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Securities Code: 7733

June 6, 2017

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 149th Term (from April 1, 2016 to March 31, 2017)

OLYMPUS CORPORATION will be holding the General Meeting of Shareholders for the 149th 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 27, 2017 (Tuesday).

1. Date/Time: June 28, 2017 (Wednesday) 10:00 a.m.
(Reception desk is scheduled to open at 9:00 a.m.)

2. Location 1 Kioi-cho 4-chome, Chiyoda-ku, Tokyo
Tsuru (West), Banquet Floor, the Main Building, Hotel New Otani 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 149th term (from April 1, 2016 to March 31, 2017)
2. The Non-Consolidated Financial Statements for the 149th term (from April 1, 2016 to March 31, 2017)

Matters to be resolved:

1st Agenda: Dividends from Surplus
2nd Agenda: Election of Eleven Directors
3rd Agenda: Election of One Audit & Supervisory Board Member
4th Agenda: Election of One Substitute Audit & Supervisory Board Member
5th Agenda: Determination of remuneration for Directors regarding the Restricted Share and Performance-Linked Share-Based Remuneration Plan

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 Net Assets," "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 Audit & Supervisory Board and the Accounting Auditor 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: (http://www.olympus.co.jp/jp/ir/stock/meeting/)

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 28, 2017 (Wednesday) 10:00 a.m.
(Reception desk is scheduled to open at 9:00 a.m.)

Venue: Tsuru (West), Banquet Floor, the Main Building, Hotel New Otani 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 27, 2017 (Tuesday) 5:30 p.m.

[Exercising Voting Rights via the Internet]

Access the Company's designated website for voting (http://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 27, 2017 (Tuesday) 5:30 p.m.

For details, please refer to the following page.

<To institutional investors>

A voting rights exercise platform ("TSE Platform") 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: http://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 27, 2017 (Tuesday), 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 signature seal and PIN number.
- A certain number of erroneous password entries will lock the system down 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

(1) 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.)

(2) In case of other inquiries, please contact the following number.

a. Shareholders who have accounts at trading companies

Please contact your trading companies.

b. Shareholders who do not have accounts at trading companies (special account holders)

Sumitomo Mitsui Trust Bank, Limited

Stock Transfer Agency Business Planning Department

Telephone: 0120-782-031 (toll free, available only in Japan)

(Business hours: 9:00 a.m. to 5:00 p.m. excluding Saturdays, Sundays and National Holidays)

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, 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, an increase of ¥11 from the previous fiscal year.
Accordingly, the annual dividend will be ¥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: ¥9,582,614,132

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

June 29, 2017

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	Reelected	
2	Yasuo Takeuchi	Director, Vice President Chief Financial Officer (CFO) Chief Regional Representative Officer	Reelected	
3	Akihiro Taguchi	Director, Senior Executive Managing Officer Head of Sales and Marketing Group Business Management Officer of Medical Business	Reelected	
4	Haruo Ogawa	Director, Senior Executive Managing Officer Chief Technology Officer (CTO) Head of R&D Group	Reelected	
5	Kiichi Hirata	Director, Executive Managing Officer, Chief Administrative Officer (CAO)	Reelected	
6	Shiro Hiruta	Outside Director	Reelected	Independent
7	Sumitaka Fujita	Outside Director	Reelected	Independent
8	Takayuki Katayama	Outside Director	Reelected	Independent
9	Susumu Kaminaga	Outside Director	Reelected	Independent
10	Michijiro Kikawa	Outside Director	Reelected	Independent
11	Tetsuo Iwamura		Newly elected	Independent

1. Hiroyuki Sasa (September 14, 1955) To be reelected

Number of shares of the Company held:
9,173 shares
Years served as Director:
5 years
Attendance at meetings of the Board of Directors during current fiscal year:
23 of 23 (100%)

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)

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) To be reelected

Number of shares of the Company held:
6,800 shares
Years served as Director:
5 years
Attendance at meetings of the Board of Directors during current fiscal year:
23 of 23 (100%)

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)

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) To be reelected

Number of shares of the Company held:
5,900 shares
Years served as Director:
2 years
Attendance at meetings of the Board of Directors during current fiscal year:
23 of 23 (100%)

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)
	Director, Member of the Board, Olympus Medical Systems Corp. (present)
June 2015:	Director, the Company (present)
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, 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) To be reelected

Number of shares of the Company held:
4,500 shares
Years served as Director:
2 years
Attendance at meetings of the Board of Directors during current fiscal year:
20 of 23 (87%)

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)

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) To be reelected

Number of shares of the Company held:
2,900 shares
Years served as Director:
1 year
Attendance at meetings of the Board of Directors during current fiscal year:
18 of 18 (100%)

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)

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. Shiro Hiruta (December 20, 1941) To be reelected, Independent Director

Number of shares of the Company held:
1,400 shares
Years served as Outside Director:
5 years
Attendance at meetings of the Board of Directors during current fiscal year:
23 of 23 (100%)

Profile, and position and responsibility in the Company

April 1964:	Joined Asahi Chemical Industry Co., Ltd. (currently Asahi Kasei Corporation)
June 1997:	Director, Asahi Chemical Industry Co., Ltd. (currently Asahi Kasei Corporation)
June 1999:	Managing Director, Asahi Chemical Industry Co., Ltd. (currently Asahi Kasei Corporation)
June 2001:	Senior Managing Director, Asahi Kasei Corporation
June 2002:	Executive Vice President, Asahi Kasei Corporation
April 2003:	President and Representative Director, Asahi Kasei Corporation
April 2010:	Director and Senior Advisor, Asahi Kasei Corporation
June 2010:	Senior Advisor, Asahi Kasei Corporation
March 2011:	Audit & Supervisory Board Member, Nikkei Inc.
April 2012:	Director, the Company (present)
June 2013:	Standing Counsellor Adviser, Asahi Kasei Corporation
April 2015:	Director, ORION ELECTRIC Co., LTD. (present)
June 2016:	Counsellor Adviser, Asahi Kasei Corporation (present)

Important concurrent positions

Director, ORION ELECTRIC Co., LTD.

Reason for election

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

Special interest between the candidate and the Company

There is no special interest.

7. Sumitaka Fujita (December 24, 1942) To be reelected, Independent Director

Number of shares of the Company held:
1,400 shares
Years served as Outside Director:
5 years
Attendance at meetings of the Board of Directors during current fiscal year:
23 of 23 (100%)

Profile, and position and responsibility in the Company

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)

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.

8. Takayuki Katayama (October 9, 1945) To be reelected, Independent Director

Number of shares of the Company held:
200 shares
Years served as Outside Director:
1 year
Attendance at meetings of the Board of Directors during current fiscal year:
17 of 18 (94%)

Profile, and position and responsibility in the Company

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. (present)
	Audit & Supervisory Board Member, Toyo Seikan Group Holdings, Ltd. (retiring June 28, 2016)
June 2016:	Director, the Company (present)

Important concurrent positions

Director, Santen Pharmaceutical Co., Ltd.

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.

9. Susumu Kaminaga (December 3, 1946) To be reelected, Independent Director

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:
18 of 18 (100%)

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)

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.

10. Michijiro Kikawa (August 2, 1947) To be reelected, Independent Director

Number of shares of the Company held:
0 shares
Years served as Outside Director:
1 year
Attendance at meetings of the Board of Directors during current fiscal year:
18 of 18 (100%)

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)

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.

11. Tetsuo Iwamura (May 30, 1951) To be newly elected, Independent Director

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

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.

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.

Notes: 1. "Number of shares of the Company held" indicates the number of shares held as of March 31, 2017.

2. Process for determining the candidates for Director
   In response to the retirement of Ms. Keiko Unotoro, a proposal from the Company's President for Mr. Tetsuo Iwamura to be made the new candidates 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 2, 2017, their nomination was approved.

3. Messrs. Shiro Hiruta, Sumitaka Fujita, Takayuki Katayama, Susumu Kaminaga, Michijiro Kikawa and Tetsuo Iwamura 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, was fined 5 million Canadian dollars by the Canadian authority in April 2013, and, 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. Shiro Hiruta, Sumitaka Fujita, Takayuki Katayama, Susumu Kaminaga, and Michijiro Kikawa 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. Tetsuo Iwamura is elected, the Company plans to enter into the limitation of liability agreement with him.

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

Upon the conclusion of this General Meeting of Shareholders, Audit & Supervisory Board Member Takashi Saito will retire due to resignation from his post. Therefore, the Company proposes to elect one Audit & Supervisory Board Member.

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

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

Nobuyuki Koga (September 14, 1955) To be newly elected

Number of shares of the Company held:
12,900 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
– (–%)

Career Summary and Position in the Company

April 1978:	Joined Olympus Corporation
April 2002:	President and Representative Director, Shirakawa Olympus Co., Ltd.
April 2006:	General Manager, Human Resources Dept., Olympus Corporation
June 2009:	Executive Officer, Olympus Corporation Director, Olympus Medical Systems Corp.
July 2009:	Division Manager, Manufacturing Service Division, Olympus Medical Systems Corp.
April 2010:	President and Representative Director, Aizu Olympus Co., Ltd.
April 2014:	Division Manager, Corporate Service Division, Olympus Corporation

Important concurrent positions

Mr. Koga does not hold any important concurrent positions.

Reason for election

It is proposed that Mr. Koga be elected Audit & Supervisory Board Member as he has a wealth of knowledge about business and operations through his long experience in the manufacturing and human resources divisions as well as a considerable track record of management and oversight through his service as President of Shirakawa Olympus Co., Ltd. and Aizu Olympus Co., Ltd. as well as executive officer of subsidiaries.

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, 2017.

2. Process for determining the new candidate for Audit & Supervisory Board Member
   In response to the retirement of Mr. Takashi Saito, a proposal from the Company's President for Mr. Nobuyuki Koga to be made the new candidate for 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 2, 2017, their nomination was approved.
3. 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 the candidate for Audit & Supervisory Board Member, Mr. Nobuyuki Koga is elected, the Company plans to enter into the said limitation of liability agreement with him.

4th 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)

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
– (–%)

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)

Important concurrent positions

Partner, Sakamoto Teshima & Kitamura

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, 2017.

2. Process for determining the candidates 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 new candidates 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 candidates at the Board of Directors meeting held on May 2, 2017, their nomination was approved.
3. Mr. Atsushi Teshima is a candidate for substitute outside Audit & Supervisory Board Member.
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 net sales 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.

5th Agenda: Determination of remuneration for Directors regarding the Restricted Share and Performance-Linked Share-Based Remuneration Plan

With regard to the amount of remuneration for Directors, it was approved at the General Meeting of Shareholders for the 143rd term held on June 29, 2011 that the maximum monthly remuneration be ¥100 million and the maximum annual bonus be ¥350 million. Also, it was approved at the General Meeting of Shareholders for the 145th term held on June 26, 2013 that the maximum annual remuneration of the share-based compensation stock options for Directors (excluding Outside Directors) be ¥200 million.

As the Company decided to review the remuneration system for corporate officers and intends to introduce a restricted share and performance-linked share-based remuneration plan (hereinafter the "Plan") with the aim of providing the Company's Directors (excluding Outside Directors, hereinafter the "Targeted Directors") with the incentive for sustainable improvement of the Company's corporate value, as well as further enhance value sharing with our shareholders as follows below.

Accordingly, the Company intends to provide monetary remuneration receivables to grant a restricted share remuneration subject to continuous service as Director of the Company for a certain period, and a performance-linked share-based remuneration subject to, in addition to the said condition, the achievement of the medium- to long-term performance targets, in addition to the existing share-based compensation stock options. Moreover, subject to the approval of this proposal, the Company plans to invalidate the existing share-based compensation stock options limit.

The total amount of monetary remuneration receivables provided to the Targeted Directors based on this proposal will be within ¥500 million, comprised of the restricted share remuneration and performance-linked share-based remuneration, on annual basis, separate from that of the existing monthly remuneration and bonus. The specific timing of payment and the allotted amount to each Targeted Director shall be decided at the meeting of the Board of Directors.

The number of Directors is currently eleven (including six Outside Directors). Subject to the approval of Proposal No. 2 "Election of Eleven Directors" in their original forms, the number of Directors will be eleven (including six Outside Directors) and the number of Target Directors will be five.

Details of the Plan

Under the Plan, the Targeted Directors will pay in monetary remuneration receivables provided based on the proposal in accordance with resolution of the Board of Directors in full amount in the form of property contributed in kind, and have the common stocks of the Company issued or disposed of. The total number of the common stocks of the Company to be subsequently issued or disposed of for the restricted share remuneration and performance-linked share-based remuneration combined shall not exceed 150,000 shares on annual basis. In the event, however, that the Company makes a share split (including gratis allotment of the common stock of the Company) or a share consolidation on or after this proposal is approved, or any other unavoidable circumstance arises requiring adjustment of the total number of shares of the Company's common stock to be issued or disposed of as the restricted shares, the total number of shares shall be adjusted within a reasonable range.

The amount to be paid per share shall be decided at the meeting of the Board of Directors and shall be an amount within a range not specially advantageous to the Targeted Directors that receive common stocks of the Company under the Plan, such as the closing price of the common stocks of the Company at the Tokyo Stock Exchange on the immediately preceding business day of the day of the resolution by the Board of Directors (if transaction is not concluded on such day, the closing price of the latest preceding transaction date).

(1) Overview of the Restricted Share Remuneration Plan

Under the restricted share remuneration plan, in principle, monetary compensation receivables for specific use are granted to the Target Directors in every first fiscal year in order to allot restricted shares, and the Target Directors are allowed to make an investment in kind in the Company using the all monetary compensation receivables. In this way, the Company issues or disposes of its common stocks to the Target Directors and allows them to hold the common stocks. An agreement on allotment of the restricted shares that includes mostly the following provisions

(hereinafter the "Allotment Agreement") shall be entered into between the Company and each Target Director.

(i) Transfer restriction period

The Target Director may not transfer, offer as security, or otherwise dispose of the common stocks of the Company allotted under the Allotment Agreement (hereinafter the "Allotted Shares") for a period of minimum 3 years and maximum 5 years that starts from the day of allotment designated in the Allotment Agreement as determined in advance by the Board of Directors of the Company (hereinafter the "Restricted Period"). The restriction described in the previous sentence will hereinafter be referred to as the "Restriction."

(ii) Lift of the restriction

The Company shall lift the Restriction on all of the Allotted Shares upon expiration of the Restricted Period, on the condition that any of the Target Directors has remained in the position of director of the Company throughout the Restricted Period.

(iii) Handling at the time of retirement

When any of the Targeted Directors retires from the position as Director before the restriction period is over, the Company shall acquire by its right the Allotted Shares without contribution, except such cases as expiry of tenure, death, or any other justifiable reason. In the event where any of the Targeted Directors retires from the position as Director before the restriction period is over due to expiry of tenure, death, or any other justifiable reason, the number of the Allotted Shares on which the restriction will be lifted and the time of lifting the restriction shall be reasonably adjusted as necessary.

(iv) Handling at the time of organizational restructuring

Notwithstanding the provision in (i) above, if a merger agreement under which the Company will become a non-surviving company, a share exchange agreement based upon which the Company will become a wholly-owned subsidiary, a stock transfer plan or other matters relating to organizational restructuring are approved in a General Meeting of Shareholders of the Company during the Restricted Period (or approved by the Board of Directors of the Company in case that approval of the General Meeting of Shareholders is not required), the Company may lift the Restriction on the certain number of the Allotted Shares that will be reasonably determined by resolution of the Board of Directors of the Company prior to the date on which the organizational restricting becomes effective, in view of the period from the date of commencement of the Restricted Period through the date of approval on the organizational restricting. Moreover, in the cases prescribed above, the Company shall acquire, by its right and without contribution, the Allotted Shares on which the restriction is not lifted yet as of the time immediately after the restriction is lifted.

(v) Other matters to be determined by the Board of Directors

In addition to the above, the method for expressing intentions and giving notification in the Allotment Agreement, the method for amending the Allotment Agreement, and other matters to be determined by the Board of Directors shall be laid out in the Allotment Agreement.

(2) Overview of the Performance-Linked Share-Based Remuneration Plan

The performance-linked share-based remuneration plan is a performance-linked share-based remuneration system with a target period of three fiscal years, where common stocks of the Company are delivered in a number corresponding to the standard amount of variable remuneration which calculation is based on the position of the Targeted Directors, adjusted within the range of 0% to 150% in accordance with the degree of attainment as of the end of the target period of performance indices predetermined at the meeting of the Board of Directors. The initial target period shall be from the fiscal year ending on March 31, 2018 to the fiscal year ending on March 31, 2020, and from then on, the target period shall be the three consecutive fiscal years starting from the following fiscal year of the first fiscal year in the previous target period. The number of shares to be delivered is not determined as of when the Plan is introduced because the common stock of the Company will be delivered to the Targeted Directors after the target period is over.

Attached Documents

Business Report

(April 1, 2016 to March 31, 2017)

I Review of Group Operations

1. Review of Operations

In the global economy during the fiscal year under review, the U.S. economy continued to recover amid gains in personal consumption and improvements in the employment situation, while the trend in both Europe and China has also been one of moderate improvement. However, the outlook remains uncertain due to factors that include policy developments following on the change of government in the U.S. and the decision in the United Kingdom to leave the EU. In the Japanese economy, the trend of moderate improvement has persisted amid recovery in corporate earnings due mainly to depreciation of the yen that has taken place since the presidential election in the U.S.

Amid this business environment, the Olympus Group newly formulated the 2016 Corporate Strategic Plan ("16CSP") to act as a five-year medium-term management plan which took effect in the fiscal year ended March 31, 2017, under which it pushed forward in developing a firmly grounded and aggressive business portfolio geared to achieving sustainable growth under its "Business to Specialist" Company and One Olympus basic policies.

In the Medical Business, we forged ahead with efforts geared to increasing numbers of employees needed to fortify production and maintenance systems and enhancing quality assurance (QA) and regulatory assurance (RA), while in the surgical field we promoted development of large-scale new products. In the Scientific Solutions Business, we moved forward with organizational development efforts which involved shifting toward strategies oriented to customer groups, and also released new products that included laser scanning confocal microscopes and industrial videoscopes. In the Imaging Business, in addition to introducing new products such as the flagship mirrorless camera "OLYMPUS OM-D E-M1 Mark II," we also streamlined operations by narrowing down our core sales areas and also moved a step further forward with cost cutting and other structural reforms.

The Olympus Group's overall consolidated net sales decreased to ¥748,050 million (down 7.0% year on year), due to appreciation of the yen and other factors that caused revenue to decline year on year in each of the three main businesses of Medical, Scientific Solutions and Imaging. Operating income was ¥76,487 million (down 26.8% year on year), due mainly to the decline in sales. Ordinary income was ¥62,149 million (down 31.6% year on year), due mainly to the decline in operating income. The Company posted extraordinary income of ¥27,757 million which included gain on sales of investment securities, and also incurred income taxes of ¥3,471 million. Consequently, net income attributable to owners of the parent was ¥78,191 million (up 24.9% year on year), a considerable improvement from the previous fiscal year.

During the fiscal year under review, the Olympus Group invested ¥79,178 million on research and development, and spent ¥49,347 million on capital investments.

With respect to foreign exchange, the yen appreciated against both the U.S. dollar and the euro in comparison with the previous fiscal year. The average exchange rate during the period was ¥108.38 against the U.S. dollar (¥120.14 in the previous fiscal year) and ¥118.79 against the euro (¥132.58 in the previous fiscal year), which caused net sales and operating income to down by ¥74,281 million and ¥30,069 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

Net sales ¥575,285 million (down 5.5% year on year)

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

Consolidated net sales in the Medical Business amounted to ¥575,285 million (down 5.5% year on year), while operating income amounted to ¥115,482 million (down 17.6% year on year).

Net sales in the Medical Business fell as a result of the stronger yen, but increased by 4% year on year on a local currency basis which excludes the impact of the foreign exchange rate. In gastrointestinal endoscope field, both sales of the endoscopy platform systems "EVIS EXERA III" and "EVIS LUCERA ELITE," which are our mainstay products, were strong. In the surgical field, surgical endoscopy systems equipped with 4K technologies and 3D laparoscopy systems generated firm results, while sales of the "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.

Operating income in the Medical Business declined as a result of the stronger yen, but due to strong results in all fields rose by 1% year on year excluding the impact of the foreign exchange rate.

Scientific Solutions Business

Net sales ¥93,227 million (down 8.2% year on year)

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

Consolidated net sales in the Scientific Solutions Business amounted to ¥93,227 million (down 8.2% year on year), while operating income amounted to ¥5,280 million (down 37.8% year on year).

Net sales in the Scientific Solutions Business fell as a result of the stronger yen, but increased by 1% year on year on a local currency basis which excludes the impact of the foreign exchange rate. While sales of products for hospitals and life science research declined in Europe due to the impact of budget cuts and delays in budget execution, sales were strong in Japan, the U.S. and Asia. Non-destructive testing equipment was also strong, supported by the recovery of commodity prices in the second half of the year, despite having experienced slowdown in sales of industrial microscopes for universities and research institutions.

Operating income in the Medical Business declined as a result of the stronger yen, but rose by 3% year on year excluding the impact of the foreign exchange rate, as a result of controls placed on expenditures.

Imaging Business

Net sales ¥65,574 million (down 16.2% year on year)

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

Consolidated net sales in the Imaging Business amounted to ¥65,574 million (down 16.2% year on year), while operating income amounted to ¥498 million (compared with an operating loss of ¥2,064 million in the previous fiscal year).

Ongoing moves to reduce the size of the Imaging Business to a scale more appropriate for the shrinking market and the impact of the Kumamoto earthquake of April 2016, which caused delays in the supply of some products, resulted in lower sales for the Imaging Business.

The Imaging Business returned to profitability after having recorded a loss in the previous fiscal year due to progress made in pushing down expenses combined with positive effects of introducing new products, including the flagship mirrorless camera "OLYMPUS OM-D E-M1 Mark II."

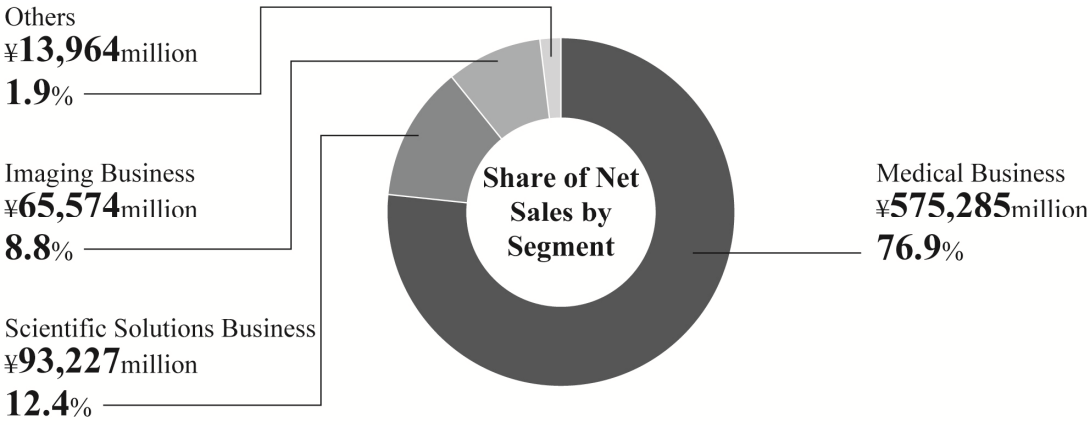
Others

Net sales ¥13,964 million (down 11.4% year on year)

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

Consolidated net sales for other businesses amounted to ¥13,964 million (down 11.4% year on year) and operating loss was ¥4,621 million (compared with an operating loss of ¥5,800 million in the previous fiscal year).

Net sales 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. Also, operating loss for other businesses decreased, reflecting a reduction of expenses.



3. Changes in Assets and Results of Operation

		146th term	147th term	148th term	149th term
Net sales	(Millions of yen)	713,286	764,671	804,578	748,050
Operating income	(Millions of yen)	73,445	90,962	104,464	76,487
Ordinary income	(Millions of yen)	50,913	72,782	90,898	62,149
Net income (loss) attributable to owners of the parent	(Millions of yen)	13,627	(8,737)	62,594	78,191
Total assets	(Millions of yen)	1,027,475	1,081,551	1,000,614	991,062
Net assets	(Millions of yen)	331,284	357,254	384,283	430,880
Net income (loss) per share	(Yen)	41.05	(25.53)	182.90	228.47
Net assets per share	(Yen)	962.83	1,038.64	1,117.24	1,252.96

Note: See "I Review of Group Operations 1. Review of Operations" on pages 25 to 26 above for details on results for the 149th term (current fiscal year).

4. Financing and Capital Investment

(1) Financing

There is no relevant information.

(2) Capital investment

A total of ¥49,347 million was spent this fiscal year in capital investment. Major expenditures included equipment for demonstrations and new construction of research and development facility buildings and factory buildings.

5. Future Challenges

Looking ahead with respect to the global economy, concerns of a downturn in business conditions are likely to intensify despite an overall trend of economic recovery, amid developments that include policy moves undertaken by the U.S. government and issues with respect to the United Kingdom's decision to leave the EU. 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 takes effect in the fiscal year ending March 31, 2017, with the aim of achieving medium- to long-term growth.

Priority Strategies

(i) Take action to grow businesses

(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 customer groups, 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.

The Group remains committed to enhancing the overall group governance on a global basis, while strengthening our standards and regulations concerning quality and products and ensuring compliance therewith.

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

6. Major Parent Companies and Subsidiaries, etc.

(1) Parent companies

There is no relevant information.

(2) Major subsidiaries, etc.

There are 105 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

7. Principal Places of Business and Plants (As of March 31, 2017)

(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, Fukuoka
Sales Offices	Niigata, Matsumoto, Shizuoka, Kyoto, Kanazawa, Okayama, Matsuyama, 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	Essex, U.K.
Olympus Corporation of Asia Pacific Limited	Hong Kong Special Administrative Region, China

8. Employee Situation of the Group (As of March 31, 2017)

Segment	Numbers of employees		Increase/decrease from the previous fiscal year	
Medical Business	21,076	(951)	1,293	(-52)
Scientific Solutions Business	4,514	(35)	185	(-45)
Imaging Business	6,043	(175)	67	(59)
Others	1,119	(63)	-325	(10)
Management division	1,935	(74)	131	(69)
Total	34,687	(1,298)	1,351	(41)

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. In the Others, the number of employees decreased from the previous fiscal year, primarily due to the sale of Nippon Outsourcing Corporation.

9. Principal Lenders (As of March 31, 2017)

(Millions of yen)

Lender	Balance of borrowing
Sumitomo Mitsui Banking Corporation	91,388
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	57,262

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, 2017 (hereinafter "as of present"), the total amount of damages claimed in relation to this matter is ¥29,407 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 Tokyo High Court.

(3) The Company resolved at the Board of Directors meeting held on April 28, 2017, regarding the acquisition of 100% shares of Image Stream Medical, Inc. (Headquartered: Massachusetts, USA; CEO: Eddie Mitchell) ("ISM"), a U.S. operating room imaging systems integrator, through its wholly owned subsidiary, Olympus Corporation of the Americas ("OCA"). Through the use of a special purpose vehicle (the "MergerSub") and the subsequent merger between the MergerSub and ISM, OCA will acquire the shares of surviving corporation ISM, resulting in ISM becoming a wholly owned subsidiary of OCA (the "Transaction"). After the resolution, OCA, ISM and the MergerSub entered into a mutual agreement for the Transaction on the same day.

II Matters Concerning Shares (As of March 31, 2017)

1. **Total Number of Shares Authorized to be Issued:** 1,000,000,000 shares
2. **Total Number of Issued Shares:** 342,236,219 shares
   (Excluding treasury stock 435,289 shares)
3. **Number of Shareholders as of March 31, 2017:** 26,986
4. **Principal Shareholders (Top 10)**

Name of Shareholders	Numbers of shares held	Holding Ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	23,163,100 shares	6.77%
Japan Trustee Services Bank, Ltd. (trust account)	17,249,900	5.04%
Sony Corporation	17,243,950	5.04%
Nippon Life Insurance Company	13,286,618	3.88%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	13,286,586	3.88%
Japan Trustee Services Bank, Ltd. (Olympus shares in Sumitomo Mitsui Banking Corporation's retirement benefit trust account are entrusted to Sumitomo Mitsui Trust Bank, Limited, which consigns their management to Japan Trustee Service Bank, Ltd.)	11,404,000	3.33%
State Street Bank and Trust Company 505001	11,152,732	3.26%
State Street Bank and Trust Company 505223	11,038,133	3.23%
State Street Bank and Trust Company	10,414,057	3.04%
Sumitomo Mitsui Banking Corporation	8,350,648	2.44%

Note: The holding ratio is computed by excluding treasury shares (435,289 shares).

III Matters Concerning Directors and Audit & Supervisory Board Members

1. Name of Directors and Audit & Supervisory Board Members (As of March 31, 2017)

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	Keiko Unotoro	Professor, Faculty of Modern Business Administration, Toyo Gakuen University
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	
Standing Audit & Supervisory Board Member	Takashi Saito	
Standing Audit & Supervisory Board Member	Masashi Shimizu	
Outside Audit & Supervisory Board Member	Katsuya Natori	Chief, Natori Law Office Director, MODEC, INC. Director, MORITEX Corporation 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. The above directors and audit & supervisory board members assumed their post on June 28, 2016

2. Directors Shiro Hiruta, Sumitaka Fujita, Keiko Unotoro, Takayuki Katayama, Susumu Kaminaga, and Michijiro Kikawa are Outside Directors. The Company has notified Tokyo Stock Exchange, Inc. of them as independent directors.
3. 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.
4. Audit & Supervisory Board Member Katsuya Natori assumed the position of Supervisory Director of Global One Real Estate Investment Corp. as of April 1, 2016. He retired from the position of Director of 45 Corporation Co., Ltd. as of March 28, 2017.
5. Audit & Supervisory Board Member Atsushi Iwasaki is a certified public accountant and has considerable knowledge of finance and accounting.

6. Under the Company's executive officer system, the following are executive officers as of March 31, 2017. 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	Akira Kubota
Executive Managing Officer	Nobuhiro Abe
Executive Managing Officer *	Kiichi Hirata
Executive Managing Officer	Naohiko Kawamata
Executive Officer	Hitoshi Kawada
Executive Officer	Nobuyuki Koga
Executive Officer	Hisao Yabe
Executive Officer	Masamichi Handa
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

Notes: 1. The following executive officer had a change to his appointment on October 1, 2016.

Executive Managing Officer	Naohiko Kawamata

2. The following executive officer retired on January 16, 2017.

Executive Officer	Mitsuhiro Hikosaka

3. The following executive officers retired on March 31, 2017.

Executive Managing Officer	Akira Kubota
Executive Officer	Nobuyuki Koga
Executive Officer	Hisao Yabe

4. The following executive officer were newly elected on April 1, 2017.

Executive Officer	Koji Ando
Executive Officer	Yoshio Tashiro
Executive Officer	Kazutaka Eguchi
Executive Officer	Nacho Abia
Executive Officer	Stefan Kaufmann

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.

Compensation for Directors (excluding Outside Directors) consists of monthly remuneration, bonus, and share-based compensation stock options. 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 upon taking into consideration consolidated operating income and net income attributable to owners of the parent for the accounting period. Share-based compensation stock option system is to allot subscription rights to shares as remuneration separate from the monthly remuneration and bonus for the purpose of incentivizing Directors to work for medium- to long-term performance improvement and corporate value enhancement. Moreover, Outside Directors are paid only monthly remuneration, not a bonus or share-based compensation stock options.

With regard to remuneration 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 share-based compensation stock options.

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

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

<table>
<tr><th colspan="2">Type of compensation</th><th colspan="2">Ratio to total compensation</th></tr>
<tr><td>Fixed compensation</td><td>Monthly remuneration (Base remuneration)</td><td colspan="2">77%</td></tr>
<tr><td rowspan="2">Variable compensation</td><td>Bonus (short-term incentive)</td><td>15%</td><td rowspan="2">23%</td></tr>
<tr><td>Share-based compensation stock options
Bonus (long-term incentive)</td><td>8%</td></tr>
<tr><td colspan="2">Total</td><td colspan="2">100%</td></tr>
</table>

(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	14	¥450 million
Audit & Supervisory Board Member	5	¥82 million

Notes: 1. By resolution of the 143rd General Meeting of Shareholders held on June 29, 2011, the maximum monthly remuneration for Directors is set at ¥100 million and the annual bonus for Directors is ¥350 million. By resolution of the 145th General Meeting of Shareholders held on June 26, 2013, the maximum remuneration paid in subscription rights to shares allocated as share-based compensation stock options to Directors (excluding Outside Directors) is ¥200 million annually. By resolution of the 138th General Meeting of Shareholders held on June 29, 2006, the maximum monthly remuneration for Audit & Supervisory Board Members is set at ¥10 million.

2. Since there are no Directors who are also employees, there is no payment of employee salaries.

3. 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 (8 Outside Directors, 3 Outside Audit & Supervisory Board Members) is ¥104 million.

4. The numbers of Directors and Audit & Supervisory Board Members who received remuneration shown in the above table include 3 Directors and 1 Audit & Supervisory Board Member who retired on June 28, 2016 upon the conclusion of the General Meeting of Shareholders for the 148th 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, 2017)

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	Keiko Unotoro	Professor, Faculty of Modern Business Administration, Toyo Gakuen University
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. Director, MORITEX Corporation 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. There is no special relationship between the Company and the organizations where Shiro Hiruta, Sumitaka Fujita, Keiko Unotoro, Takayuki Katayama, Susumu Kaminaga, Katsuya Natori and Atsushi Iwasaki assume important concurrent positions.

2. The above important concurrent positions at other organizations are stated for persons who held office from the following day of the conclusion of the 148th General Meeting of Shareholders held on June 28, 2016 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 23 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 23 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.

Keiko Unotoro, Director

Ms. Unotoro attended 21 of 23 Board of Directors' meetings held during the current fiscal year and made statements and recommendations as she saw fit, based on her profound knowledge and broad insight at the Japan Fair Trade Commission. As a member of the Compliance Committee, which works to oversee and improve the compliance system, she participated in deliberations on enhancement of the internal control system, etc.

Takayuki Katayama, Director

Mr. Katayama attended 17 of 18 Board of Directors' meetings held during the current fiscal year after his appointment at the General Meeting of Shareholders for the 148th term held on June 28, 2016, 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 18 Board of Directors' meetings held during the current fiscal year after his appointment at the General Meeting of Shareholders for the 148th term held on June 28, 2016, 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.

Michijiro Kikawa, Director

Mr. Kikawa attended all 18 Board of Directors' meetings held during the current fiscal year after his appointment at the General Meeting of Shareholders for the 148th term held on June 28, 2016, 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

Katsuya Natori, Audit & Supervisory Board Member

Mr. Natori attended all 23 Board of Directors' meetings and all 24 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 16 of 18 Board of Directors' meetings and 16 of 17 Audit & Supervisory Board's meetings held during the current fiscal year after his appointment at the General Meeting of Shareholders for the 148th term held on June 28, 2016, 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	¥337 million
Total amount of money and other financial interests to be paid by the Company and its subsidiaries	¥442 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.

5. Business suspension order to which the Accounting Auditor was subjected during the past two years

Description of disciplinary action, etc. announced by the Financial Services Agency on December 22, 2015:

(1) Subject of disposition

Ernst & Young ShinNihon LLC

(2) Contents of disposition

- Partial business suspension order for three months (Suspension of accepting new engagements) (January 1, 2016 to March 31, 2016)
- Business improvement order (improvement of the operation control structure)

(3) Reason for disposition

In regard to the audit of financial statements for TOSHIBA CORPORATION in the fiscal year ended March 31, 2010, the fiscal year ended March 31, 2012, and the fiscal year ended March 31, 2013, Ernst & Young ShinNihon LLC, in negligence of due care, attested financial statements containing material false matters as those containing no material false matters. In addition, the above mentioned auditing firm's operation of the services was found to be grossly inappropriate.

Consolidated Balance Sheet

(As of March 31, 2017)

(Millions of yen)

Accounts	Amount	Accounts	Amount
ASSETS:		**LIABILITIES:**	
Current assets	**552,992**	**Current liabilities**	**274,729**
Cash and time deposits	199,431	Notes and accounts payable	41,596
Notes and accounts receivable	137,924	Short-term borrowings	68,852
Merchandise and finished goods	51,257	Accrued expenses	80,944
Work in process	21,830	Income taxes payable	11,657
Raw materials and supplies	50,977	Provision for product warranties	8,474
Deferred income taxes	36,729	Provision for points	223
Other current assets	60,564	Provision for loss on business liquidation	190
Allowance for doubtful accounts	(5,720)	Provision for loss on litigation	217
		Other current liabilities	62,576
Fixed assets	**438,070**	**Non-current liabilities**	**285,453**
Property, plant and equipment	**171,352**	Long-term bonds, less current maturities	25,000
Buildings and structures	64,864	Long-term borrowings, less current maturities	192,505
Machinery and equipment	14,398		
Tools, furniture and fixtures	55,069	Net defined benefit liability	37,737
Land	22,966	Provision for retirement benefits for directors and audit & supervisory board members	21
Lease assets	9,294		
Construction in progress	4,761	Other non-current liabilities	30,190
		Total liabilities	**560,182**
Intangible assets	**131,090**	**NET ASSETS:**	
Goodwill	86,664	**Shareholders' equity**	**459,985**
Others	44,426	Common stock	124,520
		Capital surplus	91,225
		Retained earnings	245,362
Investments and other assets	**135,628**	Treasury stock, at cost	(1,122)
Investment securities	28,946		
Deferred income taxes	24,942	**Accumulated other comprehensive income**	**(31,178)**
Net defined benefit asset	24,762		
Other assets	66,994	Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	9,556
Allowance for doubtful accounts	(10,016)		
		Foreign currency translation adjustments	(20,681)
		Remeasurements of defined benefit plans	(20,053)
		Subscription rights to shares	**554**
		Non-controlling interests	**1,519**
		Total net assets	**430,880**
Total assets	**991,062**	**Total liabilities and net assets**	**991,062**

Consolidated Statement of Income

(April 1, 2016 to March 31, 2017)

(Millions of yen)

Accounts	Amount
Net sales	748,050
Cost of sales	256,708
Gross profit	**491,342**
Selling, general and administrative expenses	414,855
Operating income	**76,487**
Non-operating income	3,998
Interest income	774
Dividends income	1,178
Others	2,046
Non-operating expenses	18,336
Interest expenses	7,610
Foreign currency exchange loss	2,480
Net loss of investment in affiliated companies carried on the equity method	1,254
Others	6,992
Ordinary income	**62,149**
Extraordinary income	27,757
Gain on sales of investment securities	23,879
Gain on sales of investments in subsidiaries and affiliates	3,844
Legal settlement compensation	34
Extraordinary losses	8,220
Impairment loss on fixed assets	230
Loss on sales of investments in subsidiaries and affiliates	760
Loss related to securities litigation	6,922
Loss on step acquisitions	308
Income before provision for income taxes	**81,686**
Income taxes, current	16,992
Income taxes for prior periods	1,332
Income taxes, deferred	(14,853)
Net income	**78,215**
Net income attributable to non-controlling interests	24
Net income attributable to owners of the parent	**78,191**

Non-Consolidated Balance Sheet

(As of March 31, 2017)

(Millions of yen)

Accounts	Amount	Accounts	Amount
ASSETS:		**LIABILITIES:**	
Current assets	**298,662**	**Current liabilities**	**185,360**
Cash and time deposits	110,014	Notes payable	1,136
Notes receivable	874	Accounts payable	33,297
Accounts receivable	90,378	Current maturities of long-term borrowings	55,000
Finished goods	21,166	Lease liabilities	2,836
Work in process	4,393	Other payable	21,000
Materials	38,895	Accrued expenses	30,410
Short-term loans receivable	10,084	Income taxes payable	5,397
Other receivables	10,812	Deposits received	35,083
Deferred income taxes	15,426	Provision for product warranties	232
Other current assets	4,144	Provision for points	223
Allowance for doubtful accounts	(7,524)	Provision for loss on litigation	217
Fixed assets	**506,665**	Other current liabilities	529
Property, plant and equipment	**81,806**	**Non-current liabilities**	**168,974**
Buildings	33,185	Long-term bonds, less current maturities	25,000
Structures	2,024	Long-term borrowings, less current maturities	136,100
Machinery and equipment	6,603		
Vehicles	25	Lease liabilities	4,738
Tools, furniture and fixtures	15,901	Provision for loss on business liquidation	2,240
Land	14,989		
Lease assets	7,578	Long-term deposits received, less current maturities	896
Construction in progress	1,501		
Intangible assets	**5,698**	**Total liabilities**	**354,334**
Patent right	1,456	**NET ASSETS:**	
Software	2,530	**Shareholders' equity**	**441,618**
Software in progress	1,656	**Common stock**	**124,520**
Lease assets	2	**Capital surplus**	**90,943**
Right of using facilities, etc.	54	Legal capital surplus	90,940
Investments and other assets	**419,161**	Other capital surplus	3
Investment securities	28,589	**Retained earnings**	**227,277**
Investment securities in subsidiaries and affiliates	350,219	Other retained earnings	227,277
		Reserve for advanced depreciation	1,241
Investments in capital of subsidiaries and affiliates	278	Retained earnings carried forward	226,035
		Treasury stock, at cost	**(1,122)**
Long-term loans receivable	5,180	**Valuation and translation adjustments**	**8,821**
Prepaid pension expenses	17,944	Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	8,821
Long-term accounts receivable-other	7,211		
Claims provable in bankruptcy, claims provable in rehabilitation and other	3,558	**Subscription rights to shares**	**554**
		Total net assets	**450,993**
Deferred Tax Assets	13,666		
Other assets	5,952		
Allowance for doubtful accounts	(13,436)		
Total assets	**805,327**	**Total liabilities and net assets**	**805,327**

Non-Consolidated Statement of Income

(April 1, 2016 to March 31, 2017)

(Millions of yen)

Accounts	Amount
Net sales	367,111
Cost of sales	182,468
Gross profit	**184,643**
Selling, general and administrative expenses	151,678
Operating income	**32,965**
Non-operating income	57,128
Interest income	237
Dividends income	53,159
Others	3,732
Non-operating expenses	11,550
Interest expenses	4,536
Interest on bonds	1,026
Foreign currency exchange loss	1,760
Others	4,228
Ordinary income	**78,543**
Extraordinary income	26,896
Gain on sales of investment securities	23,879
Gain on sales of investments in subsidiaries and affiliates	2,983
Legal settlement compensation	34
Extraordinary losses	8,074
Loss on valuation of investments in subsidiaries and affiliates	922
Impairment loss on fixed assets	230
Loss related to securities litigation	6,922
Income before provision for income taxes	**97,365**
Income taxes, current	6,611
Income taxes, deferred	(8,621)
Net income	**99,375**

(English Translation of the Accounting Auditor's Report Originally Issued in the Japanese Language)

The Accounting Auditor's Report of Consolidated Financial Statements

Independent Auditor's Report

May 16, 2017

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 balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to the consolidated financial statements of OLYMPUS CORPORATION (the "Company") applicable to the fiscal year from April 1, 2016 through March 31, 2017.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements 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 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, 2016 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 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. Among these the Company has recorded provision for loss on litigation for some portion, and there is a possibility that other 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.

(English Translation of the Accounting Auditor's Report Originally Issued in the Japanese Language)

The Accounting Auditor's Report of Financial Statements

Independent Auditor's Report

May 16, 2017

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 149th fiscal year from April 1, 2016 through March 31, 2017.

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 148th fiscal year ended March 31, 2016 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. Among these the Company has recorded provision for loss on litigation for some portion, and there is a possibility that other 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.

(English Translation of the Audit & Supervisory Board's Report Originally 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 149th term (from April 1, 2016 to March 31, 2017), 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 examined the details of deliberations at the Board of Directors and others in consideration of the status of said deliberations.

(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 balance sheet, consolidated statement of income, consolidated statement of changes in net assets, 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, 2017

The Audit & Supervisory Board,
OLYMPUS CORPORATION

Standing Audit & Supervisory Board Member: Takashi Saito [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]