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News Release

Company: Olympus Corporation
Director, Representative Executive Officer, President and CEO: Yasuo Takeuchi
(Code: 7733, First Section, Tokyo Stock Exchange)
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Notice Concerning Internal Reorganization of Domestic Sales Functions through Company Split (Simple Absorption-type Split)

Olympus Corporation (hereinafter "Olympus") hereby announces that the Director, Representative Executive Officer, President and CEO of Olympus has decided to sign an absorption-type split agreement with Olympus Medical Science Sales Corporation (hereinafter "OMSJ"), a wholly-owned subsidiary of Olympus, to cause the rights and obligations related to the domestic sales function of the medical and scientific business (hereinafter the "Function") to succeed to OMSJ via an absorption-type split (hereinafter the "Company Split").

Since the Company Split is a simplified absorption-type split carried out between Olympus and its wholly-owned subsidiary, the disclosure matters and details are partially abridged.

1. Purpose of the Company Split

As announced in "Notice Concerning the Commencement of Deliberation on Reorganization of Domestic Sales Functions of the Olympus Group " dated November 13, 2020, Olympus plans the reorganization of Olympus Group’s domestic sales functions to occur on October 1, 2021.

Currently the Olympus Group's domestic sales function is separately handled by Olympus and OMSJ. By integrating the domestic sales function of the medical and scientific business in these two companies, Olympus aims to: realize flexible resource assignment, enhance cooperation with business partners, implement unified sales policy across Japan, and retain highly capable talent; and as a result strengthen its sales function.

The purpose of the corporate separation is to reorganize Olympus Group’s domestic sales functions and to have OMSJ succeed the rights and obligations related to the Function.

2. Outline of the Company Split

(1) Timeline of the Company Split

Decision date of Company Split	February 12, 2021
Company Split agreement signing date	February 12, 2021
Effective date of Company Split	October 1, 2021 (Planned)

(Note) The Company Split qualifies for, for Olympus, a simplified absorption-type split under Article 784 paragraph 2 of the Companies Act. The Company Split, for OMSJ, qualifies for short-form company split under Article 796 paragraph 1 of the Companies Act. Accordingly, neither party to the Company Split will hold a general meeting of shareholders for the Company Split.

(2) Method of the Company Split

An absorption-type company split (simplified absorption-type split) where Olympus being the splitting company, and OMSJ being the successor company.

(3) Details of allotment pertaining to the Company Split

There shall be no allocation of shares or other assets.

(4) Treatment of share options and convertible bonds concerning the Company Split

No applicable matters

(5) Capital increase/reduction in relation with the Company Split

There will be no increase or reduction in the capital stocks of Olympus and OMSJ.

(6) Rights and obligations to be transferred to the successor company

OMSJ will assume the assets, liabilities, contracts, other rights and obligations related to the Function pursuant to the absorption-type company split agreement executed with Olympus.

(7) Expected fulfillment of obligations

Olympus considers that there will be no adverse effect on the expected fulfillment of obligations of Olympus and OMSJ after the effective date of the Company Split.

3. Overview of the Parties to the Company Split

[Successor company]

1) Name	Olympus Medical Science Sales Corporation	
2) Location	20-2 Nishi-Shinjuku 3-chome, Shinjuku-ku, Tokyo	
3) Title and name of representative	President & Representative Director: Keiji Moriyama	
4) Business operations	Sales and service of optical and medical equipment and precision machinery	
5) Capital (as of December 31, 2020)	96 million yen	
6) Established	September 2, 1947	
7) Number of shares issued (as of December 31, 2020)	471,730	
8) Book Closing Date	March 31	
9) Major shareholder and shareholding ratio (as of December 31, 2020)	Olympus Corporation 100%	
10) Financial Conditions and	Net assets	7,662 million yen

Operating Results for the latest fiscal year (Fiscal Year ended March 2020)	Total assets	21,282 million yen
	Net assets per share	16,242.51 yen
	Net sales	67,971 million yen
	Operating income	887 million yen
	Ordinary income	893 million yen
	Current net income	570 million yen
	Net income per share	1,207.72 yen

[Split company]

1) Name	Olympus Corporation	
2) Location	2951 Ishikawa-machi, Hachioji-shi, Tokyo	
3) Title and name of representative	Director, Representative Executive Officer, President and CEO: Yasuo Takeuchi	
4) Business operations	Manufacture and sale of precision machinery	
5) Capital (as of December 31, 2020)	124,643 million yen	
6) Established	October 12, 1919	
7) Number of shares issued (as of December 31, 2020)	1,370,914,963	
8) Book Closing Date	March 31	
9) Major shareholder and shareholding ratio (as of September 30, 2020)	The Master Trust Bank of Japan, Ltd. (trust account), 12.60% Custody Bank of Japan, Ltd. (trust account), 5.75% JP Morgan Chase Bank 385632, 5.31% State Street Bank and Trust Company 505010, 5.04% Nippon Life Insurance Company, 4.13%	
11) Financial Conditions and Operating Results for the latest fiscal year (Fiscal Year ended March 2020) (Note)	Net assets	376,219 million yen
	Total assets	771,026 million yen
	Net assets per share	292.24 yen
	Net sales	375,258 million yen
	Operating income	(2,506 million yen)
	Ordinary income	13,266 million yen
	Current net income	9,861 million yen
	Net income per share	7.51 yen

(Note) On January 1, 2021, Olympus transferred its imaging business to its wholly-owned new company (hereinafter the "New Imaging Company") by way of absorption-type company split and subsequently transferred 95% stakes in the New Imaging Company to OJ Holdings, Ltd. For the overview of the imaging business that has been transferred to the New Imaging Company, please refer to Olympus' press release "Signing of Definitive Agreement for Divestiture of Imaging Business" dated September 30, 2020.

[Overview of the divisions to succeed]

1) Business operations of the business divisions to succeed

Domestic sales function of the medical and scientific business

2) Operating results of the divisions to succeed

Net sales 54,000 million yen (Fiscal Year ended March 2020)

3) Asset and liability items to succeed and the book value

Assets		Liabilities	
Item	Amount	Item	Amount
Current assets	12,000 million yen	Current liabilities	−
Fixed assets	12,400 million yen	Fixed liabilities	6,000 million yen
Total	24,400 million yen	Total	6,000 million yen

(Note) The succeeding asset and liability items and amounts are estimates as of February 12, 2021. The actual amounts for succession may differ from the above amounts.

4. Status after the Company Split

There will be no change, in connection with the Company Split, in any of the name, the location, the title and name of the representative, business operations, capital, and book closing date of Olympus.

OMSJ plans to change its company name to "Olympus Marketing Corporation" and its representative to "Koji Ando", a corporate officer of Olympus as of the same day as the effective date of the Company Split.

There will be no other changes to OMSJ's business, capital or fiscal year end as a result of the Company Split.

5. Future Outlook

This Company Split involves Olympus and a wholly-owned subsidiary of Olympus. Because the impact on the consolidated financial results of Olympus is minor, there will be no revision of the consolidated earnings forecast for the fiscal year ending March 31, 2021.