustainable sales growth and improved profitability through progress in quality response, normalization of supply, launch of new products, and improvements to our operating model.

(ii) Discussion and analysis of cash flows and the status of capital resources and liquidity of funds

(i) Discussion and analysis of cash flows

As stated in “4. Management Analysis of Financial Position, Operating Results and Cash Flows, (1) Overview of business results, etc., (iii) Cash flows,” during the fiscal year ended March 31, 2026, the Olympus Group’s cash and cash equivalents amounted to ¥188,038 million, down ¥64,494 million from the end of the previous fiscal year, due to cash outflows from investing activities and financing activities, despite cash inflows from operating activities. We recognize that this level of cash and cash equivalents is sufficient to ensure stable business operations and a sound financial position.

(ii) Financial policy

The Olympus Group’s policy is to maintain financial discipline by appropriately managing financial leverage while flexibly seizing investment opportunities. Based on this policy, we would continue to operate within BBB+ during normal course but also maintain flexibility to extend our leverage to be opportunistic within our inorganic (M&A) strategy without crossing into speculative-grade category, which means maintaining an investment-grade category (BBB- or higher).

Olympus Corporation obtains credit ratings from Rating and Investment Information, Inc., S&P Global Ratings Japan Inc., and Moody’s Japan K.K. The ratings as of March 31, 2026 are as follows:

Rating and Investment Information, Inc.: A+ (long-term, stable outlook), a-1 (short-term)

S&P Global Ratings Japan Inc.: BBB+ (long-term, negative outlook)

Moody’s Japan K.K.: Baa1 (long-term, stable outlook)

(iii) Funding needs

The Olympus Group’s funding needs for working capital are mainly for purchase of materials and parts necessary to manufacture products and manufacturing costs, as well as operating expenses such as personnel expenses and advertising and sales promotion expenses. The Olympus Group’s funding needs for investment are mainly for expenditures necessary to sustain business operations, such as R&D and capital expenditures, as well as investments in opportunities that drive growth including M&A.

These funding needs are first covered by cash on hand and cash flows from operating activities, and when necessary, funds are raised through loans from financial institutions and issuance of bonds, as described below.

(iv) Financing

The Olympus Group believes it has a stable financing framework, supported by multiple investment-grade credit ratings and strong relationships with key financial institutions, and maintains diverse financing sources, including bonds issued in Japan and overseas capital markets. In addition, we have established global committed revolving credit facilities denominated in major currencies to ensure financial flexibility amid market volatility and temporary funding needs, providing reliable and flexible access to funding. Going forward, based on the policy described in (ii) Financial policy, we will work to reduce financing costs while conducting appropriate financing in response to funding needs.

(v) Capital allocation

Our policy has been to increase dividends stably and gradually and to execute share repurchases flexibly based on investment opportunities and financial position, while prioritizing investments in growth drivers including M&A. As previously disclosed, the annual dividend for the fiscal year ended March 31, 2026, is ¥30 per share, an increase of ¥10 from the previous fiscal year.

In order to achieve sustainable growth, our capital allocation policy remains the same meaning that our priority continues to be investments in opportunities that drive growth. Regarding shareholder returns, we intend to maintain dividend per share moving forward but will have flexibility in how we deliver value to our shareholders, including share repurchases.

(iii) Material accounting policies and estimates

The Olympus Group prepares its consolidated financial statements in accordance with IFRS. Estimates considered necessary in the preparation of these consolidated financial statements have been made on a reasonable basis. For more information on material accounting policies and estimates, please refer to “V. Financial Information, 1. Consolidated Financial Statements and Other Notes, Notes to the Consolidated Financial Statements, 3. Material Accounting Policies and 4. Significant Accounting Estimates and Associated Judgments.”

5. Material Contracts, etc.

(1) Alliance agreement

Name of contracting company	Counterparty	Country	Contents of agreement	Period of agreement
Olympus Corporation	Sony Corporation	Japan	Establishment of a joint venture in the medical business	No fixed term after September 28, 2012

(2) Business alliance agreement

Name of contracting company	Counterparty	Country	Contents of agreement
Olympus Corporation	1. Sony Corporation 2. Sony Olympus Medical Solutions Inc.	Japan	Business alliance in product development of next-generation endoscope systems

(3) Investment in a joint venture

Name of contracting company	Counterparty	Country	Contents of agreement
Olympus Corporation of the Americas	1. Swan EndoSurgical, Inc. 2. RVLHC SE Holdings, LLC	U.S.	Investment in Swan EndoSurgical, Inc. by Olympus Corporation of the Americas and RVLHC SE Holdings, LLC Depending on the achievement of milestones, a total investment of US\$458 million by both companies (US\$206 million by Olympus Corporation of the Americas) over the next six years is possible.

For details, please refer to “V. Financial Information, 1. Consolidated Financial Statements and Other Notes, Notes to the Consolidated Financial Statements, 40. Business Combinations (Formation of joint venture).”

6. Research and Development Activities

The Olympus Group's corporate philosophy, Our Purpose, is "Making people's lives healthier, safer and more fulfilling," and we conduct research and development activities with the aim of realizing sustainable development.

We are focusing our investments and resources in the areas of GI, urology, and respiratory, where the Olympus Group has strengths, to achieve profitable and sustainable growth and improve patient outcomes.

In the corporate strategy, R&D is positioned as center of the most important value-creating initiatives for innovation, which is essential for our development. We aim to introduce innovation methods that address unmet needs, make appropriate investments that will drive future innovation, actively pursue strategic partnerships, and accelerate speed to market.

- Patient- and customer-centered innovation: Promote "efficient and highly effective innovation activities" driven by the patients and customer needs. The newly introduced innovation process and governance are designed based on the principles of Biodesign.
- Strategic partnerships: A new function, Smart Connected Care, has been created to leverage the possibilities offered by medical robotics and digital technology. Pro-actively seek for strategic partnerships through joint venture, early-stage investments, M&As and co-creation.
- Efficient and exceptional R&D organization: Become more efficient and predictable in project execution, fully leveraging our global resources and enhance capabilities and capacity.
- Right investment: Aim to strategically balance the development of next-generation products with long-term investment in innovation to ensure sustainable growth.

R&D expenditures for continuing operations, excluding discontinued operation, for the fiscal year ended March 31, 2026 were ¥109.9 billion, up 5.8% year on year, and the ratio to revenue was 10.9%, up 0.5 percentage points from the previous fiscal year.

To advance as a leading global MedTech company, it is critical for the Olympus Group to provide competitive and innovative products to the markets in a faster cadence. We gradually shift investments from sustaining activities to medium-term innovation and technology development, supporting our clinical unmet-needs driven strategy for next-generation products. In addition, we invest in the further search for transformative/disruptive technologies.

○ Gastrointestinal Solutions Division

We are mainly engaged in research and development of medical devices such as endoscopic videoscope systems and GI EndoTherapy treatment devices that contribute to early detection of diseases and minimally invasive treatments that are less burdensome for patients.

Major achievements during the period included the launches of the EVIS X1 extended depth of field (EDOF) upper GI tract videoscopes and the EU-ME3 ultrasound endoscopy systems in the U.S. and China, the launch of the EVIS X1 EDOF lower GI tract videoscopes in the U.S., the launch of "OLYSENSE CAD/AI" in the U.S. and Europe, the launch of the "SecureFlex" EUS needle in the U.S., Europe, Japan, Asia and Oceania, and the launch of the "Retentia" hemostasis clip in Europe, Asia and Oceania. For the next fiscal year and beyond, we are developing scopes for the "EVIS X1" series, a new ultrasound endoscope, and other products. In addition, through Swan EndoSurgical, which was jointly established with Revival Healthcare Capital in 2025, we are working on the development of endoluminal robotics.

○ Surgical & Interventional Solutions Division

We are mainly engaged in the research and development of medical devices that contribute to minimally invasive treatments with less burden on patients, such as respiratory and urological treatment devices and surgical endoscopy systems.

Major achievements during the period included the launches of the OES ELITE cystoscope and the "BF-UCP190F" peripheral EBUS scope in Europe, Japan, Asia and Oceania, the launches of the "EU-ME3" ultrasound endoscopy system and the "VISERA ELITE III" surgical endoscopy system in the U.S. and China, and the launch of the "VISERA S" imaging platform for office procedure in the U.S. For the next

fiscal year and beyond, we are developing 4K camera heads for launch in the U.S. and China, laser systems for urology, and other products.

The research and development expenditures related to each Division are as follows:

Gastrointestinal Solutions Division: ¥68.5 billion, up 6.0% year on year.

Surgical & Interventional Solutions Division: ¥41.4 billion, up 5.6% year on year.

III. Information about Facilities

1. Overview of Capital Investment

Capital investment in the fiscal year ended March 31, 2026 was ¥92,200 million for the Olympus Group as a whole, mainly for the development of new products, streamlining of production, reinforcement of sales structure, and renewal of aging facilities, mainly by Olympus Corporation.

The situation by reportable segment is as follows:

Gastrointestinal Solutions Division

Capital investments in the Gastrointestinal Solutions Division during the fiscal year ended March 31, 2026 totaled ¥61,900 million. In Japan, investments in R&D assets, investments for sales promotion purposes, and investments in production facilities for next-generation endoscope systems were the main items. Overseas, investments were made for sales promotion purposes and for R&D assets.

Surgical & Interventional Solutions Division

Capital investment in the Surgical & Interventional Solutions Division for the fiscal year ended March 31, 2026 totaled ¥29,400 million. In Japan, investments in R&D assets, investments for sales promotion purposes, and investments to strengthen machinery and equipment, etc. in order to expand the lineup and increase production were the main items. Overseas, investments were made for sales promotion purposes and for R&D assets.

Management Division

Capital investments in the management division during the fiscal year ended March 31, 2026 totaled ¥900 million. Capital investments were mainly related to the Hachioji Facility in Japan.

Note: Capital investments include investments in property, plant and equipment and intangible assets.

2. Major Facilities

(1) Reporting company

(As of March 31, 2026)

Facility (Location)	Segment	Details of major facilities and equipment	Book value of facilities and equipment by type (Millions of yen)						Numbers of employees (persons)
			Buildings and structures	Machin- ery and vehicles	Land (Area in thousands of m ²)	Lease assets (Property, plant and equip- ment)	Others	Total	
Global Headquarters (Hachioji-shi, Tokyo)	Gastrointestinal Solutions Surgical & Interventional Solutions Management Division	Office equipment and testing and research facilities	20,361	758	2,363 [62]	469	3,643	27,594	1,904
Technology Development Center Utsugi (Hachioji-shi, Tokyo)	Gastrointestinal Solutions Surgical & Interventional Solutions Management Division	Testing and research facilities and other fixtures	2,170	—	4,231 [41]	13	187	6,601	72
Nagano Facility Tatsuno (Tatsuno-machi, Kamiina-gun, Nagano)	Gastrointestinal Solutions	Office equipment and production equipment	6,747	348	1,122 [121]	17	12,066	20,300	111
Nagano Facility Ina (Ina-shi, Nagano)	Gastrointestinal Solutions	Production equipment	1,198	—	67 [26]	2	5	1,272	2
Shirakawa Facility (Nishigo-mura, Nishishirakawa-gun, Fukushima)	Gastrointestinal Solutions Surgical & Interventional Solutions	Office equipment and other fixtures	2,830	23	—	5	754	3,612	286
Distribution Center Sagamihara (Minami-ku, Sagamihara-shi, Kanagawa)	Gastrointestinal Solutions Surgical & Interventional Solutions	Equipment for sales promotion	71	255	—	2	18	346	21
Hatagaya Former Headquarters (Shibuya-ku, Tokyo)	Management Division	Office equipment and other fixtures	—	—	280 [1]	—	—	280	—
Shinjuku Satellite Office (Shinjuku-ku, Tokyo)			159	—	—	1	98	258	—
Rental facilities and equipment	Nagano Olympus Co., Ltd. (Tatsuno-machi, Kamiina-gun, Nagano)	Gastrointestinal Solutions	932	31	—	—	234	1,197	—
	Aizu Olympus Co., Ltd. (Aizu- Wakamatsu-shi, Fukushima)	Gastrointestinal Solutions	3,588	—	—	—	1	3,589	—

Facility (Location)	Segment	Details of major facilities and equipment	Book value of facilities and equipment by type (Millions of yen)						Numbers of employees (persons)
			Buildings and structures	Machin- ery and vehicles	Land (Area in thousands of m ²)	Lease assets (Property, plant and equip- ment)	Others	Total	
Aomori Olympus Co., Ltd. (Kuroishi-shi, Aomori)	Gastrointestinal Solutions Surgical & Interventional Solutions	Production equipment	2,027	—	184 [31]	—	—	2,211	—
Shirakawa Olympus Co., Ltd. (Nishigo-mura, Nishishirakawa- gun, Fukushima)	Gastrointestinal Solutions Surgical & Interventional Solutions	Production equipment	—	20	—	—	139	159	—
Olympus Medical Systems Corp. (Hinode-cho, Nishitama-gun, Tokyo)	Gastrointestinal Solutions Surgical & Interventional Solutions	Production equipment	385	—	—	—	—	385	—
Others	—	—	454	—	—	—	—	454	—
Social welfare facilities (dormitory for bachelors and company housing)	—	—	263	—	1,947 [16]	—	1	2,211	—
Others	—	—	164	159	—	180	11,378	11,881	73
Total			41,349	1,594	10,194 [298]	689	28,524	82,350	2,469

- Notes: 1. Book value is the book value in the non-consolidated financial statements in accordance with Japanese GAAP.
2. Others includes tools, furniture and fixtures, as well as construction in progress and intangible assets.
3. The main differences with IFRS are ¥2,407 million for rights of use (intangible assets) and ¥1,110 million for right-of-use assets (land, buildings and structures).
4. Major leased facilities from companies other than consolidated companies are as follows:

(Rental contract)

(As of March 31, 2026)

Facility (Location)	Segment	Details of major facilities and equipment	Area (Thousands of m ²)	Annual rent (Millions of yen)
Distribution Center Sagamihara (Minami-ku, Sagamihara-shi, Kanagawa)	Gastrointestinal Solutions Surgical & Interventional Solutions	Warehouse	32	572
Shinjuku Satellite Office (Shinjuku-ku, Tokyo)	Management Division	Office building	5	359

(2) Major domestic subsidiaries

(As of March 31, 2026)

Company name	Facility (Location)	Segment	Details of major facilities and equipment	Book value of facilities and equipment by type (Millions of yen)						Numbers of employees (persons)
				Buildings and structures	Machinery and vehicles	Land (Area in thousands of m ²)	Lease assets (Property, plant and equipment)	Others	Total	
Olympus Medical Systems Corp.	Hinode Plant (Hinode-cho, Nishitama-gun, Tokyo)	Gastrointestinal Solutions Surgical & Interventional Solutions	Production equipment	77	531	1,440 [10]	—	134	2,182	254
	Management division Ishikawa (Hachioji-shi, Tokyo)	Gastrointestinal Solutions Surgical & Interventional Solutions	Testing and research facilities and other fixtures	—	946	—	42	5,025	6,013	2,463
	Technology Development Center Utsugi (Hachioji-shi, Tokyo)	Gastrointestinal Solutions Surgical & Interventional Solutions	Testing and research facilities and other fixtures	—	311	—	1	1,516	1,828	232
	Rental facilities and equipment	Nagano Olympus Co., Ltd. (Tatsunomachi, Kamiina-gun, Nagano)	Production equipment	8	1,686	—	—	218	1,912	—
		Aizu Olympus Co., Ltd. (Aizu-Wakamatsu-shi, Fukushima)	Production equipment	749	2,455	1,232 [76]	—	564	5,000	—
		Aomori Olympus Co., Ltd. (Kuroishi-shi, Aomori)	Production equipment	345	1,392	420 [40]	—	194	2,351	—
		Shirakawa Olympus Co., Ltd. (Nishigo-mura, Nishishirakawa-gun, Fukushima)	Production equipment	127	812	868 [75]	—	441	2,248	—
		Others	—	14	356	—	209	1,551	2,130	284

Company name	Facility (Location)	Segment	Details of major facilities and equipment	Book value of facilities and equipment by type (Millions of yen)						Numbers of employees (persons)
				Buildings and structures	Machinery and vehicles	Land (Area in thousands of m ²)	Lease assets (Property, plant and equipment)	Others	Total	
	Total			1,320	8,489	3,960 [201]	252	9,643	23,664	3,233

- Notes: 1. Book values are based on Japanese GAAP.
2. Others includes tools, furniture and fixtures, as well as construction in progress and intangible assets.
3. The main difference with IFRS is ¥23,223 million for R&D assets.
4. Major leased facilities from companies other than consolidated companies are as follows:

(Lease contract)

(As of March 31, 2026)

Facility (Location)	Segment	Details of major facilities and equipment	Lease term	Lease contract amount (Millions of yen)	Annual lease payment (Millions of yen)	Lease contract balance (Millions of yen)
Others	Gastrointestinal Solutions Surgical & Interventional Solutions	Network equipment	May 2024 to February 2029	355	72	211

(3) Major overseas subsidiaries

(As of March 31, 2026)

Company name (Location)		Segment	Details of major facilities and equipment	Book value of facilities and equipment by type (Millions of yen)					Numbers of employees (persons)
				Buildings and structures	Machinery and vehicles	Land (Area in thousands of m ²)	Others	Total	
Olympus Corporation of the Americas	Pennsylvania, U.S.A.	Gastrointestinal Solutions Surgical & Interventional Solutions Management Division	Office buildings Sales promotion equipment and other facilities	14,467	648	–	2,204	17,319	1,001
Olympus America Inc.	Pennsylvania, U.S.A.	Gastrointestinal Solutions Surgical & Interventional Solutions	Business assets	4,195	84	937 [219]	34,046	39,262	1,423
Gyrus ACMI, Inc.	Massachusetts, U.S.A.	Surgical & Interventional Solutions	Production equipment, sales promotion equipment and other facilities	7,385	2,186	147 [43]	31,141	40,859	2,840
Olympus Vietnam Co., Ltd.	Dong Nai Province, Vietnam	Gastrointestinal Solutions	Office buildings Production equipment	4,079	854	–	189	5,122	1,453
Olympus (Beijing) Sales & Service Co., Ltd.	Beijing, China	Gastrointestinal Solutions Surgical & Interventional Solutions	Sales promotion equipment and other facilities	3,498	1	–	9,022	12,521	1,147
KeyMed (Medical & Industrial Equipment) Ltd.	Essex, U.K.	Gastrointestinal Solutions Surgical & Interventional Solutions	Production equipment, sales promotion equipment and other facilities	4,451	350	173 [55]	3,624	8,598	781
Olympus Europa SE & Co. KG	Hamburg, Germany	Gastrointestinal Solutions Surgical & Interventional Solutions	Office buildings Sales promotion equipment and other facilities	24,698	125	–	6,206	31,029	674
Olympus Winter & Ibe Properties GmbH & Co. KG	Hamburg, Germany	Gastrointestinal Solutions Surgical & Interventional Solutions	Office buildings Land	13,343	–	2,451 [50]	–	15,794	–
Olympus Winter & Ibe GmbH	Hamburg, Germany	Gastrointestinal Solutions Surgical & Interventional Solutions	Office buildings Production equipment	2,968	2,304	–	1,748	7,020	1,546
Medi-Tate Ltd.	Or-Akiva, Israel	Surgical & Interventional Solutions	Intangible assets	19	2	–	8,279	8,300	13

Notes: 1. Book values are based on IFRS.

2. The above does not include construction in progress and software in progress.

3. Others includes tools, furniture and fixtures and intangible assets.

3. Planned Addition, Retirement, and Other Changes of Facilities

The Olympus Group's capital investment plan (new construction and expansion) for the year after the current fiscal year, planned as of March 31, 2026, is as follows:

(1) Significant addition of facilities

Company category	Company name/Facility name (Location)	Segment	Details of major facilities and equipment	Total planned investment (Millions of yen)	Amount already paid (Millions of yen)	Financing methods	Production capacity after completion
Reporting company	Nagano Facility Tatsuno (Tatsuno-machi, Kamiina-gun, Nagano)	Gastrointestinal Solutions	Buildings and auxiliary facilities	8,295	11,719	Own capital	The production capacity is expected to be the same level as the current production capacity.
			Others	193	—		
			Total	8,488	11,719		
	Nagano Facility Ina (Ina-shi, Nagano)	Gastrointestinal Solutions	Buildings and auxiliary facilities	413	—	Own capital	
			Machinery	578	—		
			Others	38	—		
			Total	1,029	—		
	Global Headquarters (Hachioji-shi, Tokyo)	Gastrointestinal Solutions Surgical & Interventional Solutions Management Division	Buildings and auxiliary facilities	118	37	Own capital	
			Testing and research facilities	326	—		
			Software	1,682	—		
			Others	756	72		
			Total	2,882	109		
	Assets for rent: Aizu Olympus Co., Ltd.	Gastrointestinal Solutions	Land	25	—	Own capital	
			Buildings and auxiliary facilities	717	1		
			Tools	280	97		
			Total	1,022	98		
	Assets for rent: Shirakawa Olympus Co., Ltd.	Gastrointestinal Solutions Surgical & Interventional Solutions	Buildings and auxiliary facilities	453	—	Own capital	
			Machinery	111	—		
			Tools	349	21		
			Others	9	—		
Total			922	21			
Assets for rent: Others	—	Buildings and auxiliary facilities	373	—	Own capital		
		Tools	208	18			
		Software	164	—			
		Others	1	—			
		Total	746	18			
Others	—	Software	248	5,284	Own capital		
		Others	111	223			
		Total	359	5,507			
Total				15,448	17,472		
Domestic subsidiary	Olympus Marketing, Inc. (Hachioji-shi, Tokyo)	Gastrointestinal Solutions Surgical & Interventional Solutions	Equipment for sales promotion	8,987	—	Own capital	
			Others	85	—		
			Total	9,072	—		

Company category	Company name/Facility name (Location)	Segment	Details of major facilities and equipment	Total planned investment (Millions of yen)	Amount already paid (Millions of yen)	Financing methods	Production capacity after completion
Domestic subsidiary	Olympus Medical Systems Corp. (Hachioji-shi, Tokyo)	Gastrointestinal Solutions Surgical & Interventional Solutions	Machinery	1,771	173	Own capital	
			Testing and research facilities	2,316	27		
			Tools	266	–		
			Others	200	2		
			Total	4,553	202		

- Notes: 1. Values are based on Japanese GAAP.
2. The main differences with IFRS are ¥13,346 million for R&D assets and ¥7,068 million for right-of-use assets.
3. Amount already paid includes construction in progress.

Company category	Company name/Facility name (Location)	Segment	Details of major facilities and equipment	Total planned investment (Millions of yen)	Amount already paid (Millions of yen)	Financing methods	Production capacity after completion
Overseas subsidiaries	Olympus Corporation of the Americas, Olympus America Inc., and others (Americas)	Gastrointestinal Solutions Surgical & Interventional Solutions	Buildings and auxiliary facilities	1,414	640	Own capital	The production capacity is expected to be the same level as the current production capacity.
			Machinery	1,001	1,476		
			Software	284	1,225		
			Equipment for sales promotion	17,931	—		
			R&D assets	7,227	—		
			Others	194	123		
			Total	28,051	3,464		
	Olympus Europa SE & Co. KG, Olympus Winter & Ibe GmbH, and others (Europe and Middle East)	Gastrointestinal Solutions Surgical & Interventional Solutions	Buildings and auxiliary facilities	4,146	1,626	Own capital	
			Machinery	3,902	3,172		
			Tools	387	217		
			Software	443	845		
			Equipment for sales promotion	6,282	165		
			R&D assets	3,536	—		
			Others	561	237		
			Total	19,257	6,262		
	Olympus (Beijing) Sales & Service Co., Ltd. (Beijing, China)	Gastrointestinal Solutions Surgical & Interventional Solutions	Buildings and auxiliary facilities	409	—	Own capital	
			Equipment for sales promotion	2,126	—		
			Others	54	43		
			Total	2,589	43		
	Olympus (Suzhou) Medical Device Co., Ltd. (Suzhou, China)	Gastrointestinal Solutions	Tools	115	—	Own capital	
			R&D assets	861	—		
			Others	770	—		
			Total	1,746	—		

Company category	Company name/Facility name (Location)	Segment	Details of major facilities and equipment	Total planned investment (Millions of yen)	Amount already paid (Millions of yen)	Financing methods	Production capacity after completion
Overseas subsidiaries	Olympus Vietnam Co., Ltd. (Dong Nai Province, Vietnam)	Gastrointestinal Solutions	Buildings and auxiliary facilities	1,529	148	Own capital	
			Machinery	2,358	1		
			Others	76	–		
			Total	3,963	149		
	Olympus (Thailand) Co., Ltd. (Bangkok, Thailand)	Gastrointestinal Solutions Surgical & Interventional Solutions	Equipment for sales promotion	394	–	Own capital	
			Others	1,507	–		
			Total	1,901	–		
	Olympus Australia Pty Ltd. (Victoria, Australia)	Gastrointestinal Solutions Surgical & Interventional Solutions	Buildings and auxiliary facilities	2,118	923	Own capital	
			Machinery	155	–		
			Equipment for sales promotion	887	–		
			Others	57	–		
			Total	3,217	923		

(2) Significant retirement of facilities

There are no significant events.

IV. Information about Reporting Company

1. Company's Shares, etc.

(1) Total number of shares, etc.

(i) Total number of shares

Class	Total number of shares authorized to be issued (Shares)
Common stock	4,000,000,000
Total	4,000,000,000

(ii) Issued shares

Class	Number of issued shares as of the end of the current fiscal year (Shares) March 31, 2026	Number of issued shares as of the filing date (Shares) June 18, 2026	Name of financial instruments exchange on which the Reporting Company is listed or authorized financial instruments business association to which the Reporting Company is registered	Description
Common stock	1,114,485,700	1,114,485,700	Tokyo Stock Exchange, Prime Market	The number of shares constituting one unit: 100 shares
Total	1,114,485,700	1,114,485,700	—	—

(2) Subscription rights to shares, etc.

(i) Stock option plans

	The first subscription rights to shares	The second subscription rights to shares
Date of resolution	August 8, 2013	June 26, 2014
Classification and number of grantees	Five directors 20 corporate officers	Five directors 20 corporate officers
Number of subscription rights to shares*	53 [53]	81 [81]
Class, description and number of shares to be issued upon exercise of subscription rights to shares*	Common stock 21,200 [21,200] (Note 2)	Common stock 32,400 [32,400] (Note 2)
Paid-in amount upon exercise of subscription rights to shares*	¥1 (Note 3)	¥1 (Note 3)
Exercise period for subscription rights to shares*	From August 27, 2013 to August 26, 2043	From July 12, 2014 to July 11, 2044
Issue price and amount of capital incorporation of shares to be issued upon exercise of subscription rights to shares*	Issue price: ¥735 Amount of capital incorporation: ¥368	Issue price: ¥907 Amount of capital incorporation: ¥454
Conditions for exercising subscription rights to shares*	(i) A holder of subscription rights to shares may exercise the rights only during a period of 10 years that starts after one year has passed since the day immediately following the day on which the holder loses his/her position of director, executive officer or corporate officer of Olympus Corporation. (ii) In the event of the death of a holder of subscription rights to shares, rights may be exercised by heirs. (iii) Holders of subscription rights to shares may exercise all or part of their subscription rights.	

	The first subscription rights to shares	The second subscription rights to shares
Matters related to the transfer of subscription rights to shares*	Any acquisition of subscription rights to shares by way of transfer requires the approval of the Board of Directors.	
Matters related to the delivery of subscription rights to shares in connection with reorganization*	(Note 4)	

	The third subscription rights to shares	The fourth subscription rights to shares
Date of resolution	June 26, 2015	June 28, 2016
Classification and number of grantees	Five directors 19 corporate officers	Five directors 19 corporate officers
Number of subscription rights to shares*	125 [125]	139 [129]
Class, description and number of shares to be issued upon exercise of subscription rights to shares*	Common stock 50,000 [50,000] (Note 2)	Common stock 55,600 [51,600] (Note 2)
Paid-in amount upon exercise of subscription rights to shares*	¥1 (Note 3)	¥1 (Note 3)
Exercise period for subscription rights to shares*	From July 14, 2015 to July 13, 2045	From July 14, 2016 to July 13, 2046
Issue price and amount of capital incorporation of shares to be issued upon exercise of subscription rights to shares*	Issue price: ¥1,104 Amount of capital incorporation: ¥552	Issue price: ¥896 Amount of capital incorporation: ¥448
Conditions for exercising subscription rights to shares*	(i) A holder of subscription rights to shares may exercise the rights only during a period of 10 years that starts after one year has passed since the day immediately following the day on which the holder loses his/her position of director, executive officer or corporate officer of Olympus Corporation. (ii) In the event of the death of a holder of subscription rights to shares, rights may be exercised by heirs. (iii) Holders of subscription rights to shares may exercise all or part of their subscription rights.	
Matters related to the transfer of subscription rights to shares*	Any acquisition of subscription rights to shares by way of transfer requires the approval of the Board of Directors.	
Matters related to the delivery of subscription rights to shares in connection with reorganization*	(Note 4)	

* Details as of the end of the current fiscal year (March 31, 2026). The details as of the end of the month prior to the filing date are stated in [] for items that changed between the end of the current fiscal year and the end of the month prior to the filing date (May 31, 2026), and there is no change to other items from the details as of the end of the current fiscal year.

- Notes: 1. Olympus Corporation conducted a four-for-one split of common stock with an effective date of April 1, 2019 by resolution of the Board of Directors meeting held on February 8, 2019. As a result, the “number of shares to be issued upon exercise of subscription rights to shares” and the “Issue price and amount of capital incorporation of shares to be issued upon exercise of subscription rights to shares” have been adjusted.
2. The number of shares to be issued for each stock subscription right (hereinafter “Number of Shares Granted”) shall be 400. If, after the stock subscription right allotment date, Olympus Corporation conducts a stock split, allotment of shares without contribution or consolidation of shares with regard to its common stock, the Number of Shares Granted shall be adjusted according to the following formula, and any fraction of less than one share resulting from the adjustment shall be rounded down.
- Number of Shares Granted after adjustment = Number of Shares Granted before adjustment × ratio of stock split, allotment of shares without contribution or consolidation of shares
- The Number of Shares Granted after adjustment shall be applied, in the case of a stock split or allotment of shares without contribution, on and after the day following the record date of such stock split or allotment of shares without contribution, and in the case of a consolidation of shares, on and after the effective date of such consolidation of shares. However, if a stock split or allotment of shares without contribution is conducted on the condition that a proposal to increase capital or reserves by reducing the amount of surplus is approved at a General Meeting of Shareholders, and the

record date for the stock split or allotment of shares without contribution is a date prior to the conclusion of such General Meeting of Shareholders, the Number of Shares Granted after adjustment shall be applied on and after the day following the date of the conclusion of such General Meeting of Shareholders.

In addition, if subscription rights to shares are succeeded through an absorption-type merger or consolidation-type merger, or through a share exchange or share transfer in which Olympus Corporation becomes a wholly owned subsidiary, Olympus Corporation may adjust the Number of Granted Shares as deemed necessary in accordance with the merger ratio or other factors.

3. The amount to be paid in per share that can be delivered by exercising subscription rights to shares shall be ¥1 multiplied by the Number of Granted Shares.
4. In the event of a merger (only if Olympus Corporation is dissolved in the merger), absorption-type company split or incorporation-type company split (only if Olympus Corporation is split in each case), or share exchange or share transfer (only if Olympus Corporation becomes a wholly owned subsidiary in each case) (hereinafter collectively, "Reorganization"), Olympus Corporation shall issue the subscription rights to shares of the stock company listed in Article 236, Paragraph 1, Item 8 (a) to (e) of the Companies Act (hereinafter "Reorganizing Company") to holders of subscription rights to shares holding subscription rights to shares remaining immediately before the effective date (effective date of an absorption-type merger if an absorption-type merger, date of incorporation of a newly incorporated company if an incorporation-type merger, effective date of the absorption-type split if absorption-type split, date of incorporation of a newly incorporated company if an incorporation-type split, effective date of a share exchange if a share exchange, and the date of incorporation as a wholly owning parent company established through a share transfer if a share transfer) of Reorganization (hereinafter "Remaining Subscription Rights to Shares"), in each case. However, the delivery of the subscription rights to shares of the Reorganizing Company in accordance with the following conditions shall be provided for in the absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement, or share transfer plan.
 - (1) Number of subscription rights to shares of the Reorganizing Company to be delivered
The same number of subscription rights to shares as the number of Remaining Subscription Rights to Shares held by the holder of subscription rights to shares shall be delivered to each holder.
 - (2) Class of shares of the Reorganizing Company to be issued upon exercise of subscription rights to shares
Shares of common stock of the Reorganizing Company.
 - (3) Number of shares of the Reorganizing Company to be issued upon exercise of subscription rights to shares
To be determined in accordance with Note 2, after taking into consideration the conditions, etc. for Reorganization.
 - (4) Value of assets to be contributed upon exercise of the subscription rights to shares
 - (i) The value of the assets to be contributed upon exercising each subscription rights to shares to be delivered shall be the amount obtained by multiplying the amount paid in after reorganization set forth in (ii) below by the number of shares of the Reorganizing Company to be issued for each stock subscription right determined in accordance with (3) above.
 - (ii) The amount to be paid in after reorganization shall be ¥1 per share of the Reorganizing Company that can be delivered by exercising each stock subscription right to be delivered.
 - (5) Period during which subscription rights to shares may be exercised
The period from the later of either the start date of the period during which subscription rights to shares may be exercised set forth in "Exercise period for subscription rights to shares" above or the effective date of Reorganization, until the date of expiration of the period during which subscription rights to shares may be exercised set forth in "Exercise period for subscription rights to shares" above.
 - (6) Matters related to the increase in share capital and capital surplus when shares are issued through the exercise of subscription rights to shares
 - (i) The amount of share capital to be increased when shares are issued upon the exercise of the subscription rights to shares shall be the upper limit amount of increase in share capital, etc. calculated in accordance with Article 17, Paragraph 1 of the Regulations on Corporate Accounting, multiplied by 0.5, and any fractions less than ¥1 resulting from such calculation shall be rounded up.
 - (ii) The amount of capital surplus to be increased when shares are issued upon the exercise of the subscription rights to shares shall be the upper limit amount of increase in share capital, etc. set forth in (i) above minus the amount of increase in share capital set forth in (i) above.
 - (7) Restrictions on acquisition of subscription rights to shares by transfer
The acquisition of subscription rights to shares by transfer shall require approval by a resolution of the Board of Directors of the Reorganizing Company.
 - (8) Acquisition provisions for subscription rights to shares
If any of the proposals (i), (ii), (iii), (iv) or (v) below is approved by the General Meeting of Shareholders (or by a resolution of the Board of Directors if a resolution of a General Meeting of Shareholders is not required), Olympus Corporation may acquire subscription rights to shares without contribution on a date separately determined by the Board of Directors.
 - (i) Proposal to approve a merger agreement under which Olympus Corporation becomes the dissolving company

- (ii) Proposal to approve a company split agreement or an incorporation-type company split plan under which Olympus Corporation becomes the splitting company
 - (iii) Proposal to approve a share exchange agreement or share transfer plan under which Olympus Corporation becomes a wholly owned subsidiary
 - (iv) Proposal to approve an amendment to the Articles of Incorporation to establish a provision requiring the approval of Olympus Corporation for the acquisition of all shares issued by Olympus Corporation by means of transfer
 - (v) Proposal to approve an amendment to the Articles of Incorporation to establish a provision that the acquisition of such shares by transfer shall require the approval of Olympus Corporation or that Olympus Corporation shall acquire all of such class of shares by a resolution of a General Meeting of Shareholders, as the details for shares to be issued upon exercise of subscription rights to shares
- (9) Other conditions for exercising subscription rights to shares
To be determined in accordance with “Conditions for exercising subscription rights to shares” above.

(ii) Rights plans

Not applicable.

(iii) Other subscription rights to shares, etc.

Not applicable.

(3) Exercises of bonds with subscription rights to shares containing a clause for exercise price amendment, etc.

Not applicable.

(4) Changes in the total number of issued shares, share capital, etc.

Date	Increase (Decrease) in the total number of issued shares (Thousand shares)	Balance of the total number of issued shares (Thousand shares)	Increase (Decrease) in share capital (Millions of yen)	Balance of share capital (Millions of yen)	Increase (Decrease) in legal capital surplus (Millions of yen)	Balance of legal capital surplus (Millions of yen)
June 4, 2021 (Note)	(71,621)	1,299,294	—	124,643	—	91,063
June 8, 2022 (Note)	(13,402)	1,285,892	—	124,643	—	91,063
March 28, 2023 (Note)	(19,713)	1,266,179	—	124,643	—	91,063
February 29, 2024 (Note)	(51,032)	1,215,147	—	124,643	—	91,063
April 30, 2024 (Note)	(37,447)	1,177,700	—	124,643	—	91,063
January 31, 2025 (Note)	(38,584)	1,139,116	—	124,643	—	91,063
November 28, 2025 (Note)	(24,631)	1,114,486	—	124,643	—	91,063

Note: Due to cancellation of treasury shares.

(5) Shareholding by shareholder category

As of March 31, 2026

As of March 31, 2024

Category	Status of shares (Number of shares constituting one unit: 100 shares)								Shares less than one unit (Shares)
	Government and local municipalities	Financial institutions	Financial instrument business operators	Other corporations	Foreign corporations, etc.		Individuals and others	Total	
					Other than individuals	Individuals			
Number of shareholders (Persons)	–	34	61	513	797	412	60,523	62,340	–
Number of shares held (Unit)	–	3,792,007	833,087	221,601	5,492,776	2,129	800,778	11,142,378	247,900
Percentage of shares held (%)	–	34.03	7.48	1.99	49.30	0.02	7.19	100.00	–

Notes: 1. Of the 13,383,184 shares of treasury shares, 133,831 units are included in “Individuals and others” and 84 shares are included in “Shares less than one unit.”

2. The figures in “Other corporations” include 41 units held under the name of Japan Securities Depository Center.

(6) Principal shareholders

As of March 31, 2026

Name of shareholders	Location	Number of shares held (Shares)	Percentage of shares held against the total number of issued shares (excluding treasury shares) (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	Akasaka Intercity AIR, 1-8-1 Akasaka, Minato-ku, Tokyo, Japan	210,749,500	19.14
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo, Japan	73,848,800	6.71
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd.)	Boston, U.S.A. (Shinagawa Intercity A, 2-15-1 Konan, Minato-ku, Tokyo, Japan)	57,412,385	5.21
JP MORGAN CHASE BANK 385839 (Standing proxy: Mizuho Bank, Ltd.)	London, U.K. (Shinagawa Intercity A, 2-15-1 Konan, Minato-ku, Tokyo, Japan)	40,984,300	3.72
SMBC Trust Bank Ltd. (Olympus shares in Sumitomo Mitsui Banking Corporation's Retirement Benefit Trust Account)	1-3-2 Marunouchi, Chiyoda-ku, Tokyo, Japan	39,509,300	3.59
Morgan Stanley MUFG Securities Co., Ltd.	Otemachi Financial City South Tower, 1-9-7 Otemachi, Chiyoda-ku, Tokyo, Japan	27,002,882	2.45
Nippon Life Insurance Company	1-6-6 Marunouchi, Chiyoda-ku, Tokyo, Japan	21,258,572	1.93
THE CHASE MANHATTAN BANK, N.A. LONDONSECS LENDING OMNIBUS ACCOUNT (Standing proxy: Mizuho Bank, Ltd.)	London, U.K. (Shinagawa Intercity A, 2-15-1 Konan, Minato-ku, Tokyo, Japan)	20,359,229	1.85
STATE STREET BANK AND TRUST COMPANY 505103 (Standing proxy: Mizuho Bank, Ltd.)	Boston, U.S.A. (Shinagawa Intercity A, 2-15-1 Konan, Minato-ku, Tokyo, Japan)	18,456,044	1.68
JP MORGAN CHASE BANK 385642 (Standing proxy: Mizuho Bank, Ltd.)	London, U.K. (Shinagawa Intercity A, 2-15-1 Konan, Minato-ku, Tokyo, Japan)	17,084,533	1.55

Name of shareholders	Location	Number of shares held (Shares)	Percentage of shares held against the total number of issued shares (excluding treasury shares) (%)
Total	-----	526,665,545	47.83

- Notes: 1. Percentage of shares held against the total number of issued shares (excluding treasury shares) is rounded to the second decimal place.
2. The Change Report for the Large-Volume Holding Report dated May 10, 2023 and available for public inspection shows that Nomura Asset Management Co., Ltd. and one other joint holder hold 85,792,527 shares as of April 28, 2023, but as Olympus Corporation could not confirm the actual number of shares held as of March 31, 2026, these holders have not been included in the above status of major shareholders. The details in the Change Report for the Large-Volume Holding Report are as follows:

Name	Numbers of shares held (Shares)	Percentage of shares held against the total number of issued shares (%)
NOMURA INTERNATIONAL PLC	2,882,627	0.23
Nomura Asset Management Co., Ltd.	82,909,900	6.55
Total	85,792,527	6.78

3. The Change Report for the Large-Volume Holding Report dated January 7, 2025 and available for public inspection shows that BlackRock Japan Co., Ltd. and seven other joint holders hold 85,403,225 shares as of December 31, 2024, but as Olympus Corporation could not confirm the actual number of shares held as of March 31, 2026, these holders have not been included in the above status of major shareholders. The details in the Change Report for the Large-Volume Holding Report are as follows:

Name	Numbers of shares held (Shares)	Percentage of shares held against the total number of issued shares (%)
BlackRock Japan Co., Ltd.	27,055,200	2.30
BlackRock Advisers, LLC	1,196,312	0.10
BlackRock (Netherlands) BV	4,197,870	0.36
BlackRock Fund Managers Limited	4,883,159	0.41
BlackRock Asset Management Ireland Limited	7,623,572	0.65
BlackRock Fund Advisors	22,643,800	1.92
BlackRock Institutional Trust Company, N.A.	16,050,592	1.36
BlackRock Investment Management (UK) Limited	1,752,720	0.15
Total	85,403,225	7.25

4. The Change Report for the Large-Volume Holding Report dated September 19, 2025 and available for public inspection shows that Sumitomo Mitsui Trust Asset Management Co., Ltd. and one other joint holder hold 70,611,600 shares as of September 15, 2025, but as Olympus Corporation could not confirm the actual number of shares held as of March 31, 2026, these holders have not been included in the above status of major shareholders. The details in the Change Report for the Large-Volume Holding Report are as follows:

Name	Numbers of shares held (Shares)	Percentage of shares held against the total number of issued shares (%)
Sumitomo Mitsui Trust Asset Management Co., Ltd.	32,219,000	2.83
Amova Asset Management Co., Ltd.	38,392,600	3.37
Total	70,611,600	6.20

5. The Change Report for the Large-Volume Holding Report dated March 19, 2026 and available for public inspection shows that Massachusetts Financial Services Company and one other joint holder hold 42,665,427 shares as of March 13, 2026, but as Olympus Corporation could not confirm the actual number of shares held as of March 31, 2026, these holders have not been included in the above status of major shareholders. The details in the Change Report for the Large-Volume Holding Report are as follows:

Name	Numbers of shares held (Shares)	Percentage of shares held against the total number of issued shares (%)
Massachusetts Financial Services Company	42,040,627	3.77
MFS Investment Management K.K.	624,800	0.06
Total	42,665,427	3.83

(7) Voting rights

(i) Issued shares

As of March 31, 2026

Category	Number of shares (Shares)	Number of voting rights	Description
Shares with no voting rights	—	—	—
Shares with restricted voting rights (treasury shares, etc.)	—	—	—
Shares with restricted voting rights (other)	—	—	—
Shares with full voting rights (treasury shares, etc.)	(Treasury shares) Common stock 13,383,100	—	—
Shares with full voting rights (other)	Common stock 1,100,854,700	11,008,547	—
Shares less than one unit	Common stock 247,900	—	—
Total number of issued shares	1,114,485,700	—	—
Number of voting rights held by all shareholders	—	11,008,547	—

Note: Common stock in “Shares with full voting rights (other)” includes 4,100 shares (41 voting rights) held under the name of Japan Securities Depository Center.

(ii) Treasury shares, etc.

As of March 31, 2026

Name of shareholder	Address of shareholder	Number of shares held under own name (Shares)	Number of shares held under the names of others (Shares)	Total number of shares held (Shares)	Percentage of shares held against the total number of issued shares (%)
(Treasury shares) Olympus Corporation	2951 Ishikawa-machi, Hachioji-shi, Tokyo, Japan	13,383,100	—	13,383,100	1.20
Total	—	13,383,100	—	13,383,100	1.20

2. Share Repurchase

Class of Shares: Repurchase of common stock under Article 155, Item 3 of the Companies Act and repurchase of common stock under Article 155, Item 7 of the Companies Act

(1) Repurchase by resolution of General Meeting of Shareholders

Not applicable.

(2) Repurchase by resolution of Board of Directors

Category	Number of shares (Shares)	Total amount (Yen)
Status of resolutions at meeting of the Board of Directors (May 13, 2025) (Repurchase period: July 28, 2025 to October 31, 2025)	36,000,000	50,000,000,000
Shares repurchased prior to the current fiscal year	–	–
Shares repurchased in the current fiscal year	27,630,600	49,999,914,249
Number and total amount of residual resolution shares	8,369,400	85,751
Unexercised ratio at the end of the current fiscal year (%)	23.25	0.00
Shares repurchased during the current period	–	–
Unexercised ratio as of the filing date (%)	23.25	0.00

Note: At the above Board of Directors meeting, it was resolved that the method of repurchase would be market purchases on the Tokyo Stock Exchange based on a discretionary trading contract.

Category	Number of shares (Shares)	Total amount (Yen)
Status of resolutions at meeting of the Board of Directors (May 12, 2026) (Repurchase period: May 13, 2026 to March 31, 2027)	46,000,000	60,000,000,000
Shares repurchased prior to the current fiscal year	–	–
Shares repurchased in the current fiscal year	–	–
Number and total amount of residual resolution shares	–	–
Unexercised ratio at the end of the current fiscal year (%)	–	–
Shares repurchased during the current period	38,948,300	59,999,856,150
Unexercised ratio as of the filing date (%)	15.33	0.00

Notes: 1. At the above Board of Directors meeting, it was resolved that the method of repurchase would be market purchases through off-auction own share repurchase trading system (ToSTNeT-3) on the Tokyo Stock Exchange and market purchases on the Tokyo Stock Exchange based on a discretionary trading contract.
2. The repurchase pursuant to said resolution ended on May 13, 2026.

(3) Repurchase not based on resolution of General Meeting of Shareholders or of Board of Directors

Category	Number of shares (Shares)	Total amount (Yen)
Shares repurchased in the current fiscal year	932	1,706,818
Shares repurchased during the current period	–	–

Note: The number of shares repurchased during the current period does not include shares due to the purchase of shares less than one unit from June 1, 2026 to the filing date of this Annual Securities Report.

(4) Disposition and holding of treasury shares

Category	Current fiscal year		Current period	
	Number of shares (Shares)	Total amount of disposal value (Yen)	Number of shares (Shares)	Total amount of disposal value (Yen)
Treasury shares solicited to subscribers	–	–	–	–

Category	Current fiscal year		Current period	
	Number of shares (Shares)	Total amount of disposal value (Yen)	Number of shares (Shares)	Total amount of disposal value (Yen)
Treasury shares disposed of for cancellation	24,630,600	49,032,430,985	–	–
Treasury shares transferred in connection with a merger, share exchange, share issuance, or corporate split	–	–	–	–
Other (disposal of treasury shares pertaining to the exercising of subscription rights to shares)	47,600	98,330,989	4,000	7,962,830
Other (disposal of treasury shares pertaining to restricted stock compensation)	875,784	2,164,062,265	–	–
Number of treasury shares held	13,383,184	–	52,327,484	–

Note: The number of treasury shares held during the current period does not include the changes in the number of shares due to the repurchase of shares of Olympus Corporation and disposal of treasury shares from June 1, 2026 to the filing date of this Annual Securities Report.

3. Dividend Policy

Our policy has been to increase dividends stably and gradually and to execute share repurchases flexibly based on investment opportunities and financial position, while prioritizing investments in growth drivers.

As previously disclosed, Olympus Corporation has decided to pay a year-end dividend of ¥30 per share for the fiscal year ended March 31, 2026, an increase of ¥10 from the previous fiscal year by a resolution at the meeting of the Board of Directors held on May 12, 2026. Effective date and payment start date are June 4, 2026.

Olympus Corporation's Articles of Incorporation provide that Olympus Corporation may pay dividends from retained earnings, etc. by a resolution of the Board of Directors, pursuant to Article 459, Paragraph 1 of the Companies Act. There is no provision regarding the number of times dividends can be paid each fiscal year. In addition, Olympus Corporation is subject to consolidated dividend regulations.

Resolution	Total dividends (Millions of yen)	Dividend per share (Yen)
Board of Directors meeting held on May 12, 2026	33,033	30

In order to achieve sustainable growth, our capital allocation policy remains the same meaning that our priority continues to be investments in opportunities that drive growth. Regarding shareholder returns, we intend to maintain dividend per share moving forward but will have flexibility in how we deliver value to our shareholders, including share repurchases.

4. Corporate Governance, etc.

(1) Overview of corporate governance

As of the filing date of this Annual Securities Report (June 18, 2026)

(i) Basic Concepts Regarding Corporate Governance

[Basic Policy on Corporate Governance]

Basic Idea Regarding Corporate Governance

All our activities are based on “Making people’s lives healthier, safer and more fulfilling” as stated in our corporate philosophy. Following this philosophy, we aim to improve the Olympus group’s continuous development and mid- and long-term corporate value. Our corporate governance is designed to balance general principles such as equality, cooperation, transparency, responsibility, and dialogue, and to provide a structure for transparent, fair, timely, and decisive decision-making, based on our fiduciary responsibility to shareholders and our responsibility to stakeholders including patients, clients, employees and local communities, etc., as well as the above corporate philosophy.

We established this policy and strive for the continuous enhancement of corporate governance.

1. Securing Shareholders’ Rights and Equality

(1) Securing Shareholders’ Rights

We respect shareholders’ rights and secure their substantial equality.

(2) Exercise of Rights at the General Meeting of Shareholders

We take appropriate steps to improve the environment pertaining to the exercise of rights at the general meeting of shareholders.

(3) Basic Capital Policy

In order to enhance corporate value, our basic capital policy is to provide continuous shareholder returns, with priority given to investment in growth areas, based on the premise of securing a stable financial base. In addition, we explain this policy in dialogue with shareholders/investors.

(4) Cross-Shareholdings

If it is judged that listed shares will contribute to the improvement of the Olympus group’s corporate value in the mid- to long-term, then, upon verifying the economic rationality and the future prospects for the mid- to long-term, we will hold listed shares. Every year, the Board of Directors will assess the suitability of ownership of such listed shares, considering comprehensively the purpose of and the risks and benefits associated with the holdings, and may gradually reduce such shares that we judge not to be suitable for continued ownership. In order to exercise shareholders’ rights as to these holdings, we will exercise our voting rights on all agenda items, and from the viewpoint of improving the mid- to long-term corporate value of an enterprise issuing such shares, will consider said enterprise’s financial condition and decide appropriately about whether to approve or disapprove each agenda item.

(5) Related Party Transactions

In the case of conducting related party transactions, the approval of the Board of Directors of Olympus Corporation or its applicable majority-owned subsidiary company involved in the transaction is required to be obtained, all in accordance with the “Job Authority Rules” and any other related rules. Its applicable majority-owned subsidiary company is required to report to Olympus Corporation after obtaining approval from the regional headquarters.

2. Cooperation with Stakeholders other than Shareholders

- (1) **Formulate and Implement the Corporate Philosophy and the Code of Conduct**
We have formulated the “Corporate Philosophy” and the “Olympus Global Code of Conduct” as a code of conduct for all groups, and have widely disseminated them among all officers and employees who belong to the Olympus group.
- (2) **Basic Concepts on Sustainability Related Initiatives**
Based on our corporate philosophy, the Olympus group identifies important ESG areas and important issues (materiality) on which we should focus and strives to resolve various social and environmental issues through its business.
- (3) **Ensuring Human Resources Who Have Different Perspectives**
The Olympus group envisions a workplace where inclusion is seamlessly woven into our culture and business, empowering every individual to thrive. The Olympus group is committed to fostering an environment where all people, regardless of background, identity, or experience, are respected, valued, and given the opportunity to reach their full potential.
- (4) **Whistleblowing**
We appoint a supervisor responsible for compliance-related matters. Furthermore, we have established a global contact desk which is available 24 hours a day in multiple languages for any employees and external stakeholders and which is in addition to local internal compliance-related reporting systems in each region. We report the use of the foregoing to the Audit Committee regularly and to the Board of Directors as necessary.
- (5) **Roles of Corporate Pension Funds as Asset Owners**
We manage corporate pension funds through the Olympus Corporate Pension Fund. The Olympus Corporate Pension Fund arranges investment trusts and pension insurance policies and outsources their management to financial institutions in accordance with policies and portfolios approved by the Asset Management Committee, which consists of personnel, accounting and financial experts. The Olympus Corporate Pension Fund monitors its investment status, including stewardship activities, on a regular basis.

3. Complete Information Disclosure and Secured Transparency

- (1) **Complete Information Disclosure**
We will disclose corporate information, such as management policy, financial condition, status of business activities and non-financial matters in a fair, timely, appropriate and proactive manner for the purpose of obtaining all stakeholders’ correct understanding and trust.
- (2) **External Accounting Auditor**
Our Audit Committee established evaluation standards for accounting auditor and confirms the appropriateness of audit quality, independence, etc., in accordance with the standards above.

4. Responsibility of the Board of Directors, etc.

- (1) **Role of the Board of Directors**
The Board of Directors determines basic management policy and other important matters, and supervises directors and executive officers, in the execution of their duties. In addition, the Board of Directors supports appropriate risk-taking and timely and decisive decision-making by Executive Officers by delegating appropriate authority to them.
- (2) **Qualification of Directors and Auditors**
Having high ethical standards as well as the experience, knowledge and ability required to create mid- to long-term corporate value, our directors spend a sufficient amount of time on matters in order to fulfill their own obligations and responsibilities as members of the Board of Directors.
- (3) **Composition of the Board of Directors**
We examine the composition of the Board of Directors to ensure a range of viewpoints.

(4) Scale of the Board of Directors

Based on the Olympus group's scale and business lines, we maintain an appropriate number of members, fifteen or fewer persons, as stipulated in the Articles of Incorporation, in order to effectively and efficiently exercise the functions of the Board of Directors.

(5) Independent Outside Director

From the viewpoint of increasing the supervisory functions of the Board of Directors, more than half of the directors are independent outside directors. The independence standards are set forth by the Nominating Committee.

(6) Chairperson of the Board of Directors

For the purpose of securing the supervisory function of the Board of Directors, an independent outside director serves as the chairperson of the Board of Directors.

(7) Committees for Nomination, Compensation and Audit

We shall set up statutory committees: a Nominating Committee, Compensation Committee and Audit Committee.

Nominating Committee

- The Nominating Committee shall deliberate matters related to human resources at the director and executive officer level, and shall determine the content of proposals submitted to the General Meeting of Shareholders in relation to the appointment and dismissal of directors.
- The nominating committee consists of three or more committee members selected from among the directors by the Board of Directors, and independent outside directors constitute the absolute majority thereof. An independent outside director serves as the chairperson.

Compensation Committee

- The Compensation Committee shall deliberate directors' and executive officers' compensation-related matters, etc., and prescribe policy in relation to determining the details of compensation, etc., and in accordance with the policy, determine the contents of compensation, etc. for individuals.
- The compensation committee consists of three or more committee members selected from among the directors by the Board of Directors, and independent outside directors constitute the absolute majority thereof. An independent outside director serves as the chairperson.

Audit Committee

- The Audit Committee shall carry out the following duties.
 - 1) Auditing the execution of duties by executive officers and directors, and creating audit reports
 - 2) Determining the content of proposals relating to the appointment, dismissal and non-reappointment of accounting auditor
 - 3) Other duties prescribed by law or by the Articles of Incorporation, and other matters recognized as necessary by the Audit Committee
- The Audit Committee shall consist of at least three individuals selected from among the directors by the Board of Directors, of whom more than half shall be independent outside directors. The chairperson of the committee shall be an independent outside director. Moreover, at least one member shall be an individual who possesses extensive knowledge related to financial and accounting matters.

(8) Voluntary Committee

We established the Innovation & Safety (I&S) Committee, composed of independent outside directors, as a voluntary committee. The Innovation & Safety (I&S) Committee provides ongoing oversight and governance on patient safety management, quality and product regulatory compliance, and the research and development process.

(9) Appointment Process of the Directors

The Nominating Committee shall deliberate on whether director candidates have the experience and knowledge required to be a director, taking into account the composition of the Board of Directors, and shall determine the content of proposals submitted to the General Meeting of Shareholders in relation to the appointment and dismissal of directors after conducting interviews.

(10) Fostering and Deciding the CEO's Successor

The Nominating Committee periodically discusses a succession plan for the CEO.

As for determining the successor, the Nominating Committee discusses whether the candidates have qualifications that are suitable for the CEO role, and provides opinions and advice to the Board of Directors. Thereafter, the successor is decided by the Board of Directors.

(11) Compensation System

Our policy regarding officers' compensation (directors and executive officers) is to design, oversee and set compensation and incentives such that they are aligned with corporate strategy, performance, and shareholder interests, in order to: "Meet expectations of various stakeholders by aiming to maximize corporate values." Based on said policy, the Compensation Committee focuses on appropriately setting the compensation ratio linked to short and mid- and long-term performance, and decides officers' compensation.

(12) Management of the Board of Directors Meeting

For the purpose of deciding on important matters and supervising business operations, agenda items for, time of, and the frequency of holding the Board of Directors meeting are set in order to facilitate necessary and sufficient discussion. In order to facilitate constructive discussions and the exchange of opinions at the Board of Directors meeting, materials are sent regarding matters to be discussed and matters to be reported at the Board of Directors meeting in consideration of the time required for the attendees to prepare for the Board of Directors meeting. Moreover, the Board of Directors meeting schedule and expected agenda items are prepared in advance.

(13) Assembly for Outside Directors Only

We hold an "Executive Session," which is held after the conclusion of every Board of Directors meeting and an "Opinion Exchange Meeting for Outside Directors," which is held regularly. These are meetings in which only outside directors can participate. At each meeting, the outside directors aim to share their recognition while extracting management issues and providing feedback on the details to the executive officers.

(14) Evaluation of the Board of Directors Meeting

Every year, the effectiveness of the Board of Directors is analyzed and evaluated including a third party's perspectives, and we aim to improve the effectiveness of the Board of Directors by extracting the issues and aiming for improvements, as necessary. Most importantly, we aim to improve our sustainable growth and medium- to long-term corporate value. An overview of the evaluation result is released.

(15) Information Acquisition and Support System

- 1) We endeavor to actively provide the directors with information helpful for effectively fulfilling their roles and duties.
- 2) The outside directors of Olympus Corporation may, whenever deemed necessary or appropriate, request an explanation or report from internal directors, executive officers or employees, or request the submission of internal materials.
- 3) We are working to stimulate discussions at the Board of Directors, providing outside directors with explanation of agendas in advance as necessary and regularly setting opportunities for debate about corporate strategy.
- 4) We established at the Board of Directors and each Committee a secretariat with appropriate personnel to enable the Board of Directors and each director, the Nominating, Compensation, and Audit Committees and their respective members to properly execute their duties.

(16) Training for Directors

The directors endeavor to improve themselves by acquiring and updating their knowledge in order to fulfill their roles and duties. We provide support to directors as necessary to ensure they have access to opportunities for acquiring and updating knowledge related to corporate governance. We provide various programs for directors to acquire knowledge concerning Olympus Corporation, including tours to our business office and factory, as well as study groups on our business, etc.

5. Dialogue with Shareholders

(1) Policy for Constructive Dialogue with Shareholders

For the purpose of our continuous development and improvement of mid- to long-term corporate value, the Board of Directors has stipulated and announced the Policy for Improving the System and Initiatives for Promoting Constructive Dialogue with Shareholders/Investors.

Policy for Improving the System and Initiatives for Promoting Constructive Dialogue with Shareholders/Investors

1) Basic policy

For the purpose of our continuous development and improvement of mid- to long-term corporate value, we, centering on the CEO and the CFO, actively conduct constructive dialogue with shareholders/investors (hereinafter, “shareholders, etc.”). The IR function assists such initiatives through information exchange and improving the system for providing shareholders’ opinions as feedback, etc., to the upper management team.

In our dialogue with shareholders, etc., we shall comply with the laws and the Financial Instruments Exchange rules, and shall disclose information in compliance therewith. Olympus Corporation shall also proactively disclose information which may have a material impact on its corporate value evaluation in accordance with Fair Disclosure Rules and the Internal Information Disclosure Criteria regardless whether such disclosure is not required by the laws or the rules.

2) Policy for Dialogue by the CEO and CFO

The CEO and CFO play a central role in conducting overall dialogue with shareholders, etc., toward the realization of constructive dialogue. Specifically, in addition to investor meetings such as the corporate strategy presentation, Investor Day, and financial results announcement, we proactively provide opportunities for direct dialogue with shareholders, etc., through individual and group meetings, domestic and international road shows on a regular basis, and participation in conferences hosted by securities firms.

3) Policy for IR Activities by the IR Function

By putting the IR function in charge of IR activities, we actively implement IR activities toward solid dialogue with shareholders, etc. Specifically, in addition to conducting individual interviews at any time as requested by shareholders, etc., we regularly implement IR events, such as briefing sessions for individual investors and facility tours. Moreover, we actively provide information to shareholders, etc., through the website, integrated reports, business reports for shareholders and the Convocation of the General Meeting of Shareholders, etc.

4) Policy for information exchange

The IR function, as needed, exchanges information with relevant departments and business units on a daily basis, and establishes a project team if necessary, in order to build a coordinated collaboration system. Moreover, the IR function reports shareholders’ opinions and concerns obtained from dialogue with shareholders centering on institutional investors at the Group Executive Committee as well as the Board of Directors meeting, if necessary. Thereafter, the contents of such opinions and concerns are discussed.

5) Policy for Insider Information Management in Dialogue with Shareholders, etc.

In accordance with the Internal Regulations, insider information is strictly managed. Training is provided to officers and employees related to the management of insider information. When dialogue with shareholders, etc., the IR function issues a reminder to those involved in the dialogue, thereby preventing the divulgence of insider information.

(2) Establishment and Disclosure of Corporate Strategy

We shall formulate, announce, and implement corporate strategy to aim for sustainable growth and medium- to long-term enhancement of corporate value, including the establishment of management indices and appropriate allocation of management resources with an awareness of cost of capital, return on capital, and stock price, and shall actively engage in constructive dialogue with shareholders/investors.

6. Revision and Abolition of this Policy

Revision and abolition of this Policy shall be subject to a resolution of the Board of Directors.

The Olympus Group's IR activities are outlined below.

The Olympus Group has established a dedicated investor relations department to fulfill its corporate accountability and ensure management transparency. Olympus Corporation focuses on information disclosure in order to gain the correct understanding and trust of investors and various other stakeholders in the Olympus Group, as well as to realize appropriate corporate value. We hold financial results briefings each quarter for investors and analysts at which the representative executive officer and executive officers directly explain management policies, business activities, and other corporate information. In addition, IR meetings are held for investors and analysts each quarter. Olympus Corporation has been engaged in IR activities for overseas investors since the early 1970s, actively disclosing information, including visits to local investors by the (then) representative director and other officers in charge, etc. participation in conferences, and the disclosure of basically all information in English with the same level of content and timing as the Japanese version.

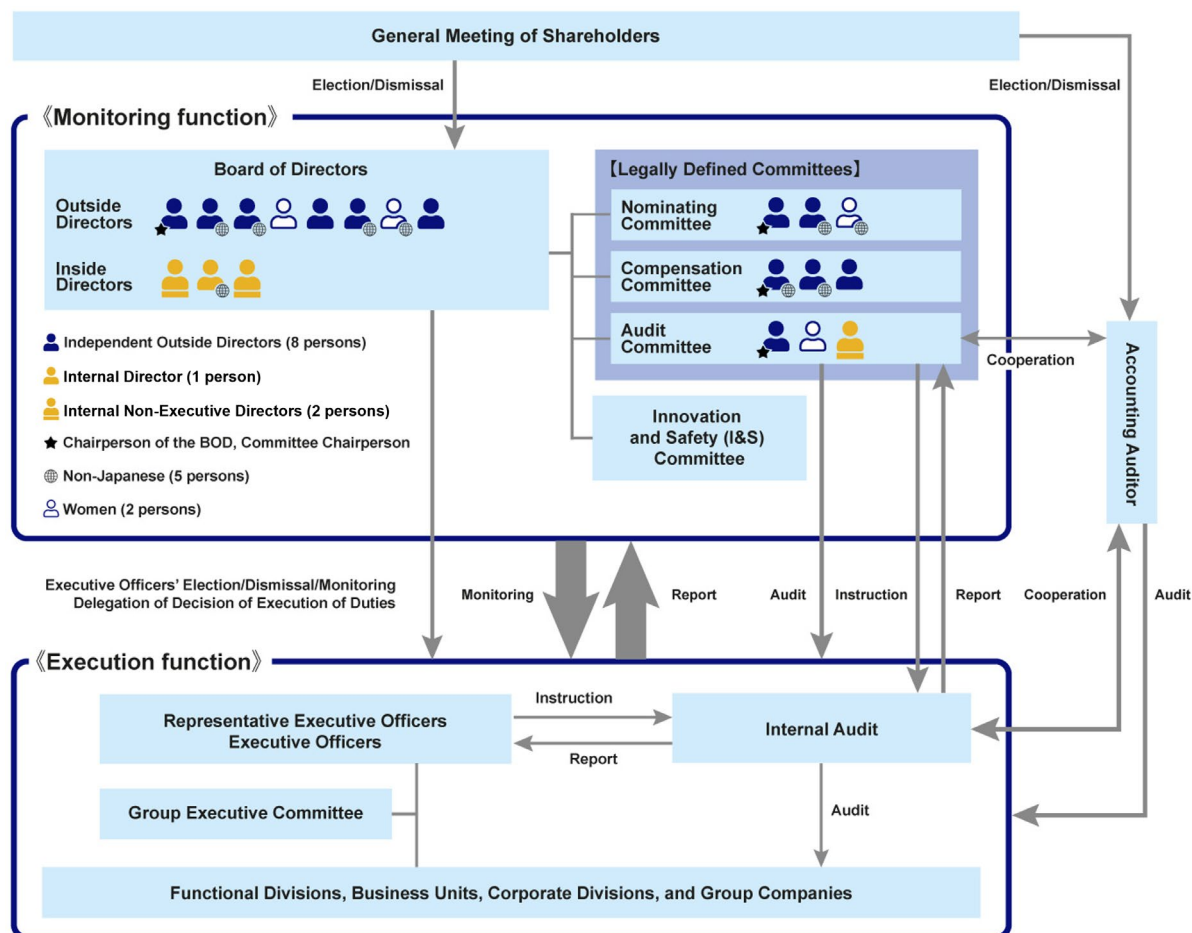
Since 2016, Olympus Corporation has been holding events at which the (then) representative director and other officers in charge, etc. explain our medium- and long-term company and business strategies to investors and others. In 2025, we announced our new corporate strategy. This strategy builds on our evolution as a pure-play MedTech company, defining our next chapter with clarity and conviction. In addition, we are enhancing IR information through means such as posting "Olympus Business," which introduces diseases, procedures, and products, focusing on priority areas such as GI, urology, and respiratory, on our website.

(ii) Overview of the Corporate Governance System and Reasons for Adopting the System

Olympus Corporation is a company with a Nominating Committee, etc. We strive to enhance governance by further improving transparency, as well as accelerating and streamlining decision-making in business execution through a clear separation of management monitoring and execution.

[Corporate Governance Structure (as of the filing date of this Annual Securities Report)]

Our corporate governance structure is shown in the following diagram.



* Olympus Corporation established the Innovation and Safety (I&S) Committee as a voluntary committee. The committee provides ongoing oversight and governance on patient safety management, quality and product regulatory compliance, and the research and development process.

The composition of the Board of Directors and each committee is as follows:

Position	Name	Board of Directors	Nominating Committee	Compensation Committee	Audit Committee
Independent Outside Director	Masato Iwasaki	◎	◎		
Independent Outside Director	David Robert Hale	○		○	
Independent Outside Director	Jimmy C. Beasley	○		◎	
Independent Outside Director	Sachiko Ichikawa	○			○
Independent Outside Director	Kohei Kan	○			◎
Independent Outside Director	Gary John Pruden	○	○		
Independent Outside Director	Luann Marie Pendy	○	○		
Independent Outside Director	Hiroshi Ishino	○		○	
Director	Yasuo Takeuchi	○			
Director	Bob White	○			
Director	Toshihiko Okubo	○			○

○ indicates member, ◎ indicates the chair (Chairperson of the Board of Directors or Committee).

[Board of Directors]

Purpose and authority, etc.	- The Board of Directors convenes at least once every three months and when needed. The Board of Directors determines matters related to Basic Management Policy and internal control systems and other important matters, and monitors the execution of the duties of directors and executive officers, etc. - The Board of Directors is chaired by an independent outside director. We expect that outside directors will monitor management from the perspective of achieving sustainable growth of Olympus Corporation and enhancing corporate value over the medium to long term, and will provide advice based on their own knowledge. - We proactively provide directors with information to enable the effective execution of their roles and duties. The outside directors may at all times when needed or when considered appropriate require clarifications, reports or the submission of internal documents from internal directors, executive officers, corporate officers, and employees, so as to strengthen the functions of information transmission and monitoring and to create systems to ensure the soundness of management.
Considerations for the current fiscal year	- Matters related to Olympus Corporation's Basic Management Policy; e.g. corporate strategies, business plans, performance forecasts and Basic Policy on Internal Control pursuant to the Companies Act of Japan, etc. - Matters related to Corporate Governance (Status report for each business, status reports for initiatives in governance, risk, compliance, and quality control, status report on the execution of the ESG strategy, status report on IR activities, evaluation of the effectiveness of the Board of Directors (including consideration on improving the efficiency of Board of Directors' operation), executive structure for the next term (including selecting a CEO candidate), etc.) - Matters related to the status of activities of each committee; e.g. audit plans of the Audit Committee and its status of activities, matters discussed at the Nominating Committee and the Compensation Committee, and sharing of other committee proceedings, etc. In addition to the above, the Board of Directors regularly receives status reports on the execution of duties from executive officers.

Attendance at meetings during the current fiscal year was as follows:

Position	Name	Attendance at meetings
Chairperson of Board of Directors / Independent Outside Director	Sumitaka Fujita	3 of 3 (100%) (Retired from the post of director in June 2025)
Chairperson of Board of Directors / Independent Outside Director	Masato Iwasaki	12 of 12 (100%) (Assumed the post of Chairperson in June 2025)
Independent Outside Director	David Robert Hale	12 of 12 (100%)
Independent Outside Director	Jimmy C. Beasley	11 of 12 (91.7%)
Independent Outside Director	Sachiko Ichikawa	11 of 12 (91.7%)
Independent Outside Director	Kohei Kan	12 of 12 (100%)
Independent Outside Director	Gary John Pruden	12 of 12 (100%)
Independent Outside Director	Luann Marie Pendy	12 of 12 (100%)
Independent Outside Director	Hiroshi Ishino	7 of 9 (77.8%) (Assumed the post of director in June 2025)
Director	Yasuo Takeuchi	12 of 12 (100%)
Director	Bob White	9 of 9 (100%) (Assumed the post of director in June 2025)
Director	Toshihiko Okubo	12 of 12 (100%)

[Nominating Committee]

Purpose and authority, etc.	- The Nominating Committee deliberates matters related to human resources at the director and executive officer level, and determined the content of proposals submitted to the general meeting of shareholders in relation to the appointment and dismissal of directors. - All members of the Nominating Committee (including the chairperson) during the current fiscal year were independent outside directors.
Considerations for the current fiscal year	- In considering the plan for the composition of the Board of Directors, the Nominating Committee updated a matrix of the experience and knowledge required of our directors. - Regarding the selection of candidates for directors, outside consultants were used, and deliberations and interviews were conducted according to the selection criteria after considering the composition of Olympus Corporation's Board of Directors. - In the case of candidates for Chief Executive Officer, in addition to engaging external consultants, we took into account the opinions of outside directors and management when considering the selection of the most suitable candidate for CEO. - Regarding the selection plan for executive officers, the Nominating Committee discussed their suitability and made decisions after a year-long evaluation and selection process - Regarding the succession plan for executive officers, the Nominating Committee discussed whether the candidates possessed the desired experience and knowledge in accordance with expected roles in the execution of duties at Olympus Corporation.

Attendance at meetings during the current fiscal year was as follows:

Position	Name	Attendance at meetings
Nominating Committee Chairperson (Independent Outside Director)	Sumitaka Fujita	2 of 2 (100%) (Retired from the post of Committee Member in June 2025)
Nominating Committee Chairperson (Independent Outside Director)	Masato Iwasaki	12 of 12 (100%) (Assumed the post of Committee Chairperson in June 2025)
Nominating Committee Member (Independent Outside Director)	Gary John Pruden	12 of 12 (100%)
Nominating Committee Member (Independent Outside Director)	Luann Marie Pendy	10 of 10 (100%) (Assumed the post of Committee Member in June 2025)

[Compensation Committee]

Purpose and authority, etc.	- The Compensation Committee considers matters related to compensation for directors and executive officers, establishes the policy for the content of individual compensation, etc., and determines the details for compensation of each director and executive officer according to this policy - The members of the Compensation Committee (including the chairperson) during the current fiscal year consisted of three independent outside directors and one internal director (total of four) from April to June 2025, and three independent outside directors from June 2025 onward. The chairperson was an independent outside director throughout the fiscal year.
Considerations for the current fiscal year	Details about compensation for directors and executive officers were determined. As described in “(4) Compensation for Officers, etc. <Overview and Activities of the Compensation Committee>.”

Attendance at meetings during the current fiscal year was as follows:

Position	Name	Attendance at meetings
Compensation Committee Chairperson (Independent Outside Director)	Jimmy C. Beasley	9 of 9 (100%)
Compensation Committee Member (Independent Outside Director)	David Robert Hale	9 of 9 (100%)
Compensation Committee Member (Independent Outside Director)	Luann Marie Pendy	3 of 3 (100%) (Retired from the post of Committee Member in June 2025)
Compensation Committee Member (Director)	Yasuo Takeuchi	3 of 3 (100%) (Retired from the post of Committee Member in June 2025)
Compensation Committee Member (Independent Outside Director)	Hiroshi Ishino	6 of 6 (100%) (Assumed the post of Committee Member in June 2025)

[Audit Committee]

Purpose and authority, etc.	1) Auditing the execution of duties by executive officers and directors, and creating audit reports 2) Determining proposal contents for appointing, dismissing, and refusing reappointment of the accounting auditor 3) Other duties prescribed by law or by the Articles of Incorporation, and other matters recognized as necessary by the Audit Committee - The members of the Audit Committee (including the chairperson) during the current fiscal year consisted of two independent outside directors and one internal director (total of three). The chairperson was an independent outside director.
Considerations for the current fiscal year	As described in “(3) Audits b. Status of the Audit Committee’s activities.”

Attendance at meetings during the current fiscal year was as follows:

Position	Name	Attendance at meetings
Audit Committee Chairperson (Independent Outside Director)	Kohei Kan	10 of 10 (100%)
Audit Committee Member (Independent Outside Director)	Sachiko Ichikawa	10 of 10 (100%)
Standing Audit Committee Member (Director)	Toshihiko Okubo	10 of 10 (100%)

[Executive Officers]

Executive officers are 11 persons as follows: President and Chief Executive Officer (CEO), Chief Human Resources Officer (CHRO), Gastrointestinal Solutions Division Head, Chief Medical Officer (CMO), Chief Strategy Officer (CSO) and ESG Officer, Surgical and Interventional Solutions Division Head, Chief Technology Officer (CTO), Chief Financial Officer (CFO), Chief Manufacturing and Supply Officer (CMSO), Chief Quality Officer (CQO) and Global General Counsel, who accelerate and streamline the decision-making processes in the Olympus Group and centrally manage risk management across the Olympus Group.

(iii) Other Matters Related to Corporate Governance

[Basic approach to the internal control system and status of such development]

The following is a summary of the details of the system resolved by the Board of Directors for a system to ensure the appropriateness of the Olympus Corporation's operations and the status of operation of such system.

All activities of Olympus Corporation are based on our Corporate Philosophy, "Making people's lives healthier, safer and more fulfilling."
Olympus Corporation, based on this basic concept, shall prepare and operate a framework which ensures the effectiveness and efficiency of operations and appropriateness and reliability of financial reporting of Olympus Corporation and its subsidiaries (hereinafter, "the Olympus Group"), and make continuous improvements.

I	Framework to ensure the appropriateness of business operations in the Olympus Group (1) Olympus Corporation, as a company with a nominating committee, etc., clearly separates the monitoring and execution of management in order to strengthen governance and further improve transparency, as well as enhance efficient and agile decision-making related to the execution of business. (2) The Board of Directors is composed of more than half independent outside directors from the perspective of enhancing its monitoring function. It decides important matters related to the management of the Olympus Group and monitors the execution of duties by executive officers. (3) Olympus Corporation establishes the Innovation and Safety (I&S) Committee, composed of independent outside directors, as a voluntary committee in addition to the statutory committees (Nominating Committee, Compensation Committee and Audit Committee). The Innovation & Safety (I&S) Committee provides ongoing oversight and governance on patient safety management, quality and product regulatory compliance, and the research and development process. (4) The CEO, as the person in charge of execution, supervises other executive officers and assumes full responsibility for the execution of duties. (5) Executive officers make decisions on matters delegated to them by the Board of Directors and execute duties within their own areas of responsibility throughout the Olympus Group. They also regularly report on the execution of their duties to the Board of Directors. (6) The Group Executive Committee is composed of executive officers. It deliberates and monitors important matters regarding the execution of business throughout the Olympus Group. 1. Framework to ensure that the execution of duties by executives and employees of the Olympus Group complies with applicable laws and regulations and the Articles of Incorporation (1) The Board of Directors shall establish the “Basic Management Policy” such as the Corporate Philosophy and Olympus Global Code of Conduct, and monitor the execution of duties of executive officers. (2) Executive officers shall establish the internal regulations that clearly define the policies and procedures that must be followed by Olympus Group executives and employees, and shall execute their duties within the Olympus Group. In addition, they shall instill the policies and raise awareness of compliance in the Olympus Group through implementing continuing education related to the regulations and other measures. (3) Olympus Corporation shall appoint an officer in charge of overseeing compliance activities throughout the Olympus Group and establish a function in charge of group-wide compliance. The function in charge of group-wide compliance shall promote compliance measures and conduct education for Olympus Group employees in accordance with the internal regulations. In addition, the function in charge shall establish a global hotline system as well as a local hotline system in each region to receive reports of compliance violations. (4) Olympus Corporation shall establish an internal audit function reporting directly to the CEO. The internal audit function shall conduct various audits of the Olympus Group in accordance with the internal regulations, and report the results to the CEO and the Audit Committee. Olympus Corporation shall take appropriate measures based on these results.
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	<Overview of Status of Management> (1) Under the Basic Management Policy, Olympus Corporation has established the Corporate Philosophy, the Olympus Global Code of Conduct, etc. as basic matters to be followed by officers and employees of the Olympus Group. Executive officers execute their duties based on this policy, which the Board of Directors monitors. (2) Executive officers promote the Olympus Group' employees' understanding of and compliance with the Olympus Global Code of Conduct by distributing internal messages, conducting e-learning and holding town hall meetings and instill the policies by providing training such as e-learning regarding the Olympus Global Rules, which is the basis of the execution of duties of the Olympus Group, consisting of various regulations related to quality, export control, etc. In addition, regarding transactions of the Olympus Group, we conduct investigations for domestic transactions in Japan based on the internal regulations for the exclusion of anti-social forces, and for overseas transactions, we conduct due diligence on counterparties in each region or by each function to confirm the compliance with applicable laws and regulations. (3) Chief Compliance Officer (CCO) oversees compliance activities in the Olympus Group. CCO globally promotes compliance activities and reports such activities to the Board of Directors, the Audit Committee, and the Group Executive Committee, while serving as the chairperson of the global compliance leadership team which consists of persons responsible for compliance activities in each region such as Japan, the Americas, Europe, and Asia. In addition, the Olympus Integrity Line, a global whistle-blowing system which anyone who wants to report a concern can use with various languages for 24 hours a day, has been put in place as well as individual contact points have been placed in each region. Furthermore, CCO carries out measures such as distributing messages to encourage all employees of the Olympus Group to strictly follow compliance rules and use the whistle blowing systems to prevent and quickly detect misconduct. (4) Chief Internal Audit Officer (CIAO) oversees internal audit operations in the Olympus Group. CIAO obtains consent from the Audit Committee and approval from the CEO regarding the Olympus Group's internal audit plan for the fiscal year based on the internal regulations. In addition, CIAO reports the audit implementation status and results to the Audit Committee and the CEO.
2.	Framework regarding the maintenance of records and management of information in relation to performance of duties by executive officers Executive officers shall establish the internal regulations in each region, maintain and manage important documents or electronic data, and maintain a system to access them as necessary. <Overview of Status of Management> Executive officers appropriately maintain and manage documents and electronic data relating to important information on the execution of their duties pursuant to laws and regulations in each region. In addition, directors can access important documents or electronic data when necessary. 3. Regulations and other framework relating to managing risks of loss of the Olympus Group (1) The Board of Directors, the Group Executive Committee, and other meeting bodies shall manage the business risks of the Olympus Group based on due deliberations and appropriate operation of the internal approval procedure. (2) Olympus Corporation shall establish a function in charge of risk management of the Olympus Group. The function in charge shall, based on the internal regulations, create, operate appropriately, and manage a risk management system to prevent the emergence of serious risks resulting from the business activities of the Olympus Group and minimize damage in the event of such risks emerging. In addition, in the event of an emergency, the function in charge shall make immediate reports to the executive officers and relevant people and take prompt action.

- (3) Olympus Corporation shall designate functions with jurisdiction over each area of risks of loss (quality, product safety, import and export control, information security, health and safety, the environment, disasters, etc.) within the Olympus Group. Each of these functions shall establish the internal regulations and implement preventive risk management and education within the Olympus Group.

<Overview of Status of Management>

- (1) Executive officers obtain approval from the Board of Directors on significant matters regarding the Olympus Group's management such as corporate strategies and business plans, following sufficient deliberations at meetings of the Group Executive Committee. In addition, executive officers make decisions on matters delegated by the Board of Directors in accordance with the internal regulations and report to the Board of Directors based on the Board of Directors Meeting Agenda and Reporting Standards. It also performs business risk management of the Olympus Group through the proper operation of approval procedures using the electronic approval system.
 - (2) The Global and Regional Risk Assurance and Compliance Committees (G-RACC and R-RACC), objectives of which are to establish and implement a framework for addressing enterprise risk within the Olympus Group and complying with applicable laws and regulations, have been put in place and risk management initiatives are globally being conducted. During the current fiscal year, the function in charge of risk management conducted risk evaluation with each business and each function and reported the results to G-RACC, the Group Executive Committee, and the Board of Directors. In addition, for promptly responding to the occurrence of disasters, regular training, etc. are implemented.
 - (3) Regarding each risk of loss (quality, product safety, export control, information security, health and safety, the environment, disasters, etc.) within the Olympus Group, each of functions with jurisdiction over such risk establishes and amends internal corporate regulations and provides education, etc. to employees of the Olympus Group. Particularly in the current fiscal year, as efforts continuing from the previous fiscal year, the Olympus Group has worked to strengthen the processes of Quality Assurance and Regulatory Affairs through the transformation project "Elevate." In addition, with regard to information security, Olympus Corporation continues work to enhance its incident response structure so that we can more promptly respond to incidents across the entire Olympus Group.
4. Framework to ensure the effective performance of duties of the Olympus Group
The Board of Directors shall delegate appropriate authority to executive officers in order to enhance efficient and agile decision-making. Executive officers shall execute the duties within the scope of their responsibilities for the entire Olympus Group based on the division of duties determined by the Board of Directors. In addition, executive officers shall define the internal regulations to clarify the responsibilities and authorities of major job ranks within their jurisdiction.

<Overview of Status of Management>

The Board of Directors approves business plans based on the Olympus Group's corporate strategy and other important matters, while it delegates matters on the execution of business except matters that should be resolved by the Board of Directors to executive officers in order to enhance efficient and agile decision-making. During the current fiscal year, 12 meetings of the Board of Directors were held. In addition, the Board of Directors appropriately determines the assignment of duties among the executive officers and the instructions and command relationship. Executive officers make reports on their duties as performed to the Board of Directors. Furthermore, a system in which appropriate and effective decision making is conducted has been established by defining the responsibilities and authorities of each position involved in decision-making in the internal regulations. In addition, based on the internal regulations, Olympus Corporation regularly oversees and manages funding, foreign exchange, and transactions with financial institutions for the subsidiaries by receiving this information, and making periodic reports to executive officers on the status of the entire Olympus Group's funds.

5. Framework for reporting to Olympus Corporation on matters concerning execution of duties by the directors and employees of the subsidiaries

Olympus Corporation shall establish regional headquarters to manage and oversee multiple subsidiaries in each region of the Olympus Group. The officers responsible for the regional headquarters shall report to the CEO on the management situation of the subsidiaries and other matters, in accordance with the internal regulations.

In addition, regarding important management matters of subsidiaries, Olympus Corporation requires them to obtain our approval or report to us in accordance with the internal regulations.

<Overview of Status of Management>

The officers responsible for the regional headquarters review the situation faced by subsidiaries' management at the Regional Risk Assurance and Compliance Committees (R-RACC) and, as necessary, report the results of the reviews to the CEO through the Global Risk Assurance and Compliance Committee (G-RACC). In addition, Olympus Corporation receives necessary financial information as appropriate and in a timely manner from the subsidiaries in accordance with the internal regulations, to confirm and approve the content.

The head of each function manages the whole of the relevant function within the Olympus Group. In addition, Olympus Corporation also deliberates on significant matters of subsidiaries based on the internal regulations.

II Matters necessary for the execution of duties of the Audit Committee

1. Matters related to employees whose assignment is to assist in the duties of the Audit Committee and ensuring the independence of those employees from executive officers as well as the effectiveness of their work

Olympus Corporation shall allocate a dedicated employee who assists with the Audit Committee's duties and have a concurrent employee as needed. In accordance with the provisions of the internal regulations, those employees who assist with the Audit Committee's duties shall perform their duties under the commands and instructions of the Audit Committee. In addition, by deciding the appointment, dismissal, transfer, wage or personnel evaluation of the dedicated employee who assists the Audit Committee with their duties only after obtaining the approval of the Audit Committee, Olympus Corporation shall ensure effectiveness of directions from the Audit Committee and independence of those employees from executives.

<Overview of Status of Management>

Olympus Corporation has established the Office of Audit Committee and allocated one dedicated employee as of March 31, 2026. The employee performs duties based on the direction and orders of the Audit Committee, alongside other employees within the Corporate Secretary Department. In addition, the appointment, dismissal, transfer, wage, and personnel evaluation of dedicated employees who are assisting the Audit Committee with their duties shall be decided only after obtaining the consent of the Audit Committee, thereby ensuring the effectiveness of directions from the Audit Committee and their independence from execution.

2. Framework regarding reports by executives and employees of the Olympus Group to the Audit Committee

- (1) When directors (except those who are members of the Audit Committee), executive officers, Audit and Supervisory Board members, or employees of the Olympus Group discover any fact in material violation of laws, regulations, or the Articles of Incorporation, any fact that may cause significant damage to the Olympus Group, or any fact that is significantly inappropriate for the corporate affairs of the Olympus Group, they shall immediately report such fact to the Audit Committee, either directly or through the responsible function. In other cases where the Audit Committee requests a report from a director, executive officer, or employee, etc. of the Olympus Group, in accordance with laws and regulations or the internal regulations, the director, executive officer, or employee in question shall promptly report to the Audit Committee.
- (2) The officer in charge of overseeing compliance activities throughout the Olympus Group shall regularly make reports to the Audit Committee on the status of compliance within the Olympus Group. In addition, the Chief Compliance Officer shall regularly make reports on details of issues reported and results of investigations in accordance with the Whistleblowing System.
- (3) The internal audit function shall regularly report the status of internal audit in the Olympus Group to the Audit Committee.

<Overview of Status of Management>

- (1) When directors, executive officers, corporate officers, or employees of Olympus Corporation and its subsidiaries discover any fact in material violation of laws, regulations, or the Articles of Incorporation, any fact of misconduct, or any fact that may cause significant damage to the company, they report such fact to the Audit Committee, either directly or through the whistle blowing systems such as the Olympus Integrity Line, etc. The CCO promotes awareness and utilization of whistle blowing systems by distributing messages and posting on the intranet. In addition, when reporting is requested from the Audit Committee, directors, executive officers, corporate officers, or employees of Olympus Corporation and its subsidiaries are working closely together with the Committee, including making prompt reports to the Audit Committee.
- (2) CCO regularly and as needed makes reports to the Audit Committee on the status of compliance and internal reporting as well as results of investigation.
- (3) CIAO regularly and as needed makes reports to the Audit Committee on internal audit plans and audit status.

3. Framework to ensure that any personnel who have made a report to the Audit Committee of Olympus Corporation will not be subjected to any unfair treatment due to the report made Olympus Corporation shall, in accordance with the internal regulations, not impose any unfair treatment (including de-facto measures such as restricting the personnel to engage in duties, or assigning the personnel solely to work on chores, in addition to measures of personnel affairs such as dismissal, demotion, pay cut and other disciplinary actions and disadvantageous transfer) to any personnel who have made a report on the grounds of having made a report to the Audit Committee.

<Overview of Status of Management>

Under the internal regulations, Olympus Corporation is prohibited from subjecting anyone who made a report to the Audit Committee to unfavorable treatment for the reason of making such a report, and these rules are strictly complied with.

4. Matters regarding procedures for the treatment of expenses or liabilities incurred in connection with execution of duties by the Audit Committee members
When an advance payment or reimbursement of expenses is requested for execution of duties of Audit Committee members, Olympus Corporation shall promptly, in accordance with the internal regulations, process disbursement except for such case that the expense is obviously deemed unnecessary for execution of duties by Audit Committee members.

<Overview of Status of Management>

Olympus Corporation has budgeted for the activities of the Audit Committee, and reimburses required expenses as appropriate upon request from Audit Committee members.

5. Other systems to ensure the effectiveness of audit by the Audit Committee
- (1) Directors, executive officers and employees of the Olympus Group shall ensure the effectiveness of the audit by cooperating with the Audit Committee for investigations by interviews and on-site inspections.
 - (2) Olympus Corporation shall ensure that it provides the Audit Committee with opportunities to sufficiently exchange opinions with directors, executive officers, accounting auditors and any other personnel necessary.
 - (3) Olympus Corporation shall ensure that Audit Committee members have access to the materials and the minutes of Group Executive Committee, and they have opportunities to attend important meetings at the request of the Audit Committee.
 - (4) The Audit Committee shall work closely with the internal audit function to receive reports on audit results, etc. from the internal audit function, and the Audit Committee may exercise its authority to give instructions and make commands to the internal audit function as necessary.
 - (5) Olympus Corporation shall ensure that it provides the Audit Committee with, upon their request, opportunities for collaboration between the Audit Committee and Audit Committees of the subsidiaries and collecting information from employees of the subsidiaries.

<Overview of Status of Management>

- (1) The Audit Committee conducted interviews, as appropriate, with directors, executive officers, corporate officers and employees of Olympus Corporation and its subsidiaries.
- (2) The Audit Committee regularly and as needed exchanges opinions with directors, executive officers, corporate officers, accounting auditor and any other personnel necessary.
- (3) Olympus Corporation ensures that Audit Committee members can access the materials and minutes of the Group Executive Committee whenever necessary. In addition, Olympus Corporation ensures opportunities for the Audit Committee to attend important meetings upon request.
- (4) CIAO regularly and as needed reports to the Audit Committee and the Audit Committee requests an investigation or gives specific instructions as necessary.
- (5) The Audit Committee receives and hears reports on information of subsidiaries from CIAO and other internal control functions (officers responsible for risk, assurance and compliance, Chief Financial Officer (CFO), and a person in charge of accounting functions).

[Overview of Content of Limited Liability Agreement]

To ensure that directors can fully fulfill their expected roles, Olympus Corporation has entered into an agreement with its directors (excluding those who are executive directors, etc.) based on Article 427, Paragraph 1 of the Companies Act to limit their liability pursuant to Article 423, Paragraph 1 of the same Act, setting the minimum amount stipulated by laws and regulations as the maximum liability. Such limitation of liability is limited to cases where the director has performed his or her duties in good faith and without gross negligence.

[Overview of Content of Indemnification Agreement]

Olympus Corporation has entered into indemnification agreements pursuant to Article 430-2, Paragraph 1 of the Companies Act with all directors and executive officers. Olympus Corporation will indemnify the directors and executive officers for the expenses mentioned in the first item of the same paragraph and for the losses mentioned in the second item of the same paragraph to the extent provided by law. However, to ensure that the proper execution of duties is not impaired by such an indemnification agreement, directors and executive officers will not be indemnified for cases such as malicious intent or gross negligence on the part of each director or executive officer in performing his or her duties.

[Overview of Content of Directors and Officers Liability Insurance Agreement]

Olympus Corporation has entered into a directors and officers liability insurance agreement with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. The said insurance agreement insures officers and employees of Olympus Corporation and its subsidiaries, and the insurance premiums are fully borne by Olympus Corporation and its subsidiaries. The said insurance agreement covers damages that may arise when the insured assumes liability for the execution of his or her duties or receives claims related to the pursuit of such liability. However, measures are in place that exclude coverage of the insurance for damages arising from a criminal act or act carried out by the insured who is aware that the act is in violation of laws or regulations, so that the appropriateness of the execution of the duties will not be impaired.

[Number of Directors and Resolution Requirements for the Election of Directors]

The Articles of Incorporation stipulate that Olympus Corporation shall have no more than 15 directors. Furthermore, the Articles of Incorporation stipulate that directors shall be elected by a majority of voting rights of the shareholders present at the General Meeting of Shareholders where shareholders holding one-third or more of the voting rights of all shareholders entitled to exercise voting rights at the meeting are present and that a resolution for election of directors shall not be passed by cumulative voting.

[Matters for Resolution by the General Meeting of Shareholders Which Can Be Resolved on by the Board of Directors]

In order to carry out capital policy in accordance with changes in the business environment and to carry out flexible return of profits to shareholders, we stipulate in its Articles of Incorporation that matters, including dividends from surplus, set forth in each item of Article 459, Paragraph 1 of the Companies Act shall be decided by resolutions of the Board of Directors, not those of General Meeting of Shareholders, unless otherwise provided by laws and regulations.

Furthermore, the Articles of Incorporation stipulate that in order to enable directors and executive officers to fully fulfill the roles expected of them, Olympus Corporation can, by a resolution of the Board of Directors, pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, in cases where the statutory requirements are satisfied, exempt directors (including former directors) and executive officers (including former executive officers) from the indemnity liability pursuant to

Article 423, Paragraph 1 of the Companies Act, limited to the balance of the indemnity liability amount reduced by the statutory minimum liability amount.

[Requirements for Special Resolutions of the General Meeting of Shareholders]

The Articles of Incorporation stipulate that in order to facilitate the operations of the General Meeting of Shareholders by relaxing the quorum requirements for special resolutions of the General Meetings of Shareholders, special resolutions of the General Meetings of Shareholders prescribed in Article 309, Paragraph 2 of the Companies Act shall be passed by two-thirds or more of the voting rights of the shareholders present at the meeting where shareholders holding one-third or more of the voting rights of all shareholders entitled to exercise voting rights at the meeting are present.

[Basic Policy regarding Persons who Control Decisions on Financial and Business Policies]

The basic policy on control of a joint stock company is as follows:

Olympus Corporation believes that the persons who control decisions on Olympus Corporation's financial and business policies need to be persons who fully understand the details of Olympus Corporation's financial and business affairs and the source of Olympus Corporation's corporate value and who will make it possible to continually and persistently ensure and enhance Olympus Corporation's corporate value and, furthermore, the common interests of its shareholders.

Olympus Corporation will not indiscriminately reject a large-scale acquisition of Olympus Corporation's shares if it will contribute to the corporate value of Olympus Corporation, and furthermore, the common interests of its shareholders. Olympus Corporation also believes that ultimately its shareholders as a whole must make the decision on any proposed acquisition that would involve a transfer of corporate control of a joint stock company.

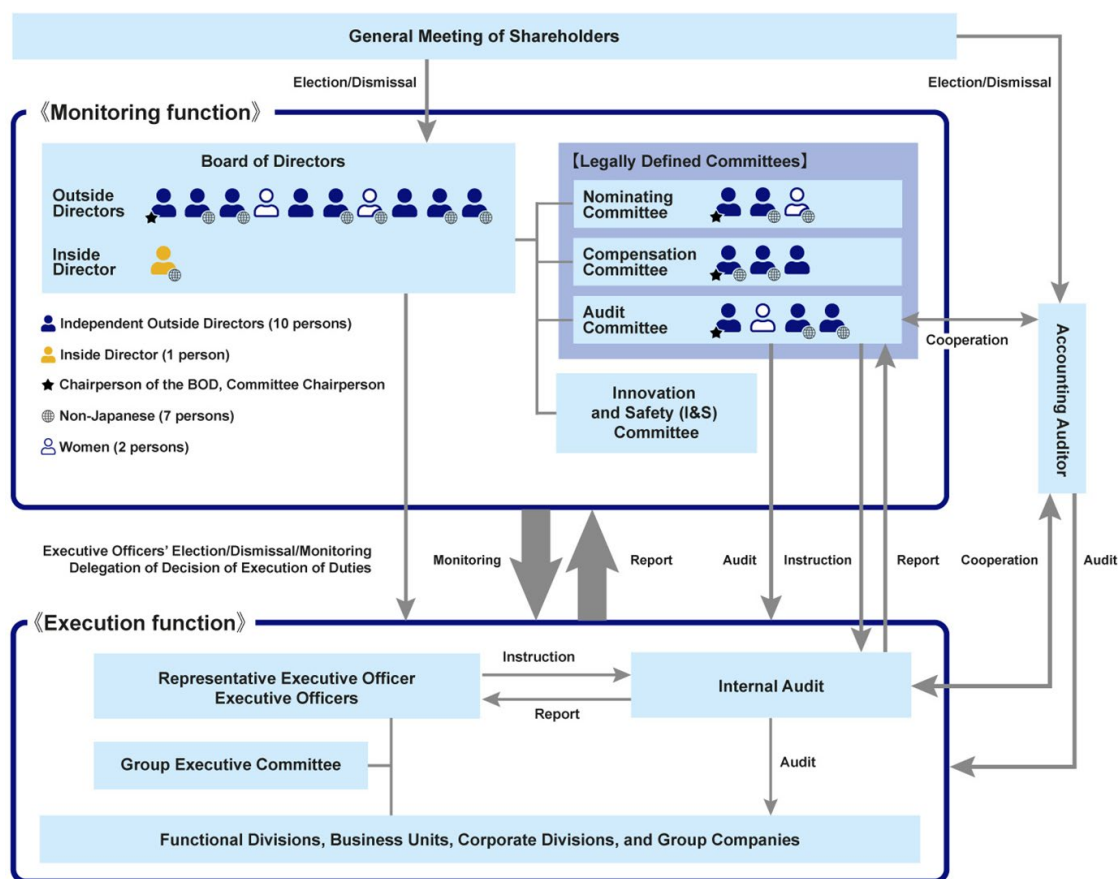
Nonetheless, there are some forms of a large-scale acquisition that benefits neither the corporate value of the target company nor, furthermore, the common interests of its shareholders. Unless a person who would make a large-scale acquisition of Olympus Corporation's shares understands the source of Olympus Corporation's corporate value and would ensure and enhance these elements over the medium-to-long term, the corporate value of Olympus Corporation and, furthermore, the common interests of its shareholders would be harmed. Olympus Corporation believes that persons who would make a large-scale acquisition of Olympus Corporation's shares in a manner that does not contribute to the corporate value of Olympus Corporation and, furthermore, the common interests of its shareholders would be inappropriate to become persons who would control decisions on Olympus Corporation's financial and business policies. Against a large-scale acquisition of Olympus Corporation's shares by such persons, in order to ensure the corporate value of Olympus Corporation and, furthermore, the common interests of its shareholders, Olympus Corporation will require the acquirer, etc. to provide necessary and sufficient information, disclose relevant information appropriately in a timely manner, and ensure that shareholders will have sufficient information and time needed to make proper decisions whether or not the large-scale acquisition is acceptable. Olympus Corporation will also take other appropriate measures within the scope permitted by the Financial Instruments and Exchange Act, the Companies Act, other laws and ordinances, and the Articles of Incorporation.

As of the closing date of the General Meeting of Shareholders (June 25, 2026)

(i) Basic Concepts Regarding Corporate Governance

[Corporate Governance Structure (as of the closing date of the General Meeting of Shareholders, June 25, 2026)]

Our corporate governance structure will be as shown in the following diagram.



* Olympus Corporation established the Innovation and Safety (I&S) Committee as a voluntary committee. The committee provides ongoing oversight and governance on patient safety management, quality and product regulatory compliance, and the research and development process.

The composition of the Board of Directors and each committee is planned to be as follows:

Position	Name	Board of Directors	Nominating Committee	Compensation Committee	Audit Committee
Independent Outside Director	Masato Iwasaki	◎	◎		
Independent Outside Director	David Robert Hale	○		○	
Independent Outside Director	Jimmy C. Beasley	○		◎	
Independent Outside Director	Sachiko Ichikawa	○			○
Independent Outside Director	Kohei Kan	○			◎
Independent Outside Director	Gary John Pruden	○	○		
Independent Outside Director	Luann Marie Pendy	○	○		
Independent Outside Director	Hiroshi Ishino	○		○	
Independent Outside Director	Jean-Luc Butel	○			○
Independent Outside Director	Costa Saroukos	○			○
Director	Bob White	○			

○ indicates member, ◎ indicates the chair (Chairperson of the Board of Directors or Committee).

(2) Status of Officers

(i) Officers

1. The status of Olympus Corporation's directors as of the filing date of this Annual Securities Report (June 18, 2026) is as follows:

Men officers: 17, women officers: 4 (19% of officers are women)

a. Directors

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Outside Director	Masato Iwasaki	November 6, 1958	April 1985 Joined Takeda Pharmaceutical Company Limited April 2008 Senior Vice President and Head, Strategic Product Planning Department, Takeda Pharmaceutical Company Limited June 2010 Corporate Officer, Takeda Pharmaceutical Company Limited January 2012 Head of Chief Medical & Scientific Officer Office, Takeda Pharmaceuticals International, Inc. April 2012 Senior Vice President, Pharmaceutical Marketing Division, Takeda Pharmaceutical Company Limited June 2012 Director, Takeda Pharmaceutical Company Limited April 2015 President, Japan Pharm Business Unit, Takeda Pharmaceutical Company Limited April 2021 Japan General Affairs, Takeda Pharmaceutical Company Limited June 2021 Representative Director, Takeda Pharmaceutical Company Limited June 2022 Outside Director, JSR Corporation June 2023 Representative Director and Chief Executive Officer, Rock&Company K.K. (present) July 2023 Senior Executive Fellow, Industrial Growth Platform, Inc. (currently IGPI Group, Inc.) (present) September 2023 Drug Discovery Strategic Advisor, CellSource Co., Ltd.	(Note 3)	7,830 [7,830] (Note 4)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
			June 2024 Outside Director, Olympus Corporation (present) December 2024 Outside Director, iGRID SOLUTIONS Inc. (present) <Important concurrent positions> Representative Director and Chief Executive Officer, Rock&Company K.K. Senior Executive Fellow, IGPI Group, Inc. Outside Director, iGRID SOLUTIONS Inc.		
Outside Director	David Robert Hale	December 21, 1984	September 2007 Joined The Parthenon Group (currently EY-Parthenon) January 2009 Assigned as Analyst to Strategic Value Capital* * An investment subsidiary of The Parthenon Group June 2009 Senior Associate, The Parthenon Group May 2010 Principal, The Parthenon Group January 2011 Joined ValueAct Capital Management L.P. December 2012 Vice President, ValueAct Capital Management L.P. May 2014 Partner, ValueAct Capital Management L.P. March 2015 Director, MSCI Inc. August 2015 Director, Bausch Health Companies Inc. June 2019 Outside Director, Olympus Corporation (present) June 2021 Outside Director, JSR Corporation August 2023 Co-Chief Executive Officer, ValueAct Capital Management L.P. (present) <Important concurrent positions> Co-Chief Executive Officer, ValueAct Capital Management L.P.	(Note 3)	— [—] (Note 4) (Note 5)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Outside Director	Jimmy C. Beasley	April 6, 1963	March 1986 Territory Manager, Roche Laboratories (Division of Hoffman La Roche) June 1989 Various roles of increasing responsibility in sales and marketing including Vice President of Sales and Marketing, Bard Access Systems Division, C.R. Bard Inc. June 2003 President, Bard Access Systems Division, C.R. Bard Inc. April 2007 President, Bard Peripheral Vascular Division, C.R. Bard Inc. May 2009 Group Vice President, C.R. Bard Inc. June 2013 Group President, C.R. Bard Inc. May 2018 Consultant and Executive Advisor to ValueAct Capital Management L.P. (hereinafter called "VAC") * The executive advisor role is a consulting role to VAC; it is not an employee position. This consulting agreement finished at the end of March 2019. June 2019 Outside Director, Olympus Corporation (present)	(Note 3)	12,860 [7,213] (Note 4)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Outside Director	Sachiko Ichikawa	January 17, 1967	April 1997 Registered as attorney Joined Tanabe & Partners January 2005 Registered as attorney of the State of New York November 2009 Statutory Auditor, The Board Director Training Institute of Japan January 2011 Partner, Tanabe & Partners (present) June 2015 Outside Director, ANRITSU CORPORATION Director, The Board Director Training Institute of Japan April 2018 Registered as Certified Public Accountant of the U.S.A. May 2018 Outside Auditor, Ryohin Keikaku Co., Ltd. June 2020 Statutory Auditor, The Board Director Training Institute of Japan June 2021 Outside Director, Tokyo Electron Ltd. (scheduled to retire on June 23, 2026) Outside Director, Olympus Corporation (present) June 2022 Director, The Board Director Training Institute of Japan (present) June 2024 Outside Director, Azbil Corporation (present) <Important concurrent positions> Partner, Tanabe & Partners Outside Director, Tokyo Electron Ltd. (scheduled to retire on June 23, 2026) Director, The Board Director Training Institute of Japan Outside Director, Azbil Corporation	(Note 3)	14,935 [14,935] (Note 4)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Outside Director	Kohei Kan	March 7, 1960	September 1986 Registered as Certified Public Accountant April 1987 Joined Mita Audit Corporation (currently Deloitte Touche Tohmatsu LLC) June 1998 Partner, Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) November 2013 Board Member, Deloitte Tohmatsu Group and Deloitte Touche Tohmatsu LLC November 2015 Chief Executive Officer, Deloitte Touche Tohmatsu LLC June 2018 Senior Advisor, Deloitte Tohmatsu LLC September 2018 Audit & Assurance Leader, Deloitte Asia Pacific Limited January 2020 Senior Advisor, Deloitte Asia Pacific Limited October 2020 Chief, Kan Kohei Certified Public Accountant Office (present) November 2020 Board Member, International Federation of Accountants “IFAC” (present) January 2022 Senior Advisor, The Japanese Institute of Certified Public Accountants (present) June 2022 Outside Director, Olympus Corporation (present) March 2026 Outside Director, Kyowa Kirin Co., Ltd. (present) <Important concurrent positions> Chief, Kan Kohei Certified Public Accountant Office Board Member, International Federation of Accountants “IFAC” Senior Advisor, The Japanese Institute of Certified Public Accountants Outside Director, Kyowa Kirin Co., Ltd.	(Note 3)	16,667 [13,628] (Note 4)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Outside Director	Gary John Pruden	May 10, 1961	October 1985 Joined Janssen Pharmaceutica, a division of Johnson & Johnson June 1999 Director of Marketing, GI Franchise Marketing, Janssen Pharmaceutica May 2001 Vice President, Marketing, Primary Care Franchise, Janssen Pharmaceutica November 2002 Vice President, Marketing, CNS Franchise, Janssen Pharmaceutica February 2004 President & Chief Operating Officer, Janssen-Ortho Canada INC January 2006 Worldwide President, Ethicon Products Inc, a division of Johnson & Johnson April 2009 Company Group Chairperson, Ethicon Franchise Inc. January 2012 Worldwide Chairperson, Global Surgery Group, Johnson & Johnson June 2015 Executive Vice President & Worldwide Chairperson, Medical Devices, Johnson & Johnson December 2017 Independent Board Director, Motus GI Holdings Inc. April 2018 Independent Board Director, Lantheus Holdings Inc. (present) December 2019 Chief Executive Officer, GPS Med Tech Strategy Consulting LLC (present) March 2020 Independent Board Director, OSSIO, Inc. (present) June 2022 Outside Director, Olympus Corporation (present)	(Note 3)	11,512 [7,213] (Note 4)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
			July 2022 Independent Board Director, Avisi Technologies, Inc. (present) <Important concurrent positions> Independent Board Director, Lantheus Holdings Inc. Chief Executive Officer, GPS Med Tech Strategy Consulting LLC Independent Board Director, OSSIO, Inc. Independent Board Director, Avisi Technologies, Inc.		
Outside Director	Luann Marie Pendy	May 8, 1960	December 1987 Joined Abbott Laboratories February 1998 Director, Quality Control Production Laboratories, Chemical and Agricultural Product Division, Abbott Laboratories February 2007 Corporate Vice President, Global Quality & Regulatory Affairs, Hospira Inc November 2008 Vice President, Corporate Quality, Medtronic Inc. (currently Medtronic plc) June 2014 Senior Vice President, Global Quality, Medtronic Inc. (currently Medtronic plc) November 2017 Senior Vice President, Regulatory Affairs & Global Quality, Medtronic plc January 2018 Senior Vice President, Chief Quality and Regulatory Affairs, Medtronic plc June 2023 Outside Director, Olympus Corporation (present)	(Note 3)	10,474 [7,213] (Note 4)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Outside Director	Hiroshi Ishino	April 10, 1951	April 1975 Joined Mitsubishi Corporation December 1995 Director, Executive Vice President Isuzu Philippines Corporation* * A joint venture company with Mitsubishi Corporation, Isuzu Motors Limited, etc. March 2003 Joined Kansai Paint Co., Ltd. June 2006 Director, Deputy General Manager, International Affairs, Kansai Paint Co., Ltd. June 2008 Managing Director, Sales, Coatings Business, Kansai Paint Co., Ltd. April 2010 Senior Managing Director, Sales, Kansai Paint Co., Ltd. June 2011 Director, Senior Managing Executive Officer, Sales, International Affairs and Procurement, Kansai Paint Co., Ltd. June 2012 Representative Director, Senior Managing Executive Officer, Sales, International Affairs and Procurement, Kansai Paint Co., Ltd. April 2013 Representative Director, President, Kansai Paint Co., Ltd. June 2019 Senior Corporate Advisor, Kansai Paint Co., Ltd. July 2020 Outside Director, Nippon Sheet Glass Company, Limited (scheduled to retire on June 26, 2026) June 2023 Honorary Advisor, Kansai Paint Co., Ltd. (present)	(Note 3)	4,729 [4,729] (Note 4)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
			June 2025 Outside Director, LIXIL Corporation (present) Outside Director, Olympus Corporation (present) <Important concurrent positions> Outside Director, Nippon Sheet Glass Company, Limited (scheduled to retire on June 26, 2026) Honorary Advisor, Kansai Paint Co., Ltd. Outside Director, LIXIL Corporation		

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Director	Yasuo Takeuchi	February 25, 1957	April 1980 Joined Olympus Corporation April 2009 Director, Olympus Europa Holding GmbH (currently Olympus Europa SE & Co. KG) June 2009 Corporate Officer, Olympus Corporation October 2011 Executive Managing Director and Chairperson of the Board, Olympus Europa Holding GmbH (currently Olympus Europa SE & Co. KG) April 2012 Director, Olympus Corporation (present) Senior Corporate Managing Officer, Olympus Corporation Group President of Group Management Office, Olympus Corporation Chairperson of the Board, Olympus Corporation of the Americas Director, Olympus Corporation of Asia Pacific Limited March 2013 Administrative Board and Managing Director, Olympus Europa Holding SE April 2015 Head of Corporate Management Office, Olympus Corporation April 2016 Vice President Corporate Officer, Olympus Corporation Chief Financial Officer (CFO), Olympus Corporation Chief Regional Representative Officer, Olympus Corporation	(Note 3)	334,026 [89,030] (Note 4)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
			April 2019 Representative Director, Olympus Corporation President Corporate Officer, Olympus Corporation Chief Executive Officer (CEO), Olympus Corporation June 2019 Representative Executive Officer, President and Chief Executive Officer (CEO), Olympus Corporation April 2023 Representative Executive Officer, Executive Chairperson, Olympus Corporation ESG Officer, Olympus Corporation April 2025 Representative Executive Officer, Executive Chairperson, President, Chief Executive Officer (CEO), Olympus Corporation June 2025 Representative Executive Officer, Executive Chairperson, Olympus Corporation		

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Director, Representative Executive Officer, President and Chief Executive Officer (CEO)	Bob White	October 10, 1962	June 1986 Joined International Business Machines Corporation January 2000 Vice President, Sales and Supplier Solutions, Chemdex Corporation May 2001 Senior Vice President, Sales and Marketing, Accelrys Inc. April 2003 Executive Vice President and Chief Operating Officer, SourceOne Healthcare Technologies Inc. January 2006 President, Merge E-Med, Merge Healthcare Inc. February 2007 Vice President, Diagnostic Imaging, GE Healthcare Technologies Inc. May 2010 General Manager, Patient Monitoring, Covidien plc. (acquired by Medtronic plc) August 2011 President, Respiratory and Monitoring Solutions, Global, Covidien plc. (acquired by Medtronic plc) June 2014 President, Emerging Markets, Covidien plc. (acquired by Medtronic plc) January 2015 Senior Vice President and President, APAC, Medtronic plc January 2018 Executive Vice President and Group President, Minimally Invasive Therapies Group, Medtronic plc May 2020 Board Member, Smith & Nephew plc November 2020 Executive Vice President and President, Medical Surgical Portfolio, Medtronic plc October 2024 Board Member, Cadence, Inc.	(Note 3)	193,305 [193,305] (Note 4)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
			May 2025 Board Member (Supervisory Board), Koninklijke Philips N.V. (present) June 2025 Representative Executive Officer, President and Chief Executive Officer (CEO), Olympus Corporation (present) Director, Olympus Corporation (present) <Important concurrent positions> Board Member (Supervisory Board), Koninklijke Philips N.V.		

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Director	Toshihiko Okubo	June 1, 1960	February 1991 Joined Olympus Corporation July 2005 President and Chief Executive Officer (CEO), Olympus NDT Corporation (currently Evident Scientific Inc.) August 2011 General Division Manager of the Life & Industrial Systems, Olympus Corporation June 2013 Chairperson, Olympus NDT Corporation (currently Evident Scientific Inc.) April 2014 Corporate Officer, Olympus Corporation April 2015 Division Manager of the Scientific Solutions Business Strategy Division, Olympus Corporation April 2016 Head of the Scientific Solutions Business Unit, Olympus Corporation April 2019 Senior Vice President of New Business Development, Olympus Corporation April 2021 Senior Vice President of Corporate Planning, Olympus Corporation April 2022 Deputy Chief Strategy Officer, Olympus Corporation April 2023 Assistant to Chief Strategy Officer, Olympus Corporation June 2023 Director, Olympus Corporation (present)	(Note 3)	31,054 [11,390] (Note 4)
Total					637,392 [356,486] (Note 4)

- Notes: 1. Dr. Masato Iwasaki, Messrs. David Robert Hale and Jimmy C. Beasley, Ms. Sachiko Ichikawa, Messrs. Kohei Kan and Gary John Pruden, Dr. Luann Marie Pendy and Mr. Hiroshi Ishino are outside directors.
2. Dr. Masato Iwasaki, Messrs. David Robert Hale and Jimmy C. Beasley, Ms. Sachiko Ichikawa, Messrs. Kohei Kan and Gary John Pruden and Dr. Luann Marie Pendy and Mr. Hiroshi Ishino are independent directors as stipulated in Rule 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc.
3. The term of office shall expire upon the close of the General Meeting of Shareholders pertaining to the final business year ending within one (1) year after election at the General Meeting of Shareholders held on June 26, 2025.

4. "Number of shares held" indicates the number of shares held as of March 31, 2026. It also includes the number of equity interest held by each director through a company managing stock compensation of Olympus Corporation and the number of shares to be delivered under the stock compensation plan.
5. Mr. David Robert Hale is a Co-CEO of ValueAct Capital Management L.P. The number of shares of Olympus Corporation held by ValueAct Capital Master Fund, L.P. controlled by ValueAct Capital Management L.P. is 6,403,084 shares as of March 31, 2026.
6. Olympus Corporation is a company with a Nominating Committee, etc. The structure of the committees is as follows:
Nominating Committee: Dr. Masato Iwasaki, Mr. Gary John Pruden and Dr. Luann Marie Pendy
Compensation Committee: Messrs. Jimmy C. Beasley, David Robert Hale and Hiroshi Ishino
Audit Committee: Mr. Kohei Kan, Ms. Sachiko Ichikawa and Mr. Toshihiko Okubo

b. Executive Officers

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Director, Representative Executive Officer, President and Chief Executive Officer (CEO)	Bob White	October 10, 1962	See “1., a. Directors” above.	(Note 1)	193,305 [193,305] (Note 2)
Executive Officer and Chief Human Resources Officer (CHRO)	Simone Berger	June 12, 1978	December 2000 Joined Bayer Aktiengesellschaft October 2005 Manager, International Human Resources Asia/Pacific, Schaeffler Holding (China) Co., Ltd. January 2010 Senior Manager, Human Resources Asia/Pacific, Schaeffler (Singapore) Pte. Ltd. October 2011 Regional HR Manager Asia/Pacific, Voith Turbo Pte. Ltd. August 2012 Senior Vice President, Global Human Resources, Goodbaby International Holdings Limited December 2015 Managing Director, Goodbaby (Europe) GmbH & Co. KG January 2019 Chief People Officer, STADA Arzneimittel AG April 2021 Member of the STADA Arzneimittel AG Executive Board April 2026 Joined Olympus Europa SE & Co. KG Executive Officer and Chief Human Resources Officer, Olympus Corporation (present)	(Note 1)	– [–] (Note 2)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Executive Officer and Gastrointestinal Solutions Division Head	Keith William Boettiger	February 22, 1970	January 1999 Full-line Senior Sales Territory Manager, Johnson & Johnson March 2004 Territory Manager, St. Jude Medical, Inc. (currently Abbott Laboratories) April 2006 Regional Sales Director, Mid-Atlantic Region, St. Jude Medical, Inc. (currently Abbott Laboratories) June 2008 Vice President, Western Area Sales, St. Jude Medical, Inc. (currently Abbott Laboratories) January 2010 Vice President US Sales, Neuromodulation Division, St. Jude Medical, Inc. (currently Abbott Laboratories) January 2013 Division Vice President, Chronic Pain Therapies, Neuromodulation, St. Jude Medical, Inc. (currently Abbott Laboratories) June 2014 Senior Vice President & General Manager, Chronic Pain and Movement Disorder Therapies, St. Jude Medical, Inc. (currently Abbott Laboratories) January 2017 Division Vice President, Abbott Neuromodulation, Abbott Laboratories July 2017 Vice President Abbott & President Abbott Neuromodulation Division, Abbott Laboratories October 2021 Vice President Abbott & President Abbott Heart Failure Division, Abbott Laboratories	(Note 1)	141,843 [141,843] (Note 2)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
			April 2025 Joined Olympus Corporation of the Americas Corporate Officer and Gastrointestinal Solutions Division Co-Head, Olympus Corporation April 2026 Executive Officer and Gastrointestinal Solutions Division Head, Olympus Corporation (present)		

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Executive Officer and Chief Medical Officer (CMO)	John Manfred de Csepel	July 21, 1964	May 1995 Graduated from Georgetown University School of Medicine July 1995 General Surgery Resident, Mount Sinai School of Medicine July 2000 Laparoscopic Surgery Fellow, Mount Sinai School of Medicine October 2001 Chief, Division of Minimally Invasive Surgery, Saint Vincent's Hospital Assistant Professor of Surgery, New York Medical College June 2006 War Surgeon, Doctors Without Borders January 2007 Vice President, Medical Affairs, BARRX Medical (currently Medtronic plc) February 2013 Chief Medical Officer & Vice President, Surgical Innovations, Covidien plc. (currently Medtronic plc) May 2015 Trauma Surgeon, Mount Sinai Elmhurst Faculty Practice Clinical Instructor of Surgery, Mount Sinai School of Medicine (present) May 2018 Chief Medical Officer & Vice President, Minimally Invasive Therapies Group, Medtronic plc November 2020 Chief Medical Officer & Vice President, Americas Region, Medtronic plc October 2022 Chief Medical Officer & Vice President, Global Regions, Medtronic plc October 2023 Joined Olympus Corporation of the Americas Chief Medical Officer, Olympus Corporation	(Note 1)	59,748 [55,588] (Note 2)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
			October 2024 Executive Officer and Chief Medical Officer (CMO), Olympus Corporation (present)		

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Executive Officer, Chief Strategy Officer (CSO) and ESG Officer	Gabriela Castillo Kaynor	November 20, 1975	April 2000 Joined Johnson & Johnson May 2004 Business Unit Manager, Johnson & Johnson February 2007 Engineering Manager, Johnson & Johnson July 2008 R&D Director Monitoring & OR Products, SharpSafety, Covidien plc. (currently Cardinal Health, Inc.) February 2012 Director Program Management Office & Advanced Supplier Development, Covidien plc. (currently Cardinal Health, Inc.) February 2015 Director of Operations, Acclarent, Inc. April 2016 Joined Olympus Corporation of the Americas Executive Director Strategy Development & Portfolio Management, Olympus Corporation of the Americas July 2017 Vice President, Upstream Marketing & PMO, Olympus Corporation of the Americas April 2019 Senior Vice President, Global Portfolio Management, Strategy & PMO Therapeutic Solutions Division, Olympus Corporation April 2020 Global Division Head Therapeutic Solutions Division, Olympus Corporation April 2022 Corporate Officer, Olympus Corporation Director, Olympus Corporation of the Americas April 2023 Executive Officer and Therapeutic Solutions Division Head, Olympus Corporation	(Note 1)	83,965 [64,956] (Note 2)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
			April 2024 Executive Officer and Chief Strategy Officer (CSO), Olympus Corporation (present) Director, Olympus Corporation of Asia Pacific Limited November 2024 Chairperson, Olympus Corporation of the Americas April 2026 ESG Officer, Olympus Corporation (present)		

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Executive Officer and Surgical & Interventional Solutions Division Head	Seiji Kuramoto	August 4, 1964	April 1988 Joined Olympus Corporation April 2005 Vice President, Olympus Surgical & Industrial America Inc. (currently Olympus America Inc.) April 2008 Executive Director, Olympus America Inc. April 2009 General Manager of Marketing for Surgical, Olympus Medical Systems Corp. May 2013 General Manager of Product Planning, Sony Olympus Medical Solutions Inc. July 2017 Executive Vice President and Representative Director, Sony Olympus Medical Solutions Inc. April 2020 Senior Vice President, Endoscopic Solution GI Business Leader, Global, Olympus Corporation Senior Vice President, Endoscopic Solution Surgical Business Leader, Global, Olympus Corporation Director, Sony Olympus Medical Solutions Inc. April 2021 Therapeutic Solutions Division Co-Head, Olympus Corporation April 2022 Corporate Officer, Olympus Corporation April 2024 Executive Officer and Therapeutic Solutions Division Head, Olympus Corporation April 2025 Executive Officer and Surgical & Interventional Solutions, Olympus Corporation Director, Olympus (China) Co., Ltd.	(Note 1)	31,712 [19,558] (Note 2)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
			April 2026 Executive Officer and Surgical & Interventional Solutions Division Head (present)		

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Executive Officer and Chief Technology Officer (CTO)	Syed Mukarram Naveed	September 5, 1973	August 1996 Joined Indian Institute of Science September 2000 Joined Spectra Technologies Inc September 2003 Joined Boston Scientific Corporation January 2009 Program Manager & Principal Engineer, Boston Scientific Corporation June 2011 Senior R&D Program Manager, New Product Development, Boston Scientific Corporation September 2013 Head of Regional R&D, Endoscopy Business Unit, Boston Scientific Corporation January 2016 Head of Strategic Innovation Group (Endoscopy Business Unit), Boston Scientific Corporation October 2018 Senior Director R&D, Urology & Critical Care, Becton, Dickinson and Company December 2019 Worldwide Vice President R&D, Urology & Critical Care, Becton, Dickinson and Company December 2022 Joined Olympus Corporation of the Americas Senior Vice President, Single Use Endoscopy Development Head, Olympus Corporation February 2024 Senior Vice President, Single Use Treatment Device Development Head, Olympus Corporation April 2025 Executive Officer and Chief Technology Officer (CTO), Olympus Corporation (present)	(Note 1)	46,682 [43,694] (Note 2)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Executive Officer and Chief Financial Officer (CFO)	Michael Angelo Parenti	September 6, 1977	January 2001 Joined Johnson & Johnson at Ethicon Endo-Surgery May 2006 Finance Manager, Ethicon Endo-Surgery, Johnson & Johnson May 2008 Finance Manager, Depuy Orthopedics, Johnson & Johnson April 2010 Senior Finance Manager, Depuy Orthopedics, Johnson & Johnson September 2012 Finance Director, Merger and Acquisitions, Johnson & Johnson September 2015 Senior Finance Director, Johnson & Johnson and CFO, Johnson & Johnson China Ltd. August 2018 Vice President of Finance, Johnson & Johnson and CFO, Johnson & Johnson K.K. (Japan) February 2021 Vice President, Group CFO, MedSurg and NeuroTech, Stryker February 2026 Joined Olympus Corporation of the Americas April 2026 Executive Officer and Chief Financial Officer (CFO), Olympus Corporation (present)	(Note 1)	— [—] (Note 2)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Executive Officer and Chief Manufacturing and Supply Officer (CMSO)	David Michel Shan	July 27, 1970	February 2000 Manager, R&D Technical Service Europe and Plant Quality Manager, 3M COMPANY December 2002 Director, Quality & Safety, European Business Unit, Graham Packaging Company, L.P. May 2005 Director, Quality, Household, Chemical & Automotive Business Unit, Graham Packaging Company, L.P. February 2006 Senior Director, Global Quality, Graham Packaging Company, L.P. September 2007 Vice President, Global Operational Excellence, Graham Packaging Company, L.P. April 2010 Industrial Director, Manufacturing & Productivity, Europe, Bunge Limited January 2011 Group Vice President, Operations Perfumery and Operations Excellence, SGD Pharma September 2013 Chief Operating Officer, SGD Pharma October 2015 Vice President, Worldwide Pharmaceutical Systems Operations, Becton, Dickinson and Company October 2017 Senior Vice President, Worldwide Device Operations, Becton, Dickinson and Company May 2018 Senior Vice President, Global Supply Chain, Becton, Dickinson and Company March 2020 Executive Vice President & Chief Quality Officer, Becton, Dickinson and Company	(Note 1)	– [–] (Note 2)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
			February 2023 Executive Vice President & Chief Integrated Supply Chain Officer, Becton, Dickinson and Company April 2026 Joined Olympus Schweiz AG Executive Officer and Chief Manufacturing and Supply Officer (CMSO), Olympus Corporation (present)		
Executive Officer and Chief Quality Officer (CQO)	Boris Shkolnik	July 12, 1970	March 1993 Joined Cordis February 2003 Manager, Plant Quality Assurance, Cordis March 2005 Senior Director, Quality Management, Becton, Dickinson and Company August 2011 Worldwide Vice President, Quality Management, Becton, Dickinson and Company August 2019 Senior Vice President, Quality Management, Medical Segment, Becton, Dickinson and Company February 2022 Joined Olympus Corporation of the Americas Senior Vice President, Product Quality, Olympus Corporation April 2023 Global Functional Head of Quality, Olympus Corporation April 2024 Executive Officer and Chief Quality Officer (CQO), Olympus Corporation (present)	(Note 1)	76,110 [52,344] (Note 2)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Executive Officer and Global General Counsel	Neil Boyden Tanner	May 22, 1971	August 1997 Joined Pepper Hamilton and Scheetz (currently Troutman Pepper Hamilton Sanders LLP) November 1997 Registered as attorney of the Commonwealth of Pennsylvania December 1997 Registered as attorney of the State of New Jersey March 1999 Registered as attorney of the District of Columbia July 2001 Board of Directors (present) and Past President, British American Business Council of Greater Philadelphia June 2005 Associate General Counsel, International, Aramark December 2009 General Counsel, Cigna International Expatriate Benefits (currently Cigna Global Health Benefits), Cigna Corporation (currently The Cigna Group) December 2010 Acting Chief Compliance Officer International, Cigna Corporation (currently The Cigna Group) June 2012 Board of Trustees, Vice Chair, American University of Rome (present) January 2013 Eisenhower Fellow May 2014 Vice President, Chief Counsel for U.S. Business Law and Corporate Secretary, Cigna Corporation (currently The Cigna Group) November 2018 Senior Vice President, Chief Counsel for U.S. Business Law and Corporate Secretary, Cigna Corporation (currently The Cigna Group)	(Note 1)	94,200 [83,072] (Note 2)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
			December 2018 General Counsel, International Markets, Cigna Corporation (currently The Cigna Group)		
			January 2022 Senior Vice President and General Counsel for Strategy, Finance and International Markets, Cigna Corporation (currently The Cigna Group)		
			January 2024 Joined Olympus Corporation of the Americas		
			April 2024 Global General Counsel, Olympus Corporation		
			October 2024 Executive Officer, Global General Counsel, Olympus Corporation (present)		
Total					727,565 [654,360] (Note 2)

Notes: 1. The term of office shall be until March 31, 2027.

2. “Number of shares held” indicates the number of shares held as of March 31, 2026. It also includes the number of equity interest held by each director through a company managing stock compensation of Olympus Corporation and the number of shares to be delivered under the stock compensation plan.

3. Olympus Corporation has adopted a corporate officer system. The 8 corporate officers are as follows:

Corporate Officer	Masahito Goto
Corporate Officer	Kota Ishibiki
Corporate Officer	Hironobu Kawano
Corporate Officer	Hidenobu Kimura
Corporate Officer	Stephen Kneebone
Corporate Officer	Pedro Lazaro
Corporate Officer	Kanichi Matsumoto
Corporate Officer	Takeshi Ogura

2. Olympus Corporation has proposed the “Election of Eleven Directors” as an agenda item (matter to be resolved) at the General Meeting of Shareholders to be held on June 25, 2026, and if the proposal is approved and passed, the officers of Olympus Corporation will be as follows:

The details of the resolutions of the Board of Directors’ meeting scheduled to be held immediately after the General Meeting of Shareholders (such as positions) are included below.

Men officers: 17, women officers: 4 (19% of officers are women)

a. Directors

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Outside Director	Masato Iwasaki	November 6, 1958	See “1., a. Directors” above.	(Note 3)	7,830 [7,830] (Note 4)
Outside Director	David Robert Hale	December 21, 1984	See “1., a. Directors” above.	(Note 3)	— [—] (Note 4) (Note 5)
Outside Director	Jimmy C. Beasley	April 6, 1963	See “1., a. Directors” above.	(Note 3)	12,860 [7,213] (Note 4)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Outside Director	Sachiko Ichikawa	January 17, 1967	April 1997 Registered as attorney Joined Tanabe & Partners January 2005 Registered as attorney of the State of New York November 2009 Statutory Auditor, The Board Director Training Institute of Japan January 2011 Partner, Tanabe & Partners (present) June 2015 Outside Director, ANRITSU CORPORATION Director, The Board Director Training Institute of Japan April 2018 Registered as Certified Public Accountant of the U.S.A. May 2018 Outside Auditor, Ryohin Keikaku Co., Ltd. June 2020 Statutory Auditor, The Board Director Training Institute of Japan June 2021 Outside Director, Tokyo Electron Ltd. Outside Director, Olympus Corporation (present) June 2022 Director, The Board Director Training Institute of Japan (present) June 2024 Outside Director, Azbil Corporation (present) <Important concurrent positions> Partner, Tanabe & Partners Director, The Board Director Training Institute of Japan Outside Director, Azbil Corporation	(Note 3)	14,935 [14,935] (Note 4)
Outside Director	Kohei Kan	March 7, 1960	See “1., a. Directors” above.	(Note 3)	16,667 [13,628] (Note 4)
Outside Director	Gary John Pruden	May 10, 1961	See “1., a. Directors” above.	(Note 3)	11,512 [7,213] (Note 4)
Outside Director	Luann Marie Pendy	May 8, 1960	See “1., a. Directors” above.	(Note 3)	10,474 [7,213] (Note 4)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Outside Director	Hiroshi Ishino	April 10, 1951	See “1., a. Directors” above.	(Note 3)	4,729 [4,729] (Note 4)
Outside Director	Jean-Luc Butel	November 8, 1956	January 1998 Corporate Officer, President, Worldwide Consumer Healthcare, Becton, Dickinson and Company November 1999 President, Independence Technology, Johnson & Johnson August 2003 President, Medtronic Asia Pacific Headquarters May 2008 Corporate Officer, Executive Committee Member, Executive Vice President and Group President, International, Medtronic Inc. (currently Medtronic plc) January 2012 President, International, Baxter International Inc. July 2015 Global Healthcare Advisor, President, K8 Global Pte. Ltd. (present) June 2016 Outside Director, Takeda Pharmaceutical Company Limited September 2017 Outside Director, Novo Holdings A/S September 2021 Outside Director, Rani Therapeutics (present) April 2022 Outside Director, ICON Group (present) June 2026 Outside Director, Olympus Corporation (scheduled) <Important concurrent positions> Global Healthcare Advisor, President, K8 Global Pte. Ltd. Outside Director, Takeda Pharmaceutical Company Limited Outside Director, Rani Therapeutics Outside Director, ICON Group	(Note 3)	— [—] (Note 4)

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Outside Director	Costa Saroukos	April 15, 1971	July 2012 Executive Finance Director, EEMEA, Merck & Co. October 2013 Executive Finance Director, Greater China & Japan, Allergan Asia Limited September 2014 Vice President, Finance and Business Development, Asia Pacific (Including China & Japan), Allergan Asia Limited May 2015 Chief Financial Officer of the Europe and Canada Business Unit, Takeda Pharmaceutical Company Limited April 2018 Global Chief Financial Officer, Takeda Pharmaceutical Company Limited June 2019 Director, Takeda Pharmaceutical Company Limited September 2025 Chairperson, Director of the Board, Mitsubishi Tanabe Pharma Corporation (currently Tanabe Pharma Corporation) (present) December 2025 Independent Non-Executive Director, CSL Limited (present) June 2026 Outside Director, Olympus Corporation (scheduled) <Important concurrent positions> Chairperson, Director of the Board, Mitsubishi Tanabe Pharma Corporation (currently Tanabe Pharma Corporation) Independent Non-Executive Director, CSL Limited	(Note 3)	— [—] (Note 4)
Director, Representative Executive Officer, President and Chief Executive Officer (CEO)	Bob White	October 10, 1962	See “1., a. Directors” above.	(Note 3)	193,305 [193,305] (Note 4)
Total					272,312 [256,066] (Note 4)

- Notes:
1. Dr. Masato Iwasaki, Messrs. David Robert Hale and Jimmy C. Beasley, Ms. Sachiko Ichikawa, Messrs. Kohei Kan and Gary John Pruden, Dr. Luann Marie Pendy, Messrs. Hiroshi Ishino, Jean-Luc Butel and Costa Saroukos are outside directors.
 2. If Dr. Masato Iwasaki, Messrs. David Robert Hale and Jimmy C. Beasley, Ms. Sachiko Ichikawa, Messrs. Kohei Kan and Gary John Pruden and Dr. Luann Marie Pendy, Messrs. Hiroshi Ishino, Jean-Luc Butel and Costa Saroukos are elected as directors, Olympus Corporation plans to notify the Tokyo Stock Exchange, Inc. of their election as independent directors as stipulated in Rule 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange, Inc.
 3. The term of office shall expire upon the close of the General Meeting of Shareholders pertaining to the final business year ending within one (1) year after election at the General Meeting of Shareholders to be held on June 25, 2026.
 4. "Number of shares held" indicates the number of shares held as of March 31, 2026. It also includes the number of equity interest held by each director through a company managing stock compensation of Olympus Corporation and the number of shares to be delivered under the stock compensation plan.
 5. Mr. David Robert Hale is a Co-CEO of ValueAct Capital Management L.P. The number of shares of Olympus Corporation held by ValueAct Capital Master Fund, L.P. controlled by ValueAct Capital Management L.P. is 6,403,084 shares as of March 31, 2026. Since the share of voting rights held by the said company is less than 10%, Olympus Corporation plans to maintain his position as an independent director.
 6. Olympus Corporation is a company with a Nominating Committee, etc. The structure of the committees will be as follows:
Nominating Committee: Dr. Masato Iwasaki, Mr. Gary John Pruden and Dr. Luann Marie Pendy
Compensation Committee: Messrs. Jimmy C. Beasley, David Robert Hale and Hiroshi Ishino
Audit Committee: Mr. Kohei Kan, Ms. Sachiko Ichikawa and Messrs. Jean-Luc Butel and Costa Saroukos

b. Executive Officers

Position	Name	Date of birth	Profile	Term of office	Number of shares held (Of which, the number of shares to be delivered under the stock compensation plan) (Shares)
Director, Representative Executive Officer, President and Chief Executive Officer (CEO)	Bob White	October 10, 1962	See “1., a. Directors” above.	(Note 1)	193,305 [193,305] (Note 2)
Executive Officer and Chief Human Resources Officer (CHRO)	Simone Berger	June 12, 1978	See “1., b. Executive Officers” above.	(Note 1)	– [–] (Note 2)
Executive Officer and Gastrointestinal Solutions Division Head	Keith William Boettiger	February 22, 1970	See “1., b. Executive Officers” above.	(Note 1)	141,843 [141,843] (Note 2)
Executive Officer and Chief Medical Officer (CMO)	John Manfred de Csepel	July 21, 1964	See “1., b. Executive Officers” above.	(Note 1)	59,748 [55,588] (Note 2)
Executive Officer, Chief Strategy Officer (CSO) and ESG Officer	Gabriela Castillo Kaynor	November 20, 1975	See “1., b. Executive Officers” above.	(Note 1)	83,965 [64,956] (Note 2)
Executive Officer and Surgical & Interventional Solutions	Seiji Kuramoto	August 4, 1964	See “1., b. Executive Officers” above.	(Note 1)	31,712 [19,558] (Note 2)
Executive Officer and Chief Technology Officer (CTO)	Syed Mukarram Naveed	September 5, 1973	See “1., b. Executive Officers” above.	(Note 1)	46,682 [43,694] (Note 2)
Executive Officer and Chief Financial Officer (CFO)	Michael Angelo Parenti	September 6, 1977	See “1., b. Executive Officers” above.	(Note 1)	– [–] (Note 2)
Executive Officer and Chief Manufacturing and Supply Officer (CMSO)	David Michel Shan	July 27, 1970	See “1., b. Executive Officers” above.	(Note 1)	– [–] (Note 2)
Executive Officer and Chief Quality Officer (CQO)	Boris Shkolnik	July 12, 1970	See “1., b. Executive Officers” above.	(Note 1)	76,110 [52,344] (Note 2)
Executive Officer and Global General Counsel	Neil Boyden Tanner	May 22, 1971	See “1., b. Executive Officers” above.	(Note 1)	94,200 [83,072] (Note 2)
Total					727,565 [654,360] (Note 2)

Notes: 1. The term of office shall be until March 31, 2027.

2. “Number of shares held” indicates the number of shares held as of March 31, 2026. It also includes the number of equity interest held by each director through a company managing stock compensation of Olympus Corporation and the number of shares to be delivered under the stock compensation plan.

3. Olympus Corporation has adopted a corporate officer system. The 8 corporate officers are as follows:

Corporate Officer	Masahito Goto
Corporate Officer	Kota Ishibiki
Corporate Officer	Hironobu Kawano
Corporate Officer	Hidenobu Kimura
Corporate Officer	Stephen Kneebone
Corporate Officer	Pedro Lazaro
Corporate Officer	Kanichi Matsumoto
Corporate Officer	Takeshi Ogura

(ii) Outside Directors

Olympus Corporation has strengthened its corporate governance system by having the majority of its directors be independent outside directors, to reflect their objective viewpoints and wealth of experience and knowledge in its management. In addition, Olympus Corporation is a company with a Nominating Committee, etc. and the Nominating Committee, all of which are independent outside directors, determines the candidates for the Board of Directors.

1. The reasons for the appointment of the eight outside directors as of the filing date of this Annual Securities Report (June 18, 2026) are as follows:

There are no special interests between the outside directors and Olympus Corporation.
Olympus Corporation has designated all eight outside directors as independent directors.

Name	Reasons for appointment
Masato Iwasaki	Dr. Masato Iwasaki provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his extensive experience as a business manager at a global company in the healthcare industry and his global and extensive knowledge cultivated through his experience as an outside director at another company. In addition, he has participated in decisions on the contents of proposals regarding the election of directors and in deliberations on matters related to the appointment of executive officers from a broad perspective as a member of the Nominating Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.
David Robert Hale	Mr. David Robert Hale provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his diverse knowledge in global management cultivated through his extensive experience as a business manager at an investment company. In addition, he has participated in decisions on the compensation of directors and executive officers from a broad perspective as a member of the Compensation Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.
Jimmy C. Beasley	Mr. Jimmy C. Beasley provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his expert knowledge of the global healthcare business cultivated through his extensive management experience in the world's leading companies in the healthcare industry. In addition, he has facilitated discussions regarding the contents of compensation for directors and executive officers from a broad perspective as the Chairperson of the Compensation Committee. Furthermore, he has advised and monitored the development of the Olympus Group's QA & RA system as a member of the Quality Assurance and Regulatory Affairs (QA&RA) Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.

Name	Reasons for appointment
Sachiko Ichikawa	Ms. Sachiko Ichikawa provides advice and monitors the management of the Olympus Group from a position independent and objective and based on her global and highly specialized expertise cultivated through her extensive experience as an attorney (in Japan and New York, U.S.A.) and a certified public accountant in the U.S., as well as her experience as an outside director and an outside auditor at several other companies. In addition, she has promoted the audit of the execution of duties by directors and executive officers from a broad perspective as a member of the Audit Committee. Olympus Corporation has determined that she possesses a high level of insight, expertise and capabilities, and that she will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.
Kohei Kan	Mr. Kohei Kan provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his global and highly specialized expertise cultivated through his extensive experience as a certified public accountant, experience working abroad, experience as a person in charge of auditing and assurance business overseas and as a Chief Executive Officer at an auditing firm. In addition, he has facilitated the audit of the execution of duties by directors and executive officers from a broad perspective as the Chairperson of the Audit Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.
Gary John Pruden	Mr. Gary John Pruden provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his diverse knowledge in global management cultivated through his extensive experience as a business manager in the world's leading companies in the healthcare industry and his experience as an outside director at several other companies. In addition, he has participated in decisions on the contents of proposals regarding the election of directors and in deliberations on matters related to the appointment of executive officers from a broad perspective as a member of the Nominating Committee. Furthermore, he has advised and monitored the development of the Olympus Group's QA & RA system and facilitated deliberations as the Chairperson of the Quality Assurance and Regulatory Affairs (QA&RA) Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.
Luann Marie Pendy	Dr. Luann Marie Pendy provides advice and monitors the management of the Olympus Group from a position independent and objective and based on her global and highly specialized expertise cultivated through her extensive experience in the areas of Quality Assurance and Regulatory Affairs (QA&RA) at the world's leading companies in the healthcare industry and at several other companies, as well as her experience on quality-related committees. In addition, she has participated in decisions on the compensation of directors and executive officers from a broad perspective as a member of the Compensation Committee. Furthermore, she has advised and monitored the development of the Olympus Group's QA & RA system as a member of the Quality Assurance and Regulatory Affairs (QA&RA) Committee. Olympus Corporation has determined that she possesses a high level of insight, expertise and capabilities, and that she will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.

Name	Reasons for appointment
Hiroshi Ishino	Mr. Hiroshi Ishino has global and extensive knowledge cultivated through his experience in overseas business at a major trading company and as a business manager at a major manufacturer, where he promoted globalization and worked on reforming the mindset of employees, as well as through his experience as an outside director at another company. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.

2. Olympus Corporation has proposed the “Election of Eleven Directors” as an agenda item (matter to be resolved) at the General Meeting of Shareholders to be held on June 25, 2026, and the reasons for the election of the ten persons nominated as candidates for outside directors in the agenda are as follows:

There are no special interests between the candidates for outside directors and Olympus Corporation. If the candidates for outside directors are elected, Olympus Corporation plans to designate all ten outside directors as independent directors.

Name	Reasons for appointment
Masato Iwasaki	Dr. Masato Iwasaki provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his extensive experience as a business manager at a global company in the healthcare industry and his global and extensive knowledge cultivated through his experience as an outside director at other companies. In addition, he leads the Board of Directors as Chairperson of the Board and he has facilitated decisions on the contents of proposals regarding the election of directors and in deliberations on matters related to the appointment of executive officers from a broad perspective as the Chairperson of the Nominating Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.
David Robert Hale	Mr. David Robert Hale provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his diverse knowledge in global management cultivated through his extensive experience as a business manager at an investment company and his experience as an outside director at several other companies. In addition, he has participated in decisions on the compensation of directors and executive officers from a broad perspective as a member of the Compensation Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.

Name	Reasons for appointment
Jimmy C. Beasley	Mr. Jimmy C. Beasley provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his expert knowledge of the global healthcare business cultivated through his extensive management experience in the world's leading companies in the healthcare industry. In addition, he has facilitated discussions regarding the contents of compensation for directors and executive officers from a broad perspective as the Chairperson of the Compensation Committee. Furthermore, he has advised and monitored patient safety management, quality and product regulatory compliance, and research and development processes as a member of the Innovation & Safety (I&S) Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.
Sachiko Ichikawa	Ms. Sachiko Ichikawa provides advice and monitors the management of the Olympus Group from a position independent and objective and based on her global and highly specialized expertise cultivated through her extensive experience as an attorney (in Japan and New York, U.S.A.) and a certified public accountant in the U.S., as well as her experience as an outside director and an outside auditor at several other companies. In addition, she has promoted the audit of the execution of duties by directors and executive officers from a broad perspective as a member of the Audit Committee. Olympus Corporation has determined that she possesses a high level of insight, expertise and capabilities, and that she will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.
Kohei Kan	Mr. Kohei Kan provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his global and highly specialized expertise cultivated through his extensive experience as a certified public accountant, experience working abroad, experience as a person in charge of auditing and assurance business overseas and as a Chief Executive Officer at an auditing firm. In addition, he has facilitated the audit of the execution of duties by directors and executive officers from a broad perspective as the Chairperson of the Audit Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.
Gary John Pruden	Mr. Gary John Pruden provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his diverse knowledge in global management cultivated through his extensive experience as a business manager in the world's leading companies in the healthcare industry and his experience as an outside director at several other companies. In addition, he has participated in decisions on the contents of proposals regarding the election of directors and in deliberations on matters related to the appointment of executive officers from a broad perspective as a member of the Nominating Committee. Furthermore, he has advised and monitored patient safety management, quality and product regulatory compliance, and research and development processes, in addition to facilitating deliberations as the Chairperson of the Innovation & Safety (I&S) Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.

Name	Reasons for appointment
Luann Marie Pendy	Dr. Luann Marie Pendy provides advice and monitors the management of the Olympus Group from a position independent and objective and based on her global and highly specialized expertise cultivated through her extensive experience in the areas of Quality Assurance and Regulatory Affairs (QA&RA) at the world's leading companies in the healthcare industry and at several other companies, as well as her experience on quality-related committees. In addition, she has participated in decisions on the contents of proposals regarding the election of directors and in deliberations on matters related to the appointment of executive officers from a broad perspective as a member of the Nominating Committee. Furthermore, she has advised and monitored patient safety management, quality and product regulatory compliance, and research and development processes as a member of the Innovation & Safety (I&S) Committee. Olympus Corporation has determined that she possesses a high level of insight, expertise and capabilities, and that she will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.
Hiroshi Ishino	Mr. Hiroshi Ishino provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his diverse knowledge in global management cultivated through his extensive experience in overseas business at a major trading company and as a business manager at a major manufacturer and his experience as an outside director at several other companies. In addition, he has participated in decisions on the compensation of directors and executive officers from a broad perspective as a member of the Compensation Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.
Jean-Luc Butel	Mr. Jean-Luc Butel has global and extensive knowledge cultivated through his management experience at several global companies in the healthcare industry and his experience as an outside director at several other companies. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.
Costa Saroukos	Mr. Costa Saroukos has global and highly specialized expertise in addition to broad knowledge cultivated through his extensive experience as a Chief Financial Officer at several global companies in the healthcare industry and as a member of the Certified Practicing Accountant of Australia as well as his experience serving as a director at another company. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term.

To enable directors to fully fulfill the roles expected of them, Olympus Corporation has entered into limited liability agreements with directors (excluding executive directors, etc.), and indemnification agreements with all directors. Olympus Corporation has also entered into a directors and officers liability insurance agreement with an insurance company. Details are described in “(iii) Other Matters Related to Corporate Governance” in “(1) Overview of corporate governance.”

[Policy on Independence of Outside Directors]

Olympus Corporation has established its “Criteria for Independence of Outside Officers” as described below in order to clarify its policy on the independence of outside officers:

(Criteria for Independence of Outside Directors)

1. The outside director has not directly received, on average over the past three fiscal years, more than 10 million yen in remuneration or other assets (excluding remuneration from the Olympus Group as an officer) from Olympus Corporation and its subsidiaries (hereinafter collectively referred to as the “Olympus Group”). If the person is a consultant, accounting expert, or legal expert, the amount of remuneration or similar payments from the Olympus Group to the organization to which the person belongs is not more than 2% of the organization’s annual consolidated revenue.
2. The outside director has not, at present or during the past three years, served as an executive director, executive officer, corporate officer, or employee of a company that falls under any of the following categories:
 - 1) The amount of the transactions with the Olympus Group is more than 2% of the consolidated revenue of either party
 - 2) A major shareholder of Olympus Corporation (meaning a shareholder that directly or indirectly holds more than 10% of the total voting rights; the same shall apply hereinafter)
 - 3) The Olympus Group is a major shareholder of the relevant company
 - 4) The Olympus Group and the relevant company have a relationship in which they mutually dispatch and appoint directors
3. The outside director is not financially dependent on a person who falls under the categories of 1. or 2. above.
4. At present or at the time when the Board of Directors determines the content of the proposal for the General Meeting of Shareholders to appoint the candidate as an outside director, the outside director is not a spouse of, or a relative within the second degree of kinship of, a director, executive officer, corporate officer, or employee of the Olympus Group.
5. The outside director does not belong to an auditing firm that conducts statutory audits of the Olympus Group.
6. In addition to each of the above items, the outside director does not have any significant interest that casts doubt on his or her independence.

(iii) Cooperation between Monitoring or Auditing by Outside Directors and Internal Auditing, Audit Committee Auditing, and Accounting Auditing, and the Relationship with the Internal Control Division

Olympus Corporation is a company with a Nominating Committee, etc. Olympus Corporation’s outside directors, as members of the Board of Directors, decide important matters such as Basic Management Policy, as well as receiving reports on the status of activities from each committee and execution function, etc. Outside directors monitor the duties of directors and executive officers to ensure the sustainable growth and the medium- to long-term enhancement of the corporate value of the Olympus Group. The Audit Committee, which consists of members selected by the Board of Directors, works closely with the internal audit, the accounting auditor, and internal control functions, and regularly reports the status of its auditing activities to the Board of Directors. Details are provided under “(3) Audits.”

(3) Audits

(i) Audit Committee Audits

a. Organization, members and procedures of the Audit Committee

The Audit Committee consists of three members. The majority of members (two) are independent outside directors who are part-time Audit Committee members. The part-time Audit Committee members are Mr. Kohei Kan and Ms. Sachiko Ichikawa. The other member, Mr. Toshihiko Okubo, is a standing Audit Committee member. The Audit Committee is chaired by Mr. Kohei Kan, an independent outside director. Audit Committee member, Ms. Sachiko Ichikawa is a qualified attorney (in Japan and the State of New York, U.S.A.). In addition, Ms. Sachiko Ichikawa, as a U.S. certified public accountant, and Mr. Kohei Kan, as a Japanese certified public accountant, have considerable knowledge of finance and accounting. Mr. Kohei Kan has experience in finance and accounting as a Chief Executive Officer of an audit firm and a current Board Member of the International Federation of Accountants.

After the resolution of the Board of Directors meeting to be held immediately after the General Meeting of Shareholders scheduled for June 25, 2026, the Audit Committee is scheduled to consist of four members, all of whom will be independent outside directors who are part-time Audit Committee members.

(Role of Standing Audit Committee members)

Standing Audit Committee members collect information necessary for audits at Olympus Corporation and all global group companies. The information collected is shared with the Audit Committee and opinions are exchanged to form an audit opinion as the Audit Committee. In addition, while aiming for organizational audits, when the Audit Committee communicates directly and closely with the parties from whom they collect information, Standing Audit Committee members focus on promoting understanding by sharing the Audit Committee's key focal points in advance so that discussions with the Audit Committee members can be conducted efficiently and smoothly. Furthermore, Standing Audit Committee members work in coordination with the accounting auditor in giving instructions to and receiving reports from the Chief Internal Audit Officer (CIAO), as well as hearing reports from other functions. In addition, Standing Audit Committee members work to improve governance throughout the corporate group by reviewing important meeting materials and exchanging opinions with the Chief Executive Officer (CEO) and other executive officers.

(Role of part-time Audit Committee members)

Part-time Audit Committee members who are independent outside directors exchange opinions from a neutral and independent standpoint in light of the information shared by the Audit Committee and others, based on their professional expertise, to form an audit opinion as the Audit Committee. In addition, part-time Audit Committee members work in coordination with the accounting auditor in giving instructions to and receiving reports from the CIAO, hearing reports from the other functional divisions, reviewing the important meeting materials, and exchanging opinions with the executive officers.

(Staff to assist the Audit Committee)

Olympus Corporation has established the Office of Audit Committee and allocated one dedicated employee, who is independent from the execution function. This employee, together with other employees in the Corporate Secretary Department, assists the Audit Committee by drafting various documents, conducting research on governance matters under instructions from the Audit Committee, and by attending and providing supplemental opinions at hearings of reports from employees.

(Use of external experts)

The Audit Committee entered into an agreement with a legal advisor, who is independent from the execution function, in order to receive advice that will contribute to improving the quality of the Audit Committee's activities and legal support in the event of contingencies.

b. Status of the Audit Committee's activities

(Frequency of the Audit Committee meetings and attendance of each Audit Committee member)

During the current fiscal year, 10 meetings of the Audit Committee were held. The average time required for the Audit Committee meetings is three hours and 40 minutes per meeting. From the current fiscal year, in order to improve effectiveness and efficiency, the Audit Committee has revised its meeting format, such as focusing on resolution matters, and some reporting matters have been conducted as opinion exchange meetings. During the current fiscal year, six opinion exchange meetings were held.

The main agenda items of the Audit Committee and opinion exchange meetings are as follows:

Resolutions: The Audit Committee's audit plan and budget, appropriateness of the accounting auditor's audit methods and audit results, the accounting auditor's evaluation, reappointment of the accounting auditor, consent to the internal audit plan, the Audit Committee's audit report, selection of Selected Audit Committee members and Specified Audit Committee members, consent to remuneration to the accounting auditor's audit, revisions to the Audit Committee Secretariat Rules and the Audit Committee Document Management Rules, etc.

Reports: The performance of duties by executive officers, review results regarding business reports and annual securities reports by the Statutory Disclosure Review Council (an internal review council established to ensure consistency of statutory disclosure documents), summary of financial results and financial reports by the Chief Financial Officer (CFO), the accounting auditor's accounting audit plan, financial results review, interim review and accounting audit results on audits under the Companies Act and audits under the Financial Instruments and Exchange Act, J-SOX evaluation and internal audit results by the internal audit function, the status of activities by the Chief Compliance Officer (CCO), the status of development and operation of the Basic Policy on Internal Control pursuant to the Companies Act of Japan, etc.

The attendance of each Audit Committee member is as follows:

Position	Name	Attendance at meetings	Percentage
Audit Committee Chairperson (Independent Outside Director)	Kohei Kan	10 of 10	100%
Audit Committee Member (Independent Outside Director)	Sachiko Ichikawa	10 of 10	100%
Standing Audit Committee Member (Director)	Toshihiko Okubo	10 of 10	100%

(Specific considerations involving the Audit Committee)

The Audit Committee aims to conduct effective and efficient audits on a global level by directly verifying the suitability and validity of the execution of duties by directors and executive officers through exchanges of opinion with the CEO and other executive officers, etc., and by cooperating with internal control functions including the Global General Counsel (GGC), CFO, CIAO, and CCO in accordance with the organizational audit framework. The Audit Committee also determines the appropriateness of audits by the accounting auditor based on reports from the accounting auditor and through collaboration with the CFO. Furthermore, in the current fiscal year, the Audit Committee confirmed the status of sustainability initiatives and revised the reporting method to the Board of Directors in order to strengthen cooperation with the Board of Directors.

(Promote effectiveness and organizational audits of the internal audit function)

In order to ensure the effectiveness of the internal audit function, Olympus Corporation adopts a dual reporting line for the internal audit function to directly report to the CEO and Audit Committee. The Audit Committee gives consent to the internal audit plan, regularly receives reports on internal audit results, and confirms consistency with the points emphasized by the

Audit Committee. In addition, as necessary, the Audit Committee provides directions and confirms the effectiveness of the risk assessment, control, and monitoring processes performed under the direction of the executive officers.

(Risk items emphasized and hearings of reports from executive officers, etc.)

The Audit Committee requests reports from executive officers, etc., and directly hears such reports. The applicable executive officers, etc. and the reporting themes are selected in line with the risk items prioritized by the Audit Committee in its audit plan, and are reviewed as appropriate according to the circumstances during the fiscal year. In the current fiscal year, hearings were conducted mainly about the following risk items.

- (1) Status of response to product quality control
- (2) Progress of the global ERP development plan
- (3) Status of implementation of M&A governance
- (4) Status of operation of Enterprise Risk Management (ERM)
- (5) Status of response to cyber security
- (6) Appropriateness of the descriptions in disclosure documents

Regarding the “(1) Status of response to product quality control” listed in the above risk items, in June 2025, the U.S. Food and Drug Administration (FDA) published import alerts for certain medical devices manufactured at the company’s Aizu facility in Fukushima, Japan. This action has been preventing the import of the specified devices into the U.S. until further notice. In late 2025, the FDA conducted inspections at eight Olympus facilities in the U.S., Europe, and Japan, thereby providing an opportunity to review our ongoing operational and quality improvements since the receipt of the Warning Letters. As a result, we are actively working on responses to additional FDA observations. While observations are not a violation of law, if the FDA were to determine that the company’s efforts are insufficient, this could result in further regulatory actions. The Audit Committee will continue to monitor the FDA’s actions and the Company’s responses closely.

(Appropriateness of audits by the accounting auditor)

The Audit Committee confirms the status of the development and operation of the quality control system at the accounting auditor, Ernst & Young ShinNihon LLC, as well as the status of quality control and audit implementation in the accounting audit of the accounting auditor’s Olympus Corporation audit team. In addition, we confirmed the independence of the accounting auditor through the operation of obtaining prior consent regarding the engagement of non-assurance services including at affiliated companies. Furthermore, the Audit Committee focused on the global accounting audit system, audit quality, and the audit team’s global reach relative to the Ernst & Young (EY) Group, and determined the appropriateness of the accounting audit.

(Handling of competitive and conflict-of-interest transactions by directors and scandals)

The Audit Committee will respond appropriately to any issues that arise regarding competitive or conflict-of-interest transactions by directors and scandals.

(ii) Internal Audits

The internal audit function is overseen by the CIAO, who reports directly to the CEO, and manages the internal audit system globally for the entire Olympus Group and oversees internal audit operations. The scope of internal audits covers Olympus Corporation and Olympus Group companies. Internal audits are conducted according to an annual audit plan formulated on a risk basis, and include suggesting improvements to the auditee and following up on the status of such improvements. We also assess the development and operation of internal controls over financial reporting based on the Financial Instruments and Exchange Act.

In addition to having a dual reporting line that reports the status and results of internal audits and the results of the evaluation of the development and operation of internal controls regularly or as

appropriate to the CEO and Audit Committee, Olympus Corporation works closely with the accounting auditor by exchanging information on audit plans and audit results. To ensure the independence of internal audits, the internal audit department shall conduct internal audits independently from the organization being audited and in addition to not engaging in any business activities conducted by the organization being audited, the CEO shall obtain confirmation from the Audit Committee when appointing the CIAO. Furthermore, to ensure expertise in internal audits, Olympus Corporation has adopted a job rotation and on-the-job training system, and has developed a system to support the acquisition of internal audit-related qualifications and ongoing professional skill development. Currently (as of March 31, 2026), the internal audit function has 61 employees throughout the Olympus Group, including 13 certified public accountants (including accountants certified outside Japan), 21 Certified Internal Auditors, 11 Certified Information Systems Auditors, and four Certified Fraud Examiners (including duplicate qualification holders).

(iii) Accounting Audits

a. Name of auditing firm

Ernst & Young ShinNihon LLC

b. Continuous audit period

17 years

c. Engagement certified public accountants

Makoto Usui

Masanori Enomoto

Mitsuharu Konno

d. Other personnel engaged in assisting the audit

14 certified public accountants, 9 personnel who have passed the certified public accountant exam and 28 other personnel engage in assisting the accounting audit of Olympus Corporation.

e. Policy and reasons for selecting audit firm

The Audit Committee selects the accounting auditor in accordance with the accounting auditor selection criteria of Olympus Corporation after confirming whether any of the items of Article 340, Paragraph 1 of the Companies Act, which provides for the dismissal of the accounting auditor by the Audit Committee, applies to the accounting auditor, and whether there are any circumstances that affect the eligibility or credibility of the accounting auditor.

If the accounting auditor is recognized as falling under any of the items of Article 340, Paragraph 1 of the Companies Act, the Audit Committee will dismiss the accounting auditor with the unanimous consent of the Audit Committee members, if necessary. Furthermore, in addition to the above cases, the Audit Committee shall decide the details of the proposal to dismiss or not reappoint the accounting auditor to be submitted to the General Meeting of Shareholders if it is deemed that the audit at Olympus Corporation is not being conducted properly due to events occurring that affect the eligibility or credibility of the accounting auditor, if Olympus Corporation seeks to further improve audit quality, or if Olympus Corporation otherwise judges it necessary.

f. Evaluation of the audit firm by the Audit Committee

The Audit Committee establishes the Olympus Corporation's accounting auditor evaluation criteria based on the Practical Guidelines for Auditors Concerning the Evaluation of accounting auditors and the Establishment of Selection Criteria (Revised Edition), formulated by the Japan Audit & Supervisory Board Members Association, and confirms the quality control system, number of years of continuous engagement, appropriateness of audit quality and independence of Ernst & Young ShinNihon LLC's Olympus Corporation audit team, and the audit system at the entire EY Global, the group to which Ernst & Young ShinNihon LLC belongs. The content of the proposal for dismissal or non-reappointment of the accounting auditor to be submitted to

the General Meeting of Shareholders is determined based on the results of this evaluation. The Audit Committee deemed that reappointment was appropriate and did not submit such a proposal for the fiscal year ending March 31, 2027. The specific evaluation process is as follows:

Process	Timing	Main Implementation Details
Review and determination of evaluation items, etc. for the current fiscal year	August 2025	Evaluation items, evaluation timing and method of evaluation were decided.
Confirm quality control status as an audit firm	August 2025 to May 2026	Confirmed quality evaluations as a corporation by hearing explanations of the Audit Quality Report (December) and hearing the results of the quality control review by the Japanese Institute of Certified Public Accountants, etc. (May).
Confirm quality control status as an audit team	August 2025 to May 2026	Confirmed the results of the accounting audit plan and financial results review, interim review, audits under the Companies Act and audits under the Financial Instruments and Exchange Act from the audit team, and also confirmed the accounting auditor's assessment of the accounting function and internal audit function, etc.
Interim evaluation of the accounting auditor	November 2025	Evaluated each item. Also selected items to be implemented before the final evaluation.
Final evaluation of the accounting auditor and review of the appropriateness of the accounting auditor for reappointment	May 2026	Conducted a final evaluation of the accounting auditor and reviewed the appropriateness of reappointing the accounting auditor.

(iv) Audit Remuneration, etc.

a. Remuneration paid to the certified public accountants, etc.

Category	Previous fiscal year		Current fiscal year	
	Remuneration for auditing services (Millions of yen)	Remuneration for non-auditing services (Millions of yen)	Remuneration for auditing services (Millions of yen)	Remuneration for non-auditing services (Millions of yen)
Reporting company	231	2	247	19
Consolidated subsidiaries	42	—	40	—
Total	273	2	287	19

(Previous fiscal year)

Olympus Corporation commissions and pays certified public accountants, etc. to provide various advisory and other services, as non-auditing services.

(Current fiscal year)

Olympus Corporation commissions and pays certified public accountants, etc. to provide various advisory and other services, as non-auditing services.

- b. Remuneration paid to member firms belonging to the same network (EY) to which the certified public accountant, etc. belong (excluding a.)

Category	Previous fiscal year		Current fiscal year	
	Remuneration for auditing services (Millions of yen)	Remuneration for non-auditing services (Millions of yen)	Remuneration for auditing services (Millions of yen)	Remuneration for non-auditing services (Millions of yen)
Reporting company	–	196	–	22
Consolidated subsidiaries	1,150	28	1,141	27
Total	1,150	224	1,141	49

(Previous fiscal year)

Non-auditing services for Olympus Corporation and its consolidated subsidiaries include advisory and other services.

(Current fiscal year)

Non-auditing services for Olympus Corporation and its consolidated subsidiaries include advisory and other services.

- c. Other important details of remuneration for auditing service

(Previous fiscal year)

Not applicable.

(Current fiscal year)

Not applicable.

- d. Policy for determining audit remuneration

When determining audit remuneration for certified public accountants, etc., Olympus Corporation considers and discusses the appropriateness of the number of audit man-hours, etc., based on the details in the audit plan presented by the certified public accountants, etc., and determines the audit remuneration after obtaining the consent of Audit Committee, in accordance with Article 399 of the Companies Act.

- e. Reason for the Audit Committee consenting to the remuneration paid to the accounting auditor

The Audit Committee gave its consent for remuneration, etc. for the accounting auditor, in accordance with Article 399, Paragraph 1 of the Companies Act, after obtaining and verifying the necessary information, including the details in the accounting auditor's audit plan, the status of performance of the auditing work, and the basis for calculating the audit remuneration estimate.

(4) Compensation, etc., for Officers

Compensation for the Fiscal Year Ended March 2026

■ Policy for Determining the Amount or Calculation Method of Compensation for Officers, and Method of Determination

As a company with a nominating committee, etc., the Company has established a Compensation Committee composed of three or more members, a majority of whom are Independent Outside Directors. The Compensation Committee is chaired by an Independent Outside Director, thereby ensuring transparency and enabling compensation to be determined in a fair and appropriate manner. The Company's basic policy on officer compensation is to provide compensation commensurate with the responsibilities of each officer, while strongly encouraging officers to maintain an awareness of the need to "maximize corporate value and meet the expectations of various stakeholders." In accordance with this policy, the Compensation Committee determines the amount and other details of compensation for each Director and Executive Officer and reports such determinations to the Board of Directors.

■ Compensation for Directors Excluding Directors Who Concurrently Serve as Executive Officers

The Company has established the following key concepts for the design of Director compensation:

- a. Compensation Levels for Directors
 - The Company aims to provide competitive compensation levels that enable it to attract and retain highly qualified individuals and encourage Directors to actively participate in their activities as Directors of the Company. To this end, the Company targets competitive market levels in the respective places of residence of each Director.
 - If a Director offers to decline compensation, the Compensation Committee will review the matter and determine the appropriate treatment.
- b. Compensation Structure for Directors
 - Emphasizing the importance of aligning the interests of Directors with those of investors, the Company provides non-performance-linked share-based compensation, which is non-cash compensation, in addition to base salary.
 - The non-performance-linked share-based compensation consists of restricted stock units ("RSUs"). For Directors who are residents of Japan, the restrictions are lifted upon retirement. For Directors who are not residents of Japan, the timing and method for lifting restrictions are determined individually, in accordance with the general practices for share-based compensation in each applicable region.
 - For the fiscal year ended March 2026, the amount of share-based compensation was set at 8 million yen for Japan-market benchmarked Directors. For Directors benchmarked to non-Japan markets, in order to further promote share ownership in line with the stock ownership guidelines, the ratio of base salary to RSUs as a percentage of total compensation was changed from 83:17 to 75:25 from the fiscal year ended March 2026, and the amount of share-based compensation was set at US\$79,809.
 - The number of units granted is calculated based on the share price on the business day immediately preceding the date of appointment as Director, and, after vesting, the Company delivers the number of shares corresponding to the number of vested units.
 - The Chairperson of the Board of Directors receives a Chair allowance in addition to base salary.
 - The Chairpersons of the Nominating Committee, the Compensation Committee, the Audit Committee, and the Innovation & Safety Committee receive committee Chair allowances in addition to base salary.
 - Audit Committee members, excluding full-time Audit Committee members, receive an Audit Committee member allowance in addition to base salary. The amount of the Audit

Committee member allowance is equivalent to the difference between the Audit Committee member allowance and the Nominating Committee and Compensation Committee member allowances in the peer group.

- Innovation & Safety Committee members receive an Innovation & Safety Committee member allowance in addition to base salary.
- With respect to Directors who concurrently serve as Executive Officers, for Directors of Japanese origin, cash compensation for their management oversight function as Directors is paid as Director compensation, separately from Executive Officer compensation. For Directors who are not of Japanese origin, cash compensation for their management oversight function as Directors is included in Executive Officer compensation. In addition, because RSUs are provided as part of Executive Officer compensation for persons who concurrently serve as Executive Officers, RSUs are not provided as Director compensation.
- The total number of RSUs granted to Directors excluding Directors who concurrently serve as Executive Officers in the fiscal year ended March 2026 was 45,284 units.
- On March 25, 2026, the Compensation Committee determined a policy for Director compensation for the fiscal year ending March 2027 and thereafter, under which the Company will transition to globally unified and competitive compensation levels and structures that do not depend on the Directors' places of residence, in order to attract and retain highly qualified individuals with extensive international experience. This transition will be implemented in phases by the fiscal year ending March 2028.

■ Compensation for Executive Officers, Including Directors Who Concurrently Serve as Executive Officers

In order to achieve its management strategy and create corporate value, the Company believes it is essential to establish an Executive Officer compensation system that enables it to attract and retain diverse and highly qualified management talent and allows such talent to fully demonstrate their capabilities. Executive Officer compensation must also be designed in a manner that aligns with the interests of shareholders and ensures transparency and accountability. Based on these fundamental principles, the Company has established the following key concepts for the design of Executive Officer compensation:

1. Establish a stronger incentive program that is competitive among global medtech companies in order to attract and retain world-class talent.
2. Establish an incentive program that is aligned with the Company's management strategy.
3. Establish a program that emphasizes value creation by utilizing share-based compensation as long-term incentive compensation ("LTI").
4. Adopt a "hybrid approach" that takes into account both the global labor market and the domestic labor market of each Executive Officer's home country, and set compensation levels that correspond to the Company's stage of development as a global medtech company. This approach combines global market levels with home-country labor market levels.
5. Ensure sound management of incentives through a clawback policy and stock ownership guidelines.
6. Set targets that are challenging but achievable, thereby enhancing the motivation of Executive Officers.

a. Compensation Levels for Executive Officers

- Approach to Total Compensation

1. In light of the Company's basic policy on Executive Officer compensation to "adopt a hybrid approach that takes into account both the global labor market and the domestic labor market of each Executive Officer's home country, and set compensation levels that correspond to the Company's stage of development as a global medtech company," the Company determines the weighting of each compensation component with an emphasis on performance-linked cash compensation and share-based compensation, taking into account the total compensation levels of officers at global medtech companies.
2. The Company sets target market levels by taking into account factors such as the conditions of the labor market in each Executive Officer's home country, competitiveness in that labor market, and the roles and responsibilities of each Executive Officer. The Company then determines compensation after comprehensively comparing base salary, Total Cash Compensation ("TCC"),

and Total Direct Compensation (“TDC”). Compensation levels in each country’s labor market are reviewed using objective compensation survey data provided by third-party organizations.

Note: The Company reviews the appropriateness of the amount of Executive Officer compensation by reference to the pay ratio, which is the ratio of the CEO’s compensation to the median compensation of employees residing in Japan. The Company is also working to ensure continuity between the Executive Officer compensation system and the employee compensation system, including by providing share-based compensation to certain employees, including employees who are not residents of Japan.

b. Compensation Structure for Executive Officers

- Executive Officer compensation consists of a combination of base salary (“BS”), which is fixed compensation; short-term incentive compensation (“STI”), which is performance-linked cash compensation; and long-term incentive compensation (“LTI”), which is non-cash compensation.
- For Executive Officers who are not of Japanese origin, fringe benefits, severance pay and other benefits that are customary in their respective home countries are established on an individual basis.
- With an emphasis on achieving the Company’s management strategy to enhance corporate value and shareholder value over the medium to long term, and taking into account total compensation levels at global medtech companies, the Company has established the following ratios:

Chief Executive Officer	BS : STI : LTI=100 : 150 : 400
Executive Chairperson	BS : STI : LTI=100 : 125 : 300
Executive Officers	BS : STI : LTI=100 : 115 : 200

Note: The ratio for the Executive Chairperson in the table above represents the compensation mix by compensation type for the executive role and does not include compensation for the Director role.

- Long-term incentive compensation (“LTI”) consists of restricted stock units (“RSUs”), and performance share units (“PSUs”). The ratio of RSUs to PSUs was set at 40% RSUs and 60% PSUs in order to further promote the objective of rewarding Executive Officers for their contributions on achieving the Company’s long-term performance goals and encourage share ownership.

[Short-Term Incentive Compensation (“FY2026-STI”), as Performance-Linked Cash Compensation]

The performance indicators and calculation method for short-term incentive compensation for the fiscal year ended March 2026 (“FY2026-STI”) are as follows. The payment amount is determined by multiplying the target amount of STI by the aggregate payout rate for each performance indicator.

Performance Indicator	Weighting (Note 1)	Reason for selection	Method for Calculating Target Values and Payout Rates
Revenue	25%	To evaluate growth	(Note 2)
Operating Profit Margin	25%	To evaluate growth and efficiency	(Note 3)
Quality Target	30%	Because it is important to steadily implement long-term, strategic initiatives within each fiscal year	(Note 4)
Executive Officer Individual Targets	20%	To explicitly demonstrate that Executive Officers themselves lead by example in promoting the Company’s core values, particularly “IMPACT,” which means “taking accountability for results and delivering on commitments”	(Note 5)

Notes: 1. For the CEO and the Executive Chairperson, no individual Executive Officer goals are established. The weighting is 35% for revenue, 25% for operating profit margin, and 40% for the quality target.

2. Revenue

The payout rate for revenue is determined within a range of 0% to 200%. The reference payout rates are 50% for revenue of JPY 960.4 billion, 100% for revenue of JPY 999 billion, and 200% for revenue of JPY 1,026 billion. For results between these reference values, the payout rate is calculated proportionately based on the level of achievement. The exchange rates used for foreign exchange adjustments are JPY 145 to USD 1, JPY 161 to EUR 1, and JPY 19.9 to CNY 1.

3. Operating Profit Margin

The payout rate for operating profit margin is determined within a range of 0% to 200%. The reference payout rates are 50% for an operating profit margin of 16.3%, 100% for an operating profit margin of 17.5%, 120% for an operating profit margin of 20.0%, and 200% for an operating profit margin of 21.0% or higher. For results between these reference values, the payout rate is calculated proportionately based on the level of achievement. In calculating actual operating profit margin, adjustments are made by excluding other income and other expenses.

4. Quality Target

- The target values for STI compensation evaluation are the goals for key short-term initiatives to improve the root causes, or vulnerabilities, considered to exist in the QA&RA organizational structure, manufacturing processes, quality management system, and quality culture.
- In coordination with the Innovation & Safety Committee, which is composed of Outside Directors, the Compensation Committee assesses the appropriateness of the target values and achievement levels for compensation evaluation based on the completion of a wide range of implementation items for correcting nonconformities and improving the quality system.

5. Executive Officer Individual Targets

Individual Executive Officer goals consist of the specific results that each Executive Officer is required to achieve in the fiscal year ended March 2026.

The evaluation results are as follows.

Performance Indicator	Weighting	Target Value	Actual Result	Payout Rate
Revenue	25%	JPY 999 billion	JPY 962.8 billion	53.1%
Operating Profit Margin	25%	17.5%	14.2%	0%
Quality Target	30%	Achievement of Elevate Workstream deliverables, progress rate of corrective and preventive actions, adherence to complaint processing schedules, and contribution to new product schedules	Below target level	75.0%
Individual Executive Officer Goals	20%	Individually established	Achievement rate of 80%–103%	Average 95.5%

Based on the above results, the Compensation Committee calculated the aggregate payout rate for the CEO, the Executive Chairperson, and each Executive Officer. The aggregate payout rate for all performance indicators was 48.6% for the CEO and the Executive Chairperson, and 54.9% on average for the Executive Officers. The payment amount is determined by multiplying the target amount of short-term incentive compensation (“STI”) by the applicable payout rate.

[Long-Term Incentive Compensation (“LTI”) as Non-Cash Compensation]

<Restricted Stock Units (“RSUs”)>

RSUs are granted annually and have a three-year vesting period. RSUs represent 40% of the target amount of LTI for the relevant fiscal year granted. Each year, one-third of the shares corresponding to RSU award will vest.

The RSUs granted in the fiscal year ended March 2026 (“FY2026-RSUs”) are as follows.

(Grant Date and Number of Units Granted)

- The grant date was April 1, 2025.
- The share price used for the calculation was the closing price of the Company’s common shares on the business day immediately preceding the grant date.
- The exchange rate applied was the average Telegraphic Transfer Middle Rate (“TTM”), quoted by Mitsubishi UFJ Research and Consulting Co., Ltd. during the fiscal year immediately preceding the grant date.

- The aggregate base salary of the Executive Officers used as the basis for the grant was JPY 754,129,894, and the total number of RSU units granted was 325,675 units.

(Vesting)

- Each year from the grant date, one-third of RSUs vest upon confirmation by the Compensation Committee, and the Company delivers the number of shares corresponding to such vested RSUs.
- If an Executive Officer retires or otherwise leaves office, unvested units held at the time of departure are treated as follows:
 - (1) Except where the reason for departure falls under item (2) or (3) below, the Company will acquire the RSUs held at the time of departure without consideration.
 - (2) If an Executive Officer leaves office for a legitimate reason recognized by the Compensation Committee, the number of RSUs held at the time of departure will be prorated based on the number of months of service, including the month of departure, and the corresponding number of shares will be delivered by resolution of the Compensation Committee.
 - (3) Notwithstanding item (2) above, if the reason for departure falls under “retirement” as defined in the compensation regulations, the number of shares corresponding to all RSUs held at the time of departure will be delivered by resolution of the Compensation Committee, provided that the requirements separately established by the Compensation Committee are satisfied.
- As a general rule, vesting of units that are unvested at the time of departure will be resolved by the Compensation Committee after the announcement of financial results following the first anniversary of the departure.
- If the treatment is specified in an individual agreement with an Executive Officer, the units will vest and shares will be delivered in accordance with the terms of such individual agreement.

<Performance Share Units (“PSUs”)>

Performance share units (“PSUs”), granted annually are share-based compensation under which shares are delivered based on the level of achievement of performance indicators predetermined for the performance evaluation period, as assessed at the end of such period. PSUs are determined based on the Company’s compensation philosophy of “establishing an incentive program aligned with management strategy,” while also taking into account the business environment.

The performance share units for which the performance evaluation period begins in the fiscal year ended March 2024 and ends in the fiscal year ended March 2026 (“FY2024-PSUs”) are as follows.

(Grant Date and Number of Units Granted)

- The grant date was April 1, 2023.
- The share price used for the calculation was the closing price of the Company’s common shares on the business day immediately preceding the grant date.
- The exchange rate applied was the average Telegraphic Transfer Middle Rate (“TTM”), quoted by Mitsubishi UFJ Research and Consulting Co., Ltd. during the fiscal year immediately preceding the grant date.
- The aggregate base salary of the Executive Officers used as the basis for the grant was JPY 729,935,769, and the total number of PSU units granted was 433,648 units.

(Vesting)

- Three years after the PSU grant date, the Company evaluates the level of achievement of the predetermined performance indicators. The payout of PSUs are calculated based on the level of performance achievement upon confirmation by the Compensation Committee, and the Company delivers the number of shares corresponding to such earned units.

The PSU performance indicators and calculation method are as follows.

Performance Indicator	Weighting	Reason for Selection	Method for Calculating Payout Rates
EPS Growth Rate	20%	Per the management strategy covering fiscal years ended March 2024 through March 2026, the Company focused on both growth and profitability in the new stage of “Shift to Grow” and identified EPS growth rate as one of its financial guidance metrics	Note 1
Relative TSR	40%	The Company determined that relative TSR is an appropriate indicator for evaluating corporate value and shareholder value	Note 2
Quality Target	30%	Important to steadily implement long-term, strategic initiatives within each fiscal year	Note 3
ESG	10%	ESG forms the foundation of corporate management and aligned with objectives in the Company’s management strategy	Note 4

Notes: 1. EPS Growth Rate

The payout rate for EPS growth rate is determined within a range of 0% to 200% based on the average annual EPS growth rate for each fiscal year from the fiscal year ended March 2024 through the fiscal year ended March 2026. The reference payout rates are 0% for an EPS growth rate of 1% or lower, 100% for an EPS growth rate of approximately 8%, and 200% for an EPS growth rate of 15% or higher. For results between these reference values, the payout rate is calculated proportionately based on the level of achievement. In calculating the growth rate, adjustments are made by excluding other income and other expenses and adjusting the tax rate.

2. Relative TSR

The payout rate for relative TSR is determined within a range of 0% to 200% based on the Company’s TSR ranking compared to a custom peer group. The reference payout rates are 50% at the 25th percentile level, 100% at the 50th percentile level, and 200% at the 75th percentile level or higher. For results between these reference values, the payout rate is calculated proportionately based on the level of achievement. If the Company’s TSR ranking is below the 25th percentile level, the payout rate is 0%.

3. Quality Target

- 1) The target values for PSU compensation evaluation are the goals for key medium- to long-term initiatives to improve the root causes, or vulnerabilities, considered to exist in the QARA organizational structure, manufacturing processes, quality management system, and quality culture of the medical business.
- 2) In coordination with the Innovation & Safety Committee, which is composed of Outside Directors, the Compensation Committee assesses the appropriateness of the target values and achievement levels for compensation evaluation.

4. ESG

The payout rate for ESG is determined based on the Dow Jones Sustainability Index (“DJSI Index”) for each fiscal year during the evaluation period.

The evaluation results are as follows.

Performance Indicator	Weighting	Target for 100% Payout	Result	Payout Rate
EPS Growth Rate	20%	8% on an adjusted basis	Note 1	12.9%
Relative TSR	40%	50th percentile of peer group	Below the 25th percentile	0%
Quality Target	30%	Level of achievement of the quality goal	Below goal level	85.0%
ESG	10%	DJSI Index	Note 2	200.0%

Notes: 1. The results for the adjusted EPS growth rate for each fiscal year are as follows.

Fiscal year	Result
Fiscal year ended March 2024	-12.7%
Fiscal year ended March 2025	39.9%
Fiscal year ended March 2026	-21.4%

2. The results for the DJSI Index for each fiscal year are as follows.

Fiscal year	Result
Fiscal year ended March 2024	World
Fiscal year ended March 2025	World
Fiscal year ended March 2026	World

Based on the above results, the Compensation Committee calculated the payout rate, and the aggregate payout rate for all performance indicators was 48.1%. The number of shares to be delivered is calculated by multiplying the number of PSU units granted to each Executive Officer by this payout rate.

■ Compensation Risk Management

<Stock Ownership Guidelines>

a. Directors

Residents of Japan	No stock ownership guidelines have been established for Directors who are residents of Japan because all RSUs vest upon retirement.
Non-Residents of Japan	Directors who are not residents of Japan are required to hold shares with a value equal to at least one times their base salary (“BS”). This level is expected to be achieved approximately five years after appointment. However, this five-year period does not take into account the impact of sales under a pre-arranged share sale plan for tax payment purposes.

b. Executive Officers

For the purpose of aligning the interests of shareholders and management, namely Executive Officers, the Company has established stock ownership guidelines requiring Executive Officers to hold shares with a value equal to at least five times their base salary (“BS”). Although achievement of the stock ownership guidelines may vary depending on the level of achievement of the performance share units (“PSUs”), this level is generally expected to be achieved approximately five years after appointment.

<Clawback Provisions>

The Company has established clawback provisions for the purpose of deterring reckless investments, fraudulent accounting, material compliance violations, and similar conduct by management, namely Executive Officers. The clawback provisions apply to short-term incentive compensation (“STI”), and long-term incentive compensation (“LTI”), of Executive Officers. If any of the following events occurs, the Company may require the return of all or part of the compensation already paid:

- a. An event in which doubts arise as to the accuracy of the financial statements of the Company or the Company group, resulting in a correction of prior-period financial results relating to the Company’s consolidated financial statements and requiring an amendment to a filed Securities Report;

- b. An event in which compensation was increased due to a temporary increase in sales resulting from excessive M&A or similar actions based on decisions made by an Executive Officer, and significant losses subsequently occurred;
- c. A material violation by an Executive Officer of the Olympus Global Code of Conduct that damages corporate value; or
- d. An event in which an Executive Officer is found to have materially violated laws or regulations, internal rules, or an agreement entered into with the Company.

The final determination as to whether to apply the clawback provisions to an individual event is made by the Compensation Committee and reported to the Board of Directors.

■ Total Amount of Compensation for Directors and Executive Officers

Officer Classification		Total amount of remuneration (in millions of yen)	Total remuneration by type (in millions of yen)				No. of subject officers (Persons)
			Base salary	Performance-linked monetary compensation	Non-monetary compensation	Other	
Director	Inside	1,145	356	290	357	140	4
	Outside	225	186	–	39	–	12
	Sub-Total	1,370	543	290	397	140	16
Executive Officer		3,239	1,036	650	661	892	16

- Notes: 1. “Base Salary” represents the amounts paid during the fiscal year ended March 2026. “Performance-Linked Cash Compensation,” which represents short-term incentive compensation (“STI”), and “Non-Cash Compensation,” which represents long-term incentive compensation (“LTI”), consisting of restricted stock units (“RSUs”), and performance share units (“PSUs”), are the amounts to be expensed for the fiscal year ended March 2026. “Other” includes amounts accrued in the fiscal year ended March 2026 as expenses to be incurred in the fiscal year ending March 2027 and thereafter in relation to Executive Officers, including Executive Officers who concurrently served as Directors, who retired or otherwise left office during the fiscal year ended March 2026.
2. In addition to the 16 Executive Officers shown above, there were two Executive Officers who concurrently served as Directors. The compensation for these two individuals is included in the compensation for Inside Directors.
3. The Company does not provide performance-linked compensation, consisting of performance-linked cash compensation and performance share units (“PSUs”), to Directors who do not concurrently serve as Executive Officers.
4. For Executive Officers who have employment agreements with overseas subsidiaries or affiliates, the Company provides allowances and benefits, or amounts equivalent thereto, under such employment agreements. These amounts are included in “Base Salary” in the table above. In addition, for individuals who were employed by overseas subsidiaries or affiliates while serving as Executive Officers of the Company and performed their executive duties primarily while residing in Japan, the Company makes necessary tax adjustments with respect to income tax in order to maintain consistency in tax burden with residents of the relevant country. Taxes and other amounts arising from this treatment are also included in “Base Salary” in the table above.
5. The table above includes one Inside Director and one Outside Director who retired at the conclusion of the Annual General Meeting of Shareholders for the fiscal year ended March 2023 held on June 27, 2023; three Outside Directors who retired at the conclusion of the Annual General Meeting of Shareholders for the fiscal year ended March 2024 held on June 26, 2024; and one Outside Director who retired at the conclusion of the Annual General Meeting of Shareholders for the fiscal year ended March 2025 held on June 26, 2025. With respect to Executive Officers, the table also includes five individuals who retired or otherwise left office before the fiscal year ended March 2026.
6. One Outside Director offered to decline compensation, and the Compensation Committee determined not to pay compensation to such Outside Director. Accordingly, such Outside Director is not included in the number of Outside Directors shown above.
7. A refund of expenses related to income tax adjustments in the amount of 550 million yen for an Executive Officer who concurrently served as a Director and retired by resignation effective October 28, 2024 is not included in the compensation shown in the table above.

■ Total Amount of Compensation, etc. for Persons Whose Total Compensation, etc. Is 100 Million Yen or More

Name	Officer classification	Total amount of remuneration (Millions of yen)	Total amount of remuneration by type (Millions of yen)			
			Base salary	Performance-linked monetary compensation	Non-monetary compensation	Other
Yasuo Takeuchi	Director, Executive Officer	387	92	81	74	140 (Notes 4)
Bob White	Director, Executive Officer	731	233 (Notes 2, 3)	210	288	–
John de Csepel	Executive Officer	291	112 (Notes 2)	90	89	–
Frank Drewalowski	Executive Officer	994	279 (Notes 2, 3)	115	157	443 (Notes 4)
Tatsuya Izumi	Executive Officer	122	30	28	28	36 (Notes 4)
Gabriela Castillo Kaynor	Executive Officer	264	107 (Notes 2)	85	73	–
Tetsuo Kobayashi	Executive Officer	130	35	32	22	42 (Notes 4)
Syed Naveed	Executive Officer	302	156 (Notes 2, 3)	85	61	–
Shigeto Ohtsuki	Executive Officer	112	29	27	22	35 (Notes 4)
Boris Shkolnik	Executive Officer	245	98 (Notes 2)	75	72	–
Neil Boyden Tanner	Executive Officer	299	111 (Notes 2)	87	100	–
Andre Heribert Roggan	Executive Officer	336	–	–	–	336 (Notes 5)

- Notes: 1. “Base Salary” in the table above represents the amounts paid during the fiscal year ended March 2026. “Performance-Linked Monetary Compensation” represents the amount expended for the fiscal year ended March 2026 with respect to short-term incentive compensation (“STI”), for which the fiscal year ended March 2026 was the performance evaluation period. “Non-Monetary Compensation” represents the amount expended for the fiscal year ended March 2026 with respect to long-term incentive compensation (“LTI”), consisting of restricted stock units (“RSUs”), and performance share units (“PSUs”), for which the fiscal year ended March 2026 was included in the performance evaluation period.
2. Bob White, John de Csepel, Frank Drewalowski, Gabriela Castillo Kaynor, Syed Naveed, Boris Shkolnik, and Neil Boyden Tanner have employment agreements with overseas subsidiaries or affiliates. Allowances and benefits, or amounts equivalent thereto, provided under such employment agreements are included in “Base Salary” for each individual in the table above.
3. Bob White, Frank Drewalowski, and Syed Naveed were employed by overseas subsidiaries or affiliates while serving as Executive Officers of the Company and performed their executive duties primarily while residing in Japan. The Company makes necessary tax adjustments with respect to income tax for each of these individuals in order to maintain consistency in tax burden with residents of the relevant country. Taxes and other amounts arising from this treatment are also included in “Base Salary” for each individual in the table above.
4. With respect to Yasuo Takeuchi, Frank Drewalowski, Tatsuya Izumi, Tetsuo Kobayashi, and Shigeto Ohtsuki, who retired as Executive Officers effective March 31, 2026, expenses to be incurred in the fiscal year ending March 2027 and thereafter were accrued in the fiscal year ended March 2026, and such amounts are presented in “Other” for each individual in the table above.
5. With respect to Andre Heribert Roggan, who retired as an Executive Officer in the fiscal year ended March 2025, expenses incurred in the fiscal year ended March 2026 are presented in “Other” for him in the table above.

■ Overview and Activities of the Compensation Committee

The composition of the Compensation Committee is as follows.

- From April 2025 to the General Meeting of Shareholders in June 2025

Chairperson	Jimmy C. Beasley (Independent Outside Director)
Member	David Robert Hale (Independent Outside Director)
Member	Luann Marie Pendy (Independent Outside Director)
Member	Yasuo Takeuchi (Director)

- After the General Meeting of Shareholders in June 2025

Chairperson	Jimmy C. Beasley (Independent Outside Director)
Member	David Robert Hale (Independent Outside Director)
Member	Hiroshi Ishino (Independent Outside Director)

The matters to be resolved or deliberated by the Compensation Committee are as follows:

- The policy for determining the individual compensation of Directors and Executive Officers;
- The types of compensation to be paid to Directors and Executive Officers by position, the composition ratio of each type of compensation, and the performance indicators for performance-linked compensation;
- The details of individual compensation for Directors and Executive Officers;
- The individual amounts of fixed amount compensation, the individual calculation methods for variable compensation, and the specific details of non-cash compensation for each individual;
- Matters relating to the compensation regulations for Directors and Executive Officers; and
- Matters concerning compensation for Directors and Executive Officers that are referred to the Compensation Committee by the Board of Directors, and matters that the Compensation Committee deems necessary.

The activities of the Compensation Committee in the process of determining the amount of compensation for the Company's officers for the fiscal year ended March 2026 were as follows:

- The Compensation Committee met nine times, for a total of 11 hours.
- All committee members attended all meetings.

The specific activities of the Compensation Committee for the fiscal year ended March 2026 are shown in the table below.

	Date of meeting	Agenda
66th	April 25, 2025	1. Report on FY2025-STI (Quality Target) Results Review (resolution) 2. FY2026-LTI (RSU and PSU) grant units (resolution) 3. Proposal on New CEO Compensation (resolution)
67th	May 14, 2025	1. FY2025-STI results review and determination of payment amounts (resolution) 2. FY2023-PSU results review and determination of payout rate (resolution)
68th	May 16, 2025	1. FY2026-STI Payout Curves (resolution) 2. FY2026-PSU (Relative TSR and Quality Target) Payout Curves (resolution)
69th	June 27, 2025	1. Vesting of stock compensation (RSUs) for retired Directors and Directors who are not residents of Japan (resolution) 2. Vesting of stock compensation (RSUs and PSUs) for Executive Officers (resolution) 3. Monthly individual compensation and determination of the number of units for stock compensation for Directors (resolution)
70th	August 6, 2025	1. FY2026-STI (Quality Target) Payout Curves (resolution)
71st	September 24, 2025	1. Proposal on New Executive Officer Candidate's Compensation (resolution) 2. Proposal on FY2027 Executive Officer Compensation Philosophy (resolution)

	Date of meeting	Agenda
		3. Proposal on Officer Compensation Peer Group Review (resolution)
72nd	December 12, 2025	1. Report on FY2027 Director Compensation (discussion) 2. Report on FY2027 Executive Officer Compensation (discussion) 3. Report on equity treatment upon various termination events for Executive Officers (discussion)
73rd	February 10, 2026	1. Report on FY2027-STI/PSU Index Composition (discussion) 2. Report on FY2027 Director Compensation (discussion) 3. Report on FY2027 Executive Officer Compensation (discussion) 4. Report on Proposed Revision to Executive Officer LTI Regulations (discussion)
74th	March 25, 2026	1. Proposal on FY2027 Director Compensation (resolution) 2. Proposal on FY2027 Executive Officer Compensation (resolution) 3. Proposal on FY2027-STI and PSU Index Composition (resolution) 4. Proposal on Revision to Executive Officer LTI Regulations (discussion)

Notes: FY2023: Fiscal Year Ended March 31, 2023

FY2024: Fiscal Year Ended March 31, 2024

FY2025: Fiscal Year Ended March 31, 2025

FY2026: Fiscal Year Ended March 31, 2026

FY2027: Fiscal Year Ending March 31, 2027

FY2025-STI: Short-term incentive compensation for the fiscal year ended March 31, 2025

FY2026-STI: Short-term incentive compensation for the fiscal year ended March 31, 2026

FY2027-STI: Short-term incentive compensation for the fiscal year ending March 31, 2027

FY2023-PSU: Performance-linked stock compensation covering the period from the fiscal year ended March 31, 2023 to the fiscal year ended March 31, 2025

FY2024-PSU: Performance-linked stock compensation covering the period from the fiscal year ended March 31, 2024 to the fiscal year ended March 31, 2026

FY2025-PSU: Performance-linked stock compensation covering the period from the fiscal year ended March 31, 2025 to the fiscal year ending March 31, 2027

FY2026-PSU: Performance-linked stock compensation covering the period from the fiscal year ended March 31, 2026 to the fiscal year ending March 31, 2028

FY2027-PSU: Performance-linked stock compensation covering the period from the fiscal year ending March 31, 2027 to the fiscal year ending March 31, 2029

FY2026-LTI: Long-term incentive compensation covering the period from the fiscal year ended March 31, 2026 to the fiscal year ending March 31, 2028

■ Reasons Why the Compensation Committee Determined That the Details of Individual Compensation for Directors and Executive Officers Are Consistent with the Determination Policy

The Compensation Committee determined the details of compensation for the fiscal year ended March 2026 after deliberating on matters including the details of individual compensation for Directors and Executive Officers, the consistency of the application of the determination policy, and the reasonableness of the resulting compensation determinations. Accordingly, the Compensation Committee determined that such details are consistent with the determination policy. In addition, the Compensation Committee received and used market data and guidance from Pay Governance LLC, an independent compensation consultant, to understand competitive compensation levels and practices. The Compensation Committee also received advice from Pay Governance LLC on all material matters relating to compensation for Directors and Executive Officers.

■ Policy for Determining the Amount or Calculation Method of Compensation for Officers, and Method of Determination

As a company with a nominating committee, etc., the Company has established a Compensation Committee composed of three or more members, a majority of whom are Independent Outside Directors. The Compensation Committee is chaired by an Independent Outside Director, thereby ensuring transparency and enabling compensation to be determined in a fair and appropriate manner. The Company's basic policy on officer compensation is to provide compensation commensurate with the responsibilities of each officer, while strongly encouraging officers to maintain an awareness of the need to "maximize corporate value and meet the expectations of various stakeholders." In accordance with this policy, the Compensation Committee determines the amount and other details of compensation for each Director and Executive Officer and reports such determinations to the Board of Directors.

■ Compensation for Directors Excluding Directors Who Concurrently Serve as Executive Officers

The Company has established the following key concepts for the design of Director compensation:

- a. Compensation Levels for Directors
 - In order to attract and retain highly qualified individuals with extensive international experience, the Company will transition, in phases by the fiscal year ending March 2028, to globally unified and competitive compensation levels and structures that do not depend on the Directors' places of residence.
 - If a Director offers to decline compensation, the Compensation Committee will review the matter and determine the appropriate treatment.
- b. Compensation Structure for Directors
 - Emphasizing the importance of aligning the interests of Directors with those of investors, the Company provides non-performance-linked share-based compensation, which is non-cash compensation, in addition to cash retainer.
 - The non-performance-linked share-based compensation consists of restricted stock units ("RSUs"). For Directors who are residents of Japan, the restrictions are lifted upon retirement. For Directors who are not residents of Japan, the timing and method for lifting restrictions are determined individually, in accordance with the general practices for share-based compensation in each applicable region.
 - For the fiscal year ending March 2027, share-based compensation is set at JPY 8 million for Directors benchmarked to Japan-market compensation levels. For Directors benchmarked to non-Japan-market compensation levels, in order to further promote share ownership in line with the stock ownership guidelines, the ratio of cash retainer to RSUs as a percentage of total compensation is changed from 75:25 to 70:30, and the amount of share-based compensation is set at US\$97,000.
 - The number of units granted is calculated based on the share price on the business day immediately preceding the date of appointment as Director, and, after vesting, the Company delivers the number of shares corresponding to the number of vested units.
 - The Chairperson of the Board of Directors receives a Chair allowance in addition to cash retainer.
 - The Chairpersons of the Nominating Committee, the Compensation Committee, the Audit Committee, and the Innovation & Safety Committee receive committee Chair allowances in addition to cash retainer.
 - Audit Committee members receive an Audit Committee member allowance in addition to cash retainer.

- Innovation & Safety Committee members receive an Innovation & Safety Committee member allowance in addition to cash retainer.
- With respect to Directors who concurrently serve as Executive Officers, cash compensation for their management oversight function as Directors is included in Executive Officer compensation. In addition, because RSUs are provided as part of Executive Officer compensation for persons who concurrently serve as Executive Officers, RSUs are not provided as Director compensation.

■ Compensation for Executive Officers, Including Directors Who Concurrently Serve as Executive Officers

In order to achieve its management strategy and create corporate value, the Company believes it is essential to establish an Executive Officer compensation system that enables it to attract and retain diverse and highly qualified management talent and allows such talent to fully demonstrate their capabilities. Executive Officer compensation must also be designed in a manner that aligns with the interests of shareholders and ensures transparency and accountability. Based on these fundamental principles, the Company has established the following key concepts for the design of Executive Officer compensation:

1. Establish a stronger incentive program that is competitive among global medtech companies in order to attract and retain world-class talent.
2. Establish an incentive program that is aligned with the Company's management strategy.
3. Establish a program that emphasizes value creation by utilizing share-based compensation as long-term incentive compensation ("LTI").
4. Adopt a "hybrid approach" that takes into account both the global labor market and the domestic labor market of each Executive Officer's home country, and set compensation levels that correspond to the Company's stage of development as a global medtech company. This approach combines global market levels with home-country labor market levels.
5. Ensure sound management of incentives by introducing a clawback policy and stock ownership guidelines.
6. Set targets that are challenging but achievable, thereby enhancing the motivation of Executive Officers.

a. Compensation Levels for Executive Officers

- Approach to Total Compensation

1. In light of the Company's basic policy on Executive Officer compensation to "adopt a hybrid approach that takes into account both the global labor market and the domestic labor market of each Executive Officer's home country, and set compensation levels that correspond to the Company's stage of development as a global medtech company," the Company determines the weighting of each compensation component with an emphasis on performance-linked cash compensation and share-based compensation, taking into account the total compensation levels of officers at global medtech companies.
2. The Company sets target market levels by taking into account factors such as the conditions of the labor market in each Executive Officer's home country, competitiveness in that labor market, and the roles and responsibilities of each Executive Officer. The Company then determines compensation after comprehensively comparing base salary, Total Cash Compensation ("TCC"), and Total Direct Compensation ("TDC"). Compensation levels in each country's labor market are reviewed using objective compensation survey data provided by third-party organizations.
3. Although the Company establishes standard ratios for the compensation structure of Executive Officers, in light of the basic policy of "establishing a stronger incentive program that is competitive among global medtech companies in order to attract and retain world-class talent," if the competitiveness of compensation for an individual is significantly insufficient when compared with global medtech companies, the Company may apply flexible compensation mix ratios. Through this approach, the Company sets total compensation at a level that enables it to attract and retain diverse and highly qualified management talent and allows such talent to fully demonstrate their capabilities.

Note: The Company reviews the appropriateness of the amount of Executive Officer compensation by reference to the pay ratio, which is the ratio of the CEO's compensation to the median compensation of employees residing in Japan. The Company is also working to ensure continuity between the Executive Officer compensation system and the employee compensation system, including by providing share-based compensation to certain employees, including employees who are not residents of Japan.

b. Compensation Structure for Executive Officers

- Executive Officer compensation consists of a combination of base salary, which is fixed compensation; short-term incentive compensation (“STI”), which is performance-linked cash compensation; and long-term incentive compensation (“LTI”), which is non-cash compensation.
- For Executive Officers who are not of Japanese origin, one-time payments to coordinate with their prior compensation arrangements, severance pay, and other items such as housing allowances and pension benefits are established on an individual basis.
- With an emphasis on achieving the Company’s management strategy to enhance corporate value and shareholder value over the medium to long term, and taking into account compensation levels at other global medtech companies as well as competitiveness in the market referenced for each position, the Company has established the following ratios for each compensation component as a percentage of total compensation:

	Base Salary : STI : LTI
CEO	100 : 150 : 400
Executive Officers	100 : 90–115 : 160–240

- Long-term incentive compensation (“LTI”), consists of restricted stock units (“RSUs”), and performance share units (“PSUs”). The ratio of RSUs to PSUs was set at 40% RSUs and 60% PSUs in order to further promote the objective of rewarding Executive Officers for their contributions to achieving the Company’s long-term performance goals and to encourage share ownership.
- In connection with a change in control of the Company, if an Executive Officer’s status or contractual relationship terminates within a specified period, certain compensation or benefits may be paid to such Executive Officer, subject to the satisfaction of prescribed conditions.

[Short-Term Incentive Compensation (“FY2027-STI”), as Performance-Linked Cash Compensation]

The performance indicators and calculation method for short-term incentive compensation for the fiscal year ending March 2027 (“FY2027-STI”) are as follows. The payment amount is determined by multiplying the target amount of STI by the aggregate payout rate for each performance indicator. However, if the Compensation Committee determines that there is a reasonable basis to do so, they may be adjusted or modified as necessary, by resolution of the Compensation Committee, during or after the applicable evaluation period.

Performance Indicator	Weighting	Reason for Selection	Method for Calculating Target Values and Payout Rates
Revenue	35%	To evaluate growth	Note 1
Operating Profit Margin	25%	To evaluate growth and efficiency	Note 2
Patient Safety Indicators	40%	Because it is important to steadily implement long-term, strategic initiatives within each fiscal year	Note 3

Notes: 1. Revenue

The payout rate for revenue is determined within a range of 0% to 200%. The reference payout rates are 50% for revenue of JPY 1,040.9 billion, 100% for revenue of JPY 1,073 billion, and 200% for revenue of JPY 1,095.5 billion. For results between these reference values, the payout rate is calculated proportionately based on the level of achievement. The exchange rates used for foreign exchange adjustments are JPY 155 to USD 1, JPY 181 to EUR 1, and JPY 22.5 to CNY 1.

2. Operating Profit Margin

The payout rate for operating profit margin is determined within a range of 0% to 200%. The reference payout rates are 50% for an operating profit margin of 14.2%, 100% for an operating profit margin of 16.5%, and 200% for an operating profit margin of 20.0% or higher. For results between these reference values, the payout rate is calculated proportionately based on the level of achievement. In calculating actual operating profit margin, adjustments are made by excluding other income and other expenses.

3. Patient Safety Indicators

- The target values for STI compensation evaluation are the goals for key short-term initiatives to improve the root causes, or vulnerabilities, considered to exist in the QA&RA organizational structure, manufacturing processes, quality management system, and quality culture.
- In coordination with the Innovation & Safety Committee, which is composed of Outside Directors, the Compensation Committee assesses the appropriateness of the target values and achievement levels for compensation evaluation based on completion of a wide range of implementation items for correcting nonconformities and improving the quality system.

[Long-Term Incentive Compensation (“LTI”), as Non-Cash Compensation]

<Restricted Stock Units (“RSUs”)>

RSUs are granted annually and have a three-year vesting period. RSUs 40% of the target amount of LTI for the relevant fiscal year granted. Each year, one-third of the shares corresponding to RSU award will vest.

In addition to these annually granted RSUs, the Company may, on a one-time basis, grant RSUs to newly hired Executive Officers, as determined on an individual basis.

The RSUs granted in the fiscal year ending March 2027 (“FY2027-RSUs”) are as follows.

(Grant Date and Number of Units Granted)

- The grant date was April 1, 2026.
- The share price used for the calculation was the closing price of the Company’s common shares on the business day immediately preceding the grant date.
- The exchange rate applied was the average Telegraphic Transfer Middle Rate (“TTM”), quoted by Mitsubishi UFJ Research and Consulting Co., Ltd. during the fiscal year ended March 2026.
- The total number of RSU units granted was 1,100,917 units.

(Vesting)

- Each year from the grant date, one-third of the RSUs vest upon confirmation by the Compensation Committee, and the Company delivers the number of shares corresponding to such vested RSUs.
- If an Executive Officer retires or otherwise leaves office, unvested units held at the time of departure are treated as follows:
 - (1) Except where the reason for departure falls under item (2), (3), or (4) below, the Company will acquire the RSUs held at the time of departure without consideration.
 - (2) If an Executive Officer leaves office due to “disability,” the number of shares corresponding to all RSUs held at the time of departure will be delivered by resolution of the Compensation Committee.
 - (3) Notwithstanding item (2) above, if the reason for departure falls under “retirement” as defined in the compensation regulations, the number of shares corresponding to all RSUs held at the time of departure will be delivered by resolution of the Compensation Committee, provided that the requirements separately established by the Compensation Committee are satisfied.
 - (4) If an Executive Officer dies, cash equivalent to the number of shares corresponding to all unvested share units held at the time of death will be paid to the Executive Officer’s heirs as of the time of departure.
- As a general rule, vesting of units that are unvested at the time of departure will be resolved by the Compensation Committee after the announcement of financial results following the first anniversary of the departure.
- RSUs granted on a one-time basis upon joining the Company vest, and shares are delivered, in accordance with the terms of the individual agreement.

<Performance Share Units (“PSUs”)>

Performance share units (“PSUs”), granted annually are share-based compensation under which shares are delivered based on the level of achievement of performance indicators established in advance for the performance evaluation period, as assessed at the end of that period. PSUs are determined based on the Company’s compensation philosophy of “establishing an incentive program aligned with management strategy,” while also taking into account the business environment.

The performance share units for which the performance evaluation period begins in the fiscal year ending March 2025 and ends in the fiscal year ending March 2027 (“FY2025-PSUs”) are as follows.

(Grant Date and Number of Units Granted)

- The grant date was April 1, 2024.
- The share price used for the calculation was the closing price of the Company's common shares on the business day immediately preceding the grant date.
- The exchange rate applied was the average Telegraphic Transfer Middle Rate ("TTM"), quoted by Mitsubishi UFJ Research and Consulting Co., Ltd. during the fiscal year immediately preceding the grant date.
- The total number of PSU units granted was 437,225 units.

(Vesting)

- Three years after the PSU grant date, the Company evaluates the level of achievement of the predetermined performance indicators. The payout of PSUs are calculated based on the level of performance achievement upon confirmation by the Compensation Committee, and the Company delivers the number of shares corresponding to such earned units.
- If an Executive Officer retires or otherwise leaves office during the performance evaluation period, unvested units held at the time of departure are treated as follows:
 - (1) Except where the reason for departure falls under item (2) or (3) below, the Company will acquire the units held at the time of departure without consideration.
 - (2) If an Executive Officer leaves office for a legitimate reason recognized by the Compensation Committee, after the performance evaluation period for the performance indicators has elapsed, the number of units calculated based on the level of achievement will be prorated based on the number of months of service, including the month of departure, and the corresponding number of shares will be delivered by resolution of the Compensation Committee.
 - (3) Notwithstanding item (2) above, if the reason for departure falls under "retirement" as defined in the compensation regulations, then, after the performance evaluation period for the performance indicators has elapsed, the number of shares calculated based on the level of achievement will be delivered by resolution of the Compensation Committee with respect to all units held at the time of departure, provided that the requirements separately established by the Compensation Committee are satisfied.

The performance indicators and calculation method are as follows. However, if the Compensation Committee determines that there is a reasonable basis to do so, they may be adjusted or modified as necessary, by resolution of the Compensation Committee, during or after the applicable evaluation period.

Performance Indicator	Weighting	Reason for Selection	Method for Calculating Target Values and Payout Rates
Relative TSR	60%	The Company determined that relative TSR is an appropriate indicator for evaluating corporate value and shareholder value	Note 1
Quality Target	20%	Important to steadily implement long-term, strategic initiatives within each fiscal year	Note 2
ESG	20%	ESG forms the foundation of corporate management and aligned with objectives in the Company's management strategy	Note 3

Notes: 1. Relative TSR

- The peer group consists of the following 20 companies in Japan, Europe, and the United States, selected from "manufacturers with medical devices in their business portfolios" or "manufacturers classified under Health Care in the GICS code":
Abbott Laboratories, GE HealthCare Technologies, Medtronic plc, Koninklijke Philips N.V., Danaher Corporation, Takeda Pharmaceutical, Becton, Dickinson and Company, Siemens Healthineers AG, Stryker Corporation, Baxter International Inc., Boston Scientific Corporation, Zimmer Biomet Holdings, Inc., Terumo Corporation, Agilent Technologies, Inc., HOYA Corporation, Smith & Nephew plc, Edwards Lifesciences Corporation, Intuitive Surgical, Inc., STERIS plc, and Sysmex Corporation.
- The payout rate for relative TSR is determined within a range of 0% to 200% based on the Company's TSR ranking compared to a custom peer group. The reference payout rates are 50% at the 25th percentile level, 100% at the 50th percentile level, and 200% at the 75th percentile level or higher. For results between these reference values, the payout rate is calculated proportionately based on the level of achievement. If the Company's TSR ranking is below the 25th percentile level, the payout rate is 0%.

2. Quality Target

- The target values for PSU compensation evaluation are the goals for key medium- to long-term initiatives to improve the root causes, or vulnerabilities, considered to exist in the QA&RA organizational structure, manufacturing processes, quality management system, and quality culture.
- In coordination with the Innovation & Safety Committee, which is composed of Outside Directors, the Compensation Committee assesses the appropriateness of the target values and achievement levels for compensation evaluation based on quantitative and qualitative target-setting.

3. ESG

- 1) In light of the Company's key ESG focus areas and material issues, or materiality, the Company establishes internal performance indicators in the following two focus areas:
 - Providing broader access to care and improving outcomes; and
 - Carbon neutrality.
- 2) In addition, the DJSI (Dow Jones Sustainability Index) will be set as a performance metric for the following reasons:
 - It provides comprehensive coverage of overall corporate activities.
 - Its broad coverage of evaluation areas allows for comparison against a wide range of stakeholder expectations.
 - As a highly reputable external rating organization, it ensures transparency and fairness.
- 3) The Company establishes the following targets and evaluation tables based on the level of achievement.

Item	Indicator	Target Achievement Value for the Fiscal Year Ending March 2027	Medium-Term Target for Reference
Providing broader access to care and improving outcomes	Provision of HCP training programs to promote healthcare equity in target developing countries and regions, in the colorectal cancer field	36-37 programs	Continued growth of +20%
Carbon Neutrality	Reduction of CO ₂ emissions from the Company's own sites, Scope 1 and 2	-68% to -70%, compared with the fiscal year ended March 2020	Net zero by 2030
DJSI	Inclusion in the DJSI Index	World	Maintain World

In addition, the performance share units for which the performance evaluation period begins in the fiscal year ending March 2027 and ends in the fiscal year ending March 2029 ("FY2027-PSUs") are as follows.

(Grant Date and Number of Units Granted)

- The grant date was April 1, 2026.
- The share price used for the calculation was the closing price of the Company's common shares on the business day immediately preceding the grant date.
- The exchange rate applied was the average Telegraphic Transfer Middle Rate ("TTM"), quoted by Mitsubishi UFJ Research and Consulting Co., Ltd. during the fiscal year ended March 2026.
- The total number of PSU units granted was 1,004,107 units.

(Vesting)

- Three years after the unit grant date, the Company evaluates the level of achievement of the predetermined performance indicators. The units calculated based on the level of achievement vest upon confirmation by the Compensation Committee, and the Company delivers the number of shares corresponding to such vested units.
- If an Executive Officer retires or otherwise leaves office, unvested units held at the time of departure are treated as follows:
 - (1) Except where the reason for departure falls under item (2), (3), or (4) below, the Company will acquire the units held at the time of departure without consideration.
 - (2) If an Executive Officer leaves office due to "disability," the number of shares corresponding to all units held at the time of departure will be delivered by resolution of the Compensation Committee.
 - (3) Notwithstanding item (2) above, if the reason for departure falls under "retirement" as defined in the compensation regulations, then, after the performance evaluation period has elapsed, the number of shares reflecting the target achievement rate will be delivered by resolution of the

Compensation Committee with respect to all units held at the time of departure, provided that the requirements separately established by the Compensation Committee are satisfied.

- (4) If an Executive Officer dies, cash equivalent to the number of shares corresponding to all unvested share units held at the time of death will be paid to the Executive Officer's heirs as of the time of departure.
- As a general rule, vesting of units that are unvested at the time of departure will be resolved by the Compensation Committee after the announcement of financial results following the first anniversary of the departure.

The performance indicators and calculation method are as follows. However, if the Compensation Committee determines that there is a reasonable basis to do so, they may be adjusted or modified as necessary, by resolution of the Compensation Committee, during or after the applicable evaluation period.

Performance Indicator	Weighting	Reason for Selection	Method for Calculating Target Values and Payout Rates
Relative TSR	60%	Because the Company determined that relative TSR is an appropriate indicator for evaluating corporate value and shareholder value	Note 1
Patient Safety Indicators	30%	Because it is important to steadily implement long-term, strategic initiatives within each fiscal year	Note 2
ESG	10%	Because ESG forms the foundation of corporate management and the Company has stated that it is also emphasized in its management strategy	Note 3

Notes: 1. Relative TSR

- The peer group consists of the following 20 companies in Japan, Europe, and the United States, selected from "manufacturers with medical devices in their business portfolios" or "manufacturers classified under Health Care in the GICS code":
Abbott Laboratories, GE HealthCare Technologies, Medtronic plc, Koninklijke Philips N.V., Danaher Corporation, Takeda Pharmaceutical, Becton, Dickinson and Company, Siemens Healthineers AG, Stryker Corporation, Baxter International Inc., Boston Scientific Corporation, Zimmer Biomet Holdings, Inc., Terumo Corporation, Agilent Technologies, Inc., HOYA Corporation, Smith & Nephew plc, Edwards Lifesciences Corporation, Intuitive Surgical, Inc., STERIS plc, and Sysmex Corporation.
- The payout rate for relative TSR is determined within a range of 0% to 200% based on the Company's TSR ranking. The reference payout rates are 50% at the 25th percentile level, 100% at the 50th percentile level, and 200% at the 75th percentile level or higher. For results between these reference values, the payout rate is calculated proportionately based on the level of achievement. If the Company's TSR ranking is below the 25th percentile level, the payout rate is 0%.

2. Patient Safety Indicators

- The target values for PSU compensation evaluation are the goals for key medium- to long-term initiatives to improve the root causes, or vulnerabilities, considered to exist in the QA&RA organizational structure, manufacturing processes, quality management system, and quality culture.
- In coordination with the Innovation & Safety Committee, which is composed of Outside Directors, the Compensation Committee assesses the appropriateness of the target values and achievement levels for compensation evaluation based on quantitative and qualitative target-setting.

3. ESG

- 1) In light of the Company's key ESG focus areas and material issues, or materiality, the Company establishes internal performance indicators in the following three focus areas:
 - Providing broader access to care and improving outcomes;
 - A healthy organizational culture; and
 - Carbon neutrality.
- 2) The Company establishes the following targets and evaluation tables based on the level of achievement.

Item	Indicator	Target Achievement Value for the Fiscal Year Ending March 2029	Medium-Term Target for Reference
Providing broader access to care and improving outcomes	Provision of HCP training programs to promote healthcare equity in target developing countries and regions, in the colorectal cancer field	67–69 programs	Continued growth of +20%

Item	Indicator	Target Achievement Value for the Fiscal Year Ending March 2029	Medium-Term Target for Reference
A healthy organizational culture	Employee engagement survey	78%–80% participation rate	80%
Carbon Neutrality	Reduction of CO ₂ emissions from the Company's own sites, Scope 1 and 2	-84% to -85%, compared with the fiscal year ended March 2020	Net zero by 2031

■ Compensation Risk Management

<Stock Ownership Guidelines>

a. Directors

Residents of Japan	No stock ownership guidelines have been established for Directors who are residents of Japan because all RSUs vest upon retirement.
Non-residents of Japan	Directors who are not residents of Japan are required to hold shares with a value equal to at least one times their cash retainer. This level is expected to be achieved approximately five years after appointment. However, this five-year period does not take into account the impact of sales under a pre-arranged share sale plan for tax payment purposes.

b. Executive Officers

For the purpose of aligning the interests of shareholders and management, namely Executive Officers, the Company has established stock ownership guidelines requiring Executive Officers to hold shares with a value equal to at least five times their base salary. Although achievement of the stock ownership guidelines may vary depending on the level of achievement of the performance share units (“PSUs”), and the share price, this level is generally expected to be achieved approximately five years after appointment.

<Clawback Provisions>

The Company has established clawback provisions for the purpose of deterring reckless investments, fraudulent accounting, material compliance violations, and similar conduct by management, namely Executive Officers. The clawback provisions apply to short-term incentive compensation (“STI”), and long-term incentive compensation (“LTI”), of Executive Officers. If any of the following events occurs, the Company may require the return of all or part of the compensation already paid:

- An event in which doubts arise as to the accuracy of the financial statements of the Company or the Company group, resulting in a correction of prior-period financial results relating to the Company's consolidated financial statements and requiring an amendment to a filed Securities Report;
- An event in which compensation was increased due to a temporary increase in sales resulting from excessive M&A or similar actions based on decisions made by an Executive Officer, and significant losses subsequently occurred;
- A material violation by an Executive Officer of the Olympus Global Code of Conduct that damages corporate value; or
- An event in which an Executive Officer is found to have materially violated laws or regulations, internal rules, or an agreement entered into with the Company.

The final determination as to whether to apply the clawback provisions to an individual event is made by the Compensation Committee and reported to the Board of Directors.

(5) Shareholdings

(i) Criteria for and Approach to the Classification of Investment Shares

Olympus Corporation separately manages investment shares held for “pure investment purposes” and investment shares held for “purposes other than pure investment.” Olympus Corporation defines “pure investment purposes” as the purpose of exclusively benefiting from changes in the value of shares or dividends pertaining to the shares. However, in accordance with internal rules, the investment of surplus funds is limited to methods that guarantee the principal or ensure equivalent safety, and Olympus Corporation does not engage in risky investment management. “Purposes other than pure investment” is defined as the purpose of holding to contribute to the improvement of the medium- to long-term corporate value in the Olympus Group’s business operations.

(ii) Investment Shares Held for Purposes Other than Pure Investment

- a. Policy of shareholding, method for verifying the rationality of shareholding, and details of verification of the suitability of holding individual issues by the Board of Directors, etc.

Olympus Corporation holds listed shares that we believe will contribute to the enhancement of the Olympus Group’s medium- to long-term corporate value after examining their medium- to long-term economic rationality and future prospects. Each year, the Board of Directors reviews the appropriateness of holding individual cross-shareholdings (shares held for purposes other than pure investment), taking into consideration the purpose of holding and the benefits and risks associated with holding, and is successively reducing the number of shares that are deemed unsuitable for holding. With respect to cross-shareholdings, in order to exercise our rights as shareholders, Olympus Corporation exercises voting rights for all proposals, and makes appropriate decisions for or against each proposal, taking into consideration the management situation of the company in question from the perspective of improving the medium- to long-term corporate value of the company whose shares we hold. During the current fiscal year, Olympus Corporation acquired one issue of unlisted shares for the purpose of strengthening business relationships in our business activities.

- b. Number of issues and carrying amount

	Number of issues (Issue)	Total carrying amount on balance sheet (Millions of yen)
Unlisted shares	6	2,140
Shares other than unlisted shares	1	427

(Issues whose number of shares increased during the current fiscal year)

	Number of issues (Issue)	Total acquisition cost for the shares increased (Millions of yen)	Reason for increase in number of shares
Unlisted shares	1	2,099	Olympus Corporation acquired and increased our shareholdings for the purpose of strengthening business relationships in our business activities.
Shares other than unlisted shares	—	—	—

(Issues whose number of shares decreased during the current fiscal year)

	Number of issues (Issue)	Total selling price for the shares decreased (Millions of yen)
Unlisted shares	—	—
Shares other than unlisted shares	—	—

- c. Information on number of shares, amount on balance sheet, etc., of specified investment shares and deemed investment shares by issuers

Specified investment shares

Issuer	Current fiscal year	Previous fiscal year	Purpose of holding, quantitative effect of holding, and reasons for increase in number of shares	Shareholding in Olympus Corporation
	Number of shares (Shares)	Number of shares (Shares)		
	Amount on balance sheet (Millions of yen)	Amount on balance sheet (Millions of yen)		
OHARA INC.	400,000	400,000	We hold the company's shares to maintain and strengthen a smooth business relationship. The company is our supply partner for optical glass used in our medical endoscopes, and we are collaborating to build a strong supply chain.	None
	427	424		

Deemed investment shares

Not applicable.

- (iii) Investment Shares Held for Pure Investment

Not applicable.

5. Employees

(1) Basic Policy on Human Resources Strategy, etc.

i) Basic Policy on Human Resources Strategy

The Olympus Group regards its employees as its most important management resource and aims to create innovation by bringing together the limitless possibilities of employees around the globe, realizing Our Purpose: “Making people’s lives healthier, safer and more fulfilling.” Our employees and organization must be able to rapidly respond to our dramatically changing world and the needs of our patients, based on a foundation of connecting diverse employees through shared values, sincerely fostering personal growth at both the employee and company levels, and continuously growing together.

We have formulated a corporate strategy starting from the fiscal year ending March 31, 2027. Through the three strategic pillars of our corporate strategy—Innovation-Driven Growth, Simplicity, and Accountability—, we will develop innovations that establish new standards in endoscopy and deliver better care for patients, healthcare professionals, and healthcare systems around the world.

We have formulated a human resources strategy toward achieving the corporate strategy. We will embed a Growth Mindset into our organizational culture and evolve into an organization that is resilient to change by upskilling our workforce in Artificial Intelligence (AI). Moreover, by implementing leadership and talent strategies company-wide, we will transform our human capital into a foundation that underpins our future competitive advantages. We are also working to improve overall employee engagement as an organizational foundation where all employees can work with peace of mind and perform at their best.

We have introduced a global common human resources system as a foundation that enables talented people around the world to demonstrate their abilities to the maximum in the right positions. In addition, in order to secure and retain talented individuals, we have introduced a global common stock compensation system as part of the compensation system for employees in senior positions.

Toward achieving these goals, we have set the following targets for each priority theme and are working toward them.



Human Capital Strategy to Achieve Our Purpose	
1	Foster Growth Mindset across organization
2	Develop and deploy a winning leadership and talent strategy
3	Upskill workforce in Artificial Intelligence (AI)
4	Improve overall employee engagement



KPI	Target
1 Training hours per employee	FY29: 27 h
2 Employee engagement survey participation ratio	FY27 – FY29: >=80% participation
3 Engagement score of employee survey	FY29: the target set in FY27 is achieved*1
4 Inclusion score of employee survey	FY29: the target set in FY27 is achieved*1
5 Eligible employees take parental leave (Olympus Corporation)*2	FY28: 100%

*1 Establish a baseline based on the results of the survey to be conducted in FY27.

*2 The denominator for the acquisition rate is those among the eligible individuals who wish to take long-term leave (28 days or more).

ii) Policy for Decisions on Amount of Compensation and Its Details

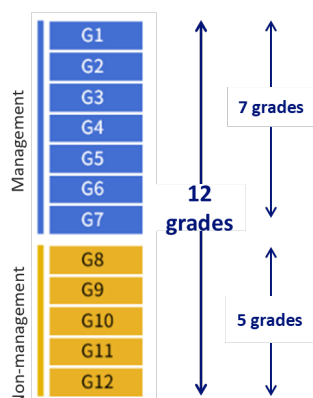
The compensation system of Olympus Corporation is structured to appropriately evaluate and treat personnel who have achieved results by embodying the corporate philosophy “Our Purpose, Our Core Values,” under the job-based human resources system introduced as a foundation that enables talented people around the world to demonstrate their abilities to the maximum in the right positions, with the aim of leaping forward as a global leading MedTech company.

Our compensation structure consists of a base salary and bonuses. Base salary is set within a range for each of the 12 grades (7 grades for managerial positions and 5 grades for non-managerial positions) classified according to the size of the job (responsibilities), and is revised every July based on annual performance (results and behavior) evaluations. Bonuses are structured so that 25% of the annual base salary is the standard bonus amount, and the payment amount is determined based on individual performance evaluation and company performance, and is paid every July.

Regarding compensation levels, from the perspective of acquiring and retaining human resources, we always keep in mind securing competitiveness in the market, using the medical life science field as a benchmark.

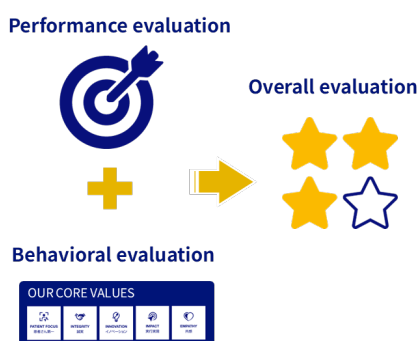
Job grading system

- Job (responsibility) grade system
- Grades are determined by responsibilities, positions, and performance



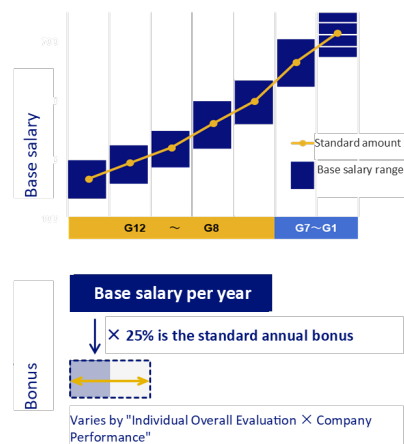
Performance evaluation system

- Global common system, evaluation timing held once a year
- A five-point evaluation based on performance (achievements and actions)



Compensation system

- Compensation levels based on job (job responsibilities)
- Bonus system based on performance and company performance



<Stock compensation>

Since the fiscal year ended March 31, 2023, we have introduced a global common stock compensation system as part of the compensation system for employees in senior positions, in addition to outside directors, executive officers, and corporate officers. This system aims to secure and retain talented individuals by extending to employees the incentive to contribute to the enhancement of the Olympus Group's medium- to long-term corporate value and shareholder value.

Stock compensation for employees consists of two types, the same as for officers: subsequent grant-type restricted stock compensation (RSU) and performance-based stock compensation (PSU).

(2) Employees

(1) Information about group

(As of March 31, 2026)

Segment	Numbers of employees (persons)	
Gastrointestinal Solutions	17,938	[810]
Surgical & Interventional Solutions	6,856	[192]
Other	0	[0]
Management division	3,344	[185]
Total	28,138	[1,187]

- Notes: 1. The number of employees represents individuals working within the Olympus Group and includes employees on loan to the Olympus Group but does not include employees on loan outside the Olympus Group. The average number of temporary employees for the year is shown in parentheses.
2. During the fiscal year ended March 31, 2026, the Endoscopic Solutions Business and the Therapeutic Solutions Business were reorganized into two new segments: the Gastrointestinal Solutions Division and the Surgical & Interventional Solutions Division.

(2) Information about reporting company

(As of March 31, 2026)

Numbers of employees (persons)	Average age (years)	Average length of service (years)	Average annual salary (yen)	Increase (decrease) ratio in average annual salary compared to the previous fiscal year (%)
2,469	44.10	15.74	10,056,995	(3.8) (Note)

Note: Although the average annual salary decreased by 3.8% compared to the previous fiscal year, this was mainly due to the payment amount of bonuses calculated based on performance being lower than in the previous fiscal year.

Segment	Numbers of employees (persons)
Gastrointestinal Solutions	1,259
Surgical & Interventional Solutions	515
Other	0
Management division	695
Total	2,469

- Notes: 1. The number of employees represents individuals working within the Olympus Corporation.
2. The number of employees includes employees on loan to Olympus Corporation but does not include employees on loan outside Olympus Corporation.
3. Average annual salary includes bonuses and extra wages.
4. In the current fiscal year, the Endoscopic Solutions Business and the Therapeutic Solutions Business were reorganized into two new segments: the Gastrointestinal Solutions Division and the Surgical & Interventional Solutions Division.
5. Starting from the current fiscal year, we have changed the aggregation method for the management division segment.

(3) Information about labor union (as of March 31, 2026)

Name: Olympus Labor Union

Labor-management relation: Labor-management relations are stable and there are no matters requiring special mention.

Number of members: 4,390

(4) Percentage of female employees among employees in managerial positions, percentage of male employees taking parental leave, and wage difference between male and female employees

Reporting company and consolidated subsidiaries	Number of all employees (persons) (Note 1)	Percentage of female employees among employees in managerial positions (%) (Note 2)	Percentage of male employees taking parental leave (%) (Note 3)	Wage difference between male and female employees (%) (Note 1)		
				All employees	Full-time employees	Part-time and fixed-term employees
Reporting company	6,646	11.9	101.4	74.6	74.7	63.4
Nagano Olympus Co., Ltd.	579	3.2	90.9	70.0	70.9	48.0
Aizu Olympus Co., Ltd.	2,161	19.0	100.0	70.4	71.8	73.5
Shirakawa Olympus Co., Ltd.	1,003	6.8	100.0	66.7	66.9	56.1
Aomori Olympus Co., Ltd.	865	21.1	100.0	65.5	66.0	66.8
Olympus Marketing, Inc.	620	7.5	73.3	70.0	69.9	76.1
Olympus-Supportmate Corp.	179	20.0	— (Note 4)	111.6	111.9	70.9
TmediX Corporation	69	0.0	100.0	74.6	83.5	62.1

[Period covered] Percentage of female employees in managerial positions: as of March 2026

Percentage of male employees taking parental leave, etc. and wage difference between male and female employees: fiscal year ended March 31, 2026 (April 2025 to March 2026)

[Group companies covered] Eight domestic companies

- Notes: 1. Seconded employees are counted as employees of the company from which they are seconded.
2. Seconded employees are counted as employees of the company to which they are seconded. The percentage is calculated in accordance with the provisions of the “Act on the Promotion of Women’s Active Engagement in Professional Life” (Act No. 64 of 2015).

3. Seconded employees are counted as employees of the company to which they are seconded. The percentage is calculated based on the rate of usage of parental leave and the rate of usage of leave for childcare purposes as indicated in Article 71, Paragraph 6, Item 2 of the “Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labor No. 25, 1991).” The percentage may exceed 100% because employees whose spouses gave birth before the target period are also included among employees taking parental leave, etc. during the target period.
4. This indicates that there are no male employees eligible for parental leave, etc.

Wage difference between male and female employees

The wage difference between male and female employees, which is one of the indicators for promoting the active participation of women, is 74.6% for Olympus Corporation. We believe that the difference is due to the fact that male employees have been with Olympus Corporation longer, the average age of male employees is higher, the ratio of men hired for managerial positions is higher, and the ratio of higher-paid positions is higher for male employees than for female employees. As part of our efforts to address these issues, we have set a target for the percentage of female managers in Japan for Olympus Corporation in accordance with the Act on the Promotion of Women’s Active Engagement in Professional Life, and are implementing measures to strengthen the environment in which women can balance work and life, and to increase the ratio of women in management, senior management, and executive positions.

V. Financial Information

1. Basis of preparation of consolidated financial statements and non-consolidated financial statements

- (1) Since the consolidated financial statements of Olympus Corporation satisfy the requirements for a “Specified Company of Designated International Accounting Standards” set forth in Article 1-2 of the “Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements” (Ordinance of the Ministry of Finance No. 28 of 1976; hereinafter “Regulation on Consolidated Financial Statements”), they have been prepared in accordance with the International Financial Reporting Standards (hereinafter “IFRS”), as prescribed in provisions of Article 312 of the same Ordinance.
- (2) The non-consolidated financial statements of Olympus Corporation have been prepared in accordance with the “Regulation on Terminology, Forms, and Preparation Methods of Financial Statements” (Ordinance of the Ministry of Finance No. 59 of 1963; hereinafter “Regulations on Financial Statements”). Olympus Corporation falls under a special company submitting financial statements, and prepares the non-consolidated financial statements in accordance with the provision of Article 127 of the Regulation on Financial Statements.

2. Audit certification

In accordance with the provision of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, the consolidated financial statements and non-consolidated financial statements of Olympus Corporation for the fiscal year ended March 31, 2026 were audited by Ernst & Young ShinNihon LLC.

3. Special efforts to ensure appropriateness of its consolidated financial statements and maintenance of the system to prepare the consolidated financial statements properly in accordance with IFRS

Olympus Corporation takes special efforts to secure appropriateness of its consolidated financial statements and maintains a system to prepare the consolidated financial statements properly in accordance with IFRS. The details of such efforts and system are as follows:

- (1) In order to ensure that Olympus Corporation properly understands the contents of accounting standards, etc. and accurately respond to their amendment, we collect information from the Financial Accounting Standards Foundation, etc. to ensure appropriateness.
- (2) With respect to the application of IFRS, Olympus Corporation obtains and keeps abreast of the latest standards by obtaining press releases and standards issued by the International Accounting Standards Board. In addition, in order to prepare the proper consolidated financial statements, etc., in accordance with IFRS, the Olympus Group accounting policies and practical guidelines are established in accordance with IFRS, and we follow accounting procedures based on these policies and guidelines.

1. Consolidated Financial Statements and Other Notes

(1) Consolidated Financial Statements

(i) Consolidated Statement of Financial Position
Olympus Corporation and Consolidated Subsidiaries
As of March 31, 2026

		(Millions of yen)	
	Notes	2025	2026
ASSETS			
Current assets			
Cash and cash equivalents	7,35	252,532	188,038
Trade and other receivables	8,35	204,183	236,833
Other financial assets	10,35, 40	2,392	28,421
Inventories	9	187,145	207,092
Income taxes receivable		4,382	13,255
Other current assets	11,40	28,475	32,669
Subtotal		679,109	706,308
Assets held for sale	12	449	—
Total current assets		679,558	706,308
Non-current assets			
Property, plant and equipment	13,40	263,340	287,209
Goodwill	14,40	180,593	194,238
Intangible assets	14	93,971	101,032
Retirement benefit asset	23	40,510	51,189
Investments accounted for using equity method	40	482	1,397
Trade and other receivables	8,35	64,200	84,223
Other financial assets	10,35	43,440	35,368
Deferred tax assets	37	65,400	70,716
Other non-current assets	11	1,779	5,482
Total non-current assets		753,715	830,854
Total assets		1,433,273	1,537,162

(Millions of yen)

	Notes	2025	2026
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade and other payables	17,35, 40	61,420	80,646
Bonds and borrowings	18,35	94,985	79,876
Other financial liabilities	19,35	21,829	26,982
Income taxes payable		42,451	30,828
Provisions	20	16,001	16,318
Other current liabilities	21,22	188,680	202,224
Total current liabilities		425,366	436,874
Non-current liabilities			
Bonds and borrowings	18,35	134,117	159,700
Other financial liabilities	19,35	62,802	66,611
Retirement benefit liability	23	19,800	20,019
Income taxes payable		4,743	—
Provisions	20	2,095	9,632
Deferred tax liabilities	37,40	14,074	12,092
Other non-current liabilities	21,22	18,543	20,194
Total non-current liabilities		256,174	288,248
Total liabilities		681,540	725,122
Equity			
Share capital	24	124,643	124,643
Capital surplus	24	92,433	93,101
Treasury shares	24	(27,923)	(26,631)
Other components of equity	24	141,613	198,596
Retained earnings	24	420,967	422,331
Total equity attributable to owners of parent		751,733	812,040
Total equity		751,733	812,040
Total liabilities and equity		1,433,273	1,537,162

(ii) Consolidated Statement of Profit or Loss
Olympus Corporation and Consolidated Subsidiaries
For the fiscal year ended March 31, 2026

(Millions of yen)

	Notes	2025	2026
Continuing operations			
Revenue	6,28	997,332	1,010,676
Cost of sales	9,13 14,23	313,635	356,586
Gross profit		683,697	654,090
Selling, general and administrative expenses	13,14 23,29	495,654	507,080
Share of profit (loss) of investments accounted for using equity method	6	466	(3,700)
Other income	30	5,246	11,345
Other expenses	16,30	31,293	57,535
Operating profit	6	162,462	97,120
Finance income	31,40	3,449	6,171
Finance costs	31,40	6,841	9,297
Profit before tax		159,070	93,994
Income taxes	37	41,270	25,822
Profit from continuing operations		117,800	68,172
Discontinued operation			
Profit from discontinued operation	34,41	55	—
Profit		117,855	68,172
Profit attributable to:			
Owners of parent		117,855	68,172
Profit		117,855	68,172
Earnings per share			
Basic earnings per share (yen)			
Continuing operations	32	102.94	61.32
Discontinued operation	32	0.05	—
Basic earnings per share	32	102.99	61.32
Diluted earnings per share (yen)			
Continuing operations	32	102.75	61.20
Discontinued operation	32	0.05	—
Diluted earnings per share	32	102.80	61.20

(iii) Consolidated Statement of Comprehensive Income
Olympus Corporation and Consolidated Subsidiaries
For the fiscal year ended March 31, 2026

(Millions of yen)

	Notes	2025	2026
Profit		117,855	68,172
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Financial assets measured at fair value through other comprehensive income	33	(78)	24
Remeasurements of defined benefit plans	33	3,123	5,296
Total of items that will not be reclassified to profit or loss	33	3,045	5,320
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	33	(9,630)	56,435
Cash flow hedges	33	2,194	524
Total of items that may be reclassified to profit or loss	33	(7,436)	56,959
Total other comprehensive income (loss)		(4,391)	62,279
Comprehensive income		113,464	130,451
Comprehensive income attributable to:			
Owners of parent		113,464	130,451
Comprehensive income		113,464	130,451

(iv) Consolidated Statement of Changes in Equity
Olympus Corporation and Consolidated Subsidiaries
For the fiscal year ended March 31, 2025

(Millions of yen)

	Notes	Equity attributable to owners of parent						Total equity
		Share capital	Capital surplus	Treasury shares	Other components of equity	Retained earnings	Total	
Balance at April 1, 2024		124,643	92,032	(102,017)	149,127	493,401	757,186	757,186
Profit						117,855	117,855	117,855
Other comprehensive income					(4,391)		(4,391)	(4,391)
Comprehensive income		—	—	—	(4,391)	117,855	113,464	113,464
Share repurchase	24			(100,002)			(100,002)	(100,002)
Disposal of treasury shares	24		(172)	172			0	0
Cancellation of treasury shares	24		(172,499)	172,499			—	—
Dividends from surplus	26					(20,981)	(20,981)	(20,981)
Transfer from retained earnings to capital surplus			172,431			(172,431)	—	—
Transfer from other components of equity to retained earnings					(3,123)	3,123	—	—
Share-based payment transactions	27		641	1,425			2,066	2,066
Total transactions with owners		—	401	74,094	(3,123)	(190,289)	(118,917)	(118,917)
Balance at March 31, 2025		124,643	92,433	(27,923)	141,613	420,967	751,733	751,733

For the fiscal year ended March 31, 2026

(Millions of yen)

	Notes	Equity attributable to owners of parent					Total equity
		Share capital	Capital surplus	Treasury shares	Other components of equity	Retained earnings	Total
Balance at April 1, 2025		124,643	92,433	(27,923)	141,613	420,967	751,733
Profit						68,172	68,172
Other comprehensive income					62,279		62,279
Comprehensive income		—	—	—	62,279	68,172	130,451
Share repurchase	24			(50,002)			(50,002)
Disposal of treasury shares	24		(98)	98			0
Cancellation of treasury shares	24		(49,032)	49,032			—
Dividends from surplus	26					(22,556)	(22,556)
Transfer from retained earnings to capital surplus			49,551			(49,551)	—
Transfer from other components of equity to retained earnings					(5,296)	5,296	—
Share-based payment transactions	27		247	2,164		3	2,414
Total transactions with owners		—	668	1,292	(5,296)	(66,808)	(70,144)
Balance at March 31, 2026		124,643	93,101	(26,631)	198,596	422,331	812,040

Note: Details of Share capital, Capital surplus, Retained earnings, Treasury shares and Other components of equity are described in Note “24. Share Capital and Other Components of Equity.”

(v) Consolidated Statement of Cash Flows
Olympus Corporation and Consolidated Subsidiaries
For the fiscal year ended March 31, 2026

(Millions of yen)

	Notes	2025	2026
Cash flows from operating activities			
Profit before tax		159,070	93,994
Profit before tax from discontinued operation	41	61	—
Depreciation and amortization		66,456	67,216
Impairment losses	16,30	3,636	12,085
Interest and dividend income		(3,308)	(2,522)
Interest expenses		4,628	4,816
Share of loss (profit) of investments accounted for using equity method		(466)	3,700
Decrease (increase) in trade and other receivables		(27,725)	(30,460)
Decrease (increase) in inventories		(3,410)	(10,666)
Increase (decrease) in trade and other payables		(1,926)	18,521
Increase (decrease) in retirement benefit liability		1,408	(498)
Decrease (increase) in retirement benefit asset		(1,197)	(735)
Increase (decrease) in provisions	20	(15,225)	6,068
Other		6,338	2,966
Subtotal		188,340	164,485
Interest received		3,296	2,509
Dividends received		12	13
Interest paid		(4,194)	(4,048)
Income taxes refund (paid)		3,009	(62,374)
Net cash provided by operating activities		190,463	100,585

	Notes	2025	2026
Cash flows from investing activities			
Purchase of property, plant and equipment		(46,001)	(55,558)
Purchase of intangible assets		(19,208)	(26,865)
Purchase of investment securities		(8,588)	(5,144)
Proceeds from the transfer of the Orthopedic Business	34,41	3,730	—
Payments for acquisition of subsidiaries	34,40	(3,881)	—
Payments for contingent consideration		(4,793)	(170)
Amount recovered upon cancellation of share purchase agreement		7,603	3,032
Other	40	5,669	(2,703)
Net cash used in investing activities		(65,469)	(87,408)
Cash flows from financing activities			
Proceeds from long-term borrowings	34	—	70,000
Repayments of lease liabilities	34	(19,302)	(19,910)
Repayments of long-term borrowings	34	(50,035)	(70,000)
Dividends paid	26	(20,981)	(22,556)
Payments for share repurchase		(100,002)	(50,002)
Proceeds from issuance of bonds	34	—	29,873
Redemption of bonds	34	(20,000)	(25,000)
Other		(1,222)	(32)
Net cash used in financing activities		(211,542)	(87,627)
Effect of exchange rate changes on cash and cash equivalents		(1,853)	9,956
Net increase (decrease) in cash and cash equivalents		(88,401)	(64,494)
Cash and cash equivalents at beginning of period		340,933	252,532
Cash and cash equivalents at end of period	7	252,532	188,038

Notes to the Consolidated Financial Statements
Olympus Corporation and Consolidated Subsidiaries

1. Reporting Entity

Olympus Corporation is a joint stock company located in Japan. The address of its registered head office is Hachioji-shi, Tokyo. Olympus Corporation's consolidated financial statements comprise Olympus Corporation and its subsidiaries (hereinafter, the "Olympus Group") and interests in Olympus Corporation's associates.

The Olympus Group's business operations comprise the Gastrointestinal Solutions Division and Surgical & Interventional Solutions Division. Details of each business are as described in Note "6. Business Segments."

2. Basis of Preparation

(1) Statement of the consolidated financial statements' compliance with IFRS Accounting Standards ("IFRS")

The consolidated financial statements of the Olympus Group have been prepared in accordance with IFRS issued by the International Accounting Standards Board. Since the requirements for a "Specified Company of Designated International Accounting Standards" set forth in Article 1-2 of the "Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements" are satisfied, Olympus Corporation adopts the provisions of Article 312 of the same Regulation.

The Japanese language consolidated financial statements for the fiscal year ended March 31, 2026 were approved by Bob White, Director, Representative Executive Officer, President and CEO, and Michael Parenti, Executive Officer and CFO, on June 18, 2026.

(2) Functional currency and presentation currency

The Olympus Group's consolidated financial statements are presented in Japanese yen, which is also Olympus Corporation's functional currency, and figures are rounded off to the nearest million yen.

(3) Changes in presentation methods

(Consolidated Statement of Cash Flows)

(Cash flows from investing activities)

As "Collection of loans receivable" in "Cash flows from investing activities," which had previously been listed independently in the fiscal year ended March 31, 2025, decreased in significance, it has been included in "Other" from the fiscal year ended March 31, 2026. To reflect this change in presentation method, the consolidated financial statements for the fiscal year ended March 31, 2025 have been reclassified.

As a result, in the Consolidated Statement of Cash Flows for the fiscal year ended March 31, 2025, "Collection of loans receivable" in the amount of ¥4,283 million and ¥1,386 million previously presented as "Other" in "Cash flows from investing activities" were reclassified as "Other" in the amount of ¥5,669 million.

3. Material Accounting Policies

(1) Basis of consolidation

(i) Subsidiaries

A subsidiary is an entity that is controlled by the Olympus Group. The Olympus Group considers that it has control over an entity when it is exposed or has rights, to variable returns arising from its involvement with the entity, while having the ability to affect those returns through the exercise of its power over the entity. Financial statements of a subsidiary are consolidated from the date on which the Olympus Group obtains control over such subsidiary, until the date on which the control is lost.

All intergroup balances, transactions, unrealized profit or loss arising from intergroup transactions are eliminated on consolidation.

Comprehensive income of the subsidiaries is attributed to the owners of parent and to the noncontrolling interests even if this results in the non-controlling interests having a deficit balance.

Changes in Olympus Corporation's ownership interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. Any difference between the adjustment to the noncontrolling interests and the fair value of the consideration is recognized directly in equity attributable to owners of parent.

If the Olympus Group loses control over a subsidiary, any resulting gains or losses shall be recognized in profit or loss.

(ii) Associates and joint ventures

An associate is an entity over which the Olympus Group has significant influence on its financial and operating policies but does not have control or joint control. Investments in associates are accounted for by the equity method from the date the Olympus Group gains significant influence until the date it loses that influence.

A joint venture is an investee in which multiple parties, including Olympus Corporation and its subsidiaries, each has rights to the net assets of the investee under a joint agreement. Joint control is the contractually agreed sharing of control and exists only when decisions about the relevant activities require the unanimous consent of all parties sharing control.

Investments in associates and investments in joint ventures include goodwill recognized on acquisition.

(2) Business combinations

Business combinations are accounted for by using the acquisition method.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which a business combination occurs, the items for which the accounting treatment is incomplete are measured at provisional amounts, and adjustments to the provisional amounts are finalized during the measurement period within one year from the acquisition date.

Consideration for an acquisition is measured at the sum of the acquisition-date fair value of the assets transferred, liabilities assumed, and equity instruments issued by the Olympus Group in exchange for the control over the acquiree. Consideration for an acquisition includes contingent consideration. If consideration for an acquisition exceeds the fair value of identifiable assets and liabilities, such excess is recognized as goodwill in the Consolidated Statement of Financial Position. If, conversely, the consideration is less than the fair value, the difference shall be directly recognized in profit or loss in the Consolidated Statement of Profit or Loss. In addition, acquisition-related costs incurred shall be recognized in profit or loss.

(3) Foreign currency translations

(i) Foreign currency transactions

Foreign currency transactions are translated into the functional currency of each Group company using the exchange rate at the transaction date or an exchange rate that approximates it. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated into functional currencies using the exchange rate at the end of the reporting period. Nonmonetary assets and liabilities denominated in foreign currencies measured at fair value are translated into functional currencies using the exchange rate at the date when such fair value was measured. Translation differences arising from translations and settlements are recognized in profit or loss for the period; provided, however, that translation differences arising from financial assets measured at fair value through other comprehensive income are recognized in other comprehensive income.

(ii) Financial statements of foreign operations

Assets and liabilities of foreign operations are translated into Japanese yen using the exchange rates at the end of the reporting period. Income and expenses are translated into Japanese yen using the average exchange rates for the fiscal year unless exchange rates significantly fluctuate during the period. Exchange differences on translation of foreign operations are recognized in other comprehensive income. Such translation differences of foreign operations are recognized in profit or loss for the period in which the foreign operations concerned are disposed of.

(4) Financial instruments

(i) Financial assets

(i) Initial recognition and measurement

The Olympus Group initially recognizes trade and other receivables on the date when they are incurred, and other financial assets at the transaction date when the Olympus Group becomes a party to the contract for the financial assets. At the initial recognition, financial assets are measured at fair value plus transaction costs, except for those measured at fair value through profit or loss.

(ii) Classification and subsequent measurement

The Olympus Group classifies the financial assets at initial recognition as financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income or financial assets measured at fair value through profit or loss.

(Financial assets measured at amortized cost)

Financial assets are classified into financial assets measured at amortized cost, on the condition that they meet both of the following criteria:

- Financial assets are held based on the business model to hold financial assets for the purpose of collecting contractual cash flows
- Contractual terms associated with financial assets give rise to cash flows on specified dates, consisting only of payment of the principal and interest on the principal balance

Financial assets measured at amortized cost are measured at amortized cost using the effective interest method subsequent to the initial recognition.

(Financial assets measured at fair value through other comprehensive income)

Equity instruments such as shares held mainly for the purpose of maintaining or strengthening business relationships with investees are designated at initial recognition as financial assets measured at fair value through other comprehensive income.

Any change in fair value of equity financial assets measured at fair value through other comprehensive income is recognized in other comprehensive income subsequent to the initial recognition. If such assets are derecognized or the fair value decreases significantly, accumulated other comprehensive income is directly transferred to retained earnings.

Dividends from such financial assets are recognized in profit or loss.

(Financial assets measured at fair value through profit or loss)

Financial assets other than above are classified as financial assets measured at fair value through profit or loss.

Changes in fair value of financial assets measured at fair value through profit or loss are recognized in profit or loss subsequent to the initial recognition.

(iii) Impairment of financial assets

For financial assets measured at amortized cost, the Olympus Group recognizes allowance for doubtful accounts for expected credit losses.

The Olympus Group evaluates at the end of each reporting period whether there is a significant increase in credit risk of financial assets since initial recognition. When there is no significant increase in the credit risk since initial recognition, the amount equal to expected credit losses for 12 months are recognized as allowance for doubtful accounts. When there is a significant increase in credit risk since initial recognition, the amount equal to expected credit losses for the remaining life of the financial assets are recognized as allowance for doubtful accounts.

For trade receivables, contract assets and lease receivables, allowance for doubtful accounts are always recognized at the amount equal to expected credit losses for the remaining life of the assets.

With regard to financial assets on which impairment losses were previously recognized, when the amount of impairment losses decreased due to any event that occurred after the initial recognition of the impairment losses, the previously recognized impairment losses are reversed and recognized in profit or loss.

(iv) Derecognition

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to receive the cash flows from the financial asset are assigned and substantially all the risks and rewards of ownership are transferred.

(ii) Financial liabilities

(i) Initial recognition and measurement

The Olympus Group initially recognizes financial liabilities at the transaction date when the Olympus Group becomes a party to the contract for the financial liabilities. All financial liabilities are measured at fair value at initial recognition, whereas financial liabilities measured at amortized cost are measured at the amount less directly attributable transaction costs.

(ii) Classification and subsequent measurement

Financial liabilities are classified into financial liabilities measured at fair value through profit or loss or financial liabilities measured at amortized cost at initial recognition.

Changes in fair value of financial liabilities measured at fair value through profit or loss are recognized in profit or loss subsequent to the initial recognition.

Financial liabilities measured at amortized cost are measured at amortized cost subsequent to the initial recognition, by using the effective interest method. Amortization by the effective interest method, as well as gains and losses associated with derecognition shall be recognized in profit or loss.

(iii) Derecognition

The Olympus Group derecognizes a financial liability when it is extinguished, namely when the obligation specified in the contract is discharged, cancelled or expires.

(iii) Offsetting financial instruments

Financial assets and liabilities are offset, with the net amount presented in the Consolidated Statement of Financial Position, only if the Olympus Group holds a legal right to offset the recognized amounts, and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

(iv) Derivatives and hedge accounting

The Olympus Group uses derivatives such as forward exchange contracts, interest rate swaps and interest rate currency swap contracts, as hedging instruments against foreign exchange risk and interest rate risk, and also holds derivatives such as long position call option assets and short

position put option liabilities related to investments accounted for using the equity method. These derivatives are classified as financial assets measured at fair value through profit or loss and financial liabilities measured at fair value through profit or loss. Derivatives that meet criteria for hedge accounting are designated as hedging instruments, and hedge accounting is applied. For the application of hedge accounting, the Olympus Group officially makes designation and prepares documentation at the inception of the hedge, regarding the hedging relationship as well as the risk management objectives and strategies. Such document contains hedging instruments, hedged items, the nature of the risks to be hedged and the method for evaluating the hedging effectiveness. The Olympus Group continually evaluates whether the hedging relationship is effective prospectively.

The Olympus Group applies cash flow hedges to interest rate-related and interest rate currency related derivative transactions that meet the criteria for hedge accounting.

Of changes in fair value associated with hedging instruments in cash flow hedges, the effective portion is recognized in other comprehensive income, and recognized in other components of equity until the hedged transaction is executed and recognized in profit or loss. The ineffective portion is recognized in profit or loss.

The amount associated with hedging instruments recognized in other components of equity is transferred to profit or loss, at the point in time when the hedged transaction affects profit or loss. If a hedged item results in the recognition of a non-financial asset or a non-financial liability, the associated amount recognized in other components of equity is accounted for as adjustment to the initial book value of the non-financial asset or the non-financial liability.

When any forecast transaction is no longer expected to occur, hedge accounting is discontinued, and any related cumulative gain or loss that has been recognized as other components of equity is transferred to profit or loss. Even if hedge accounting was discontinued, the amount that had been recognized as other components of equity until hedge accounting was discontinued continues to be recognized in other components of equity until future cash flows occur when these future cash flows are expected to occur.

The Olympus Group does not use fair value hedges or net investment hedges in foreign operations.

(5) Cash and cash equivalents

Cash and cash equivalents comprise cash, readily available deposits, and short-term, highly liquid investments having maturities of three months or less of the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(6) Inventories

Inventories are measured at the lower of cost or net realizable value. The costs of inventories are calculated principally by using the weighted average method, which include purchase cost, processing cost, and other costs incurred in bringing inventories to their present location and condition. Net realizable value is determined at the estimated selling price in the ordinary course of business less estimated cost required up to the completion of the process and estimated selling expenses.

(7) Property, plant and equipment

Property, plant and equipment is measured by using the cost model and is stated at cost less accumulated depreciation and accumulated impairment losses.

The costs of property, plant and equipment include any costs directly attributable to the acquisition of assets, dismantlement, removal and restoration costs as well as borrowing costs eligible for capitalization.

Except for assets that are not depreciated such as land, each asset is depreciated over its estimated useful life on a straight-line basis. The estimated useful lives of major asset items are as follows (excluding right-of-use assets):

- Buildings and structures: 2 to 50 years
- Machinery and vehicles: 2 to 10 years
- Tools, furniture and fixtures: 2 to 15 years

The estimated useful lives, residual values and depreciation methods are subject to review at the end of each reporting period, and any change is prospectively applied as a change in an accounting estimate.

(8) Goodwill

Goodwill is carried at cost less any accumulated impairment losses.

Goodwill is not amortized and is tested for impairment in each period or whenever there is an indication of impairment. Impairment loss of goodwill is recognized in profit or loss.

Goodwill measurements at initial recognition are presented in “(2) Business combinations.”

(9) Intangible assets

Intangible assets are measured by using the cost model and are carried at cost less accumulated amortization and accumulated impairment losses.

The costs of intangible assets acquired separately include any costs directly attributable to the acquisition of the assets. Intangible assets acquired through business combinations are measured at fair value at the acquisition date. With regard to internally generated intangible assets, of the costs incurred during the development phase, the following are eligible for capitalization and recognized as development costs, whereas such costs that are not eligible are recognized as expenses when incurred.

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- Olympus Corporation's intention to complete the intangible asset and use or sell it.
- Olympus Corporation's ability to use or sell the intangible asset.
- The intangible asset is likely to create future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- Olympus Corporation's ability to measure reliably the expenditure attributable to the intangible asset during its development.

Except for intangible assets with indefinite useful lives, each asset is amortized over the estimated useful life on a straight-line basis. The estimated useful lives of major asset items are as follows:

- Capitalized development costs: 4 to 8 years
- Software: 3 to 5 years
- Other: 3 to 15 years

The estimated useful lives and amortization methods are reviewed at the end of each reporting period, and any change is prospectively applied as a change in an accounting estimate.

Intangible assets with indefinite useful lives and those yet to be usable are not amortized and are tested for impairment in each period or whenever there is an indication of impairment.

(10) Leases

(i) Leases as lessee

Olympus Corporation introduces a single lessee accounting model, instead of classifying leases into operating leases and finance leases, and recognizes right-of-use assets representing its rights to use the underlying leased assets and lease liabilities representing its obligations to make lease payments for all leases, in principle.

Lease liabilities are measured at the present value of the total lease payments that are not paid at the commencement date. Right-of-use assets are initially measured at the initial measurement amount of lease liabilities adjusted for any initial direct costs, prepaid lease payments, restoration costs, etc. Right-of-use assets are depreciated on a straight-line method over the shorter of their estimated useful lives and lease terms.

The lease term is estimated based on the non-cancellable period and adjusted for optional periods for which the Olympus Group is reasonably certain to exercise an option to extend or terminate the lease.

Furthermore, lease payments are categorized into amounts equivalent to the principal and interest of lease liabilities, and the amount equivalent to the interest apportioned to each fiscal period is calculated so as to achieve a constant rate of interest on the lease liabilities balance at each period-end, and recognized in profit or loss.

If the contract transfers the right to control the use of an identified asset for a period of time in exchange for a consideration, at the start of the contract, the contract is deemed to be a lease or to contain a lease.

For short-term leases and leases for which the underlying asset is of low value, the Olympus Group does not recognize the right-of-use assets and lease liabilities but recognizes lease payments as expenses.

Right-of-use assets and lease liabilities are included in and presented as “Property, plant and equipment” and “Other financial liabilities” respectively on the Consolidated Statement of Financial Position.

(ii) Leases as lessor

Lease transactions involving the transfer of substantially all the risks and rewards associated with the ownership of the leased assets are classified as finance leases, while other types of lease transactions are classified as operating leases.

In finance lease transactions, the present value of gross investments in the lease is recognized as revenue at the commencement of the lease term, and the corresponding amount is recognized as lease receivables. Unearned finance income is apportioned at a constant rate on the net investment over the lease term and recognized as revenue in the period to which it is attributable.

In operating lease transactions, the relevant leased properties are recognized in the Consolidated Statement of Financial Position, and lease payments receivable are recognized as revenue over the lease terms on a straight-line method.

(11) Impairment of non-financial assets

For the carrying amount of non-financial assets (excluding inventories, deferred tax assets, retirement benefit assets and non-current assets held for sale), the Olympus Group assesses at the end of each reporting period whether there is an indication of impairment. If any such indication exists, an impairment test is performed. However, goodwill, intangible assets with indefinite useful lives and those yet to be usable are tested for impairment in each period or whenever there is an indication of impairment.

Assets that are not individually tested in impairment testing are integrated into the smallest cash-generating unit that generates cash inflows largely independent of cash inflows from other assets or asset groups. Corporate assets do not generate independent cash inflows. Therefore, if there is an indication that corporate assets may be impaired, the impairment test is performed based on the recoverable amount of the cash-generating unit to which the corporate assets belong.

The recoverable amount of an asset or cash-generating unit is the higher of its value in use and fair value less cost of disposal. In calculating value in use, estimated future cash flows are discounted to the present value using the pretax discount rate reflecting the time value of money and risks specific to the asset.

Impairment losses are recognized when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Impairment losses recognized in association with a cash-generating unit are recognized by first reducing the carrying amount of any allocated goodwill and then are allocated to other assets of the cash-generating unit on a pro-rata basis based on the carrying amount of each asset.

When there is an indication of reversal in respect of impairment losses recognized in prior periods and the recoverable amount of the asset or cash-generating unit exceeds its carrying amount, impairment losses are reversed. The carrying amount after reversal of impairment losses does not exceed the carrying amount that would have been determined when depreciation or amortization had been continued until the reversal occurred if any impairment loss had never been recognized for the asset. Impairment losses associated with goodwill are not reversed.

(12) Non-current assets and discontinued operation held for sale

Non-current assets or disposal groups that will be recovered principally through a sale transaction rather than through continuous use are classified as non-current assets or disposal groups held for sale if it is highly probable that they will be sold within one year, they are immediately available for sale in their current state, and the Olympus Group's management is committed to implementing a plan for their sale.

The Olympus Group shall not depreciate or amortize a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale, and shall measure a non-current asset or disposal group classified as held for sale at the lower of its carrying amount or fair value less costs to sell.

When businesses that are considered as units on which management decision is made have already been sold or fulfill the requirements to be classified as being held for sale, the Olympus Group classifies those businesses as discontinued operation.

(13) Provisions

Provisions are recognized when the Olympus Group has present obligations as a result of past events, it is highly probable that outflows of economic resources will be occurred to settle the obligations, and reliable estimates of the obligations can be made.

Where time value of money is material, provisions are measured by discounting estimated future cash flows into present value by using the interest rate reflecting the time value of money as well as the risks inherent to the associated liabilities.

(14) Contingent liabilities

With regard to liabilities held by the Olympus Group as of the end of the reporting period that may be incurred, when it cannot be confirmed whether or not those are liabilities as of the end of the reporting period, or when the liabilities do not meet criteria for recognition of provisions, information on such liabilities is provided in the corresponding note on contingent liabilities, unless it is believed that the possibility of an outflow of economic resources by performance of the liabilities is remote at the end of the reporting period.

(15) Government grants

Government grants are recognized at fair value, if there is reasonable assurance that the Olympus Group will comply with the conditions attached to them and that will receive the grants. Government grants associated with expenses are recognized in revenue over the period when the expenses, which the grant is intended to compensate, are incurred. Government grants related to the acquisition of assets are recognized as deferred income and then recognized in profit or loss over the expected useful life of the relevant asset on a systematic basis.

(16) Employee benefits

(i) Post-employment benefits

The Olympus Group adopts defined benefit pension plans and defined contribution pension plans.

The Olympus Group calculates the present value of defined benefit obligations and associated current service cost as well as past service cost by using the projected unit credit method.

The discount rate used for discounting to the present value of defined benefit obligations is determined by reference to market yields on high quality corporate bonds of which currency and due date are consistent with those of the post-employment benefit obligations.

Asset or liability associated with a defined benefit plan is calculated by subtracting the fair value of plan assets from the present value of defined benefit obligations of each plan.

Any difference due to remeasurement arising from defined benefit pension plans is recognized as other comprehensive income in the period when the difference arose, and immediately transferred to retained earnings. Past service costs are expensed as incurred.

Contributions to defined contribution pension plans are recognized as expenses according to the period during which employees rendered the relevant services.

(ii) Short-term employee benefits

Short-term employee benefits are recognized as expenses in the period in which the employee renders the related service without discounting. When the Olympus Group has present legal or constructive obligations to make payments resulting from past services rendered by the employees and the amount can be estimated reliably, the amount estimated to be paid is recognized as a liability.

(iii) Other long-term employee benefits

The Olympus Group has a special leave system and incentive payment plans according to a specific number of service years as long-term employee benefits other than pension plans. The amount of obligations to other long-term employee benefits is recognized as a liability at the amount calculated by discounting the estimated amount of future benefits earned in exchange for service that employees provided in prior fiscal years and the current fiscal year to the present value.

(17) Equity

Common shares are recognized in share capital at their issue price. Expenses incidental to issuance of common shares are deducted at the amount net of tax effect from equity.

Treasury shares are recognized at cost and deducted from equity. No gain or loss is recognized associated with the purchase, sale or retirement of treasury shares of Olympus Corporation. Any difference between the book value and the consideration received from the sale is recognized in equity.

(18) Stock-based compensation

The Olympus Group has adopted equity-settled stock option plans for directors, executive officers and corporate officers of Olympus Corporation, and senior management of Olympus Corporation and its subsidiaries, with the aim of enhancing awareness toward contributing to sustainable improvement of corporate value as well as further enhancing value sharing with shareholders of Olympus Corporation.

Stock option plans

Stock options are measured at fair value at the grant date and recognized as expenses over the vesting periods with corresponding increases to equity and taking into account the estimated number of options to be vested. The fair value of stock options is calculated using the Black-Scholes model.

Stock compensation system

Olympus Corporation has introduced a subsequent grant-type restricted stock compensation (RSU: Restricted Stock Unit) system and performance-based stock compensation (PSU: Performance Share Unit) system as a stock compensation system. The compensation calculated by reference to fair value of shares of Olympus Corporation is recognized in profit or loss as an expense, and the corresponding amount is recognized as an increase in equity.

(19) Revenue

With regard to contracts with customers, the Olympus Group recognizes revenue by applying the following steps (except for interest and dividend income, etc., under IFRS 9 “Financial Instruments” and lease payments receivable under IFRS 16 “Leases”).

Step 1: Identify the contract with the customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

The Olympus Group is principally engaged in the manufacturing and sales of endoscopic, therapeutic and other products. With regard to the sales of these products, the Olympus Group mainly recognizes revenue at the time of delivery of a product since in many cases it considers that the customer obtains control over the product and performance obligations are satisfied at the time of delivery of the product.

Revenue is measured at the amount of promised consideration in contracts with customers less discounts and rebates, and reduced by the amount of sales returns.

(20) Finance income and finance costs

Finance income mainly comprises interest income, dividend income, exchange gains and changes in fair value of financial assets and liabilities measured at fair value through profit or loss. Interest income is recognized as incurred using the effective interest method. Dividend income is recognized when the right to receive payment is established.

Finance costs mainly comprise interest expenses, interest on bonds, exchange losses and changes in fair value of financial assets and liabilities measured at fair value through profit or loss. Interest expenses and interest on bonds are recognized as incurred using the effective interest method.

(21) Income taxes

Income taxes comprise current taxes and deferred taxes. These taxes are recognized in profit or loss, except in cases where they arise from items that are recognized directly in other comprehensive income or equity, and where they arise from business combinations.

(i) Current taxes

Current taxes are measured at an expected amount of taxes to be paid to or refunded from the tax authorities. The tax rates and tax laws used to determine the amount of taxes are tax rates and tax laws that have been enacted, or substantially enacted by the end of the reporting period.

With regard to uncertain tax positions of income taxes, the Olympus Group recognizes the reasonably estimated amount as assets or liabilities, when it is more likely than not, based on interpretations for the purpose of tax laws, that the tax positions will be sustained.

(ii) Deferred taxes

Deferred taxes are recognized for temporary differences, which are differences between the tax bases of assets and liabilities and their carrying amounts for accounting purposes at the end of the reporting period, tax losses carried forward and tax credits carried forward.

Deferred tax assets or liabilities are not recognized for the following cases:

- Taxable temporary differences arising from the initial recognition of goodwill
- Temporary differences on the initial recognition of assets or liabilities arising from a transaction, except a business combination, that affects neither accounting profit nor taxable profit and that arises neither equivalent amount of taxable temporary differences nor deductible temporary differences.
- Taxable temporary differences associated with investments in subsidiaries and associates when the Olympus Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.
- Deductible temporary differences associated with investments in subsidiaries and associates when it is probable that the temporary difference will not reverse in the foreseeable future, or when it is not probable that there will be sufficient taxable profits against which the deductible temporary differences can be utilized.

Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax credits carried forward and tax losses carried forward can be utilized. In principle, deferred tax liabilities are recognized for all taxable temporary differences.

In recognizing deferred tax assets, the Olympus Group assesses the probability that deductible temporary differences or tax losses carried forward can be utilized against future taxable profits. In assessing the recoverability of deferred tax assets, the scheduled reversal of deferred tax liabilities, projected taxable profits and tax planning are taken into account.

Deferred tax assets and liabilities are measured based on tax rates and tax laws that have been enacted, or substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset if the Olympus Group has a legally enforceable right to offset current tax assets against current tax liabilities, and they are related to income taxes levied by the same taxation authority on the same taxable entity, or different taxable entities that intend either to settle on a net basis or to realize the tax asset or settle the liability simultaneously.

Olympus Corporation and some of its domestic subsidiaries have adopted the Group Tax Sharing System.

(22) Earnings per share

Basic earnings per share are calculated by dividing profit attributable to owners of parent by the weighted-average number of common shares outstanding, subject to the adjustment to the number of treasury shares for the corresponding period.

Diluted earnings per share are calculated reflecting adjustments for the effect of all potential dilutive common shares.

4. Significant Accounting Estimates and Associated Judgments

In preparing IFRS-based consolidated financial statements, the management is required to make judgments, estimates and assumptions that affect the adoption of accounting policies and the amounts of assets, liabilities, revenues and expenses. Actual results may differ from such estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis and the effect is recognized in the period in which the estimates are revised and in future periods.

Information regarding the judgments made by the Olympus Group that may have material impacts on the consolidated financial statements is as follows:

- Scope of subsidiaries and associates (Note “3. Material Accounting Policies, (1) Basis of consolidation”)
- Accounting for arrangements containing leases (Notes “3. Material Accounting Policies, (10) Leases,” and “36. Leases”)
- Revenue (Notes “3. Material Accounting Policies, (19) Revenue,” and “28. Revenue”)

Information regarding accounting estimates and assumptions that may have material impacts on the consolidated financial statements is as follows:

- Valuation of inventories (Notes “3. Material Accounting Policies, (6) Inventories,” and “9. Inventories”)
Inventories are measured at cost. However, if net realizable value falls below the cost as of the end of the reporting period, inventories are measured at the net realizable value and any difference is recognized in cost of sales in principle. For unsold inventories that remain outside the operating cycle, the net realizable value, etc. is calculated by reflecting future demand and market trends. If the net realizable value decreased significantly due to a worse market environment than expected, losses may be incurred.
- Impairment of non-financial assets (Notes “3. Material Accounting Policies, (11) Impairment of non-financial assets,” and “16. Impairment of Non-financial Assets”)
The Olympus Group tests for impairment of property, plant and equipment, goodwill, and intangible assets in accordance with Note “3. Material Accounting Policies.” In the calculation of the recoverable amount in the impairment test, assumptions are made regarding future cash flows, discount rates, etc. These assumptions are determined based on management’s best estimates and judgment. However, they may be affected by the results of changes in uncertain future economic conditions, and if they require revision, they may have a significant impact on the consolidated financial statements.

- Measurement of provisions (Notes “3. Material Accounting Policies, (13) Provisions,” and “20. Provisions”)
Provisions are measured based on the best estimates for expenditures as of the fiscal year closing date expected to be required to settle future obligations. Estimates of expenditures expected to be required to settle future obligations are calculated based on a comprehensive consideration of possible future outcomes. Changes in uncertain future economic conditions may affect assumptions used to calculate the provisions. Accordingly, there are risks that such changes could result in significant adjustments to measurements of provisions in the future accounting periods.
- Contingent liabilities (Notes “3. Material Accounting Policies, (14) Contingent liabilities,” and “42. Contingent Liabilities”)
Contingencies are disclosed when an item could have a significant impact on future operations, taking into account all available evidence at the reporting date and considering the likelihood and monetary impact of the event.
- Measurement of defined benefit obligation (Notes “3. Material Accounting Policies, (16) Employee benefits,” and “23. Employee Benefits”)
For defined benefit pension plans, the net value of the defined benefit obligations and the fair value of plan assets is recognized as either liabilities or assets. Defined benefit obligations are calculated based on the same types of assumptions used in the actuarial calculation, which include estimates of the discount rate, the retirement rate, the mortality rate, and the rate of compensation increase. These assumptions are established by comprehensively judging a variety of available information, including market trends, such as interest rate changes. Uncertain future economic conditions or changes in social conditions may affect the assumptions used in the actuarial calculation. Accordingly, there are risks that such changes could result in significant adjustments to the measurements of defined benefit obligations in future accounting periods.
- Recoverability of deferred tax assets (Notes “3. Material Accounting Policies, (21) Income taxes,” and “37. Income Taxes”)
Deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which deductible temporary differences, etc. can be utilized. Judgements on the likelihood that taxable income will be available are made based on the timing and amount of taxable income estimated based on the business plans including assumptions of the growth rate and operating margin. These estimates are determined based on management’s best estimates. However, they may be affected by the results of changes in uncertain future economic conditions and the actual results may differ from these forecasts.

5. New or Amended Standards or Interpretations Not Yet Adopted

The new or amended standards and interpretations that were issued by the date of approval of the consolidated financial statements and that have not been early adopted by the Olympus Group are primarily as follows: The impact of adopting the new IFRS Accounting Standards on the Olympus Group’s consolidated financial statements is under evaluation.

IFRS Accounting Standards		Mandatory adoption (from the fiscal year beginning)	Timing of adoption by the Olympus Group	Description of new standards and amendments
IFRS 7	Financial Instruments: Disclosures	January 1, 2026	Fiscal year ending March 31, 2027	Amendments to the disclosure requirements for financial assets measured at fair value through other comprehensive income
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027	Fiscal year ending March 31, 2028	Introduces new requirements to improve companies’ reporting of financial performance and provide investors with a better basis for analyzing and comparing companies

6. Business Segments

(1) Overview of reportable segments

The business segments of the Olympus Group are the units for which separate financial information is available and according to which review is regularly conducted to decide how to allocate management resources and assess business performance.

In the past, the Olympus Group had two reportable segments: “Endoscopic Solutions” and “Therapeutic Solutions.” However, from the fiscal year ended March 31, 2026, we have changed to the following two reportable segments: “Gastrointestinal Solutions Division” and “Surgical & Interventional Solutions Division,” and have presented the information in the same manner for the fiscal year ended March 31, 2025.

Effective April 1, 2025, the Olympus Group has implemented a reorganization of business units and a restructuring of the organization with the aim of developing a more efficient and a more patient- and customer-centric business. In conjunction with this reorganization of business units, the reportable segments have also been changed from the previous “Endoscopic Solutions” and “Therapeutic Solutions” to the “Gastrointestinal Solutions Division” and “Surgical & Interventional Solutions Division.” In addition, the role of company-wide shared functions has changed due to the focusing of the business portfolio, which has advanced further, and the specialization toward the medical business. Accordingly, we reviewed the method for allocating shared expenses and are now allocating expenses for basic research, etc. from these functions to the business units.

Furthermore, as a result of the recent organizational restructuring and the review of operating results management categories, intersegment revenues that had previously been recorded in “Endoscopic Solutions” and “Therapeutic Solutions” are now classified as revenues from transactions within the same segment, so the intersegment revenues are not recognized, and disclosure of these items has been discontinued from the fiscal year ended March 31, 2025. To ensure comparability, the results for the fiscal year ended March 31, 2025 have also been restated to reflect the change in categorization.

The principal products and services of each reportable segment are as follows:

Reportable Segment	Principal products and services
Gastrointestinal Solutions	Gastrointestinal endoscopes, gastroenterology devices, medical services
Surgical & Interventional Solutions	Urology products, respiratory products, surgical endoscopes, energy devices, ENT products, gynecology products

(2) Revenue, business results and other items for reportable segments

Revenue, business results and other items for reportable segments are as follows: The accounting treatment used for reportable segments is the same as described in Note “3. Material Accounting Policies.”

Fiscal year ended March 31, 2025

(Millions of yen)

	Reportable Segment			Other (Note 1)	Adjustment (Notes 2, 3, 4, 5, 6)	Amount on consolidated financial statements
	Gastro- intestinal Solutions	Surgical & Interventional Solutions	Total			
Revenue						
Revenue from outside customers	674,043	322,759	996,802	530	–	997,332
Total	674,043	322,759	996,802	530	–	997,332
Operating profit (loss)	171,441	15,265	186,706	(474)	(23,770)	162,462
Finance income						3,449
Finance costs						6,841
Profit before tax						159,070
Other items						
Share of profit (loss) of investments accounted for using equity method	(27)	493	466	–	–	466
Depreciation and amortization	38,695	26,702	65,397	142	811	66,350
Impairment losses	2,216	925	3,141	–	495	3,636
Segment assets	604,295	500,099	1,104,394	4,599	324,280	1,433,273
Investments accounted for using equity method	334	148	482	–	–	482
Capital expenditures	55,090	28,588	83,678	5	1,276	84,959

- Notes: 1. The amounts recorded in Other are the amounts of business segments not attributable to the reportable segments, such as research and development or exploratory activities related to new businesses.
2. Adjustment for operating profit (loss) is corporate revenues and corporate expenses that mainly consist of elimination of transactions among segments, as well as general and administrative expenses that are not attributable to reportable segments.
3. Adjustment for segment assets is the amount related to corporate assets that are not attributable to reportable segments.
4. Adjustment for depreciation and amortization is the amount of depreciation and amortization related to corporate assets that are not attributable to reportable segments.
5. Adjustment for capital expenditures is the amount of increase in fixed assets related to corporate assets that are not attributable to reportable segments.
6. Olympus Corporation reviewed the method for allocating shared expenses from the fiscal year ended March 31, 2026 and is now allocating expenses for basic research, etc. from company-wide shared functions to the business units. As a result of these changes, operating profit for the Gastrointestinal Solutions segment decreased by ¥9,054 million, operating profit for the Surgical & Interventional Solutions segment decreased by ¥7,091 million, and the adjustment for operating loss decreased by ¥16,145 million.

Fiscal year ended March 31, 2026

(Millions of yen)

	Reportable Segment			Other (Note 1)	Adjustment (Notes 2, 3, 4, 5)	Amount on consolidated financial statements
	Gastro- intestinal Solutions	Surgical & Interventional Solutions	Total			
Revenue						
Revenue from outside customers	697,359	313,109	1,010,468	208	–	1,010,676
Total	697,359	313,109	1,010,468	208	–	1,010,676
Operating profit (loss)	136,359	(14,986)	121,373	(499)	(23,754)	97,120
Finance income						6,171
Finance costs						9,297
Profit before tax						93,994
Other items						
Share of profit (loss) of investments accounted for using equity method	(4,437)	737	(3,700)	–	–	(3,700)
Depreciation and amortization	38,917	27,384	66,301	52	863	67,216
Impairment losses	5,253	5,790	11,043	–	1,042	12,085
Segment assets	735,067	555,240	1,290,307	1,464	245,391	1,537,162
Investments accounted for using equity method	377	1,020	1,397	–	–	1,397
Capital expenditures	61,880	29,464	91,344	–	895	92,239

- Notes: 1. The amounts recorded in Other are the amounts of business segments not attributable to the reportable segments, such as research and development or exploratory activities related to new businesses.
2. Adjustment for operating profit (loss) is corporate revenues and corporate expenses that mainly consist of elimination of transactions among segments, as well as general and administrative expenses that are not attributable to reportable segments.
3. Adjustment for segment assets is the amount related to corporate assets that are not attributable to reportable segments.
4. Adjustment for depreciation and amortization is the amount of depreciation and amortization related to corporate assets that are not attributable to reportable segments.
5. Adjustment for capital expenditures is the amount of increase in fixed assets related to corporate assets that are not attributable to reportable segments.

(3) Information about products and services

This information is omitted as similar information has been disclosed in the above tables.

(4) Geographical information

Revenue and non-current assets of the Olympus Group by country or region were as follows:

Revenue

(Millions of yen)

	2025	2026
Japan	110,529	103,905
North America	413,896	405,493
Europe	254,620	281,070
China	95,738	82,452
Asia and Oceania	93,707	102,586
Other	28,842	35,170
Total	997,332	1,010,676

Notes: 1. Revenue is based on the location of customers, classified by country or region.

2. Major countries or regions other than Japan were as follows:

- | | |
|----------------------|---|
| (1) North America | United States, Canada |
| (2) Europe | Germany, United Kingdom, France, etc. |
| (3) Asia and Oceania | Singapore, South Korea, Australia, etc. |
| (4) Other | Central and South America, Africa, etc. |

For the fiscal years ended March 31, 2025 and 2026, revenue from external customers in the United States was ¥386,469 million and ¥379,639 million, respectively. In no single country or region other than Japan and the United States was revenue from external customers significant in the fiscal years ended March 31, 2025 and 2026.

Non-current assets (excluding financial instruments, deferred tax assets, and retirement benefit assets)

(Millions of yen)

	2025	2026
Japan	144,602	149,986
Americas	204,976	235,330
Europe and Middle East	161,081	168,591
Asia and Oceania	29,024	34,054
Total	539,683	587,961

Notes: 1. Each geographic location is determined on the basis of geographic proximity.

2. Major countries and regions other than Japan were as follows:

- | | |
|----------------------------|--|
| (1) Americas | United States, Canada, Mexico, and Brazil |
| (2) Europe and Middle East | Germany, United Kingdom, France, etc. |
| (3) Asia and Oceania | Singapore, China, South Korea, Australia, etc. |

Within Americas, the balances of non-current assets (except financial instruments, deferred tax assets, and retirement benefit assets) in the United States were ¥198,423 million and ¥221,896 million as of March 31, 2025 and 2026, respectively. Within Europe and Middle East, the balances of non-current assets (except financial instruments, deferred tax assets, and retirement benefit assets) in Germany were ¥66,665 million and ¥69,574 million as of March 31, 2025 and 2026, respectively. The balances of non-current assets (except financial instruments, deferred tax assets, and retirement benefit assets) in any individual country and region other than Japan, the United States, and Germany were not material as of March 31, 2025 and 2026.

(5) Major customers

Information on revenue attributable to major customers for the fiscal years ended March 31, 2025 and 2026 was omitted because revenue attributable to each customer accounted for less than 10% of consolidated revenue.

7. Cash and Cash Equivalents

The breakdown of cash and cash equivalents in the Consolidated Statement of Financial Position is as follows: The balance of “Cash and cash equivalents” in the Consolidated Statement of Financial Position matches with the balance of “Cash and cash equivalents” in the Consolidated Statement of Cash Flows.

(Millions of yen)

	2025	2026
Cash and deposits	119,221	141,197
Short-term investments	133,311	46,841
Cash and cash equivalents in the Consolidated Statement of Financial Position	252,532	188,038

8. Trade and Other Receivables

The breakdown of trade and other receivables as of March 31, 2025 and 2026 was as follows:

(Millions of yen)		
	2025	2026
Trade notes receivable and trade accounts receivable	153,752	179,984
Other receivables	17,796	13,918
Contract assets	347	290
Lease receivables	105,382	136,674
Allowance for doubtful accounts	(8,894)	(9,810)
Total	268,383	321,056
Current	204,183	236,833
Non-current	64,200	84,223
Total	268,383	321,056

Note: Trade and other receivables are presented net of allowance for doubtful accounts in the Consolidated Statement of Financial Position.

9. Inventories

The breakdown of inventories as of March 31, 2025 and 2026 was as follows:

(Millions of yen)		
	2025	2026
Merchandise and finished goods	77,810	88,470
Work in progress	28,236	32,236
Raw materials and supplies	81,099	86,386
Total	187,145	207,092

The amounts of inventories recorded as cost of sales for the fiscal years ended March 31, 2025 and 2026 were ¥234,474 million and ¥248,439 million, respectively.

Write-downs of inventories recognized as expenses for the fiscal years ended March 31, 2025 and 2026 were ¥24,399 million and ¥31,955 million, respectively.

Inventories include materials not expected to be used for manufacturing within 12 months from the end of each fiscal year, but all of them are held within the Olympus Group's normal operating cycle. The corresponding carrying amounts at March 31, 2025 and 2026 were ¥3,270 million and ¥3,709 million, respectively.

10. Other Financial Assets

The breakdown of other financial assets as of March 31, 2025 and 2026 was as follows:

		(Millions of yen)	
		2025	2026
Financial assets measured at fair value through profit or loss			
Derivative assets		16,731	26,827
Equity securities and others		828	5,118
Financial assets measured at amortized cost			
Lease and guarantee deposits		3,168	3,077
Other		9,522	10,754
Financial assets measured at fair value through other comprehensive income			
Equity securities and others		15,583	18,013
Total		45,832	63,789
Current		2,392	28,421
Non-current		43,440	35,368
Total		45,832	63,789

11. Other Current Assets and Other Non-current Assets

The breakdown of other current assets and other non-current assets as of March 31, 2025 and 2026 was as follows:

		(Millions of yen)	
		2025	2026
Prepaid expenses		13,451	20,373
Consumption tax receivables		9,155	6,468
Other		7,648	11,310
Total		30,254	38,151
Current		28,475	32,669
Non-current		1,779	5,482
Total		30,254	38,151

12. Assets Held for Sale

The breakdown of assets held for sale is as follows:

	(Millions of yen)	
	2025	2026
Assets		
Land	299	—
Buildings and structures	150	—
Total	449	—

Assets categorized as assets held for sale as of March 31, 2025 were corporate assets, and were sold during the fiscal year ended March 31, 2026.

13. Property, Plant and Equipment

(1) Changes in property, plant and equipment

The changes in carrying amount, acquisition cost, and accumulated depreciation and accumulated impairment losses of property, plant and equipment were as follows:

Carrying amount

	(Millions of yen)					
	Buildings and structures	Machinery and vehicles	Tools, furniture and fixtures	Land	Construction in progress	Total
Balance at April 1, 2024	136,662	21,428	76,980	17,629	7,269	259,968
Additions	14,829	6,980	26,900	217	16,982	65,908
Additions through business combinations (Note 4)	—	—	177	—	—	177
Depreciation	(15,867)	(7,568)	(28,814)	(194)	—	(52,443)
Impairment losses	(410)	(19)	(315)	(55)	(109)	(908)
Sales and disposals	(3,115)	(330)	(4,320)	(53)	—	(7,818)
Transfer to assets held for sale	(150)	—	—	(299)	—	(449)
Reclassification	5,821	1,742	4,022	41	(10,421)	1,205
Exchange differences on translation of foreign operations	(849)	11	(1,071)	(99)	(45)	(2,053)
Decrease due to transfer of business	—	(99)	(357)	(75)	(18)	(549)
Other	64	(11)	140	1	108	302
Balance at March 31, 2025 (Note 4)	136,985	22,134	73,342	17,113	13,766	263,340
Additions	13,225	4,755	28,884	2,474	16,035	65,373
Depreciation	(17,109)	(7,380)	(28,002)	(173)	—	(52,664)
Impairment losses	(1,271)	(75)	(190)	(307)	(83)	(1,926)
Sales and disposals	(4,393)	(190)	(4,271)	(550)	—	(9,404)
Reclassification	6,112	1,369	4,507	299	(9,322)	2,965
Exchange differences on translation of foreign operations	9,670	1,151	7,382	452	819	19,474
Other	—	31	(29)	(1)	1	2
Balance at March 31, 2026	143,219	21,795	81,672	19,307	21,216	287,209

Notes: 1. No borrowing costs were capitalized for the fiscal years ended March 31, 2025 and 2026.

2. Depreciation of property, plant and equipment is included in “Cost of sales,” “Selling, general and administrative expenses” and “Profit from discontinued operation” on the Consolidated Statement of Profit or Loss. Impairment losses are included in “Other expenses” and “Profit from discontinued operation” on the Consolidated Statement of Profit or Loss.
3. Changes in the carrying amount ¥2,336 million and ¥2,548 million by company housing Olympus Corporation contracted and loaned to employees is recorded “Additions” and “Sales and disposals” of “Buildings and structures” for the fiscal years ended March 31, 2025 and 2026, respectively. In addition, that has no impact on balance.
4. Provisional amounts for additions through business combinations and balance at March 31, 2025 have been revised in the fiscal year ended March 31, 2026 with respect to the acquisition of Sur Medical SpA in the fiscal year ended March 31, 2025, and figures have been retrospectively revised. For details, please see Note “40. Business Combinations.”

Acquisition cost

	(Millions of yen)					
	Buildings and structures	Machinery and vehicles	Tools, furniture and fixtures	Land	Construction in progress	Total
Balance at April 1, 2024	287,726	61,943	325,562	19,364	7,329	701,924
Balance at March 31, 2025	292,784	60,522	310,035	18,327	13,766	695,434
Balance at March 31, 2026	310,710	65,716	336,978	20,313	21,216	754,933

Accumulated depreciation and accumulated impairment losses

	(Millions of yen)					
	Buildings and structures	Machinery and vehicles	Tools, furniture and fixtures	Land	Construction in progress	Total
Balance at April 1, 2024	151,064	40,515	248,582	1,735	60	441,956
Balance at March 31, 2025	155,799	38,388	236,693	1,214	–	432,094
Balance at March 31, 2026	167,491	43,921	255,306	1,006	–	467,724

(2) Right-of-use assets

The carrying amount of right-of-use assets included in property, plant and equipment by underlying asset type was as follows:

	(Millions of yen)				
	Buildings and structures	Machinery and vehicles	Tools, furniture and fixtures	Land	Total
Balance at April 1, 2024	46,384	4,660	2,210	132	53,385
Balance at March 31, 2025	47,536	5,133	2,047	156	54,872
Balance at March 31, 2026	51,134	4,675	1,750	100	57,659

Note: Right-of-use assets increased during the fiscal years ended March 31, 2025 and 2026 by ¥17,367 million and ¥12,598 million, respectively.

14. Goodwill and Intangible Assets

(1) Changes in goodwill and intangible assets

The changes in carrying amount, acquisition cost, and accumulated amortization and accumulated impairment losses of goodwill and intangible assets were as follows:

Carrying amount

(Millions of yen)

	Goodwill	Intangible assets			
		Capitalized development costs	Software	Other	Total
Balance at April 1, 2024	180,331	59,641	12,698	19,622	91,961
Additions	—	—	4,488	265	4,753
Additions through internal development	—	14,298	—	—	14,298
Additions through business combinations (Notes 2, 3)	1,790	—	—	1,732	1,732
Amortization	—	(7,878)	(3,118)	(2,911)	(13,907)
Impairment losses	—	(2,557)	(171)	—	(2,728)
Sales and disposals	—	(43)	(3)	(142)	(188)
Reclassification	—	—	(866)	3	(863)
Exchange differences on translation of foreign operations	(1,528)	(321)	(41)	(81)	(443)
Decrease due to transfer of business	—	(270)	(17)	(412)	(699)
Other	—	46	16	(7)	55
Balance at March 31, 2025 (Note 3)	180,593	62,916	12,986	18,069	93,971
Additions	—	—	2,659	2,405	5,064
Additions through internal development	—	21,801	—	—	21,801
Amortization	—	(8,421)	(3,067)	(3,064)	(14,552)
Impairment losses	—	(8,564)	—	(1,595)	(10,159)
Sales and disposals	—	(6)	(45)	(205)	(256)
Reclassification	—	—	(191)	(1)	(192)
Exchange differences on translation of foreign operations	13,645	4,027	434	904	5,365
Other	—	(10)	—	—	(10)
Balance at March 31, 2026	194,238	71,743	12,776	16,513	101,032

- Notes: 1. Amortization of capitalized development costs is recorded as “Cost of sales” and “Profit from discontinued operation” on the Consolidated Statement of Profit or Loss. Amortization cost excluding capitalized development costs is recorded in “Cost of sales,” “Selling, general and administrative expenses” and “Profit from discontinued operation” on the Consolidated Statement of Profit or Loss. Impairment losses are recorded in “Other expenses” and “Profit from discontinued operation” on the Consolidated Statement of Profit or Loss.
2. Of additions through business combinations, major component included in “Other” is ¥1,732 million in customer related assets held by Sur Medical SpA. For details on business combinations, please see Note “40. Business Combinations.”
3. Provisional amounts for additions through business combinations and balance at March 31, 2025 have been revised in the fiscal year ended March 31, 2026 with respect to the acquisition of Sur Medical SpA in the fiscal year ended March 31, 2025, and figures have been retrospectively revised. For details, please see Note “40. Business Combinations.”

Acquisition cost

(Millions of yen)

	Goodwill	Intangible assets			
		Capitalized development costs	Software	Other	Total
Balance at April 1, 2024	180,331	95,191	69,069	179,357	343,617
Balance at March 31, 2025	180,593	102,529	67,469	150,227	320,225
Balance at March 31, 2026	194,238	110,641	72,005	160,434	343,080

Accumulated amortization and accumulated impairment losses

(Millions of yen)

	Goodwill	Intangible assets			
		Capitalized development costs	Software	Other	Total
Balance at April 1, 2024	—	35,550	56,371	159,735	251,656
Balance at March 31, 2025	—	39,613	54,483	132,158	226,254
Balance at March 31, 2026	—	38,898	59,229	143,921	242,048

(2) Significant intangible assets

Significant intangible assets recognized at March 31, 2025 are technology-related assets arising from the acquisition of Medi-Tate Ltd. by the Olympus Group on May 27, 2021. The carrying amount was ¥8,648 million, and the remaining amortization period was 11 years, as of March 31, 2026.

Significant intangible assets recognized at March 31, 2026 are technology-related assets arising from the acquisition of Medi-Tate Ltd. by the Olympus Group on May 27, 2021. The carrying amount was ¥8,290 million, and the remaining amortization period was 10 years, as of March 31, 2026.

(3) Research and development expenditures recognized as expenses

Research expenses and development costs that do not meet asset recognition criteria are recognized as expenses when incurred. Research and development expenditures recognized as expenses in continuing operations, excluding discontinued operation, in the fiscal years ended March 31, 2025 and 2026 were ¥89,590 million and ¥88,147 million, respectively.

15. Commitments

Commitments to acquire property, plant and equipment and intangible assets subsequent to March 31, 2025 and 2026 were as follows:

(Millions of yen)

	2025	2026
Property, plant and equipment	24,761	10,717
Intangible assets	112	912
Total	24,873	11,629

16. Impairment of Non-financial Assets

(1) Impairment losses

The Olympus Group recognizes impairment losses when the recoverable amount of an asset falls below its carrying amount. Impairment losses related to non-financial assets are recorded as “Other expenses” in the Consolidated Statement of Profit or Loss.

Business assets are mainly grouped according to business segment, while assets scheduled for disposal are grouped according to the assets to be disposed or sold, and idle assets are grouped individually.

The breakdown of impairment losses by asset type was as follows:

(Millions of yen)		
	2025	2026
Property, plant and equipment		
Buildings and structures	410	1,271
Machinery and vehicles	19	75
Tools, furniture and fixtures	315	190
Land	55	307
Construction in progress	109	83
Intangible assets		
Capitalized development costs	2,557	8,564
Software	171	—
Other	—	1,595
Total	3,636	12,085

Major impairment losses recognized in the fiscal year ended March 31, 2025 were as follows:

(Impairment losses on development assets)

Olympus Corporation recognized impairment losses of ¥1,704 million and ¥854 million on development assets in the Gastrointestinal Solutions Division and Surgical & Interventional Solutions Division, respectively, which were written down to their recoverable amount since Olympus Corporation no longer expects them to generate the expected earnings at the time of acquisition due to such factors as changes in the market environment. The recoverable amount was the fair value less costs of disposal and, as the assets are difficult to sell, this amount was zero. It was classified as level 3 in the fair value hierarchy.

Major impairment losses recognized in the fiscal year ended March 31, 2026 were as follows:

(Impairment losses on development assets)

Olympus Corporation recognized impairment losses of ¥5,179 million and ¥3,376 million on development assets in the Gastrointestinal Solutions Division and Surgical & Interventional Solutions Division, respectively, which were written down to their recoverable amount since Olympus Corporation no longer expects them to generate the expected earnings at the time of acquisition due to such factors as changes in the market environment. The recoverable amount was the fair value less costs of disposal and, as the assets are difficult to sell, this amount was zero. It was classified as level 3 in the fair value hierarchy.

(Impairment losses on other intangible assets)

Olympus Corporation recognized impairment losses of ¥1,595 million on some intangible assets such as technology-related assets in the Surgical & Interventional Solutions Division, which were written down to their recoverable amount since Olympus Corporation no longer expects them to generate the expected earnings at the time of acquisition due to such factors as changes in the market environment. The recoverable amount was the fair value less costs of disposal and, as the assets are difficult to sell, this amount was zero. It was classified as level 3 in the fair value hierarchy.

(2) Impairment test for goodwill

The breakdown of the carrying amount of goodwill corresponding to cash-generating units was as follows:

(Millions of yen)		
	2025	2026
Gastrointestinal Solutions segment	13,448	14,662
Surgical & Interventional Solutions segment	167,145	179,576
Total	180,593	194,238

The Olympus Group tested goodwill for impairment on March 31, 2025 and 2026.

Individually significant goodwill carried on the Consolidated Statement of Financial Position is the goodwill allocated to the Gastrointestinal Solutions segment and Surgical & Interventional Solutions segment.

For impairment testing of goodwill, the recoverable amount is measured based on value in use.

Value in use is measured by discounting estimated future cash flows to present value. Estimated future cash flows is primarily based on a business plan approved by the management and considering a growth rate for the period after the term of the business plan.

Business plans have a maximum term of five years as a general rule. Business plans reflect management's assessment of future industry trends as well as historical data, and are prepared based on external and internal information. The estimated future cash flows are determined based on the business plans.

The growth rate for the period after the term of the business plans is determined based on market research reports for the industry in which the cash-generating unit (CGU) operates. The growth rate of "Gastrointestinal Solutions segment" and "Surgical & Interventional Solutions segment" is 1.5% - 6.3% and 2.3% - 3.8%, respectively, as of March 31, 2025, and 2.1% - 6.3% and 2.2% - 3.6%, respectively, as of March 31, 2026.

The discount rate is based on the pre-tax weighted average cost of capital of the cash-generating unit. The discount rates for the fiscal years ended March 31, 2025 and 2026, were 12.2% and 10.7% - 13.6%, respectively.

The main assumptions in estimating value in use are the growth rate and the operating margin in estimating future cash flows in the five-year business plan, the growth rate for the period after the business plan and the discount rate.

Value in use measured using the above rates amply exceeds the carrying amounts of the cash-generating units. Olympus Corporation believes that there is a low probability of significant impairment even if the key assumptions used in the impairment testing were to change within a range of reasonable foreseeability.

17. Trade and Other Payables

The breakdown of trade and other payables as of March 31, 2025 and 2026 was as follows:

(Millions of yen)		
	2025	2026
Notes and account payable	40,391	46,945
Other payable	21,029	33,701
Total	61,420	80,646

18. Bonds and Borrowings

The breakdown of bonds and borrowings as of March 31, 2025 and 2026 was as follows:

(Millions of yen)

	2025	2026	Average interest rate (%)	Maturity
Current portion of bonds payable	24,992	79,876	2.14	December 2026
Current portion of long-term borrowings	69,993	—	—	—
Bonds (excluding current portion)	99,492	54,840	0.95	June 2028 to July 2030
Long-term borrowings (excluding current portion)	34,625	104,860	1.07	August 2027 to May 2035
Total	229,102	239,576		
Current	94,985	79,876		
Non-current	134,117	159,700		
Total	229,102	239,576		

Note: The average interest rate is the weighted average interest rate on the ending balance of borrowings.

Bonds and borrowings are classified as financial liabilities measured at amortized cost.

The breakdown of bonds as of March 31, 2025 and 2026 was as follows:

(Millions of yen)

Company	Bond name	Issue date	2025	2026	Interest rate (%)	Maturity date
Olympus Corporation	26th unsecured bonds	July 18, 2020	24,992	—	—	July 2025
Olympus Corporation	27th unsecured bonds	July 19, 2020	24,930	24,943	0.47	July 2030
Olympus Corporation	Dollar-denominated unsecured bonds due 2026	December 8, 2021	74,562	79,876	2.14	December 2026
Olympus Corporation	28th unsecured bonds	June 17, 2025	—	14,956	1.24	June 2028
Olympus Corporation	29th unsecured bonds	June 17, 2025	—	14,941	1.45	June 2030
Total			124,484	134,716		

The breakdown of long-term borrowings, including current portion, as of March 31, 2025 and 2026 was as follows:

(Millions of yen)				
Financial institution	2025	2026	Interest rate (%)	Maturity date
Japanese Bank	13,237	13,296	0.86	September 2029
Japanese Bank	1,484	1,490	0.73	September 2027
Japanese Bank	10,000	—	—	September 2025
Japanese Bank	9,823	9,897	0.53	August 2027
Japanese Bank	10,000	—	—	September 2025
Japanese Bank	9,814	9,874	0.55	June 2028
Japanese Bank	49,992	—	—	April 2025
Japanese Bank	—	25,000	1.48	May 2032
Japanese Bank	—	10,000	1.55	May 2035
Japanese Bank	—	20,000	1.07	June 2028
Japanese Bank	—	15,000	0.94	May 2029
Other	268	303		
Total	104,618	104,860		

19. Other Financial Liabilities

The breakdown of other financial liabilities as of March 31, 2025 and 2026 was as follows:

(Millions of yen)		
	2025	2026
Financial liabilities measured at fair value through profit or loss		
Derivative liabilities	1,007	6,263
Contingent consideration	1,689	673
Financial liabilities measured at amortized cost		
Lease liabilities	62,465	66,309
Other	19,470	20,348
Total	84,631	93,593
Current	21,829	26,982
Non-current	62,802	66,611
Total	84,631	93,593

20. Provisions

The changes in provisions during the fiscal year ended March 31, 2026 were as follows:

(Millions of yen)

	Provision for product warranties	Provision for loss on litigation	Provision for duodenoscope market response	Other	Total
Balance at April 1, 2025	7,940	586	2,680	6,890	18,096
Increase during the year	6,000	864	243	9,046	16,153
Decrease (Provisions used)	(3,501)	(112)	(20)	(693)	(4,326)
Decrease (Provisions reversed)	(4,045)	(356)	(272)	(614)	(5,287)
Exchange differences on translation of foreign operations	273	86	—	955	1,314
Balance at March 31, 2026	6,667	1,068	2,631	15,584	25,950
Current	5,991	981	2,631	6,715	16,318
Non-current	676	87	—	8,869	9,632
Total	6,667	1,068	2,631	15,584	25,950

- Notes: 1. Provision for product warranties included the ¥411 million expected to be needed for a voluntary recall of small intestine endoscope systems and provision of ¥513 million for market corrective measures for high-flow insufflation units.
2. Other provision includes a provision of ¥6,571 million recognized based on a reasonable estimate of potential future additional payments associated with matters involving uncertainties in tax interpretations related to past transactions that do not fall within the scope of income taxes.

(1) Provision for product warranties

For products sold subject to a quality assurance warranty, Olympus Corporation accrues after service cost and recall cost expected to be incurred within the guarantee period. After service cost is calculated using the prescribed standards, based on after service cost actually incurred in the past, and is expected to be expended during the guarantee period (mostly within three years). For recall cost, the amount deemed necessary for recalls was reasonably estimated and recorded as a provision. Decrease (Provisions reversed) mainly reflects changes in estimates of the amounts needed for a voluntary recall of small intestine endoscope systems and market corrective measures for high-flow insufflation units.

(2) Provision for loss on litigation

To provide for losses related to lawsuits or other litigation, in light of progress of the lawsuits, the expected amount of these losses is accounted for based on a reasonable estimate of the amount deemed necessary. These loss provisions are expected to be expended mostly within one year.

(3) Provision for duodenoscope market response

Olympus Corporation has decided to voluntarily replace the old type of duodenoscopes with a fixed tip cap with the new type with a removable tip cap, which is easier to clean and disinfect, against the background of obtaining regulatory approval for the new type of duodenoscopes with a removable tip cap in the United States. The amount deemed necessary to carry out this market response was reasonably estimated and recorded as a provision.

21. Other Current Liabilities and Other Non-current Liabilities

The breakdown of other current liabilities and other non-current liabilities as of March 31, 2025 and 2026 was as follows:

(Millions of yen)		
	2025	2026
Accrued expenses	123,269	134,438
Contract liabilities	60,215	63,021
Other	23,739	24,959
Total	207,223	222,418
Current	188,680	202,224
Non-current	18,543	20,194
Total	207,223	222,418

22. Government Grants

Government grants included in other current liabilities and other non-current liabilities as of March 31, 2025 and 2026 were as follows:

(Millions of yen)		
	2025	2026
Other current liabilities	276	238
Other non-current liabilities	1,207	991

Government grants were conditioned on acquiring equipment in a specific medical field in Japan and they are amortized over the useful life of their related assets on a straight-line basis.

There are no unfulfilled conditions or contingencies related to these grants.

23. Employee Benefits

Olympus Corporation and some of its consolidated subsidiaries have established defined benefit corporate pension plans, defined contribution pension plans and lump sum payment plans to fund employees' retirement benefits.

The defined benefit corporate pension plans are cash balance plans that use a point system. In these plans, points are awarded to the plan participants based on their job performance and interest points calculated using an interest crediting rate based on trends in market interest rates accumulate in the participants' hypothetical individual accounts.

The Olympus Group, its pension funds and institutions that manage its plan assets are legally required to faithfully administer and manage plan assets in the aim of providing reliable pension benefits to plan participants into the indefinite future. They fulfill their management responsibilities in accord with basic policies prepared by the funds.

The Olympus Group's retirement benefit plans are exposed to multiple risks, including investment risks associated with plan assets and interest rate risk associated with defined benefit obligations.

(1) Defined benefit plans

(i) Reconciliation of defined benefit obligations

The changes in defined benefit obligations were as follows:

(Millions of yen)

	2025	2026
Balance at April 1	159,890	150,402
Current service cost	5,637	4,989
Past service cost	—	60
Interest cost	4,951	5,398
Remeasurements of defined benefit plans		
Actuarial gains and losses arising from changes in demographic assumptions	96	(210)
Actuarial gains and losses arising from changes in financial assumptions	(9,552)	(8,082)
Other	268	1,204
Contributions by employees	228	247
Benefits paid	(9,828)	(8,703)
Effects of business combinations and disposals	(349)	—
Exchange differences on translation of foreign operations	(888)	6,084
Other	(51)	(9)
Balance at March 31	150,402	151,380

(ii) Reconciliation of fair value of plan assets

The change in the fair value of plan assets during the fiscal years ended March 31, 2025 and March 31, 2026 is presented below.

The Olympus Group conducts a financial verification based on Olympus Corporation's corporate pension rules at the end of every fiscal year to ascertain the extent of any funding deficit and determine whether contributions need to be recalculated.

In the fiscal year ending March 31, 2027, the Olympus Group plans to contribute ¥4,515 million to the plan.

(Millions of yen)

	2025	2026
Balance at April 1	176,119	171,112
Interest income	5,447	6,372
Remeasurements		
Return on plan assets	(4,775)	1,025
Contributions by employer	3,439	5,029
Contributions by employees	230	247
Benefits paid	(8,852)	(7,708)
Exchange differences on translation of foreign operations	(682)	6,601
Other	186	(128)
Balance at March 31	171,112	182,550

(iii) Reconciliation of defined benefit obligations and plan assets

The reconciliation between the defined benefit obligations and plan assets and the retirement benefit liability and asset recognized in the Consolidated Statement of Financial Position was as follows:

(Millions of yen)

	2025	2026
Present value of the funded defined benefit obligations	135,220	136,515
Fair value of plan assets	(171,112)	(182,550)
Subtotal	(35,892)	(46,035)
Present value of the unfunded defined benefit obligations	15,182	14,865
Net defined benefit liabilities (assets)	(20,710)	(31,170)
Amounts recognized in the Consolidated Statement of Financial Position		
Retirement benefit liability	19,800	20,019
Retirement benefit asset	(40,510)	(51,189)
Net defined benefit liabilities (assets)	(20,710)	(31,170)

(iv) Components of plan assets

The breakdown of plan assets by category was as follows:

(Millions of yen)

	2025	2026
Assets with quoted market prices in an active market		
Japanese equity securities	1,491	1,619
Cash and cash equivalents	14,554	17,094
Total	16,045	18,713
Assets without quoted market prices in an active market		
Overseas equity securities	6,271	7,100
Overseas debt securities	45,852	50,564
General account for life insurance companies	43,689	43,217
Jointly managed money trust	46,735	49,670
Other (Note)	12,520	13,286
Total	155,067	163,837
Total of plan assets	171,112	182,550

Note: Insurance contracts concluded through annuity buy-in transactions included in "Other" amounted to ¥9,551 million and ¥9,950 million as of the end of the fiscal years ended March 31, 2025 and 2026, respectively.

To reliably pay defined benefit obligations into the indefinite future, plan assets in the Olympus Group's corporate pension funds are managed safely and efficiently in the aim of generating medium- to long-term investment returns in excess of the minimum rate of return required to maintain the plans. To do so, the pension funds carefully ascertain their risk tolerance, determine an optimal asset allocation within those risk constraints and invest in a diversified portfolio of assets.

(v) Matters related to actuarial assumptions

The main significant actuarial assumptions used to measure present value of defined benefit obligations were as follows:

	2025	2026
Discount rate	3.74%	4.45%

(vi) Sensitivity analysis

In the event of a 0.5% change in the discount rate used in the actuarial calculation, the present value of the defined benefit obligations would be affected as shown below. This analysis assumes that all other variables remain constant. In actuality, however, the sensitivity analysis may be affected by changes in other assumptions.

(Millions of yen)		
	2025	2026
Discount rate		
0.5% increase (decrease in obligations)	(8,147)	(7,794)
0.5% decrease (increase in obligations)	9,363	8,971

(vii) Weighted average duration

The weighted average durations of the defined benefit obligations were 12.4 years and 11.9 years as of March 31, 2025 and 2026, respectively.

(2) Defined contribution plans

The amounts recognized as expenses related to the defined contribution plans were ¥21,622 million and ¥24,305 million for the fiscal years ended March 31, 2025 and 2026, respectively, and included expenses recognized in relation to the public pension system.

24. Share Capital and Other Components of Equity

(1) Number of authorized shares, issued shares and treasury shares

The changes in the number of authorized shares, issued shares and treasury shares were as follows:

	Number of shares	
	2025	2026
Authorized shares	4,000,000,000	4,000,000,000
Issued shares (Note 1)		
As of April 1	1,215,146,700	1,139,116,300
Increase or decrease (Notes 2, 3)	(76,030,400)	(24,630,600)
As of March 31	1,139,116,300	1,114,485,700
Treasury shares (Note 4)		
As of April 1	49,514,907	11,305,636
Increase or decrease (Notes 5, 6)	(38,209,271)	2,077,548
As of March 31	11,305,636	13,383,184

- Notes: 1. All of the shares of Olympus Corporation are ordinary shares that have no par value and no limitations on the rights. Issued shares are fully paid.
2. The decrease in the fiscal year ended March 31, 2025, was due to the cancellation of 37,446,500 shares of treasury shares and 38,583,900 shares of treasury shares conducted effectively on April 30, 2024 and January 31, 2025, respectively.
3. The decrease in the fiscal year ended March 31, 2026, was due to the cancellation of 24,630,600 shares of treasury shares conducted effectively on November 28, 2025.
4. Olympus Corporation has adopted stock option plans and utilizes treasury shares for delivery of shares due to exercise. Contract conditions and amounts are described in Note "27. Stock-based Compensation."
5. The main changes in the fiscal year ended March 31, 2025, were a decrease of 37,446,500 shares due to the cancellation of treasury shares conducted effectively on April 30, 2024, an increase of 38,583,900 shares due to the

share repurchase conducted between May 13, 2024, and November 19, 2024 on a delivery date basis, and a decrease of 38,583,900 shares due to the cancellation of treasury shares conducted effectively on January 31, 2025.

6. The main changes in the fiscal year ended March 31, 2026, were an increase of 27,630,600 shares due to the share repurchase conducted between July 30, 2025, and November 5, 2025 on a delivery date basis, and a decrease of 24,630,600 shares due to the cancellation of treasury shares conducted effectively on November 28, 2025.

(2) Capital surplus

Japan's Companies Act provides that at least one-half of capital paid in or contributed in exchange for newly issued shares is to be classified as share capital and any amount not classified as share capital is to be classified as legal capital surplus included in capital surplus.

Additionally, legal capital surplus may be reclassified as share capital pursuant to a shareholder resolution at a General Meeting of Shareholders.

(3) Retained earnings

Japan's Companies Act provides that one-tenth of the amount of reductions in surplus due to dividend distributions funded by the surplus is to be accumulated as legal capital surplus or legal retained earnings until the total of legal capital surplus and legal retained earnings equals one-quarter of share capital.

Accumulated legal retained earnings may be appropriated to reduce a capital deficit. They may also be utilized pursuant to a shareholder resolution at a General Meeting of Shareholders.

The amount of Olympus Corporation's retained earnings distributable as dividends is measured based on the amount of retained earnings carried on Olympus Corporation's accounting books prepared in accordance with accounting principles generally accepted in Japan.

Additionally, the Companies Act imposes certain restrictions on how the amount of retained earnings distributable as dividends is measured. Olympus Corporation distributes retained earnings within the constraints stipulated by those restrictions.

(4) Other components of equity

The changes in other components of equity were as follows:

	(Millions of yen)				
	Exchange differences on translation of foreign operations	Cash flow hedges	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total
Balance at March 31, 2024	152,686	(3,958)	399	—	149,127
Other comprehensive income	(9,630)	2,194	(78)	3,123	(4,391)
Reclassification to retained earnings	—	—	—	(3,123)	(3,123)
Balance at March 31, 2025	143,056	(1,764)	321	—	141,613
Other comprehensive income	56,435	524	24	5,296	62,279
Reclassification to retained earnings	—	—	—	(5,296)	(5,296)
Balance at March 31, 2026	199,491	(1,240)	345	—	198,596

(i) Exchange differences on translation of foreign operations

Exchange differences that arise when foreign operations' financial statements prepared in a foreign currency are consolidated.

(ii) Cash flow hedges

Olympus Corporation hedges to avert the risk of changes in future cash flows. Changes in the fair value of derivatives designated as cash flow hedges are recognized in other comprehensive income to the extent the hedges are deemed effective.

(iii) Financial assets measured at fair value through other comprehensive income

Valuation gains/losses on financial assets measured at fair value through other comprehensive income.

(iv) Remeasurements of defined benefit plans

Changes in defined benefit obligations due to actuarial gains/losses and the effects of changes in actuarial assumptions; they are recognized in other comprehensive income when they occur and immediately transferred from other components of equity to retained earnings.

25. Capital Policy

To enhance its corporate value, the Olympus Group has adopted a basic policy, premised on maintaining a stable financial foundation, of continually returning value to shareholders while placing priority on investing in growth businesses.

The Olympus Group manages all of its equity and interest-bearing debt as components of its capital cost. In addition, the policy of the Olympus Group is to respond flexibly to investment opportunities while maintaining financial stability through the appropriate control of financial leverage. The Olympus Group is not subject to any significant capital restrictions (except for general provisions stipulated in Japan's Companies Act).

The Olympus Group has designated adjusted earnings per share (adjusted EPS) as an equity-related key performance indicator. In the corporate strategy announced on November 7, 2025, the Olympus Group has defined a target of achieving an adjusted EPS CAGR of more than 10% from the fiscal year ending March 31, 2027 through the fiscal year ending March 31, 2029 starting from the fiscal year ended March 31, 2026.

(Yen)

	2025	2026
Adjusted EPS (Notes 1, 2)	117.17	92.12

Notes: 1. This is EPS after adjusting special factors, and the amount differs from the amount shown in Note "32. Earnings per Share." In calculating adjusted EPS, other income and other expenses, etc., are excluded from profit, which is the basis for the calculation.

2. The Orthopedic Business has been classified as a discontinued operation from the six months ended September 30, 2024.

26. Dividends

Dividends paid during the fiscal year ended March 31, 2025 were as follows:

Resolution	Class of shares	Total dividends (Millions of yen)	Dividend per share (Yen)	Record date	Effective date
May 10, 2024 Board of Directors	Common stock	20,981	18	March 31, 2024	June 5, 2024

Dividends paid during the fiscal year ended March 31, 2026 were as follows:

Resolution	Class of shares	Total dividends (Millions of yen)	Dividend per share (Yen)	Record date	Effective date
May 13, 2025 Board of Directors	Common stock	22,556	20	March 31, 2025	June 5, 2025

Dividends for which the record date falls in the current fiscal year and the effective date is in the following fiscal year are as follows:

Resolution	Class of shares	Total dividends (Millions of yen)	Dividend per share (Yen)	Record date	Effective date
May 12, 2026 Board of Directors	Common stock	33,033	30	March 31, 2026	June 4, 2026

27. Stock-based Compensation

The Olympus Group has adopted equity-settled stock option plans for directors, executive officers and corporate officers of Olympus Corporation, and senior management of Olympus Corporation and its subsidiaries (hereinafter the “Employees of the Olympus Group”) with the aim of enhancing awareness toward contributing to sustainable improvement of corporate value as well as further enhancing value sharing with shareholders of Olympus Corporation.

(1) Stock Options

(i) Overview of stock option plans

Under the stock option plans, grantees are granted 400 shares of common stock of Olympus Corporation per subscription right to shares.

The grants are not subject to vesting conditions, but holders of subscription rights to shares may exercise their subscription rights to shares only during a 10-year period beginning one year from the day after the date on which they vacate their position as a director, executive officer or corporate officers of Olympus Corporation (for those who were appointed the Audit & Supervisory Board Members after vacating their position as a director or corporate officer, the date on which they vacate their position as an Audit & Supervisory Board Member). If not exercised within the exercise period, the options become null and void. Olympus Corporation introduced a restricted stock compensation system and performance-based stock compensation system from the fiscal year ended March 31, 2018, and new application of the stock option plan was suspended. No stock options have been granted since such time. The exercise period for stock options already granted ends on July 13, 2046.

(ii) Outline of stock options

	Grant date	Number of shares granted (shares)	Exercise price (Yen)	Exercise period
The first subscription rights to shares	August 26, 2013	160,400	1	From August 27, 2013 to August 26, 2043
The second subscription rights to shares	July 11, 2014	164,000	1	From July 12, 2014 to July 11, 2044
The third subscription rights to shares	July 13, 2015	154,800	1	From July 14, 2015 to July 13, 2045
The fourth subscription rights to shares	July 13, 2016	158,000	1	From July 14, 2016 to July 13, 2046

Note: The number of stock options is presented as the number of underlying shares.

(iii) Movement in number of stock options and weighted average exercise price

	2025		2026	
	Number of equity securities (shares)	Weighted average exercise price (Yen)	Number of equity securities (shares)	Weighted average exercise price (Yen)
Outstanding at beginning of year	282,400	1	211,600	1
Granted	—	—	—	—
Exercised	(70,800)	1	(47,600)	1
Expired	—	—	(4,800)	1
Outstanding at end of year	211,600	1	159,200	1
Exercisable at end of year	121,200	1	75,600	1

- Notes: 1. The number of stock options is presented as the number of underlying shares.
2. The weighted average share prices of stock options at the time of exercise were ¥2,373 and ¥1,873 for the fiscal years ended March 31, 2025 and 2026, respectively.
3. The weighted average remaining lives of unexercised stock options year were 20.0 years and 19.2 years as of March 31, 2025 and 2026, respectively.

(2) Performance-based stock compensation (PSU: Performance Share Unit) system

(i) Overview of Performance Share Unit (PSU) system (hereinafter the “PSU system”)

The PSU system is for executive officers and corporate officers of Olympus Corporation, and the Employees of the Olympus Group (hereinafter the “Eligible Persons”).

Under the PSU system, at the beginning of the performance evaluation period, the standard number of common stock units to be delivered after the end of the performance evaluation period is determined based on the amount of basic salary. The number of share units to be allotted is the number of the standard number of common stock units multiplied by the payment rate determined according to the degree of attainment at the end of the performance period. The Eligible Persons wholly transfer their rights to monetary compensation receivable equivalent to the number of such allotted share units as in kind property contributions and receive newly issued shares of Olympus Corporation’s common stock. The performance evaluation period is three fiscal years, and the Compensation Committee determines the payment rate within the predetermined range according to the degree of attainment, at the end of the performance evaluation period, of predetermined performance evaluation indicators and targets set by the Compensation Committee. The performance evaluation indicators and targets at the start of the performance evaluation period and the payment rate at the end of the performance evaluation period for corporate officers and the Employees of the Olympus Group are determined by the Representative Executive Officer.

(ii) Number of shares granted during the year and fair value at grant date

The weighted average fair value at the grant date under this plan for the fiscal years ended March 31, 2025 and 2026 were ¥2,271 and ¥2,081 respectively. The number of shares delivered correspond to the directors’ standard variable compensation calculated based on their position and adjusted within the predetermined range based on the degree of attainment, as of the end of the three fiscal years, of predetermined performance evaluation targets set by the Compensation Committee or Representative Executive Officer as described above in (2) (i).

(3) Restricted Stock Unit system

(i) Overview of Restricted Stock Unit system (hereinafter the “RSU system”)

The RSU system is for directors, executive officers and corporate officers of Olympus Corporation, and the Employees of the Olympus Group (hereinafter the “Eligible Persons”).

Under the RSU system, on the condition that the eligible persons remain employed by Olympus Corporation during the vesting period, the eligible persons are granted the right to acquire the predetermined number of shares of Olympus Corporation's common stock based on the amount of basic salary, etc. at the beginning of the transfer restriction period, and receive the said shares at a predetermined time. The Eligible Persons wholly transfer all their rights to monetary compensation claims according to that number of granted units after the end of the vesting period as in kind property contributions and receive newly issued shares of Olympus Corporation's common stock.

RSUs are paid as newly issued shares of the Company's common stock for directors who live in Japan at the time of retirement in principle, and for directors who do not live in Japan after the standard vesting period in their region. The vesting period of RSUs for executive officers, corporate officers and the employees of the Olympus Group was three fiscal years until the fiscal year ended March 31, 2022, and the number of shares equivalent to all the granted units was delivered after the vesting period. From the fiscal year ended March 31, 2023, shares are delivered by one-third of the number of granted units each fiscal year.

(ii) Number of shares granted during the year and fair value at grant date

The weighted average fair value at the grant date under this plan for the fiscal years ended March 31, 2025 and 2026 were ¥2,288 and ¥2,060, respectively. As for the number of shares, Olympus Corporation's common stock determined by Olympus Corporation in advance are delivered after the end of the vesting period as stated in (3) (i) above.

(4) Stock compensation expenses

(Millions of yen)

	2025	2026
Selling, general and administrative expenses	2,064	2,724

28. Revenue

(1) Disaggregation of Revenue

The Olympus Group reorganized the previous "Endoscopic Solutions" and "Therapeutic Solutions" to the "Gastrointestinal Solutions Division" and "Surgical & Interventional Solutions Division" from the fiscal year ended March 31, 2026.

In conjunction with this organizational restructuring, the reportable segments have also been changed from the previous "Endoscopic Solutions" and "Therapeutic Solutions" to the "Gastrointestinal Solutions Division" and "Surgical & Interventional Solutions Division."

Revenue recorded in the "Gastrointestinal Solutions Division" and "Surgical & Interventional Solutions Division" is stated as revenue, as these segments are the units for which separate financial information is available and according to which review is regularly conducted to decide how to allocate management resources and assess business performance. Revenue is geographically disaggregated by customer location. The relationship between the disaggregated revenue and revenue of each business segment is as follows:

To ensure comparability, the results for the fiscal year ended March 31, 2025 have also been restated to reflect the change in categorization.

For the fiscal year ended March 31, 2025

(Millions of yen)

	Gastrointestinal Solutions	Surgical & Interventional Solutions	Other	Total
Japan	83,524	26,588	417	110,529
North America	264,701	149,113	82	413,896
Europe	169,669	84,951	—	254,620
China	71,720	24,003	15	95,738
Asia and Oceania	64,354	29,337	16	93,707
Other	20,075	8,767	—	28,842
Total	674,043	322,759	530	997,332
Revenue from contracts with customers	595,154	298,781	530	894,465
Revenue from other sources	78,889	23,978	—	102,867

Note: Revenue from other sources includes revenue from lease contracts as defined under IFRS 16.

For the fiscal year ended March 31, 2026

(Millions of yen)

	Gastrointestinal Solutions	Surgical & Interventional Solutions	Other	Total
Japan	79,295	24,439	171	103,905
North America	264,926	140,567	—	405,493
Europe	192,047	89,022	1	281,070
China	63,493	18,937	22	82,452
Asia and Oceania	72,571	30,001	14	102,586
Other	25,027	10,143	—	35,170
Total	697,359	313,109	208	1,010,676
Revenue from contracts with customers	616,835	289,773	208	906,816
Revenue from other sources	80,524	23,336	—	103,860

Note: Revenue from other sources includes revenue from lease contracts as defined under IFRS 16.

(i) Gastrointestinal Solutions Division

The Gastrointestinal Solutions Division sells medical devices, including gastrointestinal endoscopes and gastroenterology devices, as well as provides medical services such as lease and repair for these products, to customers who are primarily medical institutions in Japan and overseas.

Regarding the sale of products by the Gastrointestinal Solutions Division, when control over products is transferred to a customer—at the time Olympus Corporation delivers the products to the customer—the legal title to the products and physical possession of the products, and significant risks and rewards of ownership of the products are transferred to the customer; then Olympus Corporation obtains the right to receive payments from the customer. At that point, Olympus Corporation recognizes the revenue. The revenue from the sale of products is measured in transaction prices related to the contract with the customer. Olympus Corporation receives a consideration for a transaction primarily within a year after satisfaction of performance obligations, and the consideration does not include a significant financial component. In respect of transactions that consist of multiple components, such as products and maintenance service, Olympus Corporation treats each component as a separate performance obligation when products to sell and services to render have an independent value on their own, and the total transaction amount is proportionally allocated based on the individual sales prices of the components.

In regard to maintenance contracts concerning medical devices, because performance obligations are satisfied over the passage of time, the transaction amount related to the contract with a customer is recognized as revenue spread evenly over the contract period. Generally, Olympus Corporation receives a consideration for a transaction in a lump sum as advance payment at the time the contract is concluded.

Lease transactions for medical devices as the lessor are recorded in accordance with Note “3. Material Accounting Policies, (10) Leases.” Olympus Corporation receives lease fees concerning leasing contracts based on payment conditions specified in individual contracts.

(ii) Surgical & Interventional Solutions Division

The Surgical & Interventional Solutions Division sells medical devices, including urology products, respiratory products, surgical endoscopes, energy devices, ENT products, and gynecology products, to customers who are primarily medical institutions in Japan and overseas.

Regarding the sale of products by the Surgical & Interventional Solutions Division, when control over products is transferred to a customer—at the time Olympus Corporation delivers the products to the customer—the legal title to the products and physical possession of the products, and significant risks and rewards of ownership of the products are transferred to the customer; then Olympus Corporation obtains the right to receive payments from the customer. At that point, Olympus Corporation recognizes the revenue. The revenue from the sale of products is measured in transaction prices related to the contract with the customer. Olympus Corporation receives a consideration for a transaction primarily within a year after satisfaction of performance obligations, and the consideration does not include a significant financial component.

Other includes revenues related to business segments not attributable to the reportable segments, such as research and development or exploratory activities related to new businesses.

(2) Contract balances

The balances of receivables from contracts with customers, and contract assets and contract liabilities were as follows:

For the fiscal year ended March 31, 2025

	(Millions of yen)	
	April 1, 2024	March 31, 2025
Receivables from contracts with customers	146,956	149,076
Contract assets	220	347
Contract liabilities	65,616	60,215

For the fiscal year ended March 31, 2026

	(Millions of yen)	
	April 1, 2025	March 31, 2026
Receivables from contracts with customers	149,076	175,461
Contract assets	347	290
Contract liabilities	60,215	63,021

In the consolidated statement of financial position, receivables from contracts with customers and contract assets are included in trade and other receivables and contract liabilities are included in other current liabilities and other non-current liabilities.

Contract assets are related to consideration for performance that has been completed but not been charged on the reporting date. Contract assets are reclassified to receivables when the right to payment becomes

unconditional. Contract liabilities are advances from customers who first made some or all of the payment even though service had not yet been provided to the customer, primarily for maintenance contracts.

The amounts of revenues from continuing operations recognized during the fiscal years ended March 31, 2025 and 2026 which were included in contract liabilities at the beginning of the period were ¥60,102 million and ¥55,283 million, respectively. In addition, for the fiscal years ended March 31, 2025 and 2026, the amounts of revenue recognized from performance obligation satisfied (or partly satisfied) in the previous period are immaterial.

(3) Transaction price allocated to the remaining performance obligations

The amounts of revenue by timing of satisfaction of remaining performance obligations are as follows: Olympus Corporation has applied the practical expedient and does not disclose transactions of which the expected contract period is within one year or less.

(Millions of yen)

	2025	2026
Within 1 year	21,763	21,428
Over 1 year	11,842	12,500
Total	33,605	33,928

29. Selling, General and Administrative Expenses

Major items of selling, general and administrative expenses for the fiscal years ended March 31, 2025 and 2026 were as follows:

(Millions of yen)

	2025	2026
Personnel expenses (Note)	283,753	300,114
Depreciation	34,410	35,200
Advertising and promotion expenses	17,036	16,503

Note: Personnel expenses mainly include wages, bonuses, legal welfare expenses, expenses related to post-employment benefits, and personnel expenses incurred by the development division.

30. Other Income and Other Expenses

(1) Other income

Major items of other income are as follows:

For the fiscal year ended March 31, 2025

(Reversal of provision related to litigation involving consolidated subsidiary)

Following a civil mediation ruling in court to conclude a lawsuit, consolidated subsidiary Olympus (Shenzhen) Industrial Ltd. came to a settlement with Shenzhen Anpingtai Investment and Development Co., Ltd. This led to a ¥874 million reversal of provision that had been recorded in the past based on estimates for losses associated with litigation, etc., which has been recorded in “Other income.”

(Compensation income for return of fixed assets)

Consolidated subsidiary, Olympus (Shenzhen) Industrial Ltd. received compensation income of ¥1,170 million in relation to the return of usage rights for land and buildings in Shenzhen City, China, to the government of Shenzhen City, which was recorded in “Other income.”

For the fiscal year ended March 31, 2026

(Consideration based on a usage license agreement)

Olympus Corporation recorded ¥5,995 million in “Other income” as consideration based on a usage license agreement with Evident Corporation.

(Gain on sale of fixed assets)

Gain on sale of buildings held by consolidated subsidiary Olympus Czech Group, s.r.o. of ¥1,166 million was recorded in “Other income.”

(2) Other expenses

Major items of other expenses are as follows.

For the fiscal year ended March 31, 2025

(Quality-related expenses)

In order to comply with quality laws and regulation for medical device of global regulatory authorities, we must strengthen our quality management systems. An expense of ¥19,350 million was incurred in “Other expenses” to ensure we strengthen our global quality management system and to improve targeted areas including complaint handling and response, medical device reporting (MDR), and process design validation.

(Implementation of career support system for external opportunity)

Olympus Corporation recorded ¥2,865 million in “Other expenses” as expenses incurred in the provision of special additional payment and re-employment support services under the career support system for external opportunity implemented by Olympus Corporation and its group companies.

(Impairment losses)

Olympus Corporation recognized impairment losses of ¥1,704 million and ¥854 million on development assets in the Gastrointestinal Solutions Division and Surgical & Interventional Solutions Division, respectively, which were written down to their recoverable amount since Olympus Corporation no longer expects them to generate the expected earnings at the time of acquisition due to such factors as changes in the market environment, and recorded the losses in “Other expenses.”

For the fiscal year ended March 31, 2026

(Quality-related expenses)

In order to comply with quality laws and regulation for medical device of global regulatory authorities, we must strengthen our quality management systems. An expense of ¥10,781 million was incurred in “Other expenses” to ensure we strengthen our global quality management system and to improve targeted areas including complaint handling and response, medical device reporting (MDR), and process design validation.

(Impairment losses)

Olympus Corporation recognized impairment losses of ¥5,179 million and ¥3,376 million on development assets in the Gastrointestinal Solutions Division and Surgical & Interventional Solutions Division, respectively, which were written down to their recoverable amount since Olympus Corporation no longer expects them to generate the expected earnings at the time of acquisition due to such factors as changes in the market environment, and recorded the losses in “Other expenses.”

Olympus Corporation recognized impairment losses of ¥1,595 million on some intangible assets such as technology-related assets in the Surgical & Interventional Solutions Division, which were written down to their recoverable amount since Olympus Corporation no longer expects them to generate the expected earnings at the time of acquisition due to such factors as changes in the market environment, and recorded the losses in “Other expenses.”

(Measures concerning organization changes and personnel optimization)

Expenses of ¥26,872 million associated with the implementation of measures to reform the organizational structure at a global level and optimize the number of employees of Olympus Corporation were recorded as “Other expenses.”

31. Finance Income and Finance Costs

The breakdown of finance income and finance costs for the fiscal years ended March 31, 2025 and 2026 was as follows:

(Millions of yen)		
	2025	2026
Finance income		
Interest income		
Financial assets measured at amortized cost	3,295	2,509
Dividends income		
Financial assets measured through other comprehensive income	12	13
Other (Note 3)	142	3,649
Total	3,449	6,171
Finance costs		
Interest expenses		
Financial liabilities measured at amortized cost	3,845	3,787
Interest on bonds		
Financial liabilities measured at amortized cost	782	1,029
Foreign exchange loss (Note 1)	2,020	13
Other (Note 3)	194	4,468
Total	6,841	9,297

- Notes: 1. Valuation gains or losses on currency derivatives that are not designated as hedges are included in foreign exchange gain or loss.
2. Fee income and expenses arising financial assets measured at amortized cost are immaterial.
3. Other includes changes in the fair value of options held under the agreement relating to investments in Swan EndoSurgical, Inc. by the Olympus Group and RVLHC SE Holdings, LLC (“Revival”). In the fiscal year ended March 31, 2026, changes in the fair value of these options resulted in the recognition of ¥3,528 million in finance income and ¥4,191 million in finance costs. Please refer to Notes “40. Business Combinations” for information on this agreement.

32. Earnings per Share

(1) Basic earnings per share and diluted earnings per share

	2025	2026
Basic earnings per share (yen)		
Continuing operations	102.94	61.32
Discontinued operation	0.05	—
Basic earnings per share	102.99	61.32
Diluted earnings per share (yen)		
Continuing operations	102.75	61.20
Discontinued operation	0.05	—
Diluted earnings per share	102.80	61.20

(2) The basis for calculating basic earnings per share and diluted earnings per share

	2025	2026
Profit used to calculate basic earnings per share and diluted earnings per share		
Profit attributable to owners of parent (Millions of yen)	117,855	68,172
Profit not attributable to owners of parent (Millions of yen)	—	—
Profit used to calculate basic earnings per share (Millions of yen)	117,855	68,172
Continuing operations	117,800	68,172
Discontinued operation	55	—
Adjustment to profit (Millions of yen)	—	—
Profit used to calculate diluted earnings per share (Millions of yen)	117,855	68,172
Continuing operations	117,800	68,172
Discontinued operation	55	—
The weighted average number of shares of common stock used to calculate basic earnings per share and diluted earnings per share		
The weighted average number of shares of common stock (thousand shares)	1,144,343	1,111,780
Increase in number of shares of common stock		
Subscription rights to shares relating to stock options (thousand shares)	263	193
Common stock relating to PSU (thousand shares)	970	695
Common stock relating to RSU (thousand shares)	849	1,252
The weighted average number of shares of diluted common stock during the period (thousand shares)	1,146,425	1,113,920

33. Other Comprehensive Income

The breakdown of each component of other comprehensive income (including non-controlling interests) for the fiscal years ended March 31, 2025 and 2026 was as follows:

	(Millions of yen)	
	2025	2026
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income		
Amount arising during the year	(62)	43
Tax effect	(16)	(19)
Financial assets measured at fair value through other comprehensive income	(78)	24
Remeasurements of defined benefit plans		
Amount arising during the year	4,413	8,113
Tax effect	(1,290)	(2,817)
Remeasurements of defined benefit plans	3,123	5,296
Total of items that will not be reclassified to profit or loss	3,045	5,320
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations		
Amount arising during the year	(8,317)	56,278
Reclassification adjustments	(1,156)	—
Before tax effect	(9,473)	56,278
Tax effect	(157)	157
Exchange differences on translation of foreign operations	(9,630)	56,435
Cash flow hedges		
Amount arising during the year	2,146	5,923
Reclassification adjustments	1,018	(5,213)
Before tax effect	3,164	710
Tax effect	(970)	(186)
Cash flow hedges	2,194	524
Total of items that may be reclassified to profit or loss	(7,436)	56,959
Total other comprehensive income (loss)	(4,391)	62,279

34. Cash Flow Information

(1) Non-cash transactions

The major non-cash transactions are as follows:

	(Millions of yen)	
	2025	2026
Right-of-use assets acquired through lease transactions	17,374	12,598

(2) Liabilities arising from financing activities

The changes in liabilities arising from financing activities were as follows:

Fiscal year ended March 31, 2025

(Millions of yen)

	Balance at April 1	Movement due to cash inflows/outflows from financing activities	Non-cash items			Balance at March 31
			Increase due to new lease	Exchange differences on translation of foreign operations	Other	
Bonds (Note 1)	145,250	(20,000)	–	–	(766)	124,484
Long-term borrowings (Note 1)	154,366	(50,035)	–	(2)	289	104,618
Lease liabilities (Notes 1, 2)	60,943	(13,834)	17,374	(617)	(1,401)	62,465

Notes: 1. Balances redeemable within one year are included.

2. Movement due to cash inflows/outflows from financing activities for lease liabilities does not include the portion related to financial liabilities of (¥5,468 million), which is part of the “Repayments of lease liabilities” totaling (¥19,302 million) in the Consolidated Statement of Cash Flows.

Fiscal year ended March 31, 2026

(Millions of yen)

	Balance at April 1	Movement due to cash inflows/outflows from financing activities	Non-cash items			Balance at March 31
			Increase due to new lease	Exchange differences on translation of foreign operations	Other	
Bonds (Note 1)	124,484	4,873	–	–	5,359	134,716
Long-term borrowings (Note 1)	104,618	–	–	35	207	104,860
Lease liabilities (Notes 1, 2)	62,465	(13,743)	12,598	5,807	(818)	66,309

Notes: 1. Balances redeemable within one year are included.

2. Movement due to cash inflows/outflows from financing activities for lease liabilities does not include the portion related to financial liabilities of (¥6,167 million), which is part of the “Repayments of lease liabilities” totaling (¥19,910 million) in the Consolidated Statement of Cash Flows.

(3) Payments for acquisition of business

There is no income or expenses from significant business acquisitions during the fiscal years ended March 31, 2025 and 2026.

(4) Payments for acquisition of subsidiaries

A reconciliation of the consideration paid for the acquisition of subsidiaries and payments for acquisition was as follows:

(Millions of yen)

	2025	2026
Consideration for acquisitions paid in cash	(3,896)	—
Cash and cash equivalents of assets acquired, at the time the Olympus Group obtained control of the subsidiaries	15	—
Payments for acquisition of subsidiaries	(3,881)	—

Note: For details, please see Note “40. Business Combinations.”

(5) Loss of control

Fiscal year ended March 31, 2025

(Transfer of Orthopedic Business)

(i) Overview of transaction

Olympus Corporation entered into a put option agreement with PTCJ-6O Holdings Inc. and PTCJ-6F Holdings Inc. (special purpose companies established by Polaris Capital Group Co., Ltd., collectively, the “Polaris Capital Group”), to transfer Olympus Terumo Biomaterials Corporation and FH Ortho SAS (the “FHO Group”), Olympus’s Orthopedic Business. The transfer of the business in accordance with this agreement was completed on July 12, 2024. As a result of this, Olympus Corporation lost its control of Orthopedic Business on the same day.

(ii) Assets and liabilities associated with the loss of control

	(Millions of yen)
	Amount
Current assets	10,122
Non-current assets	2,358
Total assets	12,480
Current liabilities	2,937
Non-current liabilities	1,093
Total liabilities	4,030

(iii) Cash flows associated with the loss of control

	(Millions of yen)
	Amount
Cash and cash equivalents received as consideration of the loss of control	5,634
Expenses related to transfer of businesses	(350)
Cash and cash equivalents of subsidiaries with the loss of control	(1,554)
Proceeds from the transfer of Orthopedic Business (Note)	3,730

Note: Proceeds from the transfer of Orthopedic Business are included in “Cash flows from investing activities” in the Consolidated Statement of Cash Flows.

(iv) Gain or loss associated with the loss of control

Olympus Corporation recorded a gain of ¥435 million associated with the loss of control of Orthopedic Business in “Profit from discontinued operation” in the Consolidated Statement of Profit or Loss.

Fiscal year ended March 31, 2026

Not applicable.

35. Financial Instruments

(1) Credit risk

Credit risk is the risk that a counterparty may default on its contractual obligations resulting in a financial loss for the Olympus Group.

The Olympus Group is mainly exposed to the credit risk of customers and business counterparts on financial assets measured at amortized cost and of financial institutions that are counterparties to derivatives held for hedging foreign currency fluctuations and other financial risks.

The Olympus Group manages credit risk pertaining to financial assets measured at amortized cost by conducting credit investigations on major external customers and controls of due dates and outstanding balances by customers in accordance with internal regulations, while promptly identifying doubtful accounts caused by deteriorated financial conditions, etc., to reduce risks. Credit risk associated with derivatives is reduced by limiting transactions to highly creditworthy financial institutions.

Financial assets measured at amortized cost are mainly classified into “trade receivables” that consist of notes receivable, accounts receivable and lease receivables and “receivables other than trade receivables.” The Olympus Group provides allowance for doubtful accounts for each receivable as follows:

“Trade receivables” are classified into three categories: receivables to “debtors that are not facing serious problems in their management conditions,” receivables to “debtors that are facing serious problems in repaying their debts,” and receivables to “debtors that are bankrupt,” according to the debtors’ management and financial conditions at the end of the reporting period. Allowance for doubtful accounts is always recognized at an amount equal to expected credit losses for the remaining life of the assets for each category.

“Debtors that are not facing serious problems in their management conditions” refer to those that have no indication of problems in repaying their debts and no problems in ability to repay their debts. Allowance for doubtful accounts on receivables from the debtors in this category is recorded collectively using a provision ratio based on a historical loan loss ratio and future estimates.

“Debtors that are facing serious problems in repaying their debts” refer to those that are not in a state of bankrupt but are facing, or will likely face, serious problems in repaying their debts. Allowance for doubtful accounts on receivables from the debtors in this category is recorded based on the estimated collectable amount of the respective assets on an individual basis.

“Debtors that are bankrupt” refer to those that are legally or substantially bankrupt or in a state of serious financial difficulty with no prospect of revitalization. Allowance for doubtful accounts on receivables from the debtors in this category is recorded for all receivables excluding assets received as collateral or for credit enhancement.

The Olympus Group evaluates at the end of each reporting period whether there is a significant increase in credit risk of “receivables other than trade receivables” since initial recognition. When there is no significant increase in credit risk since initial recognition, the amount equal to expected credit losses for 12 months is recognized as allowance for doubtful accounts. When there is a significant increase in credit risk since initial recognition, the amount equal to expected credit losses for the remaining life of the financial assets is recognized as allowance for doubtful accounts.

“A significant increase in credit risk” refers to a situation in which there are serious problems in collectability of receivables at the end of the reporting period compared to that at the initial recognition. When evaluating whether or not there is a significant increase in credit risk, the Olympus Group takes into consideration reasonably available and supportable information, such as a debtor’s results of operations for past periods and management improvement plan, as well as past due information.

Allowance for doubtful accounts on “receivables other than trade receivables” is recognized using a method to estimate credit losses collectively or individually according to the extent of the debtor’s credit risk. However, when the debtors are in serious financial difficulty or legally or substantially bankrupt, allowance for doubtful accounts is recognized using a method to estimate credit losses individually by considering the receivables as credit-impaired financial assets.

Irrespective of the above classification, when it is clear that a financial asset in its entirety or a portion thereof cannot be recovered, such as a legal extinguishment of receivables, the carrying amount of the financial asset is directly amortized.

Information on allowance for doubtful accounts

The carrying amounts of financial assets subject to allowance for doubtful accounts were as follows:

These carrying amounts represent the maximum amount of exposure to credit risk.

(Millions of yen)				
Trade receivables	Debtors that are not facing serious problems in their management conditions	Debtors that are facing serious problems in repaying their debts	Debtors that are bankrupt	Total
Balance at March 31, 2025	255,713	4,696	254	260,663
Balance at March 31, 2026	312,341	5,222	386	317,949

There was no significant change that had a material impact on allowance for doubtful accounts for “Trade receivables” as of March 31, 2025 and 2026.

(Millions of yen)				
Receivables other than trade receivables	No significant increase in credit risk	Significant increase in credit risk		Total
		Non-credit-impaired financial assets	Credit-impaired financial assets	
Balance at March 31, 2025	25,294	4,685	595	30,574
Balance at March 31, 2026	22,697	4,938	623	28,258

There was no significant change that had material impacts on allowance for doubtful accounts for “Receivables other than trade receivables” as of March 31, 2025 and 2026.

The changes in allowance for doubtful accounts related to above financial assets were as follows:

(Millions of yen)

	Trade receivables	Receivables other than trade receivables		
		No significant increase in credit risk	Significant increase in credit risk	
			Non-credit-impaired financial assets	Credit-impaired financial assets
Balance at April 1, 2024	5,341	1	4,557	668
Increase	824	—	117	—
Decrease	(1,096)	0	—	(1)
Other	(39)	—	—	(72)
Balance at March 31, 2025	5,030	1	4,674	595
Increase	1,058	9	230	2
Decrease	(731)	(1)	—	(1)
Other	418	1	—	28
Balance at March 31, 2026	5,775	10	4,904	624

(2) Liquidity risk

Liquidity risk is the risk that the Olympus Group may not be able to repay borrowings or settle other financial liabilities on their due dates.

Borrowings, bonds and other financial liabilities held by the Olympus Group are exposed to liquidity risk. Based on the report from each division, the finance division of the Olympus Group prepares and updates its cash flow plans on a timely basis and keeps its liquidity in hand over a certain ratio of consolidated revenue in order to manage liquidity risk.

Major financial liabilities by maturity date are as follows: Trade and other payables are not included in the tables below as they are settled within one year and their contractual cash flows are nearly equal to the carrying amount.

As of March 31, 2025

(Millions of yen)

	Carrying amount	Contractual cash flows		
		Total	Within 1 year	Over 1 year
Non-derivative financial liabilities				
Bonds and borrowings	229,102	234,935	97,138	137,797
Lease liabilities	62,465	71,227	14,073	57,154
Derivative financial liabilities				
Currency derivatives	1,003	1,000	908	92
Interest rate derivatives	4	4	4	—

As of March 31, 2026

(Millions of yen)

	Carrying amount	Contractual cash flows		
		Total	Within 1 year	Over 1 year
Non-derivative financial liabilities				
Bonds and borrowings	239,576	249,472	83,288	166,184
Lease liabilities	66,309	75,430	14,418	61,012
Derivative financial liabilities				
Currency derivatives	1,818	1,816	1,634	182

The Olympus Group does not expect the cash flows included in the maturity analysis to occur much earlier than anticipated or to differ significantly from the anticipated monetary amounts.

In addition to the items presented in the table above, there are short position put option liabilities related to investments accounted for using the equity method (hereinafter, "Put Options"). The Put Options may be exercised within the next six years. The Put Options are measured at fair value, using inputs such as the fair value of the underlying shares, the discount rate, volatility, and the achievement rate of certain targets agreed in advance by the Olympus Group and its co-investors. The carrying amount at the end of the fiscal year ended March 31, 2026 is ¥4,445 million. (For details on investments accounted for using the equity method, please refer to Note "40. Business Combinations (Formation of joint venture).")

(3) Market risk

Market risk is the risk of fluctuations in fair value or future cash flows of financial instruments because of changes in market prices. Market risk includes foreign exchange risk which arises from changes in foreign exchange rates, interest rate risk which arises from changes in market interest rates and market price fluctuation risk which arises from changes in market prices of listed shares.

(i) Foreign exchange risk

The Olympus Group operates business activities worldwide. Accordingly, financial assets and liabilities arising from transactions denominated in currencies other than the functional currency are exposed to foreign exchange rate fluctuation risk. The Olympus Group mainly uses foreign exchange forward contracts and currency swaps to reduce the foreign exchange fluctuation risk.

(i) Foreign exchange forward contracts and currency swaps

The details of foreign exchange forward contracts and currency swaps were as follows:

(Millions of yen)

	2025		2026	
	Contract amount	Fair value	Contract amount	Fair value
Foreign exchange forward contracts:	103,991	(405)	159,278	(1,437)
U.S. dollar	49,469	(91)	85,729	(789)
Other currency	54,522	(314)	73,549	(648)
Currency swaps	96,368	16,133	109,593	22,704
Receive other currencies / pay Euro	18,929	15	24,491	(19)
Receive Euro / pay other currencies	2,679	0	5,162	9
Receive U.S. dollar / pay Japanese yen	74,760	16,118	79,940	22,714
Total	200,359	15,728	268,871	21,267

(ii) Sensitivity analysis of currency fluctuation risk

The following table illustrates the impact on profit before tax in the Consolidated Statement of Profit or Loss from financial instruments held by the Olympus Group at the end of each fiscal year if the Japanese yen appreciated by 1 Japanese yen against the U.S. dollar and the Euro. This analysis assumes that all other variables are held constant.

	(Millions of yen)	
	2025	2026
U.S. dollar	(166)	40
Euro	(142)	(52)

(ii) Interest rate risk

The Olympus Group's exposure to interest rate risk mainly relates to debt such as borrowings and bonds. Because the amount of interest is affected by fluctuations in market interest rates, the Olympus Group is exposed to interest rate risk of fluctuations in future cash flows of interest.

Mainly to limit an increase in the amount of interest paid in the future due to a rise in interest rates, the Olympus Group raises funds by procuring fixed rate long-term borrowings and issuing bonds at fixed interest rates. If funds are procured through long-term borrowings at a variable interest rate, the Olympus Group endeavors to stabilize cash flows by entering into an interest rate swap contract to receive a variable interest rate and pay a fixed interest rate with financial institutions and virtually fixing the borrowing rate.

As the impact of fluctuations in market interest rates on the Olympus Group's profit or loss is immaterial, the Olympus Group has determined that interest rate risk is not significant. Accordingly, no interest rate sensitivity analysis has been performed.

(iii) Market price risk

The Olympus Group holds listed shares for strategic investment purposes, including facilitating business alliances. Market prices of listed shares may fluctuate depending on market economy trends as the prices are determined based on market principles. For listed shares, the Olympus Group regularly checks market prices and the financial status of issuers (business counterparts), while reviewing holding positions continuously in consideration of relationships with business counterparts.

Sensitivity analysis of market price risk

With regard to listed shares held by the Olympus Group at the end of each fiscal year, the following table shows the impact on other comprehensive income (before tax effect) in the Consolidated Statement of Comprehensive Income that would result from 1% decline in market prices at the end of each fiscal year. The impact was calculated by multiplying listed shares at the end of each fiscal year by 1% for this analysis.

	(Millions of yen)	
	2025	2026
Other comprehensive income (before tax effect)	(4)	(4)

(4) Fair value

(i) Fair value hierarchy

Fair value hierarchy is categorized into the following three levels depending on the observability of inputs used in the valuation technique for the measurement.

Level 1: Fair value measured at market prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Fair value measured using observable prices other than those categorized within level 1, either directly or indirectly

Level 3: Fair value measured using a valuation technique which includes inputs that are not based on observable market data

The Olympus Group recognizes transfers of financial instruments between the levels of the fair value hierarchy as if they occurred at the end of each fiscal year. There were no significant financial instruments transferred between the levels for the fiscal years ended March 31, 2025 and 2026.

(ii) Financial instruments measured at fair value

The methods for measuring major financial instruments measured at fair value are as follows:

(Other financial assets and other financial liabilities)

Listed shares are classified as level 1 and stated at market prices valued at the end of each fiscal year.

Unlisted shares are classified as level 3 and stated at the value obtained by using valuation techniques such as the comparable company analysis method.

Of derivative assets and liabilities, currency derivatives and interest-rate derivatives are classified as level 2. Currency derivatives are stated at the value based on forward exchange rates, and interest-rate derivatives are stated at the value obtained based on observable data such as market interest rates, credit risks, and the period up to maturity.

Long position call option assets (hereinafter, “Call Options”) and short position put option liabilities (hereinafter, “Put Options”) related to contingent considerations for business combinations and investments accounted for using the equity method are classified as level 3. Contingent considerations are stated at the estimates of future payability. Call Options and Put Options are measured using inputs such as the fair value of the underlying shares, the discount rate, volatility, and the achievement rate of certain targets agreed in advance by the Olympus Group and RVLHC SE Holdings, LLC (“Revival”).

The fair value hierarchy of financial instruments measured at fair value is as follows:

As of March 31, 2025

	(Millions of yen)			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at fair value through profit or loss				
Derivative assets	—	16,731	—	16,731
Equity securities and others	—	—	828	828
Financial assets measured at fair value through other comprehensive income				
Equity securities and others	424	—	15,159	15,583
Financial liabilities				
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities	—	1,007	—	1,007
Contingent consideration	—	—	1,689	1,689

As of March 31, 2026

(Millions of yen)

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at fair value through profit or loss				
Derivative assets	—	23,086	3,741	26,827
Equity securities and others	—	—	5,118	5,118
Financial assets measured at fair value through other comprehensive income				
Equity securities and others	427	—	17,586	18,013
Financial liabilities				
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities	—	1,818	4,445	6,263
Contingent consideration	—	—	673	673

The changes in financial assets categorized within level 3 were as follows:

(Millions of yen)

	2025	2026
Balance at April 1	7,718	15,987
Gains and losses (Note)		
Profit or loss	95	(11)
Other comprehensive income	53	40
Acquisition	8,587	8,853
Other	(466)	1,576
Balance at March 31	15,987	26,445

Note: Gains or losses recognized in profit or loss are included in “Finance income” or “Finance costs” in the Consolidated Statement of Profit or Loss. Gains or losses recognized in other comprehensive income are included in “Financial assets measured at fair value through other comprehensive income” in the Consolidated Statement of Comprehensive Income. Total gains or losses recognized in profit or loss included a gain of ¥95 million and a loss of ¥10 million on financial instruments held as of March 31, 2025 and 2026, respectively.

The changes in financial liabilities categorized within level 3 were as follows:

(Millions of yen)

	2025	2026
Balance at April 1	7,119	1,689
Settlement	(6,000)	(230)
Change in fair value	564	(939)
Incurrence	—	4,191
Other	6	407
Balance at March 31	1,689	5,118

(iii) Financial instruments measured at amortized cost

The methods for measuring the fair value of major financial instruments measured at amortized cost are as follows: These financial instruments are mainly classified into level 2.

(Cash and cash equivalents, trade and other receivables, and trade and other payables)

Account items to be settled in the short term are stated at their book value because their fair value is nearly equal to their book value.

Lease receivables are stated at the value obtained by calculating the present value of each lease receivable categorized by a specific period, at discounted rates that take into account credit risks and the period up to maturity.

(Other financial assets and other financial liabilities)

Account items to be settled in the short term are stated at their book value because their fair value is nearly equal to their book value.

(Bonds and borrowings)

Bonds and borrowings with fixed interest rates are stated at the value calculated at discounted rates which would be applied to a similar issuance of bonds or similar new loans to generate future cash flows.

Borrowings with variable interest rates are stated at their book value because their fair value is deemed to be nearly equal to their book value, given that they are short-term borrowings reflecting market interest rates, and their credit conditions have not significantly changed since the drawdown.

Short-term borrowings and commercial papers are stated at their book value since they are settled in the short term and their fair value is nearly equal to their book value.

The carrying amount and fair value of major financial instruments measured at amortized cost were as follows: Financial instruments whose carrying amounts approximate fair value are not included in the following table.

(Millions of yen)				
	2025		2026	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Lease receivables	105,382	105,176	136,674	135,370
Financial liabilities				
Bonds	124,484	120,093	134,717	129,643
Borrowings	94,611	93,145	104,860	98,652

(iv) Equity instruments

Equity instruments such as shares held mainly for the purpose of maintaining or strengthening business relationships with the investees are designated as financial assets measured at fair value through other comprehensive income. The fair values of equity instruments by major issuer were as follows:

(Millions of yen)	
Bond name	2025
Neptune Medical	5,981
Delfi Diagnostics, Inc.	4,020
Noah Medical Corporation	2,243
Neuspera Medical	1,495
OHARA INC.	424

(Millions of yen)

Bond name	2026
Neptune Medical	5,701
Delfi Diagnostics, Inc.	4,299
Noah Medical Corporation	2,398
Neuspera Medical	1,599
OHARA INC.	427

The fair value at the date of sale and cumulative gains or losses on sales of equity instruments sold during the fiscal year based on Olympus Corporation's policy for equity securities and others held for strategic investment purposes were as follows:

(Millions of yen)

	2025	2026
Fair value at the date of sale	—	—
Cumulative gains or losses on sale	—	—

The breakdown of dividends received recognized from equity instruments was as follows:

(Millions of yen)

	2025	2026
Equity instruments derecognized during the year	—	—
Equity instruments held at the end of year	12	13
Total	12	13

(5) Hedge accounting

The Olympus Group raises a portion of funds through borrowings with variable interest rates and bonds in foreign currencies with fixed interest rates, and is exposed to interest rate risks and foreign exchange risks for foreign currency transactions within that scope. The Olympus Group uses interest rate swaps that virtually converts borrowings with variable interest rates into borrowings with fixed interest rates and interest rate and currency swaps that virtually converts bonds in foreign currencies with fixed interest rates into fixed rate bonds denominated in Japanese yen in order to hedge interest rate risk. The Group applies hedge accounting by designating the interest rate swaps as cash flow hedges.

For interest rate swaps, the notional amount, term (maturity) and underlying data for interest rate of the hedging instrument and the hedged item are to be matched, in principle. No ineffective portion was recognized as of March 31, 2025 and 2026.

For interest rate and currency swaps, the amount recognized in net gain or loss on the ineffective portion of the hedge for the fiscal year ended March 31, 2026, is not material.

A summary of interest rate swaps and interest rate and currency swaps designated as cash flow hedge was as follows:

As of March 31, 2025

(Millions of yen)

	Notional amount	Over 1 year	Carrying amount (Note)		Interest rate
			Assets	Liabilities	
Interest rate swaps	10,000	—	—	4	Variable rate receipt: 6-month Japanese yen TIBOR Fixed rate payment: 1.3815%
Interest rate and currency swaps	74,760	74,760	16,118	—	Fixed rate receipt: U.S. dollar 2.143% Fixed rate payment: Japanese yen 0.6975%

As of March 31, 2026

(Millions of yen)

	Notional amount	Over 1 year	Carrying amount (Note)		Interest rate
			Assets	Liabilities	
Interest rate and currency swaps	79,940	—	22,714	—	Fixed rate receipt: U.S. dollar 2.143% Fixed rate payment: Japanese yen 0.6975%

Note: The amounts in the Consolidated Statement of Financial Position are recorded in “Other financial assets” or “Other financial liabilities” of each current and non-current based on their maturity date.

The cash flow hedge reserve (before tax effect) regarding the above table was as follows:

(Millions of yen)

	2025	2026
Interest rate swaps	(4)	—
Interest rate and currency swaps	(2,536)	(1,830)

Cash flow hedges recognized in the Consolidated Statement of Comprehensive Income and other comprehensive income (before tax effect) were as follows:

Fiscal year ended March 31, 2025

(Millions of yen)

	Changes in the fair value recognized in other comprehensive income	Amount of reclassification adjustment from cash flow hedge to profit or loss (Note)
Interest rate swaps	18	60
Interest rate and currency swaps	2,128	958

Fiscal year ended March 31, 2026

(Millions of yen)

	Changes in the fair value recognized in other comprehensive income	Amount of reclassification adjustment from cash flow hedge to profit or loss (Note)
Interest rate swaps	(0)	4
Interest rate and currency swaps	5,923	(5,217)

Note: The amounts included in the Consolidated Statement of Profit or Loss are recorded in “Finance income” or “Finance costs.”

(6) Transfer of financial instruments

Transferred financial assets that are not derecognized in their entirety

The Olympus Group transfers a part of trade receivables to a third party in order to diversify fundraising channels and conduct stable fund procurement. The third party has recourse only to the transferred assets upon the debtors' default and cannot claim other assets of the Olympus Group. While the Olympus Group does not bear bad debt risk on a certain portion of the transferred receivables due to a contract with the third party, the full amount has been recognized in the Consolidated Statement of Financial Position because the financial assets in their entirety do not qualify for derecognition. The proceeds which arising on the transfer of the assets have been recorded as the associated liabilities and are settled when a payment is made for the transferred assets. The Olympus Group cannot use the transferred assets until the payment is made.

The carrying amounts of transferred assets and the associated liabilities when the Olympus Group continues to recognize all of the transferred assets as of March 31, 2025 and 2026 are as follows: They are recognized in "Trade and other receivables" and "Other financial liabilities," respectively, in the Consolidated Statement of Financial Position.

(Millions of yen)		
	2025	2026
Transferred financial assets	29	—
Related liabilities	29	—
Net position of transferred financial assets	—	—

Note: The fair values are equivalent to the carrying amounts in the above table.

36. Leases

(1) Lessor

The Olympus Group leases endoscopes and other equipment under finance leases. It also leases endoscopes and other equipment, and property owned by Olympus Corporation as operating leases.

The business conditions of the customers, equipment usage, etc. are monitored regularly in order to manage the risks for the assets.

The breakdown of revenue under finance leases from continuing operations was as follows:

(Millions of yen)		
	2025	2026
Lease income	24,086	25,181
Interest income	5,437	5,856

The breakdown of future lease payments receivable under finance leases was as follows:

(Millions of yen)

	2025	2026
Undiscounted lease payments to be received		
Within 1 year	44,453	53,197
More than 1 year, but within 2 years	27,999	36,308
More than 2 years, but within 3 years	19,344	26,429
More than 3 years, but within 4 years	9,456	13,243
More than 4 years, but within 5 years	3,362	3,728
More than 5 years	312	706
Total	104,926	133,611
Unguaranteed residual value	10,198	14,257
Unearned finance income	(9,742)	(11,194)
Net investment in the lease	105,382	136,674

The breakdown of revenue under operating leases from continuing operations was as follows:

(Millions of yen)

	2025	2026
Lease income	29,411	26,712
Variable lease payments (Note)	16,594	18,713

Note: Income that is not determined by an index or a rate.

The breakdown of future lease payments receivable under operating leases from continuing operations was as follows:

(Millions of yen)

	2025	2026
Within 1 year	16,491	14,987
More than 1 year, but within 2 years	10,390	9,143
More than 2 years, but within 3 years	5,038	4,788
More than 3 years, but within 4 years	2,481	2,835
More than 4 years, but within 5 years	1,365	1,445
More than 5 years	383	659
Total	36,148	33,857

(2) Lessee

The Olympus Group rents properties and other equipment as lessee.

Certain of the lease transactions have renew/purchase options or escalation clauses, but there are no significant restrictions on dividends, additional borrowings and additional leases provided by the lease contracts.

In addition, some lease contracts contain extension options and termination options.

There were no material leases that have not yet commenced among lease contracts concluded by the Olympus Group as of March 31, 2025 and 2026.

The book value of right-of-use assets by type of underlying asset and the increase in right-of-use assets are described in Note “13. Property, Plant and Equipment.”

The total amount of cash outflows related to leases were ¥22,362 million and ¥22,905 million for the fiscal years ended March 31, 2025 and 2026, respectively.

The breakdown of lease-related income and expenses for lessee of continuing operations were as follows:

	(Millions of yen)	
	2025	2026
Revenue from sublease of right-of-use assets	3	5
Depreciation of right-of-use assets by underlying asset class		
Land	194	173
Buildings and structures	7,821	8,539
Machinery and vehicles	3,435	3,307
Tools, furniture and fixtures	806	804
Interest expense under lease obligations	2,085	2,080
Expenses under short-term leases	499	528
Expenses under leases of low-value asset	954	986

Note: The balance of lease liabilities by date is described in Note “35. Financial Instruments.”

37. Income Taxes

(1) Deferred tax assets and liabilities

The breakdown of major deferred tax assets and liabilities by cause was as follows:

	(Millions of yen)	
	2025	2026
Deferred tax assets		
Inventories	7,926	10,166
Prepaid expenses	8,263	5,594
Accrued bonuses	6,112	6,771
Accrued expenses	6,433	10,032
Unrealized intercompany profits	20,222	23,292
Property, plant and equipment	10,798	13,931
Intangible assets	2,619	2,951
Interest rate swaps	1	—
Deferred gains or losses on hedges	776	592
Retirement benefit liability	2,543	1,452
Loss carryforwards	5,213	16,668
Lease liabilities	14,177	13,972
Provision for product warranties	9,034	7,727
Other	4,697	9,765
Total	98,814	122,913
Deferred tax liabilities		
Property, plant and equipment	(10,758)	(16,007)
Financial assets measured at fair value through other comprehensive income	(155)	(180)
Retirement benefit asset	(8,825)	(14,032)
Fair value differences on acquisition	(3,550)	(2,106)
Capitalized development costs	(5,055)	(15,081)
Retained profit of overseas subsidiaries	(2,454)	(2,656)
Right-of-use assets	(13,225)	(14,016)
Other	(3,466)	(211)
Total	(47,488)	(64,289)
Net deferred tax assets and liabilities	51,326	58,624

(Amendments to IAS 12 “Income Taxes”)

The Olympus Group has applied “International Tax Reform — Pillar Two Model Rules” (Amendments to IAS 12 “Income Taxes”) effective for the fiscal year ended March 31, 2024. The amendment clarifies that IAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the BEPS’s Pillar Two GloBE Rules (global minimum tax) by OECD. However, this standard makes a temporary exception that requires an entity not to recognize or disclose information about deferred tax assets and liabilities related to the income taxes arising from the global minimum tax rules. The Olympus Group has applied the exception defined in IAS 12 and does not recognize or disclose information about deferred tax assets and liabilities related to the income taxes arising from the global minimum tax rules.

Loss carryforwards, deductible temporary differences and tax credits carried forward for which deferred tax assets have not been recognized were as follows: The tax base is presented.

	(Millions of yen)	
	2025	2026
Loss carryforwards	4,929	4,532
Deductible temporary differences	13,761	16,641
Tax credits carried forward	1,023	958
Total	19,713	22,131

Loss carryforwards for which deferred tax assets have not been recognized and expires as follows:

	(Millions of yen)	
	2025	2026
Within 4th year	—	—
5th year and thereafter	4,929	4,532
Total	4,929	4,532

Olympus Corporation does not recognize deferred tax liabilities for the temporary differences associated with undistributed profits of subsidiaries, etc. when Olympus Corporation is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Total temporary differences associated with the undistributed profits of subsidiaries which have not been recognized as deferred tax liabilities (income base) were ¥358,223 million and ¥354,111 million as of March 31, 2025 and 2026, respectively.

(2) Income tax expenses

The breakdown of income tax expenses was as follows:

	(Millions of yen)	
	2025	2026
Current tax expenses (Notes 1, 2)	34,749	35,043
Deferred tax expenses (Notes 3, 4, 5)	6,521	(9,221)
Total of income tax expenses	41,270	25,822

- Notes: 1. The current tax expense includes tax losses which were previously not recorded, tax credits or benefits resulting from temporary differences for prior periods. Consequently, the current tax expense for the fiscal years ended March 31, 2025 and 2026 decreased by ¥3,062 million and ¥271 million, respectively. In addition, the current tax expense for the fiscal year ended March 31, 2026 includes the corporation tax for the previous fiscal year of ¥2,066 million.
2. The amount of income taxes for global minimum tax included in current tax expenses were ¥4,743 million and ¥193 million for the fiscal years ended March 31, 2025 and 2026, respectively.
3. The deferred tax expense includes tax losses which were previously not recorded, tax credits or benefits resulting from temporary differences for prior periods. Consequently, the deferred tax expense increased by ¥200 million for the fiscal year ended March 31, 2025 and by ¥950 million for the fiscal year ended March 31, 2026, respectively.
4. The deferred tax expense includes devaluation of deferred tax assets and the reversal of devaluation of deferred tax assets which was previously recorded (assessment of recoverability of deferred tax assets). Consequently, the deferred tax expense decreased by ¥2,595 million for the fiscal year ended March 31, 2025 and increased by ¥1,111 million for the fiscal year ended March 31, 2026, respectively.
5. The deferred tax expense increased by ¥137 million for the fiscal year ended March 31, 2025 and decreased by ¥1,215 million for the fiscal year ended March 31, 2026 due to the effect of changes in tax rates in Japan and overseas.

(3) Income taxes recognized in other comprehensive income

Income taxes recognized in other comprehensive income are presented in Note “33. Other Comprehensive Income.”

(4) Reconciliation of effective tax rate

Reconciliation of the effective statutory tax rate and the average actual tax rate for the fiscal years ended March 31, 2025 and 2026 is as follows:

Olympus Corporation’s income taxes mainly include corporation tax, inhabitant tax and enterprise tax. The effective statutory tax rates calculated based on these taxes were 30.6% and 31.5% for the fiscal years ended March 31, 2025 and 2026, respectively. Overseas subsidiaries are subject to income taxes of the countries in which they operate.

	2025	2026
Effective statutory tax rate	30.6%	31.5%
Non-deductible expense, such as entertainment expenses	1.9	0.9
Non-taxable income, such as dividend income	(0.2)	(0.4)
Tax credit for experimental research cost and others	(2.7)	(8.2)
Different tax rates applied to subsidiaries	(5.3)	(1.7)
Subsidiaries reserve	0.7	0.0
Change in unrecognized deferred tax assets and liabilities	(3.5)	3.5
Change in deferred tax assets at the end of fiscal year due to changes in tax rates	0.1	(1.3)
Effects of organizational restructuring	5.6	—
Prior period tax adjustments	0.5	2.0
Other	(1.8)	1.2
Average actual tax rate	25.9%	27.5%

38. Major Subsidiaries

(1) Structured entities

Major subsidiaries as of March 31, 2026 were as described in “I. Company Overview, 4. Subsidiaries and Affiliates.”

(2) Significant subsidiaries having non-controlling interests

During the fiscal years ended March 31, 2025 and 2026, there was no individually significant subsidiary having non-controlling interests.

39. Related-party Transactions

(1) Related-party transactions

Fiscal year ended March 31, 2025

	Name	Ownership (owned) ratio of voting rights, etc. (%)	Relationship with the relevant party	Description of transaction	Amount of transaction (Millions of yen)	Account	Balance at end of year (Millions of yen)
Officer	Yasuo Takeuchi	Ownership Direct 0.0	Director, Representative Executive Officer, Executive Chairperson and ESG Officer (Note 1)	Contribution in kind of monetary compensation claims (Note 6)	224	—	—
Officer	Stefan Kaufmann	Ownership Direct 0.0	Director, Representative Executive Officer, President and CEO (Note 2)	Contribution in kind of monetary compensation claims (Note 6)	204	—	—
Officer	Frank Drewalowski	Ownership Direct 0.0	Executive Officer and ESD Head (Note 3)	Contribution in kind of monetary compensation claims (Note 6)	69	—	—
Officer	Andre Heribert Roggan	Ownership Direct 0.0	Executive Officer and CTO (Note 4)	Contribution in kind of monetary compensation claims (Note 6)	59	—	—
Officer	Tetsuo Kobayashi	Ownership Direct 0.0	Executive Officer and CMSO	Contribution in kind of monetary compensation claims (Note 6)	38	—	—
Officer	Shigeto Ohtsuki	Ownership Direct 0.0	Executive Officer and CHRO	Contribution in kind of monetary compensation claims (Note 6)	22	—	—
Officer	Gabriela Castillo Kaynor	Ownership Direct 0.0	Executive Officer and CSO	Contribution in kind of monetary compensation claims (Note 7)	22	—	—
Officer	Yasumasa Masuda	Ownership Direct 0.0	Director (Note 5)	Contribution in kind of monetary compensation claims (Note 7)	22	—	—
Officer	Yasushi Shingai	Ownership Direct 0.0	Director (Note 5)	Contribution in kind of monetary compensation claims (Note 7)	15	—	—
Officer	Toshihiko Okubo	Ownership Direct 0.0	Director	Contribution in kind of monetary compensation claims (Note 6)	13	—	—

- Notes: 1. Having assumed the post of Director, Representative Executive Officer, Executive Chairperson, President and Chief Executive Officer, and ESG Officer on April 1, 2025, he assumed the post of Director, Representative Executive Officer, Executive Chairperson, and ESG Officer on June 1, 2025.
2. He departed due to resignation from the board of directors on October 28, 2024, and the above table shows transactions during the fiscal year ended March 31, 2025 related to his terms of office.
3. He assumed the post of Executive Officer and Gastrointestinal Solutions on April 1, 2025.
4. He resigned from the board of directors on March 31, 2025, and the above table shows transactions during the fiscal year ended March 31, 2026 related to his terms of office.
5. They resigned from the board of directors on June 26, 2024, and the above table shows transactions during the fiscal year ended March 31, 2026 related to their terms of office.
6. It is due to contribution in kind of monetary compensation claims accompanying PSU system and RSU system.
7. It is due to contribution in kind of monetary compensation claims accompanying RSU system.

Fiscal year ended March 31, 2026

	Name	Ownership (owned) ratio of voting rights, etc. (%)	Relationship with the relevant party	Description of transaction	Amount of transaction (Millions of yen)	Account	Balance at end of year (Millions of yen)
Officer	Yasuo Takeuchi	Ownership Direct 0.0	Director, Representative Executive Officer, Executive Chairperson and ESG Officer (Note 1)	Contribution in kind of monetary compensation claims (Note 5)	181	—	—
Officer	Boris Shkolnik	Ownership Direct 0.0	Executive Officer and CQO	Contribution in kind of monetary compensation claims (Note 5)	87	—	—
Officer	Frank Drewalowski	Ownership Direct 0.0	Executive Officer and Gastrointestinal Solutions (Note 1)	Contribution in kind of monetary compensation claims (Note 5)	71	—	—
Officer	Tetsuo Kobayashi	Ownership Direct 0.0	Executive Officer and CMSO (Note 1)	Contribution in kind of monetary compensation claims (Note 5)	53	—	—
Officer	Gabriela Castillo Kaynor	Ownership Direct 0.0	Executive Officer and CSO (Note 2)	Contribution in kind of monetary compensation claims (Note 5)	52	—	—
Officer	Neil Boyden Tanner	Ownership Direct 0.0	Executive Officer and GGC	Contribution in kind of monetary compensation claims (Note 6)	44	—	—
Officer	Shigeto Ohtsuki	Ownership Direct 0.0	Executive Officer and CHRO (Note 1)	Contribution in kind of monetary compensation claims (Note 5)	21	—	—
Officer	Sumitaka Fujita	Ownership Direct 0.0	Director (Note 3)	Contribution in kind of monetary compensation claims (Note 6)	20	—	—
Officer	John Manfred de Csepel	Ownership Direct 0.0	Executive Officer and CMO	Contribution in kind of monetary compensation claims (Note 6)	16	—	—
Officer	Seiji Kuramoto	Ownership Direct 0.0	Executive Officer and Surgical & Interventional Solutions (Note 4)	Contribution in kind of monetary compensation claims (Note 5)	16	—	—

- Notes: 1. They resigned from the position of Executive Officer on March 31, 2026, and the above table shows transactions during the fiscal year ended March 31, 2026 related to their terms of office.
2. She assumed the post of Executive Officer, CSO and ESG Officer on April 1, 2026.
3. He resigned from the board of directors on June 26, 2025, and the above table shows transactions during the fiscal year ended March 31, 2026 related to his terms of office.
4. He assumed the post of Executive Officer and Surgical & Interventional Solutions Division Head on April 1, 2026.
5. It is due to contribution in kind of monetary compensation claims accompanying PSU system and RSU system.
6. It is due to contribution in kind of monetary compensation claims accompanying RSU system.

(2) Remuneration for management executives

(Millions of yen)

	2025	2026
Remuneration and bonuses, etc.	2,594	3,551
Stock compensation	1,001	1,819
Total	3,595	5,370

Note: The remuneration in the table above does not include a refund of ¥550 million for expenses related to income tax adjustments for the Executive Officer who is classified as both an Executive Officer and inside director and who retired due to resignation on October 28, 2024.

40. Business Combinations

Fiscal year ended March 31, 2025

(Acquisition of Sur Medical SpA)

(1) Outline of business combination

(i) Name and description of acquired business

Name of the acquired business: Sur Medical SpA (hereinafter “Surmedical”)

Description of business: Sales of medical devices

(ii) Primary reason for business combination

For more than ten years, Surmedical has helped to establish our leadership in the GI area as a partner to Olympus. It has also strengthened Olympus Corporation’s presence in the GI EndoTherapy market and built reliable medical device repair services.

Purchasing from Surmedical the business that sells Olympus products will enable Olympus Corporation to roll out sales and business strategies for its own products in Chile going forward, and improve operational efficiency and customer service.

(iii) Acquired ratio of holding capital with voting rights

100%

(iv) Acquisition date

January 14, 2025

(v) Acquisition method to govern the acquired company

Cash consideration for the acquisition of shares

(2) Acquisition-related expense

The acquisition-related expense of ¥105 million has been booked in “Selling, general and administrative expenses.”

(3) Fair value of consideration paid, assets acquired, and liabilities assumed as of the acquisition date

(Millions of yen)	
	Amount
Fair value of consideration paid	
Cash, etc.	4,541
Total	4,541
Fair value of assets acquired and liabilities assumed	
Cash and cash equivalents	16
Trade and other receivables	701
Inventories	513
Other current assets	319
Property, plant and equipment	247
Intangible assets (excluding goodwill)	1,732
Trade and other payables	(44)
Other current liabilities	(337)
Deferred tax liabilities	(9)
Fair value of assets acquired and liabilities assumed, net	3,138
Goodwill	1,403
Total	4,541

Based on the fair value of consideration paid on the acquisition date, we have allocated the assets acquired and liabilities assumed. However, as this allocation is not yet complete, the above values represent provisional fair values based on the best estimates at present. In the event we can receive and evaluate additional information relating to facts and conditions present at the point of acquisition, we may adjust the above values for a period of one year from the acquisition date.

Goodwill mainly represents a rational estimate of the expected future excess earning power. Furthermore, the amount of goodwill recognized does not include the amount that is expected to be deductible for tax purposes.

(4) Impacts on the Olympus Group

Olympus Corporation omits making a description concerning profit or loss information of the said business combination on and after the acquisition date as well as profit or loss information under the assumption that the said business combination was conducted at the beginning of the fiscal year ended March 31, 2025. This is because the amount of impact on the Consolidated Statement of Profit or Loss due to such information is not material.

Fiscal year ended March 31, 2026

(Revised provisional amounts)

For the following business combination that occurred in the fiscal year ended March 31, 2025, provisional amounts have been revised during the fiscal year ended March 31, 2026. As a result, we have retrospectively revised the figures at the end of the fiscal year ended March 31, 2025 in the Consolidated Statements of Financial Position.

(Acquisition of Sur Medical SpA)

Sur Medical SpA's Olympus product sales business became a consolidated subsidiary of Olympus Corporation on January 14, 2025, due to the acquisition of shares for cash consideration.

In the fiscal year ended March 31, 2026, the fair value of certain assets acquired and liabilities assumed has been revised with respect to the measurement of the fair value of assets acquired and liabilities assumed as of the acquisition date in said business combination. Regarding said business combination, in the fiscal year ended March 31, 2026, initial measurement of assets acquired, liabilities assumed and goodwill has been finalized.

Fair value of consideration paid, assets acquired, liabilities assumed, and amount of goodwill as of the acquisition date

	(Millions of yen)		
	Provisional fair value as of March 31, 2025	Subsequent revision	Revised fair value
Fair value of consideration paid			
Cash	4,541	(96)	4,445
Total	4,541	(96)	4,445
Fair value of assets acquired and liabilities assumed			
Cash and cash equivalents	16	—	16
Trade and other receivables	701	—	701
Inventories	513	—	513
Other current assets	319	24	343
Property, plant and equipment	247	(73)	174
Intangible assets	1,732	—	1,732
Trade and other payables	(44)	(5)	(49)
Other current liabilities	(337)	—	(337)
Deferred tax liabilities	(9)	(468)	(477)
Fair value of assets acquired and liabilities assumed, net	3,138	(522)	2,616
Goodwill	1,403	426	1,829
Total	4,541	(96)	4,445

The main adjustments to items at the end of the previous fiscal year resulting from this revision include increases of ¥91 million in other financial assets, ¥24 million in other current assets, ¥402 million in goodwill, ¥5 million in trade and other payables, and ¥442 million in deferred tax liabilities, as well as a decrease of ¥70 million in property, plant and equipment.

(Formation of joint venture)

At a meeting of the Board of Directors held on July 25, 2025, Olympus Corporation resolved to establish in the United States Swan EndoSurgical, Inc. ("Swan EndoSurgical"), a joint venture in the medical device business, with RVLHC SE Holdings, LLC ("Revival"), a fund operated by Revival Healthcare Capital specializing in the medical technology sector. The investment was made via consolidated subsidiary, Olympus Corporation of the Americas, on the same day.

Swan EndoSurgical is classified as a joint venture, as the decision-making regarding Swan EndoSurgical's development activities in the field of endoluminal robotics is effectively made by agreement between Olympus Corporation and Revival.

(1) Establishment of joint venture and reason for investment

The Olympus Group believes that development of endoluminal robots will contribute to the spread of minimally invasive endoscopic surgery and improved medical outcomes, leading to better health and happiness for greater numbers of patients. We are proactively investing in endoluminal robotics through in-house research and development, as well as investments in startups.

As one of the options for achieving the development of endoluminal robots, the Olympus Group has invested in Swan EndoSurgical jointly with Revival, with the aim of developing new products in endoluminal robotics.

(2) Name and description of joint venture

Name: Swan EndoSurgical, Inc.

Description of business: Development of endoluminal robot products

(3) Timing of initial investment in joint venture

July 25, 2025

(4) Ratio of equity acquired and investment amount

Ratio of equity acquired: 45%

Investment amount: USD29.3 million

The Olympus Group and Revival plan to make additional investments in Swan EndoSurgical over the next six years, dependent on Swan EndoSurgical achieving pre-set multi-year milestones. The total investment could reach up to USD458 million, with the Olympus Group's share potentially amounting to USD206 million.

Swan EndoSurgical is classified as a joint venture to which the equity method is applied.

(5) Important contractual matters

Under this agreement, the Olympus Group has call options to acquire Revival's equity in the joint venture (the "Call options"), while Revival has options to force the Olympus Group, under certain circumstances, to purchase Revival's equity in the joint venture (the "Put options").

(6) Major impacts on the Consolidated Financial Statements

The amount of investment in the joint venture is ¥4,410 million and it is included in "Other" under "Cash flows from investing activities" in the Consolidated Statements of Cash Flows. In addition, the impact on operating profit resulting from the formation of the joint venture is ¥(1,696) million. Regarding the Call options held by the Olympus Group and the Put options held by Revival included in the joint venture agreement, these are measured at fair value and recorded as assets and liabilities in the Olympus Group's Consolidated Statement of Financial Position. Changes in their valuation are recorded as finance income (loss) in the Consolidated Statements of Profit or Loss. In the fiscal year ended March 31, 2026, finance income and finance costs of ¥3,528 million and ¥4,191 million, respectively, have been recorded. The fair value is classified as Level 3 and is calculated using inputs such as the fair value of the underlying shares, volatility, the achievement rate of certain targets agreed in advance by the Olympus Group and Revival, and the discount rate.

41. Discontinued Operation

(Orthopedic Business)

Olympus Corporation entered into a put option agreement with PTCJ-6O Holdings Inc. and PTCJ-6F Holdings Inc. (special purpose companies established by Polaris Capital Group Co., Ltd., collectively, the “Polaris Capital Group”), to transfer Olympus Terumo Biomaterials Corporation and FH Ortho SAS (the “FHO Group”), Olympus’s Orthopedic Business, a process that was completed on July 12, 2024.

Due to this, profit (loss) from the Orthopedic Business has been classified as profit (loss) from discontinued operation.

(i) Profit (loss) of discontinued operation

Profit (loss) of discontinued operation is as follows:

		(Millions of yen)
	2025	2026
Revenue	2,929	—
Cost of sales	987	—
Gross profit	1,942	—
Selling, general and administrative expenses	1,908	—
Share of profit (loss) of investments accounted for using equity method	—	—
Other income	436	—
Other expenses	428	—
Operating profit	42	—
Finance income	22	—
Finance costs	3	—
Profit before tax	61	—
Income taxes	6	—
Profit from discontinued operation	55	—

(ii) Cash flows of discontinued operation

Cash flows of discontinued operation are as follows:

		(Millions of yen)
Cash flows of discontinued operation	2025	2026
Net cash used in operating activities	(467)	—
Net cash provided by investing activities (Note)	6,551	—
Net cash used in financing activities	(43)	—

Note: Net cash provided by investing activities in the fiscal year ended March 31, 2025 includes proceeds from the transfer of the Orthopedic Business of ¥3,730 million and proceeds from the collection of loans receivable from Olympus Terumo Biomaterials Corporation of ¥3,101 million.

42. Contingent Liabilities

The Olympus Group has no significant contingent liabilities.

43. Additional Information

(Additional investment in CVC)

The Olympus Group has decided to make an additional investment of USD150 million in Olympus Innovation Ventures, LLC (“OIV”), a corporate venture capital fund of an Olympus Corporation’s consolidated subsidiary.

The Olympus Group strives to fortify Olympus’ portfolio through focused investments; shape the future of endoscopy through OLYSENSE and robotics; enhance performance in China and set direction for emerging markets; and drive tuck-in M&As in close adjacencies. In order to take advantage of these opportunities and to create opportunities for the Olympus Group to grow, the Olympus Group has dedicated a new amount of funding to Olympus Innovation Ventures Fund II (“OIV Fund II”). OIV Fund II will allow the Olympus Group to continue to build relationships with early-stage companies and help nurture partnerships with relevant and compelling entrepreneurial teams.

The Olympus Group initially committed USD50 million for OIV through the Olympus Innovation Ventures Fund I (“OIV Fund I”). The Olympus Group intends to commit a total of USD150 million for OIV Fund II to enable it to identify, vet and invest in early-stage companies with differentiated technologies, in the same manner as OIV Fund I.

(Issuance of bonds)

At the meeting of the Board of Directors held on March 27, 2026, Olympus Corporation resolved to issue USD-denominated unsecured straight bonds with the following terms and conditions:

- | | |
|----------------------------|--|
| 1. Total amount of issue: | USD500 million |
| 2. Amount to be paid in: | 90% or more of the face value of the bonds |
| 3. Interest rate: | Benchmark interest rate + up to 120 basis points |
| 4. Issuance period: | April 1, 2026 to March 31, 2027 |
| 5. Maturity: | 5 years |
| 6. Redemption method: | The bonds will be redeemed in full upon maturity. |
| 7. Use of proceeds: | Redemption of corporate bonds and repayments of borrowings |
| 8. Collateral / guarantee: | None |

44. Subsequent Events

(Share repurchase and cancellation of treasury shares)

At the meeting of the Board of Directors held on May 12, 2026, Olympus Corporation resolved the repurchase of its own shares as provided for in Article 459 Paragraph 1 of the Companies Act and Article 32 of Olympus Corporation’s Articles of Incorporation, as well as the cancellation of treasury shares as provided for in Article 178 of the Companies Act. The Company has already completed the repurchase of its own shares, as detailed below.

(1) Reasons for the share repurchase and cancellation of treasury shares

To strengthen shareholder returns and to improve capital efficiency

(2) Details of share repurchase

- | | | |
|----|---|--|
| 1. | Class of shares to be repurchased: | Common shares |
| 2. | Total number of shares to be repurchased: | 46,000,000 shares (maximum)
(4.18% of total number of shares outstanding (excluding treasury shares)) |
| 3. | Total amount of shares to be repurchased: | ¥60,000 million (maximum) |
| 4. | Repurchase period: | May 13, 2026 to March 31, 2027 |
| 5. | Repurchase method: | (i) Market purchase through Off-Auction Own Share Repurchase Trading System (ToSTNeT-3)
(ii) Market purchase through the Tokyo Stock Exchange based on a discretionary trading contract |

(3) Details of cancellation of treasury shares

- | | | |
|----|-----------------------------------|---|
| 1. | Class of shares to be cancelled: | Common shares |
| 2. | Number of shares to be cancelled: | All of the shares to be repurchased as stated in (2) above, excluding the number of shares expected to be allocated as future stock compensation, etc. (9,000,000 shares) |
| 3. | Date of cancellation: | April 30, 2027 |

(4) Shares repurchased after the fiscal year ended March 31, 2026, based on the above resolution by the Board of Directors

(Delivery date basis)

- | | | |
|----|-------------------------------------|-------------------|
| 1. | Total number of shares repurchased: | 38,948,300 shares |
| 2. | Total amount of shares repurchased: | ¥60,000 million |
| 3. | Acquisition date | May 15, 2026 |

(Contract basis)

- | | | |
|----|-------------------------------------|-------------------|
| 1. | Total number of shares repurchased: | 38,948,300 shares |
| 2. | Total amount of shares repurchased: | ¥60,000 million |
| 3. | Acquisition date | May 13, 2026 |

(Substantial borrowings)

Olympus Corporation entered into the following borrowings for general corporate purposes, including long-term working capital requirements.

- | | | |
|----|-----------------------------|----------------------------------|
| 1. | (1) Lender: | Hachijuni Nagano Bank, Ltd. |
| | (2) Amount of borrowings: | ¥5,000 million |
| | (3) Interest rate: | 2.23% (fixed rate) |
| | (4) Borrowing date: | May 19, 2026 |
| | (5) Maturity date: | May 19, 2032 |
| | (6) Repayment method: | Lump-sum repayment upon maturity |
| | (7) Collateral / guarantee: | None |

2. (1) Lender: MUFG Bank, Ltd.
- (2) Amount of borrowings: ¥15,000 million
- (3) Interest rate: 2.61% (fixed rate)
- (4) Borrowing date: May 28, 2026
- (5) Maturity date: May 30, 2033
- (6) Repayment method: Lump-sum repayment upon maturity
- (7) Collateral / guarantee: None

(Business combinations through acquisition)

(1) Outline of business combination

(i) Name and description of acquired business

Name of the acquired business: BioProtect Ltd. (hereinafter “BioProtect”)

Description of business: R&D and manufacturing of biodegradable rectal spacer balloon for prostate cancer

(ii) Primary reason for business combination

BioProtect is a medical device manufacturer based in Israel that develops implant technologies designed to protect healthy tissues during radiation therapy and surgical procedures. Its flagship product is a balloon-type implant that temporarily separates adjacent tissues within the body and naturally biodegrades after treatment. This biodegradable balloon represents a next-generation spacer that provides stable and reliable rectal protection during radiation therapy for prostate cancer.

Through this acquisition, Olympus Corporation will expand its portfolio in adjacent therapeutic areas related to endoscopy, including the gastrointestinal and urological fields, and strengthen solutions that address unmet medical needs in cancer treatment, particularly prostate cancer. Accordingly, we will further enhance our value proposition across the entire endoscopy-enabled care pathway, contributing to improved patient outcomes as well as our medium- to long-term corporate value.

(iii) Acquired ratio of holding capital with voting rights

100%

(iv) Acquisition date

June 1, 2026

(v) Acquisition method to govern the acquired company

Cash consideration for the acquisition of shares

(2) Consideration for an acquisition

Transfer price based on the agreement is USD270 million. Under the agreement, the price has not been finalized and is subject to price adjustment.

As of the reporting date, the measurement of the consideration paid, the fair values of the assets acquired and liabilities assumed at the acquisition date has not yet been completed. Accordingly, detailed information regarding the consideration paid, the fair values of the assets acquired and liabilities assumed as of the acquisition date and their major components, goodwill, acquisition-related expenses, and the impact on the Olympus Group has not been disclosed.

(2) Other Information

Quarterly information for the fiscal year ended March 31, 2026

(Millions of yen)

(Cumulative period)	Three months	Six months	Nine months	Year-end
Revenue	206,512	454,350	715,395	1,010,676
Profit before tax	16,886	44,784	66,916	93,994
Profit attributable to owners of parent	8,991	29,187	43,357	68,172
Basic earnings per share (yen)	7.97	26.00	38.87	61.32

(Accounting period)	First quarter	Second quarter	Third quarter	Fourth quarter
Basic earnings per share (yen)	7.97	18.09	12.87	22.54

Note: As for the first quarter and the third quarter, Olympus Corporation prepares quarterly financial information in accordance with rules set by the Tokyo Stock Exchange. It had an interim review performed by Ernst & Young ShinNihon LLC for the first quarter and the third quarter voluntarily, and the figures for the first quarter and the third quarter above are the amounts for which such interim review was performed.

2. Non-Consolidated Financial Statements and Other Notes

(1) Non-Consolidated Financial Statements

(i) Non-Consolidated Balance Sheet Olympus Corporation As of March 31, 2026

	(Millions of yen)	
	2025	2026
ASSETS		
Current assets		
Cash and deposits	112,108	41,091
Notes receivable	3	3
Accounts receivable	*2 72,259	*2 78,778
Finished goods	39,585	39,830
Work in progress	1,146	1,793
Raw materials and supplies	63,979	67,759
Short-term loans receivable	*2 26,496	*2 43,967
Other receivables	*2 95,302	*2 83,830
Other current assets	*2 10,283	*2 38,064
Allowance for doubtful accounts	(175)	(171)
Total current assets	420,986	394,944
Fixed assets		
Property, plant and equipment		
Buildings	37,967	40,074
Structures	1,427	1,275
Machinery and equipment	1,860	1,590
Vehicles	4	4
Tools, furniture and fixtures	8,159	8,420
Land	8,518	10,194
Lease assets	811	689
Construction in progress	7,560	12,187
Total property, plant and equipment	66,306	74,433
Intangible assets		
Software	3,324	2,594
Software in progress	3,945	5,285
Right of using facilities, etc.	39	38
Total intangible assets	7,308	7,917

(Millions of yen)

	2025	2026
Investments and other assets		
Investment securities	*1 1,294	*1 4,255
Investment securities in subsidiaries and affiliates	369,437	369,437
Investments in capital of subsidiaries and affiliates	612	612
Prepaid pension expenses	17,314	20,044
Long-term accounts receivable-other	*4 5,299	*4 3,418
Deferred tax assets	10,011	14,525
Other assets	19,139	5,933
Allowance for doubtful accounts	*4 (4,694)	*4 (4,924)
Total investments and other assets	418,412	413,300
Total fixed assets	492,026	495,650
Total assets	913,012	890,594
LIABILITIES		
Current liabilities		
Accounts payable	*2 40,771	*2 48,605
Current portion of bonds payable	25,000	79,940
Current portion of long-term borrowings	70,000	—
Lease liabilities	194	183
Other payable	*2, *3 10,048	*2, *3 19,108
Accrued expenses	*2 88,565	*2 44,320
Income taxes payable	9,358	20,366
Deposits received	*2 71,537	*2 42,784
Provision for product warranties	43	109
Provision for business restructuring	13	—
Other current liabilities	*2 43	*2 593
Total current liabilities	315,572	256,008
Non-current liabilities		
Bonds	99,760	55,000
Long-term borrowings, less current maturities	35,000	105,000
Lease liabilities	601	493
Long-term income taxes payable	4,743	—
Long-term deposits received, less current maturities	29	29
Other non-current liabilities	102	1,090
Total non-current liabilities	140,235	161,612
Total liabilities	455,807	417,620

(Millions of yen)

	2025	2026
NET ASSETS		
Shareholders' equity		
Share capital	124,643	124,643
Capital surplus		
Legal capital surplus	91,063	91,063
Total capital surplus	91,063	91,063
Retained earnings		
Other retained earnings		
Reserve for advanced depreciation	900	872
Reserve for open innovation promotion	—	361
Retained earnings carried forward	269,905	283,569
Total retained earnings	270,805	284,802
Treasury shares	(27,924)	(26,630)
Total shareholders' equity	458,587	473,878
Valuation and translation adjustments		
Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	181	199
Deferred gains or losses on hedges	(1,759)	(1,253)
Total valuation and translation adjustments	(1,578)	(1,054)
Subscription rights to shares	196	150
Total net assets	457,205	472,974
Total liabilities and net assets	913,012	890,594

(ii) Non-Consolidated Statement of Income
Olympus Corporation
For the fiscal year ended March 31, 2026

(Millions of yen)

	2025	2026
Revenue	*1 389,797	*1 406,996
Cost of sales	*1 303,689	*1 298,645
Gross profit	86,108	108,351
Selling, general and administrative expenses	*1, *2 73,623	*1, *2 78,138
Operating profit	12,485	30,213
Non-operating income		
Interest income	*1 398	*1 515
Dividends income	*1 58,640	*1 51,082
Others	*1 5,761	*1 4,820
Total non-operating income	64,799	56,417
Non-operating expenses		
Interest expenses	*1 753	*1 1,204
Interest on bonds	603	849
Foreign exchange losses	3,335	187
Commission for syndicate loan	4	3
Business structure improvement expenses	459	*3 4,461
Expenses related to the conclusion and cancellation of the share purchase agreement	129	—
Others	*1 2,485	*1 2,722
Total non-operating expenses	7,768	9,426
Ordinary profit	69,516	77,204
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	4,310	—
Transfer pricing taxation adjustments	—	*1. *5 29,506
License fee income	—	*6 5,995
Total extraordinary income	4,310	35,501
Extraordinary losses		
Impairment losses	809	1,201
Loss on valuation of investments in subsidiaries and affiliates	550	—
Extra payments for early retirements, etc.	2,079	*3 10,749
Loss associated with cancellation of development	12	9
Total extraordinary losses	3,450	11,959
Profit before provision for income taxes	70,376	100,746
Income taxes, current	*1. *4 7,791	*1. 19,364
Income taxes for prior periods	*7 671	*7 1
Income taxes, deferred	249	(4,723)
Total income taxes	8,711	14,642
Profit	61,665	86,104

(iii) Non-Consolidated Statement of Changes in Net Assets
Olympus Corporation

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity						
	Capital surplus				Retained earnings		
	Share capital	Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		Total retained earnings
					Reserve for advanced depreciation	Retained earnings carried forward	
Balance at April 1, 2024	124,643	91,063	—	91,063	927	401,625	402,552
Changes during the year							
Dividends from surplus						(20,981)	(20,981)
Profit						61,665	61,665
Share repurchase							
Disposal of treasury shares			68	68			
Cancellation of treasury shares			(172,499)	(172,499)			
Transfer from retained earnings to capital surplus			172,431	172,431		(172,431)	(172,431)
Reversal of reserve for advanced depreciation					(27)	27	—
Net changes in items other than shareholders' equity							
Net changes during the year	—	—	—	—	(27)	(131,720)	(131,747)
Balance at March 31, 2025	124,643	91,063	—	91,063	900	269,905	270,805

	Shareholders' equity		Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Treasury shares	Total shareholders' equity	Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at April 1, 2024	(102,017)	516,241	311	(3,900)	(3,589)	260	512,912
Changes during the year							
Dividends from surplus		(20,981)					(20,981)
Profit		61,665					61,665
Share repurchase	(100,002)	(100,002)					(100,002)
Disposal of treasury shares	1,596	1,664				(64)	1,600
Cancellation of treasury shares	172,499	—					—
Transfer from retained earnings to capital surplus		—					—
Reversal of reserve for advanced depreciation		—					—
Net changes in items other than shareholders' equity			(130)	2,141	2,011		2,011
Net changes during the year	74,093	(57,654)	(130)	2,141	2,011	(64)	(55,707)
Balance at March 31, 2025	(27,924)	458,587	181	(1,759)	(1,578)	196	457,205

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity							
	Capital surplus				Retained earnings			
	Share capital	Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings			Total retained earnings
					Reserve for advanced depreciation	Reserve for open innovation promotion	Retained earnings carried forward	
Balance at April 1, 2025	124,643	91,063	—	91,063	900	—	269,905	270,805
Changes during the year								
Reserve for open innovation promotion						361	(361)	—
Dividends from surplus							(22,556)	(22,556)
Profit							86,104	86,104
Share repurchase								
Disposal of treasury shares			(519)	(519)				
Cancellation of treasury shares			(49,032)	(49,032)				
Transfer from retained earnings to capital surplus			49,551	49,551			(49,551)	(49,551)
Reversal of reserve for advanced depreciation					(28)		28	—
Net changes in items other than shareholders' equity								
Net changes during the year	—	—	—	—	(28)	361	13,664	13,997
Balance at March 31, 2026	124,643	91,063	—	91,063	872	361	283,569	284,802

	Shareholders' equity		Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Treasury shares	Total shareholders' equity	Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at April 1, 2025	(27,924)	458,587	181	(1,759)	(1,578)	196	457,205
Changes during the year							
Reserve for open innovation promotion		—					—
Dividends from surplus		(22,556)					(22,556)
Profit		86,104					86,104
Share repurchase	(50,001)	(50,001)					(50,001)
Disposal of treasury shares	2,263	1,744				(46)	1,698
Cancellation of treasury shares	49,032	—					—
Transfer from retained earnings to capital surplus		—					—
Reversal of reserve for advanced depreciation		—					—
Net changes in items other than shareholders' equity			18	506	524		524
Net changes during the year	1,294	15,291	18	506	524	(46)	15,769
Balance at March 31, 2026	(26,630)	473,878	199	(1,253)	(1,054)	150	472,974

Notes to the Non-Consolidated Financial Statements
Olympus Corporation

(Significant accounting policies)

1. Asset Valuation Principles and Method

(1) Securities

(i) Held-to-maturity securities Amortized cost method

(ii) Investment securities in subsidiaries and affiliates Cost method based on the moving-average method

(iii) Available-for-sale securities

Items other than shares, etc. that do not have a market price Market value method

(the net unrealized gains and losses on these securities are reported as a separate component of net assets, and the cost of sales is calculated by the moving average method)

Shares, etc. that do not have a market price Cost method based on the moving-average method

Contributions to limited liability partnerships engaged in investment business and similar partnerships (contributions deemed as securities as per Article 2, Paragraph 2 of the Financial Instruments and Exchange Act) are reported using a method that treats the amount (net) equivalent to the equity ownership portion based on the latest available financial statements depending on the reporting date stipulated in the partnership agreement.

(2) Claims and liabilities from derivatives transactions Market value method

(3) Inventories Reported using the moving-average method (for the value stated in the balance sheet, the book value is written down based on the decreased profitability)

2. Depreciation and Amortization Method for Fixed Assets

(1) Property, plant and equipment (excluding lease assets) Straight-line method

(i) Vehicles, tools and fixtures Based on useful lives as per the Corporation Tax Act

(ii) Other property, plant and equipment Based on useful lives prescribed by Olympus Corporation determined in accordance with estimated functional useful years

(2) Intangible assets (excluding lease assets) Straight-line method

Based on useful lives as per the Corporation Tax Act Software for internal use is reported using the usable period within Olympus Corporation (3 to 5 years).

(3) Lease assets

Finance lease assets not involving the transfer of ownership

Calculated on the straight-line method over the lease period as the useful lives and assuming no residual value.

3. Accounting Principles for Allowances and Provisions

(1) Allowance for doubtful accounts

To provide for losses due to unrecoverable claims such as accounts receivable and loans receivable, ordinary claims are accounted using the historical loan loss ratio and doubtful and other specified claims are reported in amounts expected to be unrecoverable considering the recoverability of each claim separately.

(2) Provision for product warranties

Due to the accounting of after-sales service cost expected within Olympus Corporation's guarantee period with respect to products sold, the provision for product warranties is accounted using the prescribed Company's standards based on actually incurred past after-sales service cost.

(3) Provision for retirement benefits

To provide for retirement benefit payments to employees, the cost recognized as occurring at the end of the current fiscal year is accounted based on the projected retirement benefit obligation and plan assets as of the end of the current fiscal year.

Pertaining to past service cost, the pro-rata amount calculated using a fixed number of years (5 years) within the average remaining service period of employees at the time of occurrence of such past service liabilities is accounted as an expense.

Pertaining to the actuarial gain or loss, the pro-rata amount calculated using a fixed number of years (5 years) within the average remaining service period of employees at the time of occurrence of such actuarial gain or loss is accounted as an expense starting from the following fiscal year.

(4) Provision for business restructuring

To provide for expenses arising from business restructuring, the expected amount of these expenses is accounted.

4. Accounting Principles for Revenue and Expenses

Olympus Corporation is principally engaged in the sales of products of Gastrointestinal Solutions Division and Surgical & Interventional Solutions Division.

Gastrointestinal Solutions Division

The Gastrointestinal Solutions Division sells medical devices, including gastrointestinal endoscopes and gastroenterology devices, as well as provides medical services such as repair for these products, to customers who are primarily the Group companies.

Regarding the sale of products by the Gastrointestinal Solutions Division, when control over products is transferred to a customer—at the time Olympus Corporation delivers the products to the customer—the legal title to the products and physical possession of the products, and significant risks and rewards of ownership of the products are transferred to the customer; then Olympus Corporation obtains the right to receive payments from the customer. At that point, Olympus Corporation recognizes the revenue. For repair of products, revenue is recognized at the point when service provision satisfying a performance obligation is completed. The revenue from these transactions is measured in transaction prices related to the contract with the customer. Olympus Corporation receives a consideration for a transaction primarily within a year after satisfaction of performance obligations, and the consideration does not include a significant financial component.

Surgical & Interventional Solutions Division

The Surgical & Interventional Solutions Division sells medical devices, including urology products, respiratory products, surgical endoscopes, energy devices, ENT products, and gynecology products, to customers who are primarily the Group companies.

Regarding the sale of products by the Surgical & Interventional Solutions Division, when control over products is transferred to a customer—at the time Olympus Corporation delivers the products to the customer—the legal title to the products and physical possession of the products, and significant risks and rewards of ownership of the products are transferred to the customer; then Olympus Corporation obtains the right to receive payments from the customer. At that point, Olympus Corporation recognizes the revenue. The revenue from the sale of products is measured in transaction prices related to the contract with the customer. Olympus Corporation receives a consideration for a transaction primarily within a year after satisfaction of performance obligations, and the consideration does not include a significant financial component.

5. Other Important Items that Form the Basis for Preparing Non-consolidated Financial Statements

(1) Treatment method for important deferred assets

Stock issuance expense and bond issuance expense: Total expense recorded at the time of occurrence

(2) Hedge accounting methods

(i) Hedge accounting methods

The deferred hedge treatment method is used. Foreign currency-denominated accounts receivable and foreign currency-denominated accounts receivable-other under foreign exchange forward contracts are accounted for upon translation at the foreign exchange rate stipulated in the contracts. Pertaining to interest rate swaps, requirements for special treatment are satisfied, therefore a special treatment is used.

(ii) Hedging instruments and hedged items

Hedging instruments: Foreign exchange forward contracts, interest rate swap contracts, interest rate currency swap contracts

Hedged items: Forecasted transactions for foreign currency-denominated accounts receivable, borrowings, foreign-currency denominated bonds, foreign-currency denominated bond interests, foreign-currency deposits, foreign currency-denominated accounts receivable-other

(iii) Hedging policy

Foreign exchange rate fluctuation risk and interest rate fluctuation risk are hedged based on internal regulations that stipulate authorization relating to derivatives and transaction limits.

(iv) Method of assessing hedge effectiveness

The effectiveness is assessed by checking whether there exists a high correlation among the value fluctuations of hedged items, the cash flow and hedging instruments.

(Significant accounting estimates)

In preparing non-consolidated financial statements, the management is required to make judgments, estimates and assumptions that affect the adoption of accounting policies and the amounts of assets, liabilities, revenues and expenses. Actual results may differ from such estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis and the effect is recognized in the period in which the estimates are revised and in future periods.

Information regarding accounting estimates and assumptions that may have material impacts on the non-consolidated financial statements is as follows:

1. Valuation of inventories

Inventories are measured at cost. However, if net realizable value falls below the cost as of the end of the reporting period, inventories are measured at the net realizable value and any difference is recognized in cost of sales in principle.

For unsold inventories that remain outside the operating cycle, the net realizable value, etc. is calculated by reflecting future demand and market trends. If the net realizable value decreased significantly due to a worse than expected market environment, losses may be incurred.

(Millions of yen)

	2025	2026
Inventories	104,710	109,382

2. Impairment of fixed assets

For property, plant and equipment and intangible assets for which there are indications that the asset or asset group may be impaired at the end of the fiscal year, in the event the total undiscounted future cash flows from the asset or asset group will be less than the carrying amount, Olympus Corporation records an impairment loss by reducing the carrying amount down to the recoverable amount.

In the recognition and measurement of impairment loss, assumptions are made regarding future cash flows, discount rates, etc.

These assumptions are determined based on management's best estimates and judgment. However, they may be affected by the results of changes in uncertain future economic conditions, and if they require revision, they may have a significant impact on the non-consolidated financial statements.

(Millions of yen)

	2025	2026
Property, plant and equipment	66,306	74,433
Intangible assets	7,308	7,917
Impairment losses	809	1,201

3. Contingent liabilities

Contingencies are disclosed when an item could have a significant impact on future operations, taking into account all available evidence at the reporting date and considering the likelihood and monetary impact of the event.

4. Measurement of retirement benefit obligations

For retirement benefit plans, the net value of the retirement benefit obligations and the fair value of pension assets and unrecognized items such as actuarial gains and losses is recognized as either liabilities or assets.

Retirement benefit obligations are calculated based on the same types of assumptions used in the actuarial calculation, which include estimates of the discount rate, retirement rate, mortality rate, and the rate of compensation increase. These assumptions are established by comprehensively judging a variety of available information, including market trends, such as interest rate changes.

Uncertain future economic conditions or changes in social conditions may affect the assumptions used in the actuarial calculation. Accordingly, there are risks that such changes could result in significant adjustments to the measurements of retirement benefit obligations in future accounting periods.

(Millions of yen)

	2025	2026
Prepaid pension expenses	17,314	20,044

5. Recoverability of deferred tax assets

Deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which deductible temporary differences, etc. can be utilized.

Judgements on the likelihood that taxable income will be available are made based on the timing and amount of taxable income estimated based on the business plans including assumptions of the growth rate and operating margin.

These estimates are determined based on management's best estimates. However, they may be affected by the results of changes in uncertain future economic conditions and the actual results may differ from these forecasts.

(Millions of yen)

	2025	2026
Net deferred tax assets	10,011	14,525
Deferred tax assets before offsetting with deferred tax liabilities	16,152	21,444

(Additional information)

(Issuance of bonds)

At the meeting of the Board of Directors held on March 27, 2026, Olympus Corporation resolved to issue USD-denominated unsecured straight bonds with the following terms and conditions:

- | | | |
|----|---------------------------|--|
| 1. | Total amount of issuance: | USD500 million |
| 2. | Amount to be paid in: | 90% or more of the face value of the bonds |
| 3. | Interest rate: | Benchmark interest rate + up to 120 basis points |
| 4. | Issuance period: | April 1, 2026 to March 31, 2027 |
| 5. | Maturity: | 5 years |
| 6. | Redemption method: | The bonds will be redeemed in full upon maturity. |
| 7. | Use of proceeds: | Redemption of corporate bonds and repayments of borrowings |
| 8. | Collateral / guarantee: | None |

(Non-consolidated balance sheet)

*1 Investment securities

The breakdown of investment securities as of March 31, 2025 and 2026 was as follows:

	(Millions of yen)	
	2025	2026
Cross-holdings of securities	1,294	4,255

*2 Monetary claims and monetary liabilities to subsidiaries and affiliates

	(Millions of yen)	
	2025	2026
Short-term monetary claims	187,011	202,931
Short-term monetary liabilities	175,232	109,721

*3 Unpaid amount of trade payables transferred by factoring method

	(Millions of yen)	
	2025	2026
	1,561	1,283

*4 The following amount of allowance for doubtful accounts is the amount expected to be unrecoverable with respect to commission fees related to Receiver Funds, and is included as an excess amount in “Long-term accounts receivable-other” under Investments and other assets. Although these fees were paid to the external partners of multiple Receiver Funds, Olympus Corporation has requested payment from these external partners of Receiver Funds because the fees were not agreed upon.

	(Millions of yen)	
	2025	2026
	3,283	3,418

5. Contingent liabilities

Contingent liabilities are contracted guarantees to subsidiaries and affiliates, etc.

	(Millions of yen)	
	2025	2026
Liabilities for guarantees	1,114	—

Olympus Corporation made an agreement assuring the payment obligation pertaining to additional investment or other in Swan EndoSurgical, which is classified as a joint venture to which the equity method is applied, provided that Olympus Corporation of the Americas fulfills the specified conditions. The details of transactions with Swan EndoSurgical are stated in the Notes to the Consolidated Financial Statements, “40. Business Combinations (Formation of joint venture).”

(Non-consolidated statement of income)

*1 Amounts related to transactions with subsidiaries and affiliates

(Millions of yen)

	2025	2026
Amounts resulting from business transactions		
Revenue	381,664	400,818
Net purchases	324,601	319,062
Other business transactions	30,963	28,875
Amount resulting from non-business transactions	64,014	94,284

*2 Major expense items and amounts of selling, general and administrative expenses for the fiscal years ended March 31, 2025 and 2026 were as follows:

The approximate ratio of selling expenses of selling, general and administrative expenses is 7% and 5% for the fiscal years ended March 31, 2025 and 2026, respectively.

(Millions of yen)

	2025	2026
Outsourcing expenses	18,477	19,271
Salaries and allowances	17,301	17,744
Bonuses	6,893	7,326
Experimental research cost	742	1,522
Depreciation	5,534	6,618
Repair expenses	7,144	8,396
Amount of allocation of group-wide common expenses	17,264	17,414
Deductions, etc.	(20,711)	(19,417)

- Notes: 1. The amount of allocation of group-wide common expenses is the amount of expenses involving multiple companies of the Olympus Group as beneficiaries that was actually reimbursed to subsidiaries and affiliates.
2. Deductions, etc. are deductions for actual expenses reimbursed to subsidiaries and affiliates such as outsourced administrative services (composite expenses), etc., and they are deductible items from personnel expenses and business expenses.

*3 Measures concerning organizational transformation and personnel optimization

Fiscal year ended March 31, 2026

Business structure improvement expenses of ¥4,461 million and extra payments for early retirements, etc. of ¥10,749 million were incurred as a result of measures implemented to transform the organizational structure on a global basis and optimize workforce levels.

*4 The amount of income taxes for global minimum tax included in income taxes, current

(Millions of yen)

	2025	2026
	4,743	—

*5 Transfer pricing taxation adjustments

Fiscal year ended March 31, 2026

Olympus Corporation has applied to the Japanese and U.S. tax authorities for prior confirmation of the calculation method of arm's length price regarding the transfer pricing of transactions with Olympus Corporation of the Americas in the United States and its subsidiary, and it has reached an agreement in mutual discussion with both tax authorities. Transfer pricing taxation adjustments recorded in extraordinary income are adjustments with Olympus Corporation of the Americas based on such agreements.

*6 License fee income

Fiscal year ended March 31, 2026

Olympus Corporation recorded ¥5,995 million in "License fee income" as consideration based on a usage license agreement with Evident Corporation.

*7 Income taxes for prior periods

Due to a disagreement with the Tokyo Regional Taxation Bureau regarding a prior year tax return, Olympus Corporation evaluated the possibility of an additional income tax payment and recorded the estimated amount as prior year income taxes.

(Millions of yen)

	2025	2026
Income taxes for prior periods	671	1

(Securities)

Investment securities in subsidiaries and affiliates

As of March 31, 2025

Amount of shares, etc. that do not have a market price

(Millions of yen)

Category	2025
Investment securities in subsidiaries	369,437
Investment securities in affiliates	0

As of March 31, 2026

Amount of shares, etc. that do not have a market price

(Millions of yen)

Category	2026
Investment securities in subsidiaries	369,437
Investment securities in affiliates	0

(Tax effect accounting)

1. Breakdown of deferred tax assets and liabilities by main cause as of March 31, 2025 and 2026

	(Millions of yen)	
	2025	2026
Deferred tax assets		
Inventories	4,177	6,187
Prepaid expenses	2,395	2,160
Accrued bonuses	1,345	1,509
Property, plant and equipment	4,018	4,342
Intangible assets	2,455	1,815
Investment securities	463	463
Investment securities in subsidiaries and affiliates	32,565	32,565
Allowance for doubtful accounts	1,534	1,606
Deferred gains or losses on hedges	776	577
Other	2,699	7,443
Subtotal of deferred tax assets	52,427	58,667
Valuation allowance related to total deductible temporary differences	(36,275)	(37,223)
Subtotal of valuation allowances	(36,275)	(37,223)
Total deferred tax assets	16,152	21,444
Deferred tax liabilities		
Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	(46)	(56)
Reserve for advanced depreciation	(408)	(396)
Prepaid pension expenses	(5,468)	(6,318)
Other	(219)	(149)
Total deferred tax liabilities	(6,141)	(6,919)
Net deferred tax assets	10,011	14,525

2. Breakdown of major items when there are significant differences between the effective statutory tax rate and the actual tax rate of income taxes after the application of tax effect accounting, which have caused such difference

	2025	2026
Effective statutory tax rate	30.6%	30.6%
(Adjustment)		
Non-deductible expense, such as entertainment expenses	3.3	(0.6)
Non-taxable income, such as dividend income	(25.4)	(15.2)
Tax credit for experimental research cost and others	(1.2)	(0.2)
Increase (decrease) in valuation allowances	(2.6)	0.9
Income taxes for prior periods	1.0	(0.0)
Income taxes for global minimum tax	6.7	—
Other	0.0	(1.0)
Actual tax rate of corporate income taxes after the application of tax effect accounting	12.4%	14.5%

3. Accounting treatment of corporate and local income taxes or tax effect accounting related thereto

Olympus Corporation adopts the group tax sharing system and follows the “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (PITF No. 42; August 12, 2021) for accounting treatment and disclosure of corporate income taxes, local corporate income taxes, and tax effect accounting related thereto.

(Business combinations)

Fiscal year ended March 31, 2025

(Transfer of Orthopedic Business)

Olympus Corporation entered into a put option agreement with PTCJ-6O Holdings Inc. and PTCJ-6F Holdings Inc. (special purpose companies established by Polaris Capital Group Co., Ltd., collectively, the “Polaris Capital Group”), to transfer Olympus Terumo Biomaterials Corporation and FH Ortho SAS (the “FHO Group”), Olympus’s Orthopedic Business. The transfer of the business in accordance with this agreement was completed on July 12, 2024.

(1) Reasons for transfer

Olympus Corporation is committed to strengthening its position as a global MedTech company and realizing Our Purpose of “Making people’s lives healthier, safer and more fulfilling.” On May 12, 2023, Olympus Corporation announced its corporate strategy which is based on the three priorities of patient safety and sustainability, innovation for growth, and productivity (hereinafter, the “Corporate Strategy”). Based on this Corporate Strategy, Olympus Corporation is focusing on disease areas where it can make the greatest contribution and increase its presence in important and long-term growth markets as a leading company. These include the fields of GI, urology, and respiratory. To improve its focus on these key areas, Olympus Corporation determined that the transfer of Olympus Terumo Biomaterials Corporation and the FHO Group to Polaris Capital Group is the best way to improve the corporate value of the Olympus Group and to achieve organic and sustainable growth of the Orthopedic Business.

(2) Name of counterparty to the share transfer transaction

Polaris Capital Group

(3) Date of the share transfer

July 12, 2024

(4) Name and business description of the consolidated subsidiary to be transferred and details of transactions with Olympus Corporation

Name:	Olympus Terumo Biomaterials Corporation
Description of business:	Developing, manufacturing, and selling of biomedical materials, such as synthetic bone filler, and orthopedic equipment
Details of transactions with Olympus Corporation:	Financing support

(5) Number of shares to be transferred, transfer price, gain or loss on transfer and shareholding ratio after the transfer

(i) Number of shares held before transfer:	192,000 shares (shareholding ratio: 95.7%)
(ii) Number of shares to be transferred:	192,000 shares
(iii) Number of shares held after transfer:	– shares (shareholding ratio: –%)

(iv) Transfer price: ¥4,756 million

In the fiscal year ended March 31, 2025, gain on sale from the transfer of the subsidiary's shares of ¥4,310 million is recorded as "Gain on sale of shares of subsidiaries and affiliates."

(Significant subsequent events)

(Share repurchase and cancellation of treasury shares)

At the meeting of the Board of Directors held on May 12, 2026, Olympus Corporation resolved the repurchase of its own shares as provided for in Article 459 Paragraph 1 of the Companies Act and Article 32 of Olympus Corporation's Articles of Incorporation, as well as the cancellation of treasury shares as provided for in Article 178 of the Companies Act. The Company has already completed the repurchase of its own shares, as detailed below.

(1) Reasons for the share repurchase and cancellation of treasury shares

To strengthen shareholder returns and to improve capital efficiency

(2) Details of share repurchase

- | | | |
|----|---|--|
| 1. | Class of shares to be repurchased: | Common shares |
| 2. | Total number of shares to be repurchased: | 46,000,000 shares (maximum)
(4.18% of total number of shares outstanding (excluding treasury shares)) |
| 3. | Total amount of shares to be repurchased: | ¥60,000 million (maximum) |
| 4. | Repurchase period: | May 13, 2026 to March 31, 2027 |
| 5. | Repurchase method: | (i) Market purchase through Off-Auction Own Share Repurchase Trading System (ToSTNeT-3)
(ii) Market purchase through the Tokyo Stock Exchange based on a discretionary trading contract |

(3) Details of cancellation of treasury shares

- | | | |
|----|-----------------------------------|---|
| 1. | Class of shares to be cancelled: | Common shares |
| 2. | Number of shares to be cancelled: | All of the shares to be repurchased as stated in (2) above, excluding the number of shares expected to be allocated as future stock compensation, etc. (9,000,000 shares) |
| 3. | Date of cancellation: | April 30, 2027 |

(4) Shares repurchased after the fiscal year ended March 31, 2026, based on the above resolution by the Board of Directors

(Delivery date basis)

- | | | |
|----|-------------------------------------|-------------------|
| 1. | Total number of shares repurchased: | 38,948,300 shares |
| 2. | Total amount of shares repurchased: | ¥60,000 million |
| 3. | Acquisition date | May 15, 2026 |

(Contract basis)

- | | | |
|----|-------------------------------------|-------------------|
| 1. | Total number of shares repurchased: | 38,948,300 shares |
|----|-------------------------------------|-------------------|

- | | | |
|----|-------------------------------------|-----------------|
| 2. | Total amount of shares repurchased: | ¥60,000 million |
| 3. | Acquisition date | May 23, 2026 |

(Substantial borrowings)

Olympus Corporation entered into the following borrowings for general corporate purposes, including long-term working capital requirements.

- | | | |
|----|-----------------------------|----------------------------------|
| 1. | (1) Lender: | Hachijuni Nagano Bank, Ltd. |
| | (2) Amount of borrowings: | ¥5,000 million |
| | (3) Interest rate: | 2.23% (fixed rate) |
| | (4) Borrowing date: | May 19, 2026 |
| | (5) Maturity date: | May 19, 2032 |
| | (6) Repayment method: | Lump-sum repayment upon maturity |
| | (7) Collateral / guarantee: | None |
| 2. | (1) Lender: | MUFG Bank, Ltd. |
| | (2) Amount of borrowings: | ¥15,000 million |
| | (3) Interest rate: | 2.61% (fixed rate) |
| | (4) Borrowing date: | May 28, 2026 |
| | (5) Maturity date: | May 30, 2033 |
| | (6) Repayment method: | Lump-sum repayment upon maturity |
| | (7) Collateral / guarantee: | None |

(Business combinations through acquisition)

(1) Outline of business combination

(i) Name and description of acquired business

Name of the acquired business: BioProtect Ltd. (hereinafter “BioProtect”)

Description of business: R&D and manufacturing of biodegradable rectal spacer balloon for prostate cancer

(ii) Primary reason for business combination

BioProtect is a medical device manufacturer based in Israel that develops implant technologies designed to protect healthy tissues during radiation therapy and surgical procedures. Its flagship product is a balloon-type implant that temporarily separates adjacent tissues within the body and naturally biodegrades after treatment. This biodegradable balloon represents a next-generation spacer that provides stable and reliable rectal protection during radiation therapy for prostate cancer.

Through this acquisition, Olympus Corporation will expand its portfolio in adjacent therapeutic areas related to endoscopy, including the gastrointestinal and urological fields, and strengthen solutions that address unmet medical needs in cancer treatment, particularly prostate cancer. Accordingly, we will further enhance our value proposition across the entire endoscopy-enabled care pathway, contributing to improved patient outcomes as well as our medium- to long-term corporate value.

(iii) Acquired ratio of holding capital with voting rights

100%

(iv) Acquisition date

June 1, 2026

(v) Acquisition method to govern the acquired company

Cash consideration for the acquisition of shares

(2) Consideration for an acquisition

Transfer price based on the agreement is USD270 million. Under the agreement, the price has not been finalized and is subject to price adjustment.

(iv) Supplementary Schedules

Property, Plant and Equipment Schedule

(Millions of yen)

Category	Class of assets	Balance at April 1, 2025	Increase during the year	Decrease during the year	Amortization during the year	Balance at March 31, 2026	Depreciation Cumulative amount
Property, plant and equipment	Buildings	37,967	7,543	931 (750)	4,505	40,074	56,690
	Structures	1,427	47	29 (15)	170	1,275	3,336
	Machinery and equipment	1,860	321	64 (49)	527	1,590	5,006
	Vehicles	4	1	0	1	4	50
	Tools, furniture and fixtures	8,159	2,658	725 (80)	1,672	8,420	18,625
	Land	8,518	2,282	606 (307)	—	10,194	—
	Lease assets	811	80	—	202	689	508
	Construction in progress	7,560	13,226	8,599	—	12,187	—
	Total	66,306	26,158	10,954 (1,201)	7,077	74,433	84,215
Intangible assets	Software	3,324	611	0	1,341	2,594	—
	Software in progress	3,945	1,964	624	—	5,285	—
	Right of using facilities, etc.	39	1	—	2	38	—
	Total	7,308	2,576	624	1,343	7,917	—

Notes: 1. The amount in parentheses in “Decrease during the year” column is included in the total amount and indicates the amount of impairment losses recorded for the fiscal year ended March 31, 2026.

2. Major items of increase during the year were as follows:

Renewal of Hachioji Facility	(Construction in progress)	¥6,904 million
	(Buildings)	¥5,243 million
	(Land)	¥2,270 million
	(Tools, furniture and fixtures)	¥808 million
	(Structures)	¥32 million
Renewal of Nagano Facility	(Construction in progress)	¥5,414 million
	(Buildings)	¥403 million
	(Lease assets)	¥25 million
	(Tools, furniture and fixtures)	¥15 million
Development and manufacturing common infrastructure system		
	(Software in progress)	¥1,795 million

3. Major items of decrease during the year were as follows:

Sale of former company housing and employee dormitory sites		
	(Land)	¥299 million
	(Buildings)	¥147 million
	(Structures)	¥4 million
Impairment of unnecessary assets related to the renewal of Nagano Facility		
	(Buildings)	¥558 million
	(Structures)	¥14 million
	(Tools, furniture and fixtures)	¥10 million

Impairment related to the closure of dormitory for bachelors

(Land)

¥307 million

(Buildings)

¥70 million

Provisions Schedule

(Millions of yen)

Account	Balance at April 1, 2025	Increase during the year	Decrease during the year	Balance at March 31, 2026
Allowance for doubtful accounts	4,869	231	5	5,095
Provision for product warranties	43	82	16	109
Provision for business restructuring	13	—	13	—

(2) Details of Major Assets and Liabilities

Olympus Corporation omits a description concerning details of major assets and liabilities due to preparation of consolidated financial statements.

(3) Other Information

Not applicable.

VI. Outline of Share-Related Administration of Reporting Company

Fiscal year	From April 1 to March 31
General Meeting of Shareholders	June
Record date	March 31
Record date for distribution of surplus	September 30 and March 31
The number of shares constituting one unit	100 shares
Purchase of shares less than one unit	
Handling office	1-4-1 Marunouchi, Chiyoda-ku, Tokyo, Japan Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Department
Transfer Agent for common stock	1-4-1 Marunouchi, Chiyoda-ku, Tokyo, Japan Sumitomo Mitsui Trust Bank, Limited
Transfer office	—
Purchase fee	Free
Method of public notice	The method of public notice of Olympus Corporation shall be by electronic public notice. However, in the event that electronic public notice becomes impossible due to unavoidable circumstances, announcements will be published in the Nihon Keizai Shimbun. Electronic public notices are posted on Olympus Corporation's website, which may be accessed with the following URL. https://www.olympus-global.com/ir/
Special benefits for Shareholders	Not applicable.

VII. Reference Information of Reporting Company

1. Information about Parent of Reporting Company

Not applicable.

2. Other Reference Information

Olympus Corporation submitted the following documents during the period from the beginning of the current fiscal year to the date of submission of the annual securities report.

(1) Extraordinary Report	This is an extraordinary report pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 9 of the Cabinet Office Order on Disclosure of Corporate Affairs.		Submitted to the Director-General of the Kanto Local Finance Bureau on April 25, 2025
(2) Amended Shelf Registration Statement			Submitted to the Director-General of the Kanto Local Finance Bureau on April 25, 2025
(3) Securities Registration Statement and the documents attached thereto			Submitted to the Director-General of the Kanto Local Finance Bureau on May 14, 2025
(4) Extraordinary Report	This is an extraordinary report pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 2-2 of the Cabinet Office Order on Disclosure of Corporate Affairs.		Submitted to the Director-General of the Kanto Local Finance Bureau on June 6, 2025
(5) Amended Shelf Registration Statement			Submitted to the Director-General of the Kanto Local Finance Bureau on June 6, 2025
(6) Amended Securities Registration Statement			Submitted to the Director-General of the Kanto Local Finance Bureau on June 6, 2025
(7) Shelf Registration Supplements (share certificate, bond certificate, etc.) and the documents attached thereto			Submitted to the Director-General of the Kanto Local Finance Bureau on June 11, 2025
(8) Annual Securities Report, the documents attached thereto, and the Confirmation Letter	Fiscal year (157th Term)	From April 1, 2024 to March 31, 2025	Submitted to the Director-General of the Kanto Local Finance Bureau on June 19, 2025
(9) Internal Control Report and the documents attached thereto	Fiscal year (157th Term)	From April 1, 2024 to March 31, 2025	Submitted to the Director-General of the Kanto Local Finance Bureau on June 19, 2025
(10) Extraordinary Report	This is an Extraordinary Report pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 9-2 of the Cabinet Office Order on Disclosure of Corporate Affairs.		Submitted to the Director-General of the Kanto Local Finance Bureau on June 27, 2025
(11) Extraordinary Report	This is an extraordinary report pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 2-2 of the Cabinet Office Order on Disclosure of Corporate Affairs.		Submitted to the Director-General of the Kanto Local Finance Bureau on June 27, 2025
(12) Amended Shelf Registration Statement			Submitted to the Director-General of the Kanto Local Finance Bureau on June 27, 2025
(13) Report on Repurchase	Reporting period	From May 1, 2025 to May 31, 2025	Submitted to the Director-General of the Kanto Local Finance Bureau on July 7, 2025
(14) Report on Repurchase	Reporting period	From June 1, 2025 to June 30, 2025	Submitted to the Director-General of the Kanto Local Finance Bureau on July 7, 2025

(15) Report on Repurchase	Reporting period	From July 1, 2025 to July 31, 2025	Submitted to the Director-General of the Kanto Local Finance Bureau on August 7, 2025
(16) Report on Repurchase	Reporting period	From August 1, 2025 to August 31, 2025	Submitted to the Director-General of the Kanto Local Finance Bureau on September 5, 2025
(17) Report on Repurchase	Reporting period	From September 1, 2025 to September 30, 2025	Submitted to the Director-General of the Kanto Local Finance Bureau on October 7, 2025
(18) Semi-Annual Securities Report and the Confirmation Letter	Fiscal year (Interim period of 158th Term)	From April 1, 2025 to September 30, 2025	Submitted to the Director-General of the Kanto Local Finance Bureau on November 7, 2025
(19) Report on Repurchase	Reporting period	From October 1, 2025 to October 31, 2025	Submitted to the Director-General of the Kanto Local Finance Bureau on November 11, 2025
(20) Shelf Registration Statement (share certificate, bond certificate, etc.) and the documents attached thereto			Submitted to the Director-General of the Kanto Local Finance Bureau on December 1, 2025
(21) Extraordinary Report	This is an extraordinary report pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 9 of the Cabinet Office Order on Disclosure of Corporate Affairs.		Submitted to the Director-General of the Kanto Local Finance Bureau on March 27, 2026
(22) Amended Shelf Registration Statement			Submitted to the Director-General of the Kanto Local Finance Bureau on March 27, 2026
(23) Shelf Registration Statement (share certificate, bond certificate, etc.) and the documents attached thereto			Submitted to the Director-General of the Kanto Local Finance Bureau on April 15, 2026
(24) Extraordinary Report	This is an extraordinary report pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act and Article 19, Paragraph 2, Item 2-2 of the Cabinet Office Order on Disclosure of Corporate Affairs.		Submitted to the Director-General of the Kanto Local Finance Bureau on April 28, 2026
(25) Amended Shelf Registration Statement			Submitted to the Director-General of the Kanto Local Finance Bureau on April 28, 2026
(26) Shelf Registration Supplements (share certificate, bond certificate, etc.) and the documents attached thereto			Submitted to the Director-General of the Kanto Local Finance Bureau on May 14, 2026
(27) Report on Repurchase	Reporting period	From May 1, 2026 to May 31, 2026	Submitted to the Director-General of the Kanto Local Finance Bureau on June 5, 2026

Part II. Information about Reporting Company's Guarantor, etc.

Not applicable.

Following is an English translation of the Independent Auditor's Report and Internal Control Audit Report. This report is presented merely as supplemental information.

Independent Auditor's Report and Internal Control Audit Report

June 18, 2026

The Board of Directors
OLYMPUS CORPORATION

Ernst & Young ShinNihon LLC

Tokyo Office

Designated Engagement Partner	Certified Public Accountant	Makoto Usui
Designated Engagement Partner	Certified Public Accountant	Masanori Enomoto
Designated Engagement Partner	Certified Public Accountant	Mitsuharu Konno

<Audit of the Consolidated Financial Statements>

Opinion

We have audited the accompanying consolidated financial statements of Olympus Corporation and its subsidiaries (the Group) for the fiscal year from April 1, 2025 to March 31, 2026, which comprise the consolidated statement of financial position, the consolidated statement of profit or loss, comprehensive income, changes in equity, and cash flows, and notes to the consolidated financial statements in accordance with the provision of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.

In our opinion, the accompanying consolidated financial statements, which have been prepared in accordance with the International Financial Reporting Standards, as prescribed in provisions of Article 312 of the "Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements," present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2026, and its consolidated financial performance and its consolidated cash flows for the fiscal year then ended on the same date.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, including those applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of goodwill of the Surgical & Interventional Solutions Division segment	
Description of Key Audit Matter and Reasons for Decision	Auditor's Response
As described in Notes to the Consolidated Financial Statements, "16. Impairment of Non-financial Assets (2) Impairment test for goodwill," the Company performed an impairment test for goodwill related to the Surgical & Interventional Solutions Division segment (cash generating unit) in the fiscal year ended March 31, 2026. As of March 31, 2026, the amount of goodwill for the Surgical & Interventional Solutions Division segment was ¥179,576 million (11.7% of total assets of Consolidated Statement of Financial Position). In performing the impairment test for goodwill related to the Surgical & Interventional Solutions Division segment, the Company measures the recoverable amount based on value in use. Value in use is determined by discounting to present value the cash flows based on the business plan approved by management having a maximum term of five years as well as the terminal value, which is based on the growth rates after the term of the business plan. The main assumptions in determining value in use are as follows: • Growth rate and operating margin in the business plan • Discount rate These main assumptions involve uncertainty associated with management estimates and have a significant impact on determining value in use. Among these, the growth rate and the operating profit in the business plan are based on growth through the expansion of the Company's portfolio of treatment tools and devices, and dissemination of procedures. However, these are affected by the external environment, such as regulations on medical devices in the countries and regions where the Company operates its Surgical & Interventional Solutions Division, and competition with products of other companies. Determination of the discount rate requires a high degree of valuation expertise in the selection of the calculation method and inputs. During the fiscal year ended March 31, 2026, the Company continued to incur costs associated with its improvement activities for quality and regulatory compliance in response to the Warning Letters received from the U.S. Food and Drug Administration (FDA) in a previous fiscal year, import alerts announced in the current fiscal year, and the recent FDA inspections. Uncertainty surrounding the external environment is also increasing. Based on the above, we determined this to be a key audit matter.	In considering the valuation of goodwill of the Surgical & Interventional Solutions Division segment, we performed the following audit procedures, among others. • We made inquiries of management and reviewed related agenda materials of the Board of Directors and other meetings to gain an understanding of strategies in the Surgical & Interventional Solutions Division, which is the basis of the business plan having a maximum term of five years. In the inquiries to the management, we discussed the following items. • Consistency between the corporate strategy announced by Olympus Corporation in November 2025 and the Surgical & Interventional Solutions Division strategies • Impact of the progress made on the improvement plans to address the issues pointed out in the Warning Letter from the FDA, import alerts and the recent FDA inspections, and of the future outlook on new product development activities and the timing of market launches, and the estimated future costs of the improvement activities • We compared the growth rate and operating margin used in the business plan with past results, market forecasts, and available external data for the markets that have a significant impact on the determination of value in use. In addition, regarding the estimation of FDA-related costs, we performed a comparison with past results and reviewed and understood the details of expected future costs. We also performed our own sensitivity analysis, which included certain stresses on the risk factors included in the assumptions. • We involved valuation specialists from our network firms and performed the following procedures. • Regarding the discount rate, we compared it with the acceptable range set by valuation specialists and evaluated the reasonableness of the method used to determine the discount rate and the reliability of external data used as the basis of determination. • We evaluated the reasonableness of the method used to determine value in use.

Examination of expenses related to organizational transformation and personnel optimization measures	
Description of Key Audit Matter and Reasons for Decision	Auditor's Response
As described in Notes to the Consolidated Financial Statements, "30. Other Income and Other Expenses," for the fiscal year ended March 31, 2026, the Company recorded such expenses related to organizational transformation and personnel optimization measures of ¥26,872 million under "Other expenses." On November 7, 2025, the Company announced a corporate strategy aimed at achieving sustainable growth and decided to introduce a new operating model and implement a global personnel optimization program to steadily execute this corporate strategy and achieve its targets. This global personnel optimization program includes financial compensation for employees in the affected countries and regions, and due to the differences in the timing of expense recognition and measurement methods across jurisdictions, careful judgment by management is required. Additionally, the total amount of these expenses has a material effect on profit before tax. Based on the above, we determined this to be a key audit matter.	We performed the following audit procedures to review the reasonableness of the expenses associated with the implementation of measures to reform the organizational structure at a global level and optimize the number of employees of the Company. (General) - Through inquiries to management, a review of related documents, and the acquisition of management representations, we examined whether the expenses expected to be incurred under the global optimization program were comprehensively recorded. (Japan region) - Regarding financial compensation and other benefits for employees in Japan, we extracted a sample from the financial compensation summary sheets as of March 31, 2026, reviewed the application for external transfer system or retirement condition notices and retirement agreements, reconciled them with the financial compensation summary sheets, and verified the accuracy of the calculations in those summary sheets. - We reconciled the financial compensation summary sheets prepared by the Accounting Department with the list of employees scheduled for retirement prepared by the Human Resources Department, and verified the completeness of the financial compensation summary sheets. - We confirmed the consistency of the list of employees scheduled for retirement with the number of employees who retired during the subsequent period. - We reconciled expenses other than the above financial compensation with supporting documents. (Overseas subsidiaries) - For overseas subsidiaries, we instructed the relevant component teams to examine the appropriateness of the timing of recording financial compensation and the reasonableness of the recorded amounts, taking into account local laws and regulations, and we held discussions with the component teams and confirmed the recorded amounts.

Other Information

The other information comprises the information included in the annual securities report except that from the consolidated financial statements, non-consolidated financial statements and our auditor's report thereon. Management is responsible for preparation and disclosure of the other information. The Audit Committee is responsible for overseeing the performance of duties by Executive Officers and Directors within the maintenance and operation of reporting process of the other information.

Our opinion on the audit of the consolidated financial statements does not include the other information, and we do not provide an opinion on the other information.

Our responsibility in the audit of the consolidated financial statements is to read the other information carefully and, in the course of that reading, consider whether there are material differences between the other information and the consolidated financial statements or knowledge we have gained in the audit. It is also our responsibility to note whether there are any other indications of significant errors in the other information aside from such material differences.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management, the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by IFRSs, matters related to going concern.

Audit Committee is responsible for overseeing the performance of duties by Executive Officers and Directors within the maintenance and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material, if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the consolidated financial statements of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the consolidated financial statements, or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes thereto, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with IFRSs.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide the Audit Committee with a statement that we have complied with the ethical requirements in Japan regarding independence that are relevant to our audit of the consolidated financial statements, and

communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards in order to eliminate obstruction factors or reduce them to an acceptable level.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

<Internal Control Audit>

Opinion

We have audited the Internal Control Report as of March 31, 2026 of Olympus Corporation to provide audit certification in accordance with the provision of Article 193-2, Paragraph 2 of the Financial Instruments and Exchange Act.

In our opinion, the accompanying Internal Control Report, in which Olympus Corporation indicated that its internal control over financial reporting as of March 31, 2026 was effective, presented fairly, in all material respects, the results of its assessment of internal control over financial reporting, in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

Basis for Opinion

We conducted our internal control audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Our responsibilities under auditing standards for internal control over financial reporting are further described in the Auditor's Responsibilities for the Internal Control Audit section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, including those applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management, the Audit Committee for Internal Control Report

Management is responsible for developing and implementing internal control over financial reporting, and for the preparation and fair presentation of an Internal Control Report in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

The Audit Committee is responsible for overseeing and verifying the development and implementation of internal control over financial reporting.

Internal control over financial reporting may not completely prevent or detect misstatements in financial reporting.

Auditor's Responsibilities for the Internal Control Audit

Our objectives are to obtain reasonable assurance about whether the Internal Control Report is free from material misstatement based on the internal control audit, and to issue an auditor's report that includes our opinion on the Internal Control Report from an independent standpoint.

As part of an internal control audit over financial reporting in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Perform audit procedures to obtain audit evidence regarding the results of the assessment of internal control over financial reporting in the Internal Control Report. Audit procedures for internal control audits are selected and applied at our discretion, based on the materiality of their effects on the reliability of financial reporting.

- Examine the contents of the Internal Control Report as a whole, including statements made by management regarding the scope of assessment of internal control over financial reporting, the assessment procedures performed, and the assessment results.
- Plan and perform the internal control audit to obtain sufficient appropriate audit evidence regarding the results of the assessment of internal control over financial reporting in the Internal Control Report. We are responsible for the direction, supervision and review of the audit of the Internal Control Report. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding the planned scope and timing of the internal control audit, the results of the internal control audit, any significant deficiencies in internal control that we identify during our audit that should be disclosed, the results of their correction, and other matters required by the standards for internal control audits.

We also provide the Audit Committee with a statement that we have complied with the ethical requirements in Japan regarding independence that are relevant to our audit of the consolidated financial statements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards in order to eliminate obstruction factors or reduce them to an acceptable level.

<Remuneration-related information>

The amount of remuneration for members of the Independent Auditor and persons within the Independent Auditor's network for auditing services for the Company and its subsidiaries and for non-auditing services is indicated in the Corporate Governance, etc. of (3) "Audits" of the "Information about Reporting Company."

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

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- * 1. The original of the above auditor's report is kept separately by the Company as an attachment to the consolidated financial statements and the Internal Control Report.
 2. XBRL data is not included in the scope of the audit.

Independent Auditor's Report

June 18, 2026

The Board of Directors
OLYMPUS CORPORATION

Ernst & Young ShinNihon LLC

Tokyo Office

Designated Engagement Partner	Certified Public Accountant	Makoto Usui
Designated Engagement Partner	Certified Public Accountant	Masanori Enomoto
Designated Engagement Partner	Certified Public Accountant	Mitsuharu Konno

<Audit of the Financial Statements>

Opinion

We have audited the accompanying the non-consolidated financial statements of Olympus Corporation for the fiscal year from April 1, 2025 to March 31, 2026, which comprise the non-consolidated balance sheet, non-consolidated statement of income, the non-consolidated statement of changes in net assets, significant accounting policies, and other notes and supplementary schedules to provide audit certification in accordance with the provision of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2026, and its financial performance for the fiscal year then ended on the same date in accordance with accounting standards generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, including those applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the non-consolidated financial statements of the current fiscal year. These matters were addressed in the context of the audit of the non-consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

Examination of Expenses Related to Organizational Transformation and Personnel Optimization Measures
As stated in the non-consolidated statement of income and notes thereto for the fiscal year ended March 31, 2026, the Company recorded “Business structure improvement expenses” of ¥4,461 million under “Non-operating expenses” and “Extra payments for early retirements, etc.” of ¥10,749 million under “Extraordinary losses.” Our reasons for determining the matter to be a key audit matter and our response are the same as those described in the Auditor’s Report on the Consolidated Financial Statements (Examination of expenses related to organizational transformation and personnel optimization measures), specifically in the (General) and (Japan region) sections, so they have therefore been omitted.

Other Information

The other information comprises the information included in the annual securities report except that from the consolidated financial statements, non-consolidated financial statements and our auditor’s report thereon. Management is responsible for preparation and disclosure of the other information. The Audit Committee is responsible for overseeing the performance of duties by Executive Officers and Directors within the maintenance and operation of reporting process of the other information.

Our opinion on the audit of the non-consolidated financial statements does not include the other information, and we do not provide an opinion on the other information.

Our responsibility in the audit of the non-consolidated financial statements is to read the other information carefully and, in the course of that reading, consider whether there are material differences between the other information and the non-consolidated financial statements or knowledge we have gained in the audit. It is also our responsibility to note whether there are any other indications of significant errors in the other information aside from such material differences.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management, the Audit Committee for the Non-Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with accounting principles generally accepted in Japan. This includes the maintenance and operation of such internal control as management determines is necessary to enable the preparation and fair presentation of non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Company’s ability to continue as a going concern and disclosing matters related to going concern as required in accordance with accounting principles generally accepted in Japan.

Audit Committee is responsible for overseeing the performance of duties by Executive Officers and Directors within the maintenance and operation of the financial reporting process.

Auditor’s Responsibilities for the Audit of the Non-Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion on the non-consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material, if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the non-consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the non-consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the non-consolidated financial statements of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the non-consolidated financial statements, or, if the notes to the non-consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the notes thereto, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with the Audit Committee regarding, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide the Audit Committee with a statement that we have complied with the ethical requirements in Japan regarding independence that are relevant to our audit of the financial statements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards in order to eliminate obstruction factors or reduce them to an acceptable level.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the non-consolidated financial statements of the current fiscal year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

<Remuneration-related information>

Remuneration-related information is indicated in the auditor's report on the consolidated financial statements.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

We or engagement partners have no interest in the Company which should be disclosed in accordance with the Certified Public Accountants Act.

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- * 1. The original of the above auditor's report is kept separately by the Company as an attachment to the non-consolidated financial statements.
2. XBRL data is not included in the scope of the audit.

[Cover]

[Document Submitted]	Confirmation Letter
[Article of the Applicable Law Requiring Submission of This Document]	Article 24-4-2, Paragraph 1 of the Financial Instruments and Exchange Act
[Submitted to]	Director-General of the Kanto Local Finance Bureau
[Date of Submission]	June 18, 2026
[Company Name]	Olympus Kabushiki Kaisha
[Company Name in English]	OLYMPUS CORPORATION
[Position and Name of Representative]	Bob White, Director, Representative Executive Officer, President and CEO
[Position and Name of Chief Financial Officer]	Not applicable.
[Location of Head Office]	2951 Ishikawa-machi, Hachioji-shi, Tokyo
[Place Where Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo, Japan)

1. Matters Concerning the Adequacy of the Contents of the Securities Report

Bob White, Director, Representative Executive Officer, President and CEO of Olympus Corporation has confirmed that the information in Olympus Corporation's Annual Securities Report for the fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026) is properly presented in accordance with the Financial Instruments and Exchange Act.

2. Special Notes

There are no matters to be noted.

[Cover]

[Document Submitted]	Internal Control Report
[Article of the Applicable Law Requiring Submission of This Document]	Article 24-4-4, Paragraph 1 of the Financial Instruments and Exchange Act
[Submitted to]	Director-General of the Kanto Local Finance Bureau
[Date of Submission]	June 18, 2026
[Company Name]	Olympus Kabushiki Kaisha
[Company Name in English]	OLYMPUS CORPORATION
[Position and Name of Representative]	Bob White, Director, Representative Executive Officer, President and CEO
[Position and Name of Chief Financial Officer]	Not applicable.
[Location of Head Office]	2951 Ishikawa-machi, Hachioji-shi, Tokyo
[Place Where Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo, Japan)

1. Matters Related to the Basic Framework for Internal Control over Financial Reporting

Bob White, Director, Representative Executive Officer, President and CEO of Olympus Corporation is responsible for the development and operation of Olympus Corporation's internal control over financial reporting, and maintains and operates internal control over financial reporting in accordance with the basic framework for internal control indicated in the "On the Revision of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Opinions)" issued by the Business Accounting Council.

Internal control aims at achieving the objectives to a reasonable extent with the organized and integrated function of individual components as a whole. Accordingly, internal control over financial reporting may not completely prevent or detect misstatements in financial reporting.

2. Matters Related to the Scope of Assessment, Base Date and Assessment Procedures

The assessment of internal control over financial reporting was conducted with March 31, 2026, the end of the current fiscal year, as the base date, and the assessment was made in accordance with generally accepted standards for the assessment of internal control over financial reporting.

In this assessment, internal controls that have a significant impact on overall financial reporting on a consolidated basis (companywide internal controls) were assessed, and based on the results of the assessment, business processes to be assessed are selected. In assessing the business process, the selected business process is analyzed, and key control points that have a significant impact on the reliability of financial reporting are identified. The effectiveness of internal control is then assessed by evaluating the status of development and operation of these key control points.

The scope of the assessment of internal control over financial reporting was determined for Olympus Corporation, its consolidated subsidiaries, and its equity-method companies based on the materiality of the effect on the reliability of financial reporting. The materiality of the effects on the reliability of financial reporting was determined by considering the monetary and qualitative effects and the likelihood of such effects. The scope of assessment of internal control over business processes was reasonably determined based on the results of the assessment of companywide internal controls conducted for Olympus Corporation and its consolidated subsidiaries. Consolidated subsidiaries and equity-method companies that are considered to be immaterial in terms of monetary and qualitative materialities are not included in the scope of assessment of companywide internal controls.

Since the Group operates a single business, primarily consisting of the manufacture and sale of endoscopes and therapeutic solutions, the scope of assessment of internal control over business processes was determined by adding up the revenues (after elimination of consolidated intercompany transactions) of each business location in the previous fiscal year, beginning with the location with the highest amount, and designating as significant business locations those locations that accounted for approximately two-thirds of consolidated revenues in the previous fiscal year and those locations that were deemed significant (Note 1) in light of qualitative factors even if revenue does not account for approximately two-thirds. For the selected significant business locations, the business processes leading to revenues, accounts receivable, and inventories were assessed as accounts that have a significant bearing on Olympus Corporation's business objectives. Furthermore, regarding the significant business locations selected in light of qualitative factors, the scope of assessment included business processes that have a high possibility of material misstatement and that are related to significant accounts (Note 2) that involve estimates and forecasts.

It was concluded that there are no business processes that need to be individually added to the scope of assessment, since all business processes deemed significant when taking into account their impact on financial reporting are included in business processes that are related to accounts that have a significant bearing on Olympus Corporation's business objectives. It was also concluded that there are no business processes that need to be individually added to the scope of assessment beyond the conventional scope, even after taking into account changes surrounding Olympus Corporation and its operating environment.

Notes: 1. Major companies with manufacturing and logistics functions given that the Olympus Group is engaged in manufacturing, regional headquarters that play a particularly important role among holding companies given that holding companies play a role in controlling the business entities under their umbrella, and major companies with financial functions given that transactions are generally considered to be complex and involve high transaction risks

2. Inventories at business sites with manufacturing and logistics functions, taxes and significant accounts that involve estimates and forecasts by management at regional headquarters, and deposits, loans receivable, and securities at major companies with financial functions

3. Matters Related to Assessment Results

As a result of the above assessment, it was concluded that the Olympus Group's internal control over financial reporting was effective as of the end of the current fiscal year.

4. Supplemental Notes

Not applicable.

5. Special Notes

Not applicable.