

December 17, 2021

News Release

Company: Olympus Corporation
Yasuo Takeuchi, Director, Representative Executive Officer, President and CEO
(Code: 7733, First Section, Tokyo Stock Exchange)
Contact: Takaaki Sakurai, Vice President, Investor Relations
TEL: +81-3-3340-2111

Notice of Absorption-type Merger with Olympus Logitex, a Wholly Owned Subsidiary (Simplified and Short-form Merger)

Olympus Corporation (“Olympus”) hereby announces that the Representative Executive Officer, President and CEO of Olympus has decided today to implement an absorption-type merger with consolidated subsidiary, Olympus Logitex Co., Ltd. (“Olympus Logitex”), effective on April 1, 2022, as stated below (the “Merger”).

Please note that the disclosed items and details are partially omitted because the Merger is a simplified absorption-type merger with a consolidated subsidiary (a wholly owned subsidiary).

1. Purpose of the Merger

Olympus has initiated with “Transform Olympus”, cross-functional cooperate transformation plan, aiming at enhancing business improvement and organizational soundness. “End-to-End (E2E) supply chain transformation”, one of its intensive measures, is set to build a total E2E supply chain to integrate component procuring and customer delivery, with a goal of improving customer satisfaction and business agility, increasing efficiency of cost and optimizing inventory.

We decided to absorb and merge Olympus Logitex Ltd, with its function of storage warehouse of Olympus Group products and distribution to domestic and overseas sales outlets and customers, to combine with our company’s supply chain management section, in charge of supply chain strategy planning for the whole group. The aim is to strengthen proposal power of logistics solution and enhancing the partnership with global procurement, production and sales functions.

2. Summary of the Merger

(1) Schedule of the Merger

Decision date of Merger	December 17, 2021
Date of Merger Agreement	December 17, 2021
Effective Date of Merger	April 1, 2022 (planned)

(Note) The Merger is, for Olympus, a simplified merger under the provisions of Paragraph 2 of Article 796 of the Companies Act and, for Olympus Logitex, a short-form merger under the provisions of Paragraph 1 of Article 784 of the Companies Act. Therefore, the individual entities will not hold a general meeting of shareholders to carry out the Merger.

(2) Method of the Merger

As an absorption-type merger (simplified and short-form), Olympus will act as the merging entity and Olympus Logitex will be absorbed and merged. As a result, Olympus Logitex will be dissolved.

(3) Allocation Associated with the Merger

As Olympus Logitex is the Olympus's wholly owned subsidiary, no allocation of shares, money or the like will occur due to the Merger.

(4) Handling of Equity Warrants and Bonds with Equity Warrants Associated with the Merger

Nothing is applicable.

3. Overview of Participants in the Merger

	Merging Entity	Merged Entity
1) Name	Olympus Corporation	Olympus Logitex Co., Ltd.
2) Address	2951 Ishikawa-machi,Hachioji-shi, Tokyo	1-13-1 Asamizodai Sagamihara-shi Kanagawa
3) Title and Name of Representatives	Yasuo Takeuchi, Director, Representative Executive Officer, President and CEO	Haruo Hino, President and Representative Director
4) Description of Business	Manufacture and sales of precision machinery and instruments	Storing, shipping and logistics planning of Olympus Group products
5) Capital (as of September 30,2021)	124,643 million yen	20 million yen
6) Date of Foundation	October 12, 1919	July 10, 1974
7) Number of Outstanding Shares (as of September 30,2021)	1,299,294,333 shares	40,000 shares
8) Book Closing Date	March 31	March 31
9) Major shareholder and Shareholding Ratio (as of September 30,2021)	The Master Trust Bank of Japan Ltd. (trust account) 17.21% JP Morgan Chase Bank 385632 6.68% Custody Bank of Japan Ltd. (trust account) 5.28% SSBTC CLIENT OMNIBUS ACCOUNT 3.68% SMBC Trust Bank Ltd. (Olympus shares in Sumitomo Mitsui Banking Corporation's retirement benefit trust account) 3.55%	Olympus Corporation 100%

10) Financial Condition and Operating Performance in Preceding Fiscal Year	Fiscal year ended March 31, 2021 (Consolidated: IFRS)		Fiscal year ended March 31, 2021 (Standalone: Japanese GAAP)	
	Equity attributable to owners of the Company	394,326 million yen	Net assets	538 million yen
	Total assets	1,181,017 million yen	Total assets	2,077 million yen
	Equity per share attributable to owners of the Company	306.72 yen	Net assets per share	1343.22 yen
	Revenue	730,544 million yen	Net sales	4,245 million yen
	Operating profit	81,985 million yen	Operating income	153 million yen
	Profit before tax	76,810 million yen	Ordinary income	155 million yen
	Profit attributable to owners of parent	12,918 million yen	Net income	3 million yen
	Basic earnings per share	10.05 yen	Net income per share	79.22 yen

4. Status after the Merger

There will be no changes in trade name, address, name and title of representative, nature of business, share capital, or fiscal year end of Olympus.

5. Future Outlook

Since this is a merger of a wholly owned subsidiary of Olympus, the effect of the Merger on Olympus's consolidated results of operations is immaterial.

Reference: Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2022 (released on November 5, 2021) and Actual Result for the Fiscal Year Ended March 31, 2021

(Unit: Millions of Yen)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent
Earnings forecasts for FY ending March 31, 2022	856,000	144,000	139,000	109,000
Actual result for FY ended March 31, 2021	730,544	81,985	76,810	12,918