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Securities Code: 7733

June 4, 2018

To Shareholders

2951 Ishikawa-machi, Hachioji-shi, Tokyo
OLYMPUS CORPORATION
Representative Director: Hiroyuki Sasa

Notice Regarding the Convocation of the General Meeting of Shareholders For the 150th Term (from April 1, 2017 to March 31, 2018)

OLYMPUS CORPORATION will be holding the General Meeting of Shareholders for the 150th term and request your attendance. The meeting will be held as described below. If you are unable to attend the meeting, you can exercise your voting rights either in writing or via the Internet, etc. Please review the “Reference Documents for the General Meeting of Shareholders” described later and exercise your voting rights by 5:30 p.m., June 25, 2018 (Monday).

- 1. Date/Time:** June 26, 2018 (Tuesday) 10:00 a.m.
(Reception desk is scheduled to open at 9:00 a.m.)
- 2. Location** 6-6-2 Nishi-Shinjyuku, Shinjyuku-ku, Tokyo
Kiku Ballroom, 4th Floor, Hilton Tokyo
- 3. Meeting Agenda:**
Reports:
 1. The Business Report, Consolidated Financial Statements, and the Results of Audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 150th term (from April 1, 2017 to March 31, 2018)
 2. The Non-Consolidated Financial Statements for the 150th term (from April 1, 2017 to March 31, 2018)**Matters to be resolved:**
 - 1st Agenda:** Dividends from Surplus
 - 2nd Agenda:** Election of Eleven Directors
 - 3rd Agenda:** Election of One Substitute Audit & Supervisory Board Member

4. Instructions for Exercising Voting Rights, etc.:

Please refer to “Instructions for Exercising Voting Rights” on page 3.

5. Internet Disclosure:

Pursuant to the relevant laws and regulations and Article 14 of the Company’s Articles of Incorporation, among documents to be attached to this notice, “Matters Concerning Subscription Rights to Shares, etc.,” “Framework to Ensure Fairness of Operations,” “Overview of Status of Management of Framework to Ensure Fairness of Operations,” “Basic Policy on Control of Company,” “Consolidated Statement of Changes in Equity,” “Notes to Consolidated Financial Statements,” “Non-Consolidated Statement of Changes in Net Assets” and “Notes to Non-Consolidated Financial Statements” are posted on the Company’s website and are not attached to this notice. The Attached Documents to this notice are part of the documents that were audited by the Accounting Auditor and the Audit & Supervisory Board Members in preparing the Audit Reports.

* When attending at the meeting, you are kindly requested to present the enclosed voting rights exercise form to the receptionist.

* Any modifications to the Business Report, the Consolidated Financial Statements, the Non-Consolidated Financial Statements and the Reference Documents for the General Meeting of Shareholders shall be posted on the Company’s website.

The Company’s Website: (<https://www.olympus.co.jp/ir/stock/meeting.html>)

Instructions for Exercising Voting Rights

You may exercise your voting rights at the General Meeting of Shareholders by using any of the following three methods:

[Attending the General Meeting of Shareholders]

Present the enclosed voting rights exercise form to the receptionist at the meeting. (No seal is necessary.)

Date/Time: June 26, 2018 (Tuesday) 10:00 a.m.
(Reception desk is scheduled to open at 9:00 a.m.)

Venue: Kiku Ballroom, 4th Floor, Hilton Tokyo

[Mailing the Voting Rights Exercise Form]

Complete the enclosed voting rights exercising form by indicating your vote for or against each of the agenda items and return it without affixing a stamp.

Votes to be received by: June 25, 2018 (Monday) 5:30 p.m.

[Exercising Voting Rights via the Internet]

Access the Company's designated website for voting (<https://www.web54.net>), enter the "proxy code" and "password," which are provided on the enclosed voting rights exercise form, and follow the instructions on the screen to vote on the agenda items.

Votes to be given by: June 25, 2018 (Monday) 5:30 p.m.

For details, please refer to the following page.

<To institutional investors>

An electronic voting rights exercise platform operated by ICJ, Inc. may be used as a means to exercise voting rights electronically at the General Meeting of Shareholders.

Instructions for Exercising Voting Rights via the Internet

Website for exercising voting rights: <https://www.web54.net>

You may exercise your voting rights via the Internet using only the voting website below designated by the Company. A site accessible via mobile phone is not available.

Exercising voting rights

- The deadline for exercising voting rights via the Internet is 5:30 p.m., June 25, 2018 (Monday), however, in consideration of the vote tallying process, we kindly ask that you exercise your voting rights as soon as possible.
- If having cast your vote multiple times via the Internet, the final vote cast shall be deemed valid. If both the vote cast in writing and the vote cast via the Internet reach us on the same day, the vote cast via the Internet shall prevail.

How to use the password and proxy code

- The password is important information to identify the individual casting a vote as the actual shareholder. Please keep the password secure as you would your personal seal and PIN number.
- A certain number of erroneous password entries will lock the password and access will be denied. To issue a new password, please follow the instructions provided on the screen.
- The proxy code provided on the enclosed voting rights exercise form is valid only for this General Meeting of Shareholders.

It should be noted that you will bear any fees to your Internet service provider and other telecommunication service providers (such as connection fees) incurred by accessing the voting website.

Inquiries on PC operation

- Please contact the following for assistance on operating your PC to exercise your voting rights via the website.

Sumitomo Mitsui Trust Bank, Limited

Securities Agent Web Support Hotline (dedicated line)

Telephone: 0120-652-031 (toll free, available only in Japan)

(Business hours: 9:00 a.m. to 9:00 p.m.)

Reference Documents for General Meeting of Shareholders

Propositions and information:

1st Agenda: Dividends from Surplus

Aiming to boost the corporate value, premised on securing stable financial base, the Company places priority on investing in growth fields, particularly the Medical Business. Based on this, our basic strategy is to implement dividend distribution in consideration of performance, etc., in order to respond to the expectations of our shareholders.

In accordance with said basic policy, we propose to pay a year-end dividend of ¥28 per share.

Year-end dividend

(1) Class of distributable assets

Cash

(2) Matters related to the disbursement of dividend and the total amount

Dividends: ¥28 per share of common stock of the Company

Total amount: ¥9,559,084,444

(3) Effective date of the disbursement of dividends from surplus:

June 27, 2018

2nd Agenda: Election of Eleven Directors

Upon the conclusion of this General Meeting of Shareholders, the terms of office of all Directors (eleven) will expire. In that regard, the Company proposes to elect eleven Directors.

The candidates for Director are as follows:

No.	Name	Present position and responsibility in the Company		
1	Hiroyuki Sasa	President and Representative Director	Reelection	
2	Yasuo Takeuchi	Director, Vice President Chief Financial Officer (CFO) Chief Regional Representative Officer	Reelection	
3	Akihiro Taguchi	Director, Senior Executive Managing Officer Head of Sales and Marketing Group Business Management Officer of Medical Business	Reelection	
4	Haruo Ogawa	Director, Senior Executive Managing Officer Chief Technology Officer (CTO) Head of R&D Group	Reelection	
5	Kiichi Hirata	Director, Executive Managing Officer, Chief Administrative Officer (CAO)	Reelection	
6	Sumitaka Fujita	Outside Director	Reelection	Independent Outside
7	Takayuki Katayama	Outside Director	Reelection	Independent Outside
8	Susumu Kaminaga	Outside Director	Reelection	Independent Outside
9	Michijiro Kikawa	Outside Director	Reelection	Independent Outside
10	Tetsuo Iwamura	Outside Director	Reelection	Independent Outside
11	Yasumasa Masuda		New election	Independent Outside

1. Hiroyuki Sasa (September 14, 1955)

Reelection

Profile, and position and responsibility in the Company

- April 1982: Joined the Company
- April 2001: General Manager, Endoscope Business Planning Dept., the Company
- April 2005: Division Manager, First Development Div., Olympus Medical Systems Corp.
- April 2007: Division Manager, Marketing Div., Olympus Medical Systems Corp.
- June 2007: Executive Officer, the Company
Director, Olympus Medical Systems Corp.
- April 2012: Representative Director, the Company (present)
President, the Company (present)

Number of shares of the Company held:
12,157 shares

Years served as Director:
6 years

Attendance at meetings of the Board of Directors during current fiscal year:
26 of 26 (100%)

Important concurrent positions

Mr. Sasa does not hold any important concurrent positions.

Reason for election

It is proposed that Mr. Sasa be elected Director of the Company because, in addition to being involved in the development of endoscopes and marketing for the medical business and possessing experience suited for leading the Medical Business, the Company's core business, he has worked to rebuild the Company's business portfolio and restore its financial health, and has steadily made progress in achieving these goals since becoming President of the Company.

Special interest between the candidate and the Company

There is no special interest.

2. Yasuo Takeuchi (February 25, 1957)

Reelection

Profile, and position and responsibility in the Company

April 1980: Joined the Company
April 2005: General Division Manager, Olympus Medical Systems Corp.
April 2009: Director, Olympus Europa Holding GmbH
June 2009: Executive Officer, the Company
October 2011: Executive Managing Director and Chairman of the Board, Olympus Europa Holding GmbH
April 2012: Director, the Company (present)
Senior Executive Managing Officer, the Company
Group President of Group Management Office, the Company
Chairman of the Board, Olympus Corporation of the Americas (present)
March 2013: Administrative Board and Managing Director, Olympus Europa Holding SE (present)
April 2015: Head of Corporate Management Office, the Company
April 2016: Director, Vice President, the Company (present)
Chief Financial Officer (CFO), the Company (present)
Chief Regional Representative Officer (present)

Number of shares of the Company held:
10,209 shares
Years served as Director:
6 years
Attendance at meetings of the Board of Directors during current fiscal year:
26 of 26 (100%)

Important concurrent positions

Mr. Takeuchi does not hold any important concurrent positions.

Reason for election

It is proposed that Mr. Takeuchi be elected Director of the Company because, in addition to having experience in the accounting and planning divisions and possessing a global perspective through having spent many years overseas and having served as a corporate officer at subsidiaries in Europe and the U.K., he has led efforts on various fronts, including restoring the Company's financial health as the Group President of the Group Management Office, which coordinates the management office division and the finance and accounting division, since becoming Director of the Company.

Special interest between the candidate and the Company

There is no special interest.

3. Akihiro Taguchi (January 26, 1958) Reelection

Profile, and position and responsibility in the Company

April 1980:	Joined the Company
April 2009:	Division Manager, R&D Div. 2, Olympus Medical Systems Corp.
June 2010:	Executive Officer, the Company Director, Member of the Board, Olympus Medical Systems Corp.
April 2012:	Senior Executive Managing Officer, the Company (present) President, Olympus Medical Systems Corp.
April 2015:	Head of Sales Group, the Company Business Management Officer of Medical Business, the Company (present)
Number of shares of the Company held: 7,629 shares	Director, Member of the Board, Olympus Medical Systems Corp. (present)
Years served as Director: 3 years	June 2015: Director, the Company (present)
Attendance at meetings of the Board of Directors during current fiscal year: 26 of 26 (100%)	April 2016: Head of Sales and Marketing Group, the Company (present)

Important concurrent positions

Mr. Taguchi does not hold any important concurrent positions.

Reason for election

It is proposed that Mr. Taguchi be elected Director of the Company because, in addition to being involved in the development of endoscopes and having experience suited for leading the Medical Business, the Company's core business, in his capacity as President of Olympus Medical Systems Corp., he has worked for popularization of products in the flagship gastrointestinal endoscope field in Japan and overseas, and he holds a track record in steadily achieving improvements in operating results in the Medical Business.

Special interest between the candidate and the Company

There is no special interest.

4. Haruo Ogawa (April 13, 1957) Reelection

Profile, and position and responsibility in the Company

April 1982:	Joined the Company
July 2009:	Deputy Division Manager Imaging Business Div., Olympus Imaging Corp.
October 2010:	Division Manager Medical Technology R&D Div., the Company
April 2011:	Executive Officer, the Company Director, Member of the Board, Olympus Imaging Corp.
April 2012:	Executive Managing Officer, the Company President, Olympus Imaging Corp.
April 2015:	Head of R&D Group, the Company (present) Business Management Officer of Scientific Solutions and Imaging Business, the Company
June 2015:	Director, the Company (present)
April 2016:	Senior Executive Managing Officer, the Company (present) Chief Technology Officer (CTO), the Company (present)

Number of shares of the Company held: 6,229 shares
Years served as Director: 3 years
Attendance at meetings of the Board of Directors during current fiscal year: 25 of 26 (96 %)

Important concurrent positions

Mr. Ogawa does not hold any important concurrent positions.

Reason for election

It is proposed that Mr. Ogawa be elected Director of the Company because, in addition to having extensive experience in divisions that have led technological development such as production technology, composite precision technology, and product strategy in the Imaging Business, in his capacity as President of Olympus Imaging Corp., he has a track record of promoting structural reform in the Imaging Business, such as revisions to product strategy and cost reductions.

Special interest between the candidate and the Company

There is no special interest.

5. Kiichi Hirata (July 1, 1957) Reelection

Profile, and position and responsibility in the Company

April 1980:	Joined the Company
October 2003:	General Manager, Planning Dept., Scientific Equipment Div., the Company
April 2004:	General Manager, Sales and Marketing Dept., Bioscience Div., the Company
April 2006:	General Manager, Logistics Development Dept., Business Support Div., the Company
November 2012:	President, Olympus Logitex Co., Ltd.
October 2013:	Division Manager, Corporate Service Div., the Company
April 2014:	Executive Officer, the Company
April 2015:	Head of Corporate Group, the Company
April 2016:	Executive Managing Officer, the Company (present) Chief Administrative Officer (CAO), the Company (present)
June 2016:	Director, the Company (present)

Number of shares of the Company held:

4,208 shares

Years served as Director:

2 years

Attendance at meetings of the Board of Directors during current fiscal year:

26 of 26 (100%)

Important concurrent positions

Mr. Hirata does not hold any important concurrent positions.

Reason for election

It is proposed that Mr. Hirata be elected Director of the Company because, in addition to having extensive experience in sales, marketing, logistics facilitation, human resources strategy, etc. of microscopes through his overseas assignments and service as President of an overseas subsidiary, he has a track record of having led initiatives of strengthening the headquarters' functions as Head of Corporate Group.

Special interest between the candidate and the Company

There is no special interest.

6. Sumitaka Fujita (December 24, 1942) Reelection
Independent Outside Director

Profile, and position and responsibility in the Company

Number of shares of the Company held: 1,700 shares Years served as Outside Director: 6 years Attendance at meetings of the Board of Directors during current fiscal year: 26 of 26 (100%)	April 1965: Joined ITOCHU Corporation June 1995: Director, ITOCHU Corporation April 1997: Managing Director, ITOCHU Corporation April 1998: Representative Managing Director, ITOCHU Corporation April 1999: Representative Senior Managing Director, ITOCHU Corporation April 2001: Representative Executive Vice President, ITOCHU Corporation April 2006: Representative Vice Chairman, ITOCHU Corporation June 2006: Vice Chairman, ITOCHU Corporation June 2007: Director, Orient Corporation June 2008: Senior Corporate Adviser, ITOCHU Corporation Director, Furukawa Electric Co., Ltd. (present) Audit & Supervisory Board Member, NIPPONKOA Insurance Company, Limited (currently Sompo Japan Nipponkoa Insurance Inc.) June 2009: Director, Nippon Sheet Glass Co., Ltd. April 2010: Director, NKSJ Holdings, Inc. (currently Sompo Holdings, Inc.) April 2012: Director, the Company (present)
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Important concurrent positions

Director, Furukawa Electric Co., Ltd.
 Chairman, Japan Association for CFOs

Reason for election

It is proposed that Mr. Fujita be elected Outside Director of the Company, so that his extensive experience and diverse knowledge as a business manager at ITOCHU Corporation may be applied to the Company's management.

Special interest between the candidate and the Company

There is no special interest.

7. **Takayuki Katayama** (October 9, 1945) Reelection
Independent Outside Director

Profile, and position and responsibility in the Company

Number of shares of the Company held: 400 shares Years served as Outside Director: 2 years Attendance at meetings of the Board of Directors during current fiscal year: 23 of 26 (88 %)	April 1968: Joined Teijin Limited June 1997: Director, Teijin Limited April 2000: CFO, Teijin Limited June 2000: Senior Managing Director, Teijin Limited October 2001: CEO, Teijin- DuPont Films Joint Venture April 2004: CSO, Teijin Limited June 2004: Representative Director and Executive Managing Director, Teijin Limited April 2005: CSRO, Teijin Limited June 2006: Executive Vice President, Teijin Limited April 2009: CFO, Teijin Limited June 2011: Senior Advisor to CEO, Teijin Limited (present) June 2012: Director, Santen Pharmaceutical Co., Ltd. (retiring June 26, 2018) Audit & Supervisory Board Member, Toyo Seikan Group Holdings, Ltd. June 2016: Director, the Company (present)
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Important concurrent positions

Director, Santen Pharmaceutical Co., Ltd. (retiring June 26, 2018)

Reason for election

It is proposed that Mr. Katayama be elected Outside Director of the Company, so that his extensive experience and diverse knowledge as a business manager at Teijin Limited may be applied to the Company's management.

Special interest between the candidate and the Company

There is no special interest.

8. Susumu Kaminaga (December 3, 1946)

Reelection
Independent Outside Director

Profile, and position and responsibility in the Company

May 1969: Joined Sumitomo Precision Products Co., Ltd.
March 1995: Representative Director, Surface Technology Systems Ltd.
June 2000: Director, Sumitomo Precision Products Co., Ltd.
June 2002: Managing Director, Sumitomo Precision Products Co., Ltd.
June 2004: President, Sumitomo Precision Products Co., Ltd.
June 2012: Adviser to the Board, Sumitomo Precision Products Co., Ltd.
October 2012: Representative Director & Chief Executive, SK Global Advisers Co., Ltd. (Present)
Executive Senior Adviser, SPP Technologies Co., Ltd. (Present)
December 2012: Director, DEFTA Capital Inc. (Present)
June 2016: Director, the Company (present)

Number of shares of the Company held:

200 shares

Years served as Outside Director:

2 years

Attendance at meetings of the Board of Directors during current fiscal year:

26 of 26 (100%)

Important concurrent positions

Representative Director & Chief Executive, SK Global Advisers Co., Ltd.
Executive Senior Adviser, SPP Technologies Co., Ltd.
Director, DEFTA Capital Inc.

Reason for election

It is proposed that Mr. Kaminaga be elected Outside Director of the Company, so that his extensive experience and diverse knowledge as a business manager at Sumitomo Precision Products Co., Ltd. may be applied to the Company's management.

Special interest between the candidate and the Company

There is no special interest.

9. Michijiro Kikawa (August 2, 1947)

Reelection
Independent Outside Director

Profile, and position and responsibility in the Company

April 1970:	Joined Hitachi Construction Machinery Co., Ltd.
May 1995:	President, Hitachi Construction Machinery (China) Co., Ltd.
June 1999:	Senior Officer and President, Hitachi Construction Machinery (China) Co., Ltd.
June 2001:	Executive Officer and General Manager, Hitachi Construction Machinery Co., Ltd.
June 2002:	Vice President and Executive Officer, Hitachi Construction Machinery Co., Ltd.
April 2003:	Senior Vice President and Executive Officer, Hitachi Construction Machinery Co., Ltd.
June 2003:	Senior Vice President and Executive Officer, Hitachi Construction Machinery Co., Ltd.
April 2005:	Representative Executive Officer and Executive Vice President, Hitachi Construction Machinery Co., Ltd.
June 2005:	Representative Executive Officer, Executive Vice President and Director, Hitachi Construction Machinery Co., Ltd.
April 2006:	Representative Executive Officer, President, Chief Executive Officer and Director, Hitachi Construction Machinery Co., Ltd.
April 2012:	Director, Hitachi Construction Machinery Co., Ltd.
June 2012:	Chairman of the Board, Hitachi Construction Machinery Co., Ltd. Director, Hitachi, Ltd.
June 2014:	Consultant to the Board of Directors, Hitachi Construction Machinery Co., Ltd.
June 2016:	Director, the Company (present)

Number of shares of the Company held: 0 shares
Years served as Outside Director: 2 years
Attendance at meetings of the Board of Directors during current fiscal year: 26 of 26 (100%)

Important concurrent positions

Mr. Kikawa does not hold any important concurrent positions.

Reason for election

It is proposed that Mr. Kikawa be elected Outside Director of the Company, so that his extensive experience and diverse knowledge as a business manager at Hitachi Construction Machinery Co., Ltd. may be applied to the Company's management.

Special interest between the candidate and the Company

There is no special interest.

10. Tetsuo Iwamura (May 30, 1951)

Reelection
Independent Outside Director

Profile, and position and responsibility in the Company

April 1978: Joined Honda Motor Co., Ltd.
June 2000: Director, Honda Motor Co., Ltd.
April 2003: President and Director, Honda South America Ltda.
President and Director, Moto Honda da Amazonia Ltda.
President and Director, Honda Automoveis do Brasil Ltda.
June 2006: Managing Director, Honda Motor Co., Ltd.
April 2007: President and Director, Honda North America, Inc.
President and Director, American Honda Motor Co., Inc.
June 2008: Senior Managing Director, Honda Motor Co., Ltd.
April 2011: Senior Managing Officer and Director, Honda Motor Co., Ltd.
June 2011: Senior Managing Officer, Honda Motor Co., Ltd.
April 2012: Executive Vice President, Executive Officer, Honda Motor Co., Ltd.
June 2012: Representative Director, Honda Motor Co., Ltd.
April 2013: Risk Management Officer, Honda Motor Co., Ltd.
April 2014: Corporate Brand Officer, Honda Motor Co., Ltd.
Chairman and Director, American Honda Motor Co., Inc.
June 2017: Director, the Company (present)

Number of shares of the Company held:
100 shares
Years served as Outside Director:
1 year
Attendance at meetings of the Board of Directors during current fiscal year:
20 of 20 (100%)

Important concurrent positions

Mr. Iwamura does not hold any important concurrent positions.

Reason for election

It is proposed that Mr. Iwamura be elected Outside Director of the Company, so that his extensive experience and diverse knowledge as a business manager at Honda Motor Co., Ltd. may be applied to the Company's management.

Special interest between the candidate and the Company

There is no special interest.

11. Yasumasa Masuda (February 27, 1957)

New election
Independent Outside Director

Profile, and position and responsibility in the Company	
April 1980:	Joined Fujisawa Pharmaceutical Co., Ltd. (currently Astellas Pharma Inc.)
June 2008:	Corporate Executive, Vice President, Corporate Finance & Control, Astellas Pharma Inc.
June 2011:	Corporate Executive, Vice President, Corporate Finance & Control, and Chief Financial Officer, Astellas Pharma Inc.
April 2012:	Corporate Executive, Vice President and Chief Financial Officer, Astellas Pharma Inc.
June 2012:	Senior Corporate Executive, Senior Vice President and Chief Financial Officer, Astellas Pharma Inc.
April 2017:	Senior Corporate Executive, Senior Vice president and Assistant to President, Astellas Pharma Inc.
June 2017:	Independent Non-Executive, Deloitte Touche Tohmatsu LLC (present)

Number of shares of the Company held: 0 shares

Years served as Outside Director: - year

Attendance at meetings of the Board of Directors during current fiscal year: - (%)

Important concurrent positions

Independent Non-Executive, Deloitte Touche Tohmatsu LLC

Reason for election

It is proposed that Mr. Masuda be elected Outside Director of the Company, so that his extensive experience and diverse knowledge as a business manager at Astellas Pharma Inc. may be applied to the Company's management.

Special interest between the candidate and the Company

There is no special interest.

- Notes: 1. "Number of shares of the Company held" indicates the number of shares held as of March 31, 2018.
2. Process for determining the new candidate for Director
- In response to the retirement of Mr. Shiro Hiruta, a proposal from the Company's President for Mr. Yasumasa Masuda to be made the new candidate for Director was received. Based on this proposal, the Nominating Committee held discussions, and after deliberation concerning the candidates at the Board of Directors meeting held on May 11, 2018, their nomination was approved.
3. Messrs. Sumitaka Fujita, Takayuki Katayama, Susumu Kaminaga, Michijiro Kikawa, Tetsuo Iwamura and Yasumasa Masuda are candidates for Outside Director and they are candidates for independent director as provided for in Rule 436-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc.
4. Special notes concerning the candidates for Outside Director
- (1) Regarding a cartel for the transactions of automobile wire harness products, Furukawa Electric Co. Ltd., where Mr. Sumitaka Fujita has served as Outside Director since June 2008, in July 2013, the company and its subsidiary Furukawa Automotive Systems Inc. received from the European Commission a decision in which they were fined approximately 4.02 million euros. Furthermore, the company received from the Japan Fair Trade Commission a cease and desist order and a payment order for surcharge for the violation of the Antimonopoly Act in December 2013 concerning work related to overhead power lines ordered by Tokyo Electric Power Company, and also in January 2014 concerning the similar work ordered by the Kansai Electric Power Co., Inc. In April 2014, the company received from the European Commission a decision in which the company was fined approximately 8.86 million euros, regarding a cartel for power cables and related products. In August 2014, the company received from China a decision in which the company was fined 3.456 million Yuan for a violation of the Chinese Anti-Monopoly Law concerning a cartel for transactions of automobile components. Although he was not aware of the

facts until they came to light, Mr. Fujita had regularly made recommendations from the viewpoint of legal compliance and promoted awareness. Following the incident, in addition to demanding for a thorough awareness of compliance and the implementation of appropriate measures to prevent a reoccurrence at a Furukawa Electric's Board of Directors' meeting, where the incidences and responses were reported on and debated, and other meetings. Mr. Fujita also monitors the state of implementation of the various such measures.

- (2) Toyo Seikan Group Holdings, Ltd. where Mr. Takayuki Katayama served as Outside Audit & Supervisory Board Member from June 2012 to June 2016, received from the Japan Fair Trade Commission a cease and desist order and a payment order for surcharge for a violation of the Antimonopoly Act in June 2014 concerning transactions of cardboard sheets and boxes at its consolidated subsidiaries. Although he was not aware of the facts until they came to light, Mr. Katayama had regularly made recommendations from the viewpoint of legal compliance and promoted awareness. Since facts came to light, he performed his duties to ensure due execution of business by actively expressing opinions at the Board of Directors' meetings of the Company concerning preventive measures including investigations of the facts and renewed efforts for ensuring legal compliance in the Company.

5. Limitation of Liability Agreement with Directors

The Company has prescribed in the Articles of Incorporation that the Company may enter into an agreement with Directors (excluding those who are operating directors, etc.) to limit their liability pursuant to Article 423, Paragraph 1 of the Companies Act, setting the minimum amount stipulated by law as the maximum liability. If the candidates for Outside Director, Messrs. Sumitaka Fujita, Takayuki Katayama, Susumu Kaminaga, Michijiro Kikawa, and Tetsuo Iwamura are elected, the Company plans to continue the limitation of liability agreement with each of them. In addition, if the candidates for Outside Director, Mr. Yasumasa Masuda is elected, the Company plans to enter into the limitation of liability agreement with him.

3rd Agenda: Election of One Substitute Audit & Supervisory Board Member

In order to maintain the continuity of auditing activities in case there is a vacancy in the Audit & Supervisory Board Member's position, it is hereby proposed that one substitute Audit & Supervisory Board Member be elected.

The validity of the election of substitute Audit & Supervisory Board Member based on this agenda can be nullified by resolution of the Board of Directors if the consent of the Audit & Supervisory Board has been obtained; provided, however, that it is only in a time before assuming office.

In addition, the consent of the Audit & Supervisory Board has been obtained for the submission of this proposal.

The candidate for substitute Audit & Supervisory Board Member is as follows:

Atsushi Teshima (October 24, 1972)

Career Summary and Position in the Company

April 2000: Joined Okamura Law Office
September 2000: Joined BDO Sanyu & Co. (Part-time)
April 2003: Registered as certified public accountant
June 2003: Company Auditor, BDO Sanyu Consulting Company, Ltd. (currently KAKUSHIN. co)
April 2004: Joined TMI Associates
June 2006: Audit & Supervisory Board Member, UNIDIO Corporation, Ltd.
January 2013: Partner, TMI Associates
March 2015: Partner, Sakamoto Teshima & Kitamura (present)
February 2018 Audit & Supervisory Board Member, Risenet Co., Ltd. (present)

Number of shares of the Company held: 0 shares
Years served as Audit & Supervisory Board Member - years
Attendance at meetings of the Board of Directors and Audit & Supervisory Board during current fiscal year:
Board of Directors - (%)
Audit & Supervisory Board - (%)

Important concurrent positions

Partner, Sakamoto Teshima & Kitamura
Audit & Supervisory Board Member, Risenet Co., Ltd.

Reason for election

It is proposed that Mr. Teshima be elected Outside Audit & Supervisory Board Member as he has professional views and experience as legal counsel, and also holds a certificate of certified public accountant, and thus the Company believes he should be able to appropriately perform audit of the business management of the Company. Although he has not been involved in corporate management in the past, the Company has judged that he can perform his duties as Outside Audit & Supervisory Board Member appropriately for the above-mentioned reasons.

Special interest between the candidate and the Company

There is no special interest.

- Notes: 1. "Number of shares of the Company held" indicates the number of shares held as of March 31, 2018.
2. Process for determining the candidate for Substitute Audit & Supervisory Board Member
In order to maintain the continuity of auditing activities in case there is a vacancy in the Audit & Supervisory Board Member's position, a proposal from the Company's President for Mr. Atsushi Teshima to be made the candidate for Substitute Audit & Supervisory Board Member was received. Based on this proposal, the Nominating Committee held discussions, the consent of the Audit & Supervisory Board has been obtained and after deliberation concerning the candidate at the Board of Directors meeting held on May 11, 2018, their nomination was approved.
3. Mr. Atsushi Teshima is a candidate for substitute outside Audit & Supervisory Board Member. He satisfies requirements for an independent audit & supervisory board member as stipulated by the regulations of Tokyo Stock Exchange Inc.

4. Limitation of Liability Agreement with Audit & Supervisory Board Members

The Company has prescribed in the Articles of Incorporation that the Company may enter into an agreement with Audit & Supervisory Board Members to limit their liability pursuant to Article 423, Paragraph 1 of the Companies Act, setting the minimum amount stipulated by law as the maximum liability. If Mr. Atsushi Teshima assumes the office of Audit & Supervisory Board Member, the Company plans to enter into the said limitation of liability agreement with him.

Policy on independence of Outside Directors and Outside Audit & Supervisory Board Members

The Company has established its “Criteria for Independence of Outside Officers” as described below in order to clarify its policy on the independence of Outside Directors and Outside Audit & Supervisory Board Members:

(Criteria for Independence of Outside Officers)

The Board of Directors of the Company assesses the independence of Outside Directors or Outside Audit & Supervisory Board Members (hereinafter, collectively “Outside Officers”) based on the following criteria:

When the independence of Outside Officers is assessed at the Board of Directors, the Nominating Committee composed of a majority of Outside Directors shall, in advance, examine the independence of the relevant persons, and state its opinion and provide advice to the Board of Directors.

1. In any of the past 10 fiscal years, the Outside Officer has not directly received more than ¥10 million in remuneration (excluding remuneration from the Company to Officers) or other assets from the Company and the Company’s affiliates (hereinafter, collectively the “Group”). If the Outside Officer is a consultant, accounting expert or legal expert, the organization to which he or she belongs has not received more than ¥10 million in remuneration or similar from the Group.
2. During the past ten-year period, the Outside Officer has not been an Operating Director, Corporate Executive Officer, Executive Officer or employee of the rank of General Manager or above at a company that falls under the following categories.
 - (i) In any of the past 10 fiscal years, the monetary amount of the relevant company’s transactions with the Group has been more than 2% of the consolidated revenue of either the company or the Group
 - (ii) The relevant company is a principal shareholder of the Company (holding more than 5% of the total number of voting rights of the Company directly or indirectly; the same shall apply hereinafter)
 - (iii) The Group is a principal shareholder of the relevant company
 - (iv) The relevant company has substantive interests in the Group (as a main bank, consultant, etc.)
 - (v) The Group and the relevant company have a relationship in which they mutually dispatch and appoint directors
3. The Outside Officer is not financially dependent on a person who falls under the categories of 1. or 2. above.
4. The Outside Officer is not a spouse of, or a relative within the third degree of kinship of, a Director, Operating Director, Executive Officer or employee of the rank of General Manager or above at the Group.
5. The Outside Officer does not belong to an auditing firm that conducts statutory audits of the Group.
6. In addition to each of the above items, the Outside Officer does not have any significant interest that casts doubt on his or her independence.

Business Report
(April 1, 2017 to March 31, 2018)

I Review of Group Operations

The Olympus Group has applied the International Financial Reporting Standards (IFRS) beginning with the fiscal year ended March 31, 2018, with the aim of improving the international comparability of financial information in the capital market, improving the effectiveness of corporate management by applying one unified accounting rule in the Group, and reinforcing governance. The figures for the previous fiscal year are also restated on the IFRS basis.

1. Review of Operations

In the global economy during the fiscal year under review, the U.S. economy continued to recover steadily, and there was also a trend of moderate improvement in Europe and China. However, uncertainty over the future continued due to the political trends in the U.S. and Europe and the increasing geopolitical risk in the East Asian and the Middle Eastern regions. In the Japanese economy, amid firm domestic and overseas demand, corporate earnings and employment conditions improved, and a move toward recovery has been seen in private consumption, with the trend of moderate recovery continuing.

Amid this business environment, the Olympus Group continued to work to achieve sustainable growth in the fiscal year under review by strategically investing in growth fields and by implementing operational reforms to pursue business efficiency, in accordance with the “Business to Specialist” Company and One Olympus basic policies of the five-year medium-term management plan, 2016 Corporate Strategic Plan (“16CSP”), which was launched in the fiscal year ended March 31, 2017.

In the Medical Business, we increased the number of employees to strengthen each functional area of the business and enhanced quality assurance (QA) and regulatory assurance (RA). In the surgical field, an area positioned for dramatic growth under 16CSP, we actively introduced new products in Japan and Europe, and aiming at future growth, we acquired US company Image Stream Medical to strengthen the operating room systems integration business, a key strategic area. In the Scientific Solutions Business, we allocated management resources to growth fields based on customer groups and pushed ahead with optimizing the business. In the Imaging Business, we reinforced sales of high-margin mirrorless cameras, and continued to implement cost cutting and other structural reforms.

As a result, the Olympus Group’s overall consolidated revenue increased to ¥786,497 million (up 6.2% year on year), due to increased sales in the Medical Business and Scientific Solutions Business. Operating profit was ¥81,029 million (up 13.8% year on year), due to increased profits in the Medical Business and Scientific Solutions Business. In addition, the Company posted income taxes of ¥19,573 million. Consequently, profit attributable to owners of parent was ¥57,064 million (up 33.4% year on year).

During the fiscal year under review, the Olympus Group invested ¥89,469 million on research and development, and spent ¥65,255 million on capital investments.

With respect to foreign exchange, the yen depreciated against both the U.S. dollar and the euro in comparison with the previous fiscal year. The average exchange rate during the period was ¥110.85 against the U.S. dollar (¥108.38 in the previous fiscal year) and ¥129.7 against the euro (¥118.79 in the previous fiscal

year), which caused revenue and operating profit to up by ¥28,784 million and ¥10,689 million, respectively, year on year.

Note: For monetary amounts indicated in units of ¥1 million, fractions of ¥1 million are rounded off.

2. Results of the Business Activities

Medical Business

Revenue ¥616,331 million (up 8.1% year on year)

Principal products and business
Manufacture and sale of gastrointestinal endoscopes, surgical endoscopes, endo-therapy devices and ultrasound endoscopes

Consolidated revenue in the Medical Business amounted to ¥616,331 million (up 8.1% year on year), while operating profit amounted to ¥121,784 million (up 6.2% year on year).

In the gastrointestinal endoscope field, although the mainstay endoscopy platform systems are reaching the second half of their product cycles, steady sales were maintained. In the surgical field, sales of surgical endoscopy systems equipped with 4K technologies, 3D laparoscopy systems, and “THUNDERBEAT” integrated energy device with both advanced bipolar and ultrasonic energy continued to grow. In the therapeutic devices field, sales of “VisiGlide 2” disposable guidewire for use in endoscopic diagnosis and treatment of biliary and pancreatic ducts and others were strong.

Despite a deterioration in the operating profit due to the effect of the product mix and other factors, operating profit in the Medical Business increased year on year, supported by the weaker yen.

Scientific Solutions Business

Revenue ¥100,016 million (up 7.1% year on year)

Principal products and business
Manufacture and sale of biological microscopes, industrial microscopes, industrial endoscopes and non-destructive testing equipment

Consolidated revenue in the Scientific Solutions Business amounted to ¥100,016 million (up 7.1% year on year), while operating profit amounted to ¥6,425 million (up 8.4% year on year).

Sales of products for hospitals and life science research were strong in Japan and China. Moreover, in addition to strong sales of industrial microscopes for semiconductor and electrical component inspection, sales of non-destructive testing equipment increased overseas, leading to higher revenue year on year in the Scientific Solutions Business.

Operating profit in the Scientific Solutions Business rose year on year due to the increase in revenue and the weaker yen.

Imaging Business

Revenue ¥60,298 million (down 4.0% year on year)

Principal products and business
Manufacture and sale of digital cameras and voice recorders

Consolidated revenue in the Imaging Business amounted to ¥60,298 million (down 4.0% year on year), while operating loss amounted to ¥1.2 billion (compared with an operating profit of ¥153 million in the previous fiscal year).

In the mirrorless camera field, sales increased as the Olympus Group maintained steady sales of the flagship mirrorless camera “OLYMPUS OM-D E-M1 Mark II,” introduced in the previous fiscal year. Meanwhile, in the compact camera field, the Olympus Group limited the number of units sold in line with the contracting market. Consequently, revenue in the Imaging Business overall decreased year on year.

Despite a progress made in pushing down expenses, operating loss was recognized in the Imaging Business due to a decrease in revenue.

Others

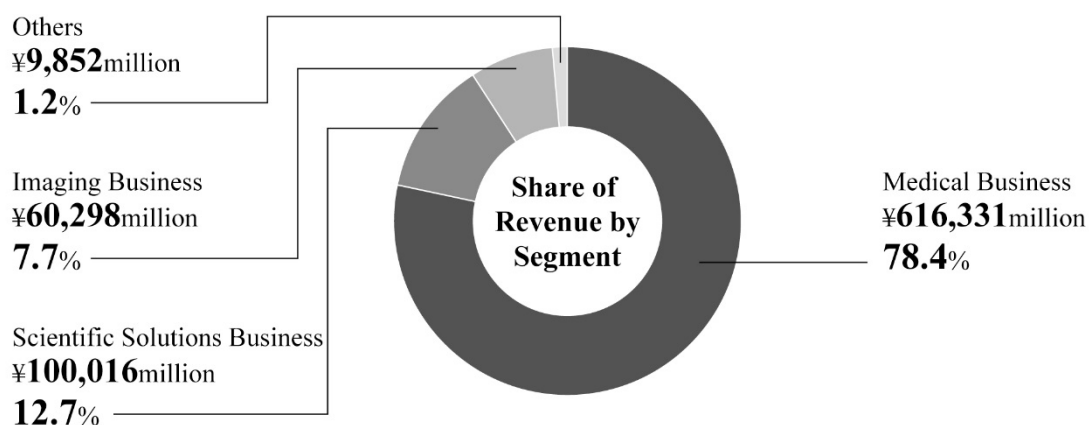
Revenue ¥9,852 million (down 29.5% year on year)

Principal products and business
Manufacture and sale of biomedical materials, system development, etc.

Consolidated revenue for other businesses amounted to ¥9,852 million (down 29.5% year on year) and operating loss was ¥4,966 million (compared with an operating loss of ¥1,138 million in the previous fiscal year).

Revenue for other businesses declined as a result of having reorganized our non-core business domains through initiatives that included transferring shares in Nippon Outsourcing Corporation, a subsidiary of the Company, on October 31, 2016.

Operating loss worsened because gain on sale of investments in subsidiaries, which was recorded in the previous fiscal year, was not included for the current fiscal year.



3. Changes in Assets and Results of Operation

		Japanese GAAP			IFRS	
		147 th term	148 th term	149 th term	149 th term	150 th term
Revenue	(Millions of yen)	764,671	804,578	748,050	740,557	786,497
Operating profit	(Millions of yen)	90,962	104,464	76,487	71,192	81,029
Profit before tax	(Millions of yen)	72,782	90,898	62,149	62,481	76,665
Profit attributable to owners of parent	(Millions of yen)	(8,737)	62,594	78,191	42,783	57,064
Total assets	(Millions of yen)	1,081,551	1,000,614	991,062	960,032	978,663
Total equity	(Millions of yen)	357,254	384,283	430,880	396,228	444,259
Basic earnings per share	(Yen)	(25.53)	182.90	228.47	125.01	166.84
Equity attributable to owners of parent per share	(Yen)	1,038.64	1,117.24	1,252.96	1,113.00	1,297.01

- Notes: 1. See “I Review of Group Operations 1. Review of Operations” on pages 22 to 25 for details on results for the 150th term (current fiscal year).
2. Effective from the 150th fiscal term, the Company adopted the International Financial Reporting Standards (the “IFRS”), replacing the Japanese Generally Accepted Accounting Principles (the “JGAAP”) previously applied. For reference, figures for the 149th term (previous fiscal year) conforming to IFRS are shown alongside.
3. Status of assets and income/loss for the preceding three fiscal years are presented with accounting terminology in accordance with the IFRS. The account items of “profit attributable to owners of parent,” “total equity,” “basic earnings per share,” and “equity attributable to owners of parent per share” in accordance with the IFRS correspond respectively to “net profit attributable to owners of the parent,” “net assets,” “net profit per share,” and “net assets per share” in accordance with JGAAP.

4. Financing and Capital Investment

(1) Financing

During the fiscal year under review, the Company carried out financing of ¥25 billion by means of long-term borrowings, in addition to the issuance of the 22nd unsecured straight corporate bonds of ¥10 billion in September 2017.

(2) Capital investment

A total of ¥65,255 million was spent this fiscal year in capital investment. Major expenditures included equipment for demonstrations and rental, new construction of research and development facility buildings and factory buildings.

5. Future Challenges

While the global economy has been on a moderate recovery track overall, it is still exposed to the risk of an economic downturn due to issues such as trends of the U.S. government policies and future economic conditions in China and other emerging countries.

In the Japanese economy, despite the likelihood of ongoing recovery on the back of improved corporate earnings, prospects ahead remain uncertain amid negative factors that include growing uncertainties regarding the global economy and volatility in financial and capital markets.

Under the circumstances, the Group is committed to steadily implementing the priority strategies listed below, in accordance with the 2016 Corporate Strategic Plan (“16CSP”), a five-year medium-term management plan which has taken effect since the fiscal year ended March 31, 2017, with the aim of achieving medium- to long-term growth.

Priority Strategies

- (i) Take action to grow business activities
- (ii) Acquire necessary management resources in a timely manner and fully leverage these resources
- (iii) Advance forward-looking preparations to realize continued growth
- (iv) Pursue further business efficiency improvements
- (v) Enhance management on a global and Groupwide basis
- (vi) Strengthen QA/RA and internal controls and promote strict compliance

As for each segment, in the Medical Business, we aim to expand the scale of our operations and improve our earnings capacity by providing value in terms of both early diagnosis and minimally invasive therapies, by proactively investing in each of this segment’s business units, namely GI (gastrointestinal), Res (respiratory), GS (general surgery), Uro/Gyn (urology/gynecology), ENT (ear nose throat), and Medical Services. We will work to achieve dramatic growth in both the therapeutic devices and surgical fields while maintaining our overwhelming competitive strengths in the gastrointestinal endoscope field, while furthermore taking steps to improve profitability in the Medical Business also by strengthening business involving single-use devices. In the Scientific Solutions Business, we will establish an earnings platform by promoting strategies oriented to each customer group, while also taking steps geared to enhancing shared business functions and streamlining operations through globally integrated management. In the Imaging Business, we will establish a profitable operating structure by boosting business efficiency, while also pursuing initiatives geared to improving our responsiveness to the changing market and working on variable measures to establish a solid position for our brand.

Having the 100th anniversary in 2019, the Group will strive to formulate corporate governance appropriate for a truly global company, while continuing to strengthen the compliance system and regulatory structure for quality and products.

To our shareholders, we appreciate your continuing support and understanding.

6. Major Subsidiaries, etc.

There are 96 consolidated subsidiaries, including the following 3 major subsidiaries, and 2 equity-method companies.

Name of company	Capital stock or investment	Ratio of capital contribution by the Company (%)	Principal business
Olympus Corporation of the Americas	US\$15,000	100	Holding company to conduct comprehensive management planning for subsidiaries and affiliates in Americas
Olympus Europa Holding SE	€1,000,000	100	Holding company to conduct comprehensive management planning for European subsidiaries and affiliates
Olympus Corporation of Asia Pacific Limited	HK\$1,729,704,000	100	Holding company to conduct comprehensive management planning for subsidiaries and affiliates in Asia and Oceania

Note: Olympus (China) Co., Ltd., a subsidiary of the Company located in Beijing, China became a holding company, and it will be engaged in general corporate planning for Chinese affiliates as of April 1, 2018.

7. Principal Places of Business and Plants (As of March 31, 2018)

(1) Principal places of business of the Company

Head Office	Hachioji-shi, Tokyo
Main Office	Shinjuku-ku, Tokyo
R&D Center	Hachioji-shi, Tokyo
Nagano Facility	Ina-shi and Kamiina-gun, Nagano
Shirakawa Facility	Nishi-Shirakawa-gun, Fukushima
Branches	Sapporo, Nagoya, Osaka, Hiroshima and Fukuoka
Sales Offices	Niigata, Matsumoto, Shizuoka, Kanazawa, Kyoto, Okayama, Matsuyama and Kagoshima

(2) Places of business of the Company's major subsidiaries

Aizu Olympus Co., Ltd.	Aizuwakamatsu-shi, Fukushima
Aomori Olympus Co., Ltd.	Kuroishi-shi, Aomori
Shirakawa Olympus Co., Ltd.	Nishishirakawa-gun, Fukushima
Olympus Corporation of the Americas	Pennsylvania, U.S.
Olympus Europa Holding SE	Hamburg, Germany
Olympus Corporation of Asia Pacific Limited	Hong Kong Special Administrative Region, China

- Notes: 1. Olympus Europa Holding SE moved its office from Essex, U.K. to Hamburg, Germany as of October 1, 2017.
2. Olympus (China) Co., Ltd., a subsidiary of the Company located in Beijing, China became a holding company, and it will be engaged in general corporate planning for Chinese affiliates as of April 1, 2018.

8. Employee Situation of the Group (As of March 31, 2018)

Segment	Numbers of employees		Increase/decrease from the previous fiscal year	
Medical Business	22,408	(1,191)	1,332	(240)
Scientific Solutions Business	4,127	(111)	-387	(76)
Imaging Business	6,187	(73)	144	(-102)
Others	890	(52)	-229	(-11)
Management division	2,321	(84)	386	(10)
Total	35,933	(1,511)	1,246	(213)

- Notes: 1. The number of employees represents individuals working within the Group and includes employees on loan to the Group but does not include employees on loan outside the Group. The average number of temporary employees for the year is shown in parentheses in the column of "Numbers of employees."
2. The increase in the number of employees in the Medical Business compared to the previous fiscal year is mainly due to the strengthening of the sales system.
3. The decrease in the number of employees in the Scientific Solutions Business compared to the previous fiscal year is mainly due to the revision of the sales system.
4. In the Others, the number of employees decreased from the previous fiscal year, primarily due to the adjustment of production in the overseas factories.

9. Principal Lenders (As of March 31, 2018)

(Millions of yen)

Lender	Balance of borrowing
Sumitomo Mitsui Banking Corporation	73,810
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	42,417

Note: The Bank of Tokyo-Mitsubishi UFJ, Ltd. changed its corporate name to MUFG Bank, Ltd. as of April 1, 2018.

10. Other Important Matters Concerning Group Operations

- (1) As a result of inappropriate financial reporting associated with the Company's postponing of the recognition of past losses, the Company's shareholders and others filed lawsuits. These actions could have an adverse impact on the Olympus Group's business performance and financial position. As of May 16, 2018 (hereinafter "as of present"), the total amount of damages claimed in relation to this matter is ¥28,288 million, of which the main lawsuits are as follows.

On April 7, 2014 (the date of the service of the complaint was April 17, 2014), a total of six banks including Mitsubishi UFJ Trust and Banking Corporation and five other trust banks filed a lawsuit against the Company seeking compensation for damages by payment of ¥27,915 million and the interest accrued to the damages incurred relating to each of the shares at the rate of 5% per annum for the period from the day immediately following the share acquisition trade date of each of the shares that incurred losses up to the payment of the incurred losses of the shares.

- (2) In order to clarify the responsibility for the series of problems related to the postponement of the recognition of past losses, we established the Director Liability Investigation Committee and the Non-director Management Liability Investigation Committee and conducted a strict and thorough investigation. Based on the results of the investigation, in January 2012, we filed a lawsuit seeking damages of ¥3.61 billion against 19 former directors and a lawsuit seeking damages of ¥1.0 billion against five former Audit & Supervisory Board Members, and other lawsuits, in June 2012 and October 2014, seeking damages of ¥1.2 billion in total against five outsiders who facilitated the same incident. With regard to the lawsuit seeking damages against 19 former directors, judicial settlements have been made with 13 former directors on March 24, 2016, with both parties agreeing that a total of ¥72 million shall be paid to the Company as settlement monies for this case, and during the period until present, payment of the settlement monies was made. Moreover, as to the lawsuit for damages we filed against the remaining six former directors (concerning one of the six defendants, however, three heirs acted in substitution), the Tokyo District Court rendered a judgment on April 27, 2017 to order them to jointly pay maximum ¥58,786 million (the abovementioned amount is that in respect of the claims of the lawsuit intervened by the Company's shareholders as co-parties (the two lawsuits were consolidated)). The Company carefully reviewed the details of the judgment consulting with its legal counsel and decided to appeal to the Tokyo High Court because it was dissatisfied with the dismissal of a part of its claims against five former directors. Moreover, concerning a lawsuit seeking damages against five former Audit & Supervisory Board Members, judicial settlements have been reached with four former Audit & Supervisory Board Members (concerning one of the four defendants, however, two heirs acted in substitution) on May 12, 2016 and with one former Audit & Supervisory Board Member on November 28, 2016, with both parties agreeing that a total of ¥34 million shall be paid to the Company as settlement monies for this case, and during the period until present, payment of the settlement monies was made. Other lawsuits are now pending in the Tokyo District Court and Supreme Court of Japan.
- (3) By the resolution at the meeting of the Board of Directors held on May 7, 2018, the Company decided to discontinue operations at Olympus (Shenzhen) Industrial Ltd., its Chinese subsidiary located in Shenzhen, Guangdong, China, and the said company discontinued operations on the same date.

II Matters Concerning Shares (As of March 31, 2018)

1. **Total Number of Shares Authorized to be Issued:** 1,000,000,000 shares
2. **Total Number of Issued Shares:** 341,395,873 shares
(Excluding treasury stock 1,295,351 shares)

Note: By resolution of the meeting of the Board of Directors held on July 28, 2017, new shares were issued as restricted share remuneration on August 28, 2017. As a result, the total number of issued shares increased by 19,716 shares.

3. **Number of Shareholders as of March 31, 2018:** 33,570
4. **Principal Shareholders (Top 10)**

Name of Shareholders	Numbers of shares held	Holding Ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	29,763,300 shares	8.72%
State Street Bank and Trust Company 505223	17,983,426	5.27%
Sony Corporation	17,243,950	5.05%
Japan Trustee Services Bank, Ltd. (trust account)	16,937,500	4.96%
State Street Bank and Trust Company 505001	16,016,435	4.69%
State Street Bank and Trust Company 505010	14,526,100	4.25%
Nippon Life Insurance Company	13,286,618	3.89%
SMBC Trust Bank Ltd. (Olympus shares in Sumitomo Mitsui Banking Corporation's retirement benefit trust account)	11,404,000	3.34%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	10,880,586	3.19%
Japan Trustee Services Bank, Ltd. (trust account 5)	5,692,300	1.67%

- Notes: 1. The holding ratio is computed by excluding treasury shares (1,295,351 shares).
2. The Bank of Tokyo-Mitsubishi UFJ, Ltd. changed its corporate name to MUFG Bank, Ltd. on April 1, 2018.

5. Other Important Matters Concerning Shares

Repurchase of treasury shares

The Company repurchased treasury shares based on the provisions of Article 156, Paragraph 3 of the Companies Act as applied by replacing the relevant terms pursuant to the provisions of Article 165, Paragraph 3 of the same act, through a resolution at the meeting of the Board of Directors held on November 24, 2017, as follows.

1. Class of shares purchased: Common stock of the Company
2. Total number of shares purchased: 861,300
3. Aggregate purchase price: ¥3,653,762,500
4. Purchase period: From December 13, 2017 to January 31, 2018

III Matters Concerning Directors and Audit & Supervisory Board Members

1. Name of Directors and Audit & Supervisory Board Members (As of March 31, 2018)

Appointment	Name	Position and responsibility in the Company and important concurrent positions at other organizations
Representative Director	Hiroyuki Sasa	
Director	Yasuo Takeuchi	Chief Financial Officer (CFO) Chief Regional Representative Officer
Director	Akihiro Taguchi	Head of Sales and Marketing Group Business Management Officer of Medical Business
Director	Haruo Ogawa	Chief Technology Officer (CTO) Head of R&D Group
Director	Kiichi Hirata	Chief Administrative Officer (CAO)
Outside Director	Shiro Hiruta	Director, ORION ELECTRIC Co., LTD.
Outside Director	Sumitaka Fujita	Director, Furukawa Electric Co., Ltd. Chairman, Japan Association for CFOs
Outside Director	Takayuki Katayama	Director, Santen Pharmaceutical Co., Ltd.
Outside Director	Susumu Kaminaga	Representative Director & Chief Executive, SK Global Advisers Co., Ltd. Executive Senior Adviser, SPP Technologies Co., Ltd. Director, DEFTA Capital Inc.
Outside Director	Michijiro Kikawa	
Outside Director	Tetsuo Iwamura	
Standing Audit & Supervisory Board Member	Nobuyuki Koga	
Standing Audit & Supervisory Board Member	Masashi Shimizu	
Outside Audit & Supervisory Board Member	Katsuya Natori	Chief, Natori Law Office Director, MODEC, INC. Supervisory Director, Global One Real Estate Investment Corp.
Outside Audit & Supervisory Board Member	Atsushi Iwasaki	Chief, Iwasaki CPA Office Director, ISEKI & CO., Ltd. Audit & Supervisory Board Member, NH Foods Ltd.

- Notes: 1. Audit & Supervisory Board Member Takashi Saito retired due to resignation from his post as of June 28, 2017.
2. The above all Directors and Audit & Supervisory Board Member Nobuyuki Koga assumed their post on June 28, 2017.
Audit & Supervisory Board Members Masashi Shimizu, Katsuya Natori, and Atsushi Iwasaki assumed their post on June 28, 2016.
3. Director Shiro Hiruta retired from the position of Director of ORION ELECTRIC Co., LTD. as of April 2, 2018.
4. Directors Shiro Hiruta, Sumitaka Fujita, Takayuki Katayama, Susumu Kaminaga, Michijiro Kikawa, and Tetsuo Iwamura are Outside Directors. The Company has notified Tokyo Stock Exchange, Inc. of them as independent directors.
5. Audit & Supervisory Board Members Katsuya Natori and Atsushi Iwasaki are Outside Audit & Supervisory Board Members. The Company has notified Tokyo Stock Exchange, Inc. of them as independent audit & supervisory board members.
6. Audit & Supervisory Board Member Atsushi Iwasaki is a certified public accountant and has considerable knowledge of finance and accounting.

7. Under the Company's executive officer system, the following are executive officers as of March 31, 2018. The "*" mark indicates individuals serving concurrently as Directors.

Appointment	Name
President *	Hiroyuki Sasa
Vice President *	Yasuo Takeuchi
Senior Executive Managing Officer *	Akihiro Taguchi
Senior Executive Managing Officer	Shigeo Hayashi
Senior Executive Managing Officer *	Haruo Ogawa
Executive Managing Officer	Yasushi Sakai
Executive Managing Officer	Nobuhiro Abe
Executive Managing Officer *	Kiichi Hirata
Executive Managing Officer	Naohiko Kawamata
Executive Managing Officer	Masamichi Handa
Executive Officer	Hitoshi Kawada
Executive Officer	Ken Yoshimasu
Executive Officer	Masahito Kitamura
Executive Officer	Tetsuo Kobayashi
Executive Officer	Toshihiko Okubo
Executive Officer	Yoshihito Shimizu
Executive Officer	Katsuhiko Inadomi
Executive Officer	Hidenao Tsuchiya
Executive Officer	Yoshitake Saito
Executive Officer	Katsuyuki Saito
Executive Officer	Koji Ando
Executive Officer	Yoshio Tashiro
Executive Officer	Kazutaka Eguchi
Executive Officer	Nacho Abia
Executive Officer	Stefan Kaufmann

Notes: 1. The following executive officer had a change to his appointment on October 1, 2017.

Executive Managing Officer Masamichi Handa

2. The following executive officer retired on March 31, 2018.

Executive Officer Hitoshi Kawada

3. The following executive officer had a change to his appointment on April 1, 2018.

Executive Managing Officer Ken Yoshimasu

4. The following executive officers were newly elected on April 1, 2018.

Executive Officer Akira Hasegawa

Executive Officer Hideki Kusuda

Executive Officer Tomohisa Sakurai

Executive Officer Shigemi Sugimoto

2. Overview of content of limited liability agreement

The Company has entered into an agreement with all of its Outside Directors and Audit & Supervisory Board Members to limit their liability pursuant to Article 423, Paragraph 1 of the Companies Act, setting the minimum amount stipulated by law as the maximum liability.

3. Amount of Remuneration for Directors and Audit & Supervisory Board Members

(1) Amount of remuneration for Directors and Audit & Supervisory Board Members, guidelines for deciding on the method for calculating remuneration, and method for deciding

The basic concept behind remuneration for Directors and Audit & Supervisory Board Members is to strengthen their awareness of maximizing corporate value and meet shareholders' needs and to provide compensation appropriate for those responsibilities.

Remuneration for Directors (excluding Outside Directors) consists of monthly remuneration, a bonus as a short-term incentive, and restricted share and performance-linked share-based remuneration as a long-term incentive system. The monthly remuneration is set according to the base remuneration for each position and factors such as contribution to the company. The amount of the total bonus is decided by taking into consideration consolidated operating profit excluding other income and other expenses for an accounting period in question. The restricted share and performance-linked share-based remuneration is intended to provide an incentive for sustainable improvement of the Company's corporate value as well as to enhance value-sharing with shareholders. The restricted share remuneration is subject to continuous service as a Director of the Company for a certain period, while performance-linked share-based remuneration is subject to achieving the predetermined performance targets. The restricted share remuneration and the performance-linked share-based remuneration are provided by means of issuing common stocks of the Company separately from existing monthly remuneration and a bonus for targeted Directors. The maximum amount of the remuneration for both the restricted share remuneration and performance-linked share-based remuneration is ¥500 million per year and 150,000 shares, as approved at the General Meeting of Shareholders for the 149th term, and of which a portion of 82% is allocated to the performance-linked share-based remuneration. Moreover, Outside Directors are paid only monthly remuneration, not a bonus or restricted share and performance-linked share-based remuneration.

For remuneration, etc. for Audit & Supervisory Board Members, Audit & Supervisory Board Members are paid only monthly remuneration set based on consultations with Audit & Supervisory Board Members, not a bonus or restricted share and performance-linked share-based remuneration.

■ Composition of Directors' compensation by type (excluding Outside Directors)

(assuming targets for variable compensation are all 100% achieved)

Type of compensation			Ratio to total compensation	
Fixed compensation	Monthly remuneration (Base remuneration)		50%	
Variable compensation	Short-term incentive	Bonus	25%	
	Long-term incentive	Restricted share remuneration	6%	25%
		Performance-linked share-based remuneration	19%	
Total			100%	

(2) Number of Directors and Audit & Supervisory Board Members paid and total amount of remuneration

	Number of Directors and Audit & Supervisory Board Members	Total amount of remuneration
Director	12	¥513 million
Audit & Supervisory Board Member	5	¥83 million

- Notes: 1. Since there are no Directors who are also employees, there is no payment of employee salaries.
2. By resolution of the 143rd General Meeting of Shareholders held on June 29, 2011, the maximum amount of monthly remuneration for Directors is set at ¥100 million and the maximum amount of annual bonus for Directors is ¥350 million. By resolution of the 149th General Meeting of Shareholders held on June 28, 2017, the maximum amount of annual restricted share and performance-linked share-based remuneration for Directors excluding Outside Directors is set at ¥500 million.
3. By resolution of the 138th General Meeting of Shareholders held on June 29, 2006, the maximum amount of monthly remuneration for Audit & Supervisory Board Members is set at ¥10 million.
4. Of the above amount of remuneration for Directors and Audit & Supervisory Board Members, the total amount paid to Outside Directors and Outside Audit & Supervisory Board Members (7 Outside Directors, 2 Outside Audit & Supervisory Board Members) is ¥110 million.
5. The numbers of Directors and Audit & Supervisory Board Members who received remuneration shown in the above table include 1 Director and 1 Audit & Supervisory Board Member who retired on June 28, 2017 upon the conclusion of the General Meeting of Shareholders for the 149th term.

4. Matters Concerning Outside Directors and Outside Audit & Supervisory Board Members

(1) Relations between other organizations where important concurrent positions are assumed and the Company (As of March 31, 2018)

Position	Name	Important concurrent positions at other organizations
Outside Director	Shiro Hiruta	Director, ORION ELECTRIC Co., LTD.
Outside Director	Sumitaka Fujita	Director, Furukawa Electric Co., Ltd. Chairman, Japan Association for CFOs
Outside Director	Takayuki Katayama	Director, Santen Pharmaceutical Co., Ltd.
Outside Director	Susumu Kaminaga	Representative Director & Chief Executive, SK Global Advisers Co., Ltd. Executive Senior Adviser, SPP Technologies Co., Ltd. Director, DEFTA Capital Inc.
Outside Audit & Supervisory Board Member	Katsuya Natori	Chief, Natori Law Office Director, MODEC, INC. Supervisory Director, Global One Real Estate Investment Corp.
Outside Audit & Supervisory Board Member	Atsushi Iwasaki	Chief, Iwasaki CPA Office Director, ISEKI & CO., Ltd. Audit & Supervisory Board Member, NH Foods Ltd.

- Notes: 1. Director Shiro Hiruta retired from the position of Director of ORION ELECTRIC Co., LTD. as of April 2, 2018.
2. There is no special relationship between the Company and the organizations where Shiro Hiruta, Sumitaka Fujita, Takayuki Katayama, Susumu Kaminaga, Katsuya Natori and Atsushi Iwasaki assume important concurrent positions.
3. The above important concurrent positions at other organizations are stated for persons who held office from the following day of the conclusion of the 149th General Meeting of Shareholders held on June 28, 2017 until the end of the current fiscal year.

(2) Major activities during current fiscal year

Shiro Hiruta, Director

Mr. Hiruta served as the Chairman of the Board of Directors, attended all 26 Board of Directors' meetings (excluding ones held without a resolution as stipulated in Article 370 of the Companies Act; hereinafter the same) held during the current fiscal year and made statements and recommendations as he saw fit, based on his profound knowledge and broad insight as a business manager at Asahi Kasei Corporation. As Chairman of the Nominating Committee, which selects candidates for new directors and audit & supervisory board members, he chaired deliberations on selection criteria for candidates for directors and audit & supervisory board members, etc., selected candidates, and proposed them to the Board of Directors.

Sumitaka Fujita, Director

Mr. Fujita attended all 26 Board of Directors' meetings held during the current fiscal year and made statements and recommendations as he saw fit, based on his profound knowledge and broad insight as a business manager at ITOCHU Corporation. As Chairman of the Compensation Committee, which determines remuneration for directors and audit & supervisory board members, he chaired deliberations on remuneration standards for directors and audit & supervisory board members, etc., formulated a remuneration plan, and proposed the plan to the Board of Directors.

Takayuki Katayama, Director

Mr. Katayama attended 23 of 26 Board of Directors' meetings held during the current fiscal year, and made statements and recommendations as he saw fit, based on his profound knowledge and broad insight as a business manager at Teijin Limited. As a member of the Compensation Committee, which determines remuneration for directors and audit & supervisory board members, he participated in deliberations on remuneration standards for directors and audit & supervisory board members, etc., and formulated a remuneration plan.

Susumu Kaminaga, Director

Mr. Kaminaga attended all 26 Board of Directors' meetings held during the current fiscal year, and made statements and recommendations as he saw fit, based on his profound knowledge and broad insight as a business manager at Sumitomo Precision Products Co., Ltd. and SK Global Advisers Co., Ltd. As Chairman of the Compliance Committee, which works to oversee and improve the compliance system, he chaired deliberations on enhancement of the internal control system, etc., and proposed the plan to the Board of Directors. Furthermore, as a member of the Compensation Committee, which determines remuneration for directors and audit & supervisory board members, he participated in deliberations on remuneration standards for directors and audit & supervisory board members, etc. and formulated a remuneration plan.

Michijiro Kikawa, Director

Mr. Kikawa attended all 26 Board of Directors' meetings held during the current fiscal year, and made statements and recommendations as he saw fit, based on his profound knowledge and broad insight as a business manager at Hitachi Construction Machinery Co., Ltd. As a member of the Nominating Committee, which selects candidates for new directors and audit & supervisory board members, he participated in deliberations on selection criteria for candidates for directors and audit

& supervisory board members, etc., and selected candidates.

Tetsuo Iwamura, Director

Mr. Iwamura attended all 20 Board of Directors' meetings held during the current fiscal year after his appointment at the General Meeting of Shareholders for the 149th term held on June 28, 2017, and made statements and recommendations as he saw fit, based on his profound knowledge and broad insight as a business manager at Honda Motor Co., Ltd. As a member of the Nominating Committee, which selects candidates for new directors and audit & supervisory board members, he participated in deliberations on selection criteria for candidates for directors and audit & supervisory board members, etc., and selected candidates. Furthermore, as a member of the Compliance Committee, which works to oversee and improve the compliance structure, he participated in deliberations on the strengthening of the internal control system, etc.

Katsuya Natori, Audit & Supervisory Board Member

Mr. Natori attended 23 of 26 Board of Directors' meetings and 27 of 30 Audit & Supervisory Board's meetings held during the current fiscal year and made statements and recommendations as he saw fit, based on his profound knowledge and broad insight as a business manager at Sun Microsystems, Inc., Fast Retailing Co., Ltd., and IBM Japan, Ltd., and as an attorney.

Atsushi Iwasaki, Audit & Supervisory Board Member

Mr. Iwasaki attended 24 of 26 Board of Directors' meetings and 29 of 30 Audit & Supervisory Board's meetings held during the current fiscal year, and made statements and recommendations as he saw fit, based on his profound knowledge and broad insight as a certified public accountant.

IV Accounting Auditor

1. Name of Accounting Auditor

Ernst & Young ShinNihon LLC

2. Amount of Remuneration

Classification	Amount paid
Remuneration to Accounting Auditor for the current fiscal year	¥281 million
Total amount of money and other financial interests to be paid by the Company and its subsidiaries	¥380 million

- Notes: 1. The audit agreement between the Company and its Accounting Auditor does not distinguish compensation paid for audit work performed in conformity with the Companies Act and compensation paid for audit work performed in conformity with the Financial Instruments and Exchange Act and it is effectively impossible to do so. Therefore, the total amount of these compensation types is presented for remuneration to Accounting Auditor for the current fiscal year.
2. The Audit & Supervisory Board confirmed and reviewed if an audit plan of the Accounting Auditor, the status of executing duties of the accounting audit, the basis for calculation of estimated remuneration, etc. are appropriate, and agreed to the amount of remuneration, etc. of the Accounting Auditor as stipulated in Article 399, Paragraph 1 of the Companies Act.
3. Among the important subsidiaries of the Company, Olympus Corporation of the Americas, Olympus Europa Holding SE and Olympus Corporation of Asia Pacific Limited are audited by auditing firms other than the Accounting Auditor of the Company.

3. Description of Non-Auditing Services

As for non-auditing services, the Company requested the Accounting Auditor give advice and guidance regarding the introduction of International Financial Reporting Standards (IFRS) and paid compensation for the service.

4. Policy for Decisions on Dismissal and Non-Reappointment of Accounting Auditor

The Audit & Supervisory Board will dismiss the Accounting Auditor as necessary, with the unanimous consent of the Audit & Supervisory Board Members, in the event said Accounting Auditor is recognized as falling under any of the item listed in Article 340, Paragraph 1 of the Companies Act.

In addition to the foregoing, the Audit & Supervisory Board will determine the contents of agendas regarding the dismissal or non-reappointment of the Accounting Auditor to the General Meeting of Shareholders, in the event it is recognized that the appropriate performance of duties by said Accounting Auditor is rendered not possible due to events affecting the qualifications and credibility of the Accounting Auditor, or when otherwise deeming the action necessary.

Consolidated Statement of Financial Position

(As of March 31, 2018)

(Millions of yen)

Accounts	Amount	Accounts	Amount
ASSETS:		LIABILITIES:	
Current assets	514,291	Current liabilities	305,920
Cash and cash equivalents	191,239	Trade and other payables	57,559
Trade and other receivables	157,339	Bonds and borrowings	88,791
Other financial assets	7,442	Other financial liabilities	8,793
Inventories	139,309	Income taxes payable	9,467
Income taxes receivable	4,127	Provisions	6,814
Other current assets	14,487	Other current liabilities	134,496
Subtotal	513,943	Non-current liabilities	228,484
Non-current assets held for sale	348	Bonds and borrowings	159,183
Non-current assets	464,372	Other financial liabilities	7,379
Property, plant and equipment	168,243	Retirement benefit liability	39,145
Goodwill	97,208	Provisions	785
Intangible assets	73,371	Deferred tax liabilities	10,004
Retirement benefit asset	29,514	Other non-current liabilities	11,988
Investments accounted for using equity method	44	Total liabilities	534,404
Trade and other receivables	17,971	Equity	
Other financial assets	39,683	Total equity attributable to owners of parent	442,793
Deferred tax assets	37,135	Share capital	124,560
Other non-current assets	1,203	Capital surplus	91,502
		Treasury shares	(4,775)
		Other components of equity	(5,810)
		Retained earnings	237,316
		Non-controlling interests	1,466
		Total equity	444,259
Total assets	978,663	Total liabilities and equity	978,663

Consolidated Statement of Profit or Loss

(April 1, 2017 to March 31, 2018)

(Millions of yen)

Accounts	Amount
Revenue	786,497
Cost of sales	276,013
Gross profit	510,484
Selling, general and administrative expenses	426,596
Share of profit (loss) of investments accounted for using equity method	(47)
Other income	7,905
Other expenses	10,717
Operating profit	81,029
Finance income	2,685
Finance costs	7,049
Profit before tax	76,665
Income taxes	19,573
Profit	57,092
Profit attributable to:	
Owners of parent	57,064
Non-controlling interests	28
Profit	57,092

Non-Consolidated Balance Sheet

(As of March 31, 2018)

(Millions of yen)

Accounts	Amount	Accounts	Amount
ASSETS:		LIABILITIES:	
Current assets	282,110	Current liabilities	206,279
Cash and time deposits	79,977	Notes payable	1,512
Notes receivable	1,023	Accounts payable	33,337
Accounts receivable	89,168	Current maturities of bonds	25,000
Finished goods	21,374	Current maturities of long-term borrowings	53,100
Work in process	8,005	Lease liabilities	2,701
Materials	42,865	Other payable	12,617
Short-term loans receivable	8,250	Accrued expenses	34,988
Other receivables	14,160	Income taxes payable	1,433
Deferred income taxes	19,362	Deposits received	40,486
Other current assets	5,800	Provision for product warranties	177
Allowance for doubtful accounts	(7,874)	Provision for points	185
Fixed assets	504,423	Other current liabilities	743
Property, plant and equipment	85,080	Non-current liabilities	124,882
Buildings	36,132	Long-term bonds, less current maturities	10,000
Structures	2,023	Long-term borrowings, less current maturities	108,000
Machinery and equipment	8,024	Lease liabilities	4,205
Vehicles	19	Long-term deposits received, less current maturities	609
Tools, furniture and fixtures	17,334	Provision for loss on business liquidation	2,068
Land	14,568		
Lease assets	6,901	Total liabilities	331,161
Construction in progress	79		
Intangible assets	7,117	NET ASSETS:	
Patent right	1,125	Shareholders' equity	443,643
Software	3,844	Share capital	124,560
Software in progress	2,084	Capital surplus	90,984
Right of using facilities, etc.	64	Legal capital surplus	90,980
Investments and other assets	412,226	Other capital surplus	4
Investment securities	27,400	Retained earnings	232,874
Investment securities in subsidiaries and affiliates	349,646	Other retained earnings	232,874
Investments in capital of subsidiaries and affiliates	278	Reserve for advanced depreciation	1,200
Long-term loans receivable	5,137	Retained earnings carried forward	231,674
Prepaid pension expenses	19,213	Treasury shares	(4,775)
Claims provable in bankruptcy, claims provable in rehabilitation and other	3,877	Valuation and translation adjustments	11,186
Deferred Tax Assets	6,945	Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	11,186
Other assets	13,329	Subscription rights to shares	543
Allowance for doubtful accounts	(13,599)	Total net assets	455,372
Total assets	786,533	Total liabilities and net assets	786,533

Non-Consolidated Statement of Income

(April 1, 2017 to March 31, 2018)

(Millions of yen)

Accounts	Amount
Revenue	377,538
Cost of sales	192,601
Gross profit	184,937
Selling, general and administrative expenses	172,508
Operating profit	12,429
Non-operating income	12,291
Interest income	237
Dividends income	7,583
Others	4,471
Non-operating expenses	10,630
Interest expenses	3,579
Interest on bonds	548
Foreign currency exchange loss	1,248
Bond issuance cost	54
Commission for syndicate loan	1,456
Others	3,745
Ordinary profit	14,090
Extraordinary income	8,146
Gain on sale of fixed assets	1,345
Gain on sales of investment securities	1,579
Gain on liquidation of subsidiaries and affiliates	438
Gain on extinguishment of tie-in shares	700
Subsidy income	4,084
Extraordinary losses	2,060
Impairment loss	402
Loss on valuation of investment securities	4
Loss on valuation of investments in subsidiaries and affiliates	837
loss on business liquidation	224
Loss related to securities litigation	592
Loss on liquidation of subsidiaries and affiliates	1
Profit before provision for income taxes	20,176
Income taxes, current	2,934
Income taxes, deferred	2,063
Profit	15,179

Independent Auditor's Report

May 16, 2018

The Board of Directors
OLYMPUS CORPORATION

Ernst & Young ShinNihon LLC
Hirofumi Harashina [Seal]
Certified Public Accountant
Designated and Engagement Partner
Masanori Enomoto [Seal]
Certified Public Accountant
Designated and Engagement Partner
Masayasu Iida [Seal]
Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 444, Section 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of income, the consolidated statement of changes in equity and the notes to the consolidated financial statements of OLYMPUS CORPORATION (the "Company") applicable to the fiscal year from April 1, 2017 through March 31, 2018.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in conformity with the latter part of Article 120, paragraph 1 of the Company Accounting Ordinance that allows companies to prepare consolidated financial statements with the omission of a part of the disclosure items required under the International Financial Reporting Standards. This includes the improvement and application of the internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the OLYMPUS Group, which consisted of the Company and consolidated subsidiaries, applicable to the fiscal year ended March 31, 2018 in conformity with the latter part of Article 120, paragraph 1 of the Company Accounting Ordinance that allows companies to prepare consolidated financial statements with the omission of a part of the disclosure items required under the International Financial Reporting Standards.

Emphasis of Matters

We draw attention to “3. Contingent Liabilities (2) Lawsuits, etc.” in the Notes to Consolidated Statement of Financial Position, which describes that, as a result of inappropriate financial reporting by the Company, certain shareholders and shareholder groups, etc. filed lawsuits against the Company. There is a possibility that such lawsuits may have an impact on the Company’s financial results, depending on future developments pertaining to the lawsuits.

Our opinion is not qualified in respect of these matters.

Conflicts of Interest

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

Independent Auditor's Report

May 16, 2018

The Board of Directors
OLYMPUS CORPORATION

Ernst & Young ShinNihon LLC
Hirofumi Harashina [Seal]
Certified Public Accountant
Designated and Engagement Partner
Masanori Enomoto [Seal]
Certified Public Accountant
Designated and Engagement Partner
Masayasu Iida [Seal]
Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 436, Section 2, Paragraph 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets, the notes to the financial statements and the related supplementary schedules of OLYMPUS CORPORATION (the "Company") applicable to the 150th fiscal year from April 1, 2017 through March 31, 2018.

Management's Responsibility for the Financial Statements and the Related Supplementary Schedules

Management is responsible for the preparation and fair presentation of these financial statements and the related supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements and the related supplementary schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements and the related supplementary schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the related supplementary schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the related supplementary schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements and the related supplementary schedules, whether due to fraud or error. The purpose of an audit of the financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements and the related supplementary schedules in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the related supplementary schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements and the related supplementary schedules referred to above present fairly, in all material respects, the financial position and results of operations of OLYMPUS CORPORATION applicable to the 150th fiscal year ended March 31, 2018 in conformity with accounting principles generally accepted in Japan.

Emphasis of Matters

We draw attention to "2. Contingent Liabilities (2) Lawsuits, etc." in the Notes to Non-Consolidated Balance Sheet, which describes that, as a result of inappropriate financial reporting by the Company, certain shareholders and

shareholder groups, etc. filed lawsuits against the Company. There is a possibility that such lawsuits may have an impact on the Company's financial results, depending on future developments pertaining to the lawsuits.

Our opinion is not qualified in respect of these matters.

Conflicts of Interest

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

The Audit & Supervisory Board's Audit Report

Audit Report

Based on the audit report prepared by each Audit & Supervisory Board Member with regard to the performance of duties by the Directors of OLYMPUS CORPORATION (the "Company") for the 150th term (from April 1, 2017 to March 31, 2018), the Audit & Supervisory Board of the Company prepares this audit report after deliberation and reports as follows:

1. Auditing methods used by Audit & Supervisory Board Members and the Audit & Supervisory Board, and details of audit
 - (1) The Audit & Supervisory Board specified audit policies, assigned duties to each Audit & Supervisory Board Member and received reports from each Audit & Supervisory Board Member on the status of implementation and results of audit, and received reports from Directors, etc. and accounting auditors on the status of the performance of their duties and asked them for explanations as necessary.
 - (2) In conformity with the auditing standards stipulated by the Audit & Supervisory Board, and in accordance with auditing policies and the assignment of duties, all Audit & Supervisory Board Members strived to achieve effective communication with Directors, the Internal Audit Department and other employees, collected information and improved the audit environment, and conducted the audit by the following methods.
 - (i) All Audit & Supervisory Board Members attended the meetings of the Board of Directors and other important meetings, received reports from Directors and employees about the status of the performance of their duties, obtained explanations as necessary, reviewed important approval documents, and conducted investigations on the status of the business operations and assets of the Company at its head office and other principal business offices. Furthermore, Audit & Supervisory Board Members also worked to facilitate communication and information exchange with the Directors, audit & supervisory board members and others of the subsidiaries of the Company, and received reports on the business conditions of subsidiaries as necessary.
 - (ii) Audit & Supervisory Board Members received reports periodically from Directors and employees on the content of the resolution made by the Board of Directors concerning the development of a system for ensuring that the performance of duties by Directors conforms with laws and regulations and the Company's Articles of Incorporation, as described in the Company's business report, and other systems prescribed in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act as systems necessary for ensuring proper business conduct by the enterprises consisting of a stock company and its subsidiaries (internal control system), as well as the construction and status of operation of the internal control system developed based on said resolution. As necessary, Audit & Supervisory Board Members also asked for explanations from Directors and employees and expressed opinions. As for internal controls over financial reporting, reports made by Directors, etc. and Ernst & Young ShinNihon LLC about the status of assessment and audit of said internal controls were provided to Audit & Supervisory Board Members, who asked for explanations as necessary.
 - (iii) Regarding the basic policy based on Article 118, Item 3 (a) of the Ordinance for Enforcement of the Companies Act, which is described in the business report, Audit & Supervisory Board Members confirmed the details.
 - (iv) We have also monitored and verified whether the accounting auditor maintained independence and properly implemented its audit, received from the accounting auditor reports on the performance of its duties, and asked it for explanations as necessary. The accounting auditor reported to us that the "Systems for Ensuring Proper Execution of Duties" (listed in each item of Article 131 of Ordinance on Accounting of Companies) have been developed in accordance with the "Quality Control Standards concerning Audit" (Business Accounting Council, October 28, 2005) and other applicable regulations, and we asked the accounting auditor for explanations as necessary.

Based on the methods mentioned above, we have reviewed the business report and the supplementary schedules, the financial statements (balance sheet, statement of income, statement of changes in net assets, and notes to financial statements), and their supplementary schedules, and consolidated financial statements (consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of changes in equity, and notes to consolidated financial statements) for the said fiscal year.

2. Audit results

(1) Results of audit of the business report, etc.

- (i) We confirm that the business report and its supplementary schedules present fairly the situation of the Company in accordance with relevant laws and regulations and the Company's Articles of Incorporation.
- (ii) With respect to the Directors' performance of their duties, we confirm that there has been no improper act committed or important violation of applicable laws and regulations or of the Articles of Incorporation.
- (iii) We confirm that the details of the resolution made by the Board of Directors concerning the internal control system are proper. With respect to the description in the business report and the Directors' performance of their duties regarding the said internal control system, we confirm that there is no matter to be pointed out, including internal controls for financial reporting.
- (iv) With respect to the Company's basic policy regarding the persons who control decisions on the Company's financial and business policies, which is described in the business report, we confirm that there are no matters to be pointed out.

(2) Results of audit of financial statements and their supplementary schedules

We confirm that the auditing methods and results of Ernst & Young ShinNihon LLC, an accounting auditor, are proper.

(3) Results of audit of consolidated financial statements

We confirm that the auditing methods and results of Ernst & Young ShinNihon LLC, an accounting auditor, are proper.

May 16, 2018

The Audit & Supervisory Board,
OLYMPUS CORPORATION

Standing Audit & Supervisory Board Member: Nobuyuki Koga [Seal]

Standing Audit & Supervisory Board Member: Masashi Shimizu [Seal]

Outside Audit & Supervisory Board Member: Katsuya Natori [Seal]

Outside Audit & Supervisory Board Member: Atsushi Iwasaki [Seal]