Consolidated Financial Results
for the Fiscal Year Ended March 31, 2015
<under Japanese GAAP>

May 8, 2015

Company Name: Olympus Corporation
Code Number: 7733
(URL: http://www.olympus.co.jp/)
Stock Exchange Listing: First Section of Tokyo Stock Exchange
Representative: Hiroyuki Sasa, Representative Director, President
Contact: Masahide Aramoto, General Manager, Accounting Department
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Scheduled date of General Meeting of Shareholders:	June 26, 2015
Scheduled date to submit the Securities Report:	June 26, 2015
Scheduled date to commence dividend payments:	June 29, 2015
Presentation of supplementary material on financial results:	Yes
Holding of financial results presentation meeting:	Yes (for analysts and institutional investors)

(Figures are rounded off to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2015 (From April 1, 2014 to March 31, 2015)

(1) Consolidated Results of Operations

(% indicate changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
Fiscal year ended	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
March 31, 2015	764,671	7.2	90,962	23.9	72,782	43.0	(8,737)	–
March 31, 2014	713,286	(4.1)	73,445	109.4	50,913	290.3	13,627	69.9

Note: Comprehensive income: Fiscal year ended March 31, 2015: ¥25,800 million [(60.3)%]
Fiscal year ended March 31, 2014: ¥64,996 million [21.4%]

	Net income per share	Fully diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
Fiscal year ended	(¥)	(¥)	%	%	%
March 31, 2015	(25.53)	–	(2.6)	6.9	11.9
March 31, 2014	41.05	41.04	5.7	5.1	10.3

Note: Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2015: ¥(2,791) million
Fiscal year ended March 31, 2014: ¥(1,457) million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	(¥ million)	(¥ million)	%	(¥)
March 31, 2015	1,081,551	357,254	32.9	1,038.64
March 31, 2014	1,027,475	331,284	32.1	962.83

Note: Equity as of March 31, 2015: ¥355,463 million March 31, 2014: ¥329,519 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
Fiscal year ended	(¥ million)	(¥ million)	(¥ million)	(¥ million)
March 31, 2015	66,811	(39,612)	(70,185)	209,809
March 31, 2014	72,388	(20,273)	(39,693)	251,344

2. Dividends

	Annual dividends per share					Total amount of cash dividends	Payout ratio	Ratio of dividends to net assets
	First quarter	Second quarter	Third quarter	Year-end	Total	(Annual)	(Consolidated)	(Consolidated)
	(¥)	(¥)	(¥)	(¥)	(¥)	(¥ million)	%	%
Fiscal year ended March 31, 2014	–	0.00	–	0.00	0.00	0	0.0	0.0
Fiscal year ended March 31, 2015	–	0.00	–	10.00	10.00	3,422	–	1.0
Fiscal year ending March 31, 2016 (Forecast)	–	0.00	–	17.00	17.00		10.4	

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2016 (From April 1, 2015 to March 31, 2016)

(% indicate changes from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥)
Six months	390,000	9.9	45,000	17.1	37,000	24.7	24,000	7.5	70.13
Full year	810,000	5.9	100,000	9.9	86,000	18.2	56,000	–	163.63

* Notes

(1) Changes in significant subsidiaries during the fiscal year under review (changes in specified subsidiaries resulting in the changes in scope of consolidation): Yes

[New: — Excluded: 1 company (Gyrus Medical Inc.)]

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

1) Changes in accounting policies due to revisions to accounting standards, and other regulations: Yes
2) Changes in accounting policies due to other reasons: No
3) Changes in accounting estimates: No
4) Restatement of prior period financial statements after error corrections: No

Note: For details, please refer to “(5) Notes Regarding Consolidated Financial Statements (Changes in Accounting Policies)”on page 25 of the attached material.

(3) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury stock)

As of March 31, 2015	342,671,508 shares
As of March 31, 2014	342,671,508 shares

2) Total number of treasury shares at the end of the period

As of March 31, 2015	434,236 shares
As of March 31, 2014	431,063 shares

3) Average number of shares during the period

Fiscal year ended March 31, 2015	342,238,820 shares
Fiscal year ended March 31, 2014	331,992,635 shares

Reference: Summary of Non-Consolidated Financial Results

1. Financial results for the Fiscal Year ended March 31, 2015 (From April 1, 2014 to March 31, 2015)

(1) Non-Consolidated Results of Operations (% indicates changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
Fiscal year ended	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
March 31, 2015	88,528	7.2	8,580	249.8	39,526	101.9	34,174	146.1
March 31, 2014	82,556	15.6	2,453	–	19,577	129.5	13,888	(17.3)

	Net income per share	Fully diluted net income per share
Fiscal year ended	(¥)	(¥)
March 31, 2015	99.85	99.83
March 31, 2014	41.83	41.83

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	(¥ million)	(¥ million)	%	(¥)
March 31, 2015	661,201	272,541	41.2	795.59
March 31, 2014	686,606	225,895	32.9	659.71

Note: Equity as of March 31, 2015: ¥272,281 million March 31, 2014: ¥225,780 million

* Indication regarding execution of audit procedures
This financial results report is not subject to the audit procedures in accordance with the Financial Instruments and Exchange Act. At the time of disclosure of this financial results report, the audit procedures to the financial statements are in progress.

* Proper use of the forecast of financial results, and other special matters
The forward-looking statements, including forecast of financial results, contained in these materials include predictions about the future based on assumptions, forecasts and plans as of the date of release of these materials. Actual business and other results may differ substantially from the forecasts provided in these materials as a result of risks and uncertainties associated with the global economy, the competitive environment, exchange rate trends and other factors. For information on the forecast of financial results, please refer to page 5.

Attached Material

Contents

1. Analysis of Business Results and Financial Position

(1) Analysis of Business Results

(Review of Operations)

Analysis of the overall operations

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Fiscal year ended March 31, 2015	764,671	90,962	72,782	(8,737)	¥(25.53)
Fiscal year ended March 31, 2014	713,286	73,445	50,913	13,627	¥41.05
Increase (Decrease) ratio (%)	7.2	23.9	43.0	–	–

Comparison Table of Average Exchange Rate (Yen)

	Current fiscal year	Previous fiscal year
Against the U.S. dollar	109.93	100.24
Against the euro	138.77	134.37

In the global economy during the fiscal year under review, a gradual overall recovery continued while uncertain factors remained. The U.S. economy was seen to recover steadily on the back of an improving employment situation. However, in Europe sovereign debt problems continued, while in emerging country markets such as in Asia, the tempo of economic expansion appeared to be slow even further, including a slowdown in the pace of growth in China. Although the Japanese economy retained a tone of recovery with yen depreciation and other factors helping to improve corporate earnings, the outlook is still uncertain due to factors such as a decline in personal consumption following a consumption tax hike implemented in April 2014.

Faced with this business environment, the Olympus Group continued to steadily implement initiatives such as accelerating growth through strategic investment in the Medical Systems Business and developing a new management team by determining the reorganization of the group. These initiatives were based on the basic strategies of the Medium-Term Vision (medium-term management plan) which started in the fiscal year ended March 31, 2013; namely, “rebuilding of the business portfolio and optimal allocation of management resources,” “review of cost structures,” “restoration of financial health” and “restructuring of governance.”

In the Medical Systems Business, sales in our flagship gastrointestinal endoscope field continued to grow in Japan and overseas, and we made investments to strengthen our sales to achieve further growth in the surgical field, particularly in North America. In the Scientific Solutions Business, we revised our strategies to move away from strategies based on product lineups to those oriented towards customer groups, and continued to streamline our business through reforms such as integrating business sites. In the Imaging Systems Business, we moved a step further forward in the shift from compact cameras to mirrorless interchangeable-lens cameras and made investments to develop the BtoB operations.

As a result of these measures, the Olympus Group’s overall consolidated net sales increased to ¥764,671 million (up 7.2% year on year), reflecting sales increases in the Medical Systems Business and the Scientific Solutions Business. Operating income was ¥90,962 million (up 23.9% year on year), reflecting income increases in the Medical Systems Business and the Scientific Solutions Business, and a return to profitability in other businesses from the losses they posted in the previous fiscal year due to our withdrawing from unprofitable businesses. Ordinary income was ¥72,782 million (up 43.0% year on year), mainly reflecting the increase in operating income. Net loss was ¥8,737 million (compared with a net income of ¥13,627 million in the previous fiscal year), due in part to recording extraordinary losses of ¥63,848 million, primarily loss related to the U.S. Anti-kickback Act.

During the fiscal year under review, the Olympus Group invested ¥74,101 million on research and development, and spent ¥47,743 million on capital investments.

Regarding foreign exchange, the yen depreciated against both the U.S. dollar and the euro compared to the previous fiscal year. The average exchange rate during the period was ¥109.93 against the U.S. dollar

(¥100.24 in the previous fiscal year) and ¥138.77 against the euro (¥134.37 in the previous fiscal year), which caused net sales and operating income to rise by ¥39,400 million and ¥14,400 million, respectively, year on year.

Effective from the fiscal year under review, the name of the reportable segment previously known as "Life Science and Industrial Systems" has been changed to "Scientific Solutions."

Analysis of the performance by segment

(Millions of yen)

	Net sales			Operating income (loss)		
	Previous fiscal year	Current fiscal year	Increase (Decrease) ratio (%)	Previous fiscal year	Current fiscal year	Increase (Decrease) ratio (%)
Medical Systems	492,296	558,348	13.4	112,735	124,894	10.8
Scientific Solutions	98,510	103,880	5.5	4,935	6,837	38.5
Imaging Systems	96,111	83,825	(12.8)	(9,182)	(13,870)	–
Others	26,369	18,618	(29.4)	(5,356)	1,190	–
Subtotal	713,286	764,671	7.2	103,132	119,051	15.4
Elimination or Unallocation	–	–	–	(29,687)	(28,089)	–
Consolidated total	713,286	764,671	7.2	73,445	90,962	23.9

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

Medical Systems Business

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015	Increase (Decrease)	Increase (Decrease) ratio
Net sales	492,296	558,348	66,052	13.4%
Operating income	112,735	124,894	12,159	10.8%

Consolidated net sales in the Medical Systems Business amounted to ¥558,348 million (up 13.4% year on year), while operating income amounted to ¥124,894 million (up 10.8% year on year).

In gastrointestinal endoscope field, sales of the endoscopy platform systems "EVIS EXERA III" and "EVIS LUCERA ELITE," which are our mainstay products, continued to be strong. In the surgical field, sales of the "VISERA ELITE" integrated endoscopic video system, which supports endoscopic surgery, the videoscope used in clinical departments such as general surgery and urology, the 3D laparoscopy system and the "THUNDERBEAT" energy device continued to grow. In the therapeutic devices field, there was growth in sales of the "VisiGlide 2™" disposable guidewire, a new product for use in endoscopic diagnosis and treatment of biliary and pancreatic ducts, and the "QuickClip Pro" disposable rotatable clip fixing device, which is used to arrest bleeding of polyps, lesions, etc., leading to a sales increase in all fields.

Operating income in the Medical Systems Business increased due to the increase in sales.

Scientific Solutions Business

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015	Increase (Decrease)	Increase (Decrease) ratio
Net sales	98,510	103,880	5,370	5.5%
Operating income	4,935	6,837	1,902	38.5%

Consolidated net sales in the Scientific Solutions Business amounted to ¥103,880 million (up 5.5% year on year), while operating income amounted to ¥6,837 million (up 38.5% year on year).

In the life science field, although sales of “FLUOVIEW FVMPE-RS,” a product in our series of laser scanning microscopes for use in cutting-edge life science research, made a contribution, sales were almost the same level as the previous fiscal year, partly reflecting a temporary slowdown in the execution of budgets by research institutions in Japan. Meanwhile, in the industrial field, the Company recorded higher sales as increased corporate capital investment activity saw sales grow for all types of products, including higher sales of “IPLEX RX” and “IPLEX RT,” which are industrial videoscopes that have the best imaging quality in the series, and the “OmniScan” series, which is used in non-destructive testing of social infrastructure. As a result the total sales of both fields were also higher year on year.

Operating income in the Scientific Solutions Business increased as a result of the increase in sales and progress in cost reductions through such means as the integration of sales offices.

Imaging Systems Business

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015	Increase (Decrease)	Increase (Decrease) ratio
Net sales	96,111	83,825	(12,286)	(12.8)%
Operating income/loss	(9,182)	(13,870)	(4,688)	–

Consolidated net sales in the Imaging Systems Business amounted to ¥83,825 million (down 12.8% year on year), while operating loss amounted to ¥13,870 million (compared with an operating loss of ¥9,182 million in the previous fiscal year).

In the digital single-lens camera field, there were positive developments such as sales growth for the OM-D series in Europe. There were also steady sales of interchangeable lenses such as the “M.ZUIKO DIGITAL ED 40-150mm F2.8 PRO.” In Japan, sales for the new product in the PEN series “OLYMPUS PEN Lite E-PL7” were strong. Even so, in response to shrinkage in the compact camera market as a whole, we limited the number of units sold in this field. Consequently, there was a decline in sales in the Imaging Systems Business overall.

Operating loss increased in this business reflecting, among others, a decrease in sales, write-downs in inventories as a result of strict revaluation, and investment carried out to develop BtoB operations.

Others

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015	Increase (Decrease)	Increase (Decrease) ratio
Net sales	26,369	18,618	(7,751)	(29.4)%
Operating income/loss	(5,356)	1,190	6,546	–

Consolidated net sales for other businesses amounted to ¥18,618 million (down 29.4% year on year) and operating income was ¥1,190 million (compared with an operating loss of ¥5,356 million in the previous fiscal year).

In order to allocate management resources to our business domains in a more concentrated manner, we reorganized our non-core business domains and in the previous fiscal year, we withdrew from the biologics business. Although the aforementioned contributed to a decline in net sales for other businesses, we still managed to return to the black and report an operating income.

(Forecast for the Fiscal Year Ending March 31, 2016)

Forecast for the overall business and analysis of its preconditions

Looking ahead, although a moderate recovery trend in the global economy, mainly in the U.S., is continuing, the risk of economic downturn still remains due to such factors as the slowing growth in emerging economies such as China. In the Japanese economy, although the recovery is set to continue on the back of improved corporate earnings, the outlook remains uncertain due to concerns such as the decline in personal consumption due to the consumption tax hike.

Given this environment, the Olympus Group will steadily implement the “Medium-Term Vision” (medium-term management plan), which was formulated in June 2012. Furthermore, under the new organizational structure associated with the Group reorganization conducted in April 2015, we will enhance our capability for responding to the fast-changing business environment and promote efficient resource allocation. We will also strengthen our business foundation and accelerate growth ahead of the new five-year medium-term management plan, which is scheduled to be drafted in the fiscal year ending March 31, 2016.

In the Medical System Business, we will strengthen our business expansion initiatives in each of the business units under the new organizational structure for further growth; namely GI (gastrointestinal), GS (general surgery), Uro/Gyn (urology/gynecology), ENT (ear nose throat), and Medical Services. In the Scientific Solutions Business, we will further advance the business organization efficiency achieved by the structural reforms, build a system for strengthening points of customer contact through the customer group-oriented strategy, and work to open up new markets. In the Imaging Systems Business, we will drive forward the structural reforms that refocus top priority on balancing income and expenditure and accelerate our cost-cutting efforts while streamlining our operation by narrowing down our product lineups and core sales areas.

Moreover, under the new organizational structure, functional organizations will be established that cross each business to integrate the functions; namely, Corporate Group, R&D Group, Manufacturing Group, Sales Group, and Quality & Regulatory Group, and we will distribute the resources of these functions appropriately to each business. In this way, the Group will build a structure that can utilize management resources efficiently and allow the Company to fully manifest it potential.

The forecast for consolidated financial results in the fiscal year ending March 31, 2016 is as follows.

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Fiscal year ending March 31, 2016	810,000	100,000	86,000	56,000	¥163.63
Fiscal year ended March 31, 2015	764,671	90,962	72,782	(8,737)	¥(25.53)
Increase (Decrease) ratio (%)	5.9	9.9	18.2	–	–

Net sales is expected to increase on the back of growth in the Medical Systems Business. On the profit front, income growth in the Medical Systems Business and the contraction of the loss in the Imaging Systems Business are expected to result in increases in operating income and ordinary income. In net income, the Company expects to return to profitability after recording a net loss in the fiscal year under review as the loss on litigation recorded under extraordinary loss in the fiscal year under review is not expected to occur in the fiscal year ending March 31, 2016.

Foreign exchange rates for the fiscal year ending March 31, 2016, which are a precondition for the forecast, are expected to be ¥115 per U.S. dollar and ¥130 per euro.

(2) Analysis of Financial Position

(Analysis of the Status of Assets, Liabilities, Net Assets, and Cash Flows in the Current Fiscal Year)

Analysis of assets, liabilities and net assets

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015	Increase (Decrease)	Increase (Decrease) ratio (%)
Total assets	1,027,475	1,081,551	54,076	5.3
Net assets	331,284	357,254	25,970	7.8
Equity ratio	32.1%	32.9%	0.8%	–

As of the end of the fiscal year under review, total assets increased ¥54,076 million compared to the end of the previous fiscal year to ¥1,081,551 million.

Current assets increased ¥1,016 million due mainly to an increase in notes and accounts receivable, while fixed assets increased ¥53,060 million due to factors such as capital investment.

Total liabilities increased ¥28,106 million compared to the end of the previous fiscal year to ¥724,297 million due mainly to increases in provision related to the U.S. Anti-kickback Act of ¥58,883 million and net defined benefit liability of ¥11,138 million, and decreases in borrowings (long-term and short-term) of ¥61,410 million.

Net assets increased ¥25,970 million compared to the end of the previous fiscal year to ¥357,254 million, primarily due to an increase in accumulated other comprehensive income of ¥34,604 million arising from fluctuations in foreign exchange and stock prices.

As a result of the foregoing, equity ratio increased from 32.1% as of the end of the previous fiscal year to 32.9%.

Analysis of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015	Increase (Decrease)
Cash flows from operating activities	72,388	66,811	(5,577)
Cash flows from investing activities	(20,273)	(39,612)	(19,339)
Cash flows from financing activities	(39,693)	(70,185)	(30,492)
Cash and cash equivalents at end of year	251,344	209,809	(41,535)

“Cash flows from operating activities” increased by ¥66,811 million mainly due to the recordings of ¥53,866 million in loss related to the U.S. Anti-kickback Act and adjustments for noncash items including ¥41,219 million in depreciation and amortization, ¥9,421 million in amortization of goodwill and ¥6,816 million of loss related to securities litigation. Decreasing factors mainly included ¥13,020 million in increase in accounts receivable and ¥9,055 million in interest payments.

“Cash flows from investing activities” decreased by ¥39,612 million. Decreasing factors mainly included ¥35,955 million in purchase of property, plant and equipment, ¥5,143 million in purchases of intangible assets. Increasing factors mainly included ¥1,157 million in sales and redemption of investment securities.

“Cash flows from financing activities” decreased by ¥70,185 million mainly due to ¥77,061 million in repayments of long-term debt. Increasing factors mainly included ¥7,977 million in increase in short-term borrowings.

As a result, cash and cash equivalents at the end of the current fiscal year reached ¥209,809 million, a decrease of ¥41,535 million compared to the end of the previous fiscal year.

(Cash Flows Indicators)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Equity ratio (%)	4.6	15.5	32.1	32.9
Market value equity ratio (%)	37.4	69.4	109.6	141.4
Interest-bearing debt to cash flows ratio (years)	20.8	22.2	5.7	5.3
Interest coverage ratio (times)	2.2	1.8	6.1	7.4

Notes: Equity ratio: Shareholders' equity/Total assets
Market value equity ratio: Total market capitalization/Total assets
Interest-bearing debt to cash flows ratio: Interest-bearing debt/Cash flow
Interest coverage ratio: Cash flow/Interest payment

1. Each index was calculated by financial index of Consolidated basis.
2. Total market capitalization is calculated on the basis of the number of issued shares excluding treasury stocks.
3. Cash flows from operating activities are used as "Cash flow" for calculation purposes.
4. Interest-bearing debts include all of those debts reported on the Consolidated balance sheets on which interest is paid.

(3) Basic Strategy for Profit Sharing and Dividend for the Current Fiscal Year and Following Fiscal Year

Aiming to boost the shareholder value, the Company places priority on investing funds from internal reserves in growth fields, particularly the Medical Systems Business. Based on this, our basic strategy is to implement dividend distribution in consideration of performance, while strengthening the financial base in line with the characteristics of our business, in order to respond to the expectations of our shareholders.

In accordance with the above policy, we plan to pay a year-end dividend of ¥10 per share for the fiscal year under review. Since no interim dividend was paid, the annual dividend will therefore be ¥10 per share, an increase of ¥10 from that for the previous fiscal year, for which no dividend was paid.

For the fiscal year ending March 31, 2016, we plan to pay a dividend of ¥17 per share (year-end dividend of ¥17).

(4) Business Risks

The business performances of the Olympus Group may be materially influenced by various factors which may occur in the future. Listed below are principal business risk factors, aside from managerial decisions made by the Olympus Group, which may give rise to changes in Olympus Group's business performances. The Olympus Group is aware of the possibilities of these risks, will strive to prevent them from occurring, and will deal conscientiously and diligently with any risk that may occur.

The future events described below are based on the judgment of the Olympus Group made as of the end of the fiscal year under review.

(Risks Associated with Selling Activities)

(i) In the Medical Systems Business, if healthcare policy is amended in an unforeseeable and material manner as a result of a healthcare system reform or another change occurs in relation to the medical sector, and the Olympus Group finds it difficult to adapt to such an environmental change, or if the Olympus Group is unable to obtain the licenses and approvals in various countries necessary for its business activities in a timely manner, the Olympus Group's ability to secure its earnings may be adversely affected.

(ii) In the life science field of the Scientific Solutions Business, system provision to research activities funded by national budgets of countries accounts for a high proportion of earnings of the Olympus

Group. Therefore, if such national budgets are curtailed in the wake of unfavorable macroeconomic fluctuations, the Olympus Group’s ability to secure its earnings may be adversely affected.

(iii) In the digital camera field of the Imaging Systems Business, market conditions are becoming harsher. If the market contracts more sharply than anticipated, the Olympus Group may be unable to adequately counter the resulting sales decline with the restructuring measures it is currently implementing, and this may adversely affect the Olympus Group’s ability to secure its earnings.

(Risks Associated with Production/Development Activities)

(i) In the Imaging Systems Business, core production bases center on China. Therefore, depending upon how sharply the Chinese yuan is revalued, operating costs may increase substantially, and the Olympus Group’s ability to secure its earnings may be adversely affected. Also, depending upon how serious or unstable the state of affairs including anti-Japanese activities may grow or how badly public safety may deteriorate in China, the Olympus Group’s production activities may be adversely affected.

(ii) The Olympus Group relies on certain specific suppliers to consistently develop and produce those products and parts which it cannot develop or produce internally. Hence, if the Group is subjected to constraints on procurement of such products and parts according to the said suppliers’ convenience, the Olympus Group’s ability to produce and supply them may be adversely affected.

(iii) The Olympus Group and its manufacturing contractors manufacture their products in accordance with exacting quality standards. However, if any product deficiency occurs, not only substantial costs including those of a recall would be incurred but also the market’s confidence in the Olympus Group would be undermined, and the Olympus Group’s ability to secure its earnings may be adversely affected.

(iv) The Olympus Group is continuing to advance development of products using cutting-edge technologies. However, if technological progress occurs so fast and market changes cannot be predicted adequately, that the Group is unable to develop new products adequately meeting customers’ needs in a timely manner, the Olympus Group’s ability to secure its earnings may be adversely affected.

(v) The Olympus Group, in conducting R&D and production activities, uses various intellectual property rights, and believes that the Group lawfully owns or is licensed to use such rights. However, if any third party asserts that the Group has unknowingly infringed any of these intellectual property rights and if any litigation occurs, the Olympus Group’s ability to secure its earnings may be adversely affected.

(Risks Associated with Business Collaborations and Corporate Acquisitions)

(i) The Olympus Group has built long-term strategic partnerships with advanced enterprises in the industry on technologies and product development. If the Group can no longer maintain such partnerships due to occurrence of a financial or any other business-related problem or change of its goals, the business activities of the Group may be adversely affected.

(ii) The Olympus Group may acquire a business enterprise in order to expand its business. If the Group is unable to integrate the acquired business in line with the Group’s management strategy or utilize management resources in an efficient manner as to the existing business or the acquired business, the Group’s business may be adversely affected or its business performances and financial position may be adversely affected due to impairment of goodwill, loss on business sale or liquidation resulting from business restructuring and the like, or other related expenses.

(iii) The Olympus Group holds listed stocks with a total value of ¥67,483 million and unlisted stocks with a total value of ¥2,069 million as of March 31, 2015, for policy investment purposes such as facilitating business alliances. The stock price of listed stocks is determined based upon market principles. Accordingly, fluctuations in market trends could cause the value of these stocks to decline. For unlisted stocks, it is possible that the estimated value of these stocks could decline due to changes in the financial position of the company in question. Such price fluctuations could force the Group to record loss on valuation of investment securities, or other action that would affect the operating results or financial position of the Group.

(Risks Associated with Financing)

Since the Olympus Group carries out financing by borrowing from financial institutions, etc., changes in the environment for the financial markets may have an impact on the Group's financing. Furthermore, if the Group's financing costs rise as a result of such factors as a deterioration in its business performances, this may also have an adverse impact on the Group's financing.

(Risks Associated with Leakage of Information)

The Olympus Group possesses important confidential information regarding such matters as technology, as well as the personal information of its customers and other related parties. In order to prevent external leakages of this information, the Group takes various countermeasures including the establishment of internal regulations, the thorough promotion of employee training, and the strengthening of security systems. Even so, in the case that such information is leaked due to unanticipated circumstances, the Group's business performances and financial position may be adversely affected by such factors as damage to the Group's corporate value, loss of social credibility, and payment of compensation to customers and related parties affected by such information leakage.

(Risks Associated with Past Postponing of Recognition of Losses)

As a result of inappropriate financial reporting by the Company, the Company's shareholders and others claimed compensation for damages from the Company or filed lawsuits. These actions could have an adverse impact on the Olympus Group's business performance and financial position. The inappropriate financial reporting relates to the Company's postponing of recognition of losses on securities investments, etc. since around the 1990s, and the Company's use, by means such as going through multiple funds, of both the fees paid to financial advisors and funds to buy back preferred stock in relation to the acquisition of Gyrus Group PLC, as well as the acquisition funds of three domestic companies (Altis Co., Ltd., NEWS CHEF, Inc. and Humalabo Co., Ltd.), partly to resolve unrealized losses on investment securities by such postponing of the recognition of these losses. The total amount of claims against the Company in pending lawsuits at the time of disclosure of the financial results report for the 147th term is ¥82.3 billion. The following major lawsuits have been filed against the Company.

Out of the pending lawsuits in the fiscal year under review, the Company reported ¥11,000 million as provision for loss on litigation in current liabilities, considering the state of progress of the lawsuits (i) and (iii) mentioned below.

(i) On June 28, 2012 (the date of the service of the complaint was November 12, 2012), a total of 49 companies (of which one company withdrew its claim before the complaint was served), including the Teachers' Retirement System of the State of Illinois and other overseas institutional investors and pension funds that are shareholders of the Company, filed a lawsuit against the Company. After a subsequent petition to change the object of claim and withdrawal of claim by several plaintiffs, the lawsuit has now been changed so that currently 46 plaintiff companies are claiming compensation for damages of ¥20,842 million and 5% per annum interest on this amount for the period from November 8, 2011 up to the payment of the principal.

On March 27, 2015 an out-of-court settlement was reached with investors and others including the plaintiffs regarding this lawsuit for damages, under which the Company agrees to pay the counterparties up to ¥11 billion as settlement money in total, including (iii) below.

(ii) On December 13, 2012 (the date of the service of the complaint was March 29, 2013), a total of 68 companies, including California Public Employees' Retirement System and other overseas institutional investors that are shareholders of the Company, filed a lawsuit for damages against the Company. After a subsequent petition to amend the complaint and withdrawal of claim by several plaintiffs, the lawsuit has been changed so that currently 60 plaintiff companies are claiming compensation for damages of ¥5,759 million and 5% per annum interest on this amount for the period from October 14, 2011 up to the payment of the principal.

(iii) On June 27, 2013 (the date of the service of the complaint was July 16, 2013), a total of 43 companies, including California State Teachers' Retirement System and other overseas institutional investors and pension funds that are shareholders of the Company, filed a lawsuit for damages against the Company. After a subsequent withdrawal of claim by a plaintiff and a merger between plaintiffs, the lawsuit has been changed so that currently 40 plaintiff companies are claiming compensation for damages of ¥16,799 million and 5% per annum interest on this amount for the period from November 8, 2011 up to the payment of the principal.

On March 27, 2015 an out-of-court settlement was reached with investors including the plaintiffs regarding this lawsuit for damages, under which the Company agrees to pay the counterparties up to ¥11 billion as settlement money in total, including (i) above.

(iv) 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.

(Risks Associated with Internal Control System, etc.)

The Olympus Group has developed a system for ensuring appropriate and reliable financial reporting and valid and efficient work processes, which it operates and continuously improves. However, it cannot be ignored that no matter how effective the internal control system constructed by the Group, actions arising from malicious intent or gross negligence on the part of employees, or changes in the business environment that were not envisaged at the time of the internal control system's construction, or various other factors, could cause the system to fail. Therefore, there is the potential for an issue arise in the future with regard to violation of laws and regulations. If such an issue were to arise, the Company may be obliged to pay fines due to administrative action, penalties due to criminal proceedings, or damages and so forth due to civil lawsuits. Moreover, the Company may suffer an adverse impact on its business from a loss of social trust. Such events could have an adverse impact on the Company's operating results.

(Risks Relating to Laws and Regulations)

We operate our businesses globally, including our medical business, which is a regulated business. We are subject to various laws, including the Antimonopoly Act of Japan and the Pharmaceutical Affairs Act of Japan and similar laws in other countries and jurisdictions, as well as the anti-bribery provisions of the U.S. Foreign Corrupt Practices Act of 1977 (FCPA), the U.K. Anti-Bribery Act and other anti-bribery laws in other countries and jurisdictions. We are also subject to various laws targeting fraud and abuse in the healthcare industry, including the Act Against Unjustifiable Premiums and Misleading Representations in Japan and the Anti-Kickback Statute and the False Claims Act in the United States.

With respect to the medical business, because government-sponsored healthcare systems have developed around the world, our group companies and many of their distributors and suppliers do business with government affiliated entities, healthcare providers and officials. Our group companies and their distributors and suppliers operate in countries or jurisdictions where there has been governmental corruption in the past, and in certain circumstances strict compliance with anti-bribery laws may conflict with local customs and practices. In addition, the various laws and regulations targeting fraud and abuse in the healthcare industry are wide-ranging and subject to changing interpretation and application, which could restrict our sales or marketing practices.

Violations of these laws may be punishable by criminal or civil fines, imprisonment and/or exclusion from participation in certain national healthcare programs. Furthermore, since many of our customers rely on reimbursement from public health insurance and other government programs to subsidize their medical expenditures, if our participation in such programs would be restricted as a result of a violation of these laws, that could adversely affect the demand for our products and the number of procedures performed using our devices.

We strive to fully comply with these laws, but if we engaged in conduct that violated them, regardless of whether we intentionally violated them or not, that may affect our business, financial condition, results of operations and cash flows as well as the price of shares of our common stock.

Since November 2011, Olympus Corporation of the Americas (“OCA”), which is a U.S. subsidiary of ours, has been under investigation by the U.S. Department of Justice relating to potential issues regarding certain U.S. operations of OCA’s medical business under the Anti-Kickback Statute and, by extension, the False Claims Act. Olympus Corporation of the Americas is currently in discussions with the Department of Justice to resolve this matter. Considering the progress thereof and other matters, in order to prepare for future losses we made a reasonable estimate of the amount of the potential settlement value of this matter and accordingly recorded a ¥58,883 million provision related to the U.S. Anti-kickback Act on a consolidated basis for the fiscal year ended March 31, 2015. The expected amount of losses may change in the future depending on developments in the aforementioned investigation or discussions.

(Risks Relating to Duodenoscopes)

In March 2015, the U.S. Department of Justice issued a subpoena to Olympus Medical Systems Corp., a subsidiary of ours. The subpoena seeks information relating to duodenoscopes that Olympus manufactures and sells. In addition, subsidiaries of Olympus have been named as defendants in civil lawsuits in the United States alleging that the plaintiffs were harmed as of our group’s duodenoscopes. Depending on the developments in these matters, our consolidated results of operations and financial condition may be affected.

(Other Comprehensive Risks)

Through its domestic and overseas subsidiaries and affiliates, etc., the Company operates its various businesses globally. These may be the subject of various investigations, as needed, by domestic and overseas authorities, and may have consultations with or report to authorities with respect to compliance with laws and regulations (for example in response to the examination regarding compliance with antimonopoly acts and pharmaceutical affairs acts or in voluntary disclosure to the U.S. Department of Justice regarding compliance with the Foreign Corrupt Practices Act). As such, the Company’s ability to secure its earnings may be adversely affected depending upon the results of such investigations and consultations. In addition, if any natural disaster, disease, war, or terrorist attack occurs, or if interest rates rise or exchange rates fluctuate beyond its expectations, the Olympus Group’s ability to secure its earnings may be adversely affected.

2. Status of the Corporate Group

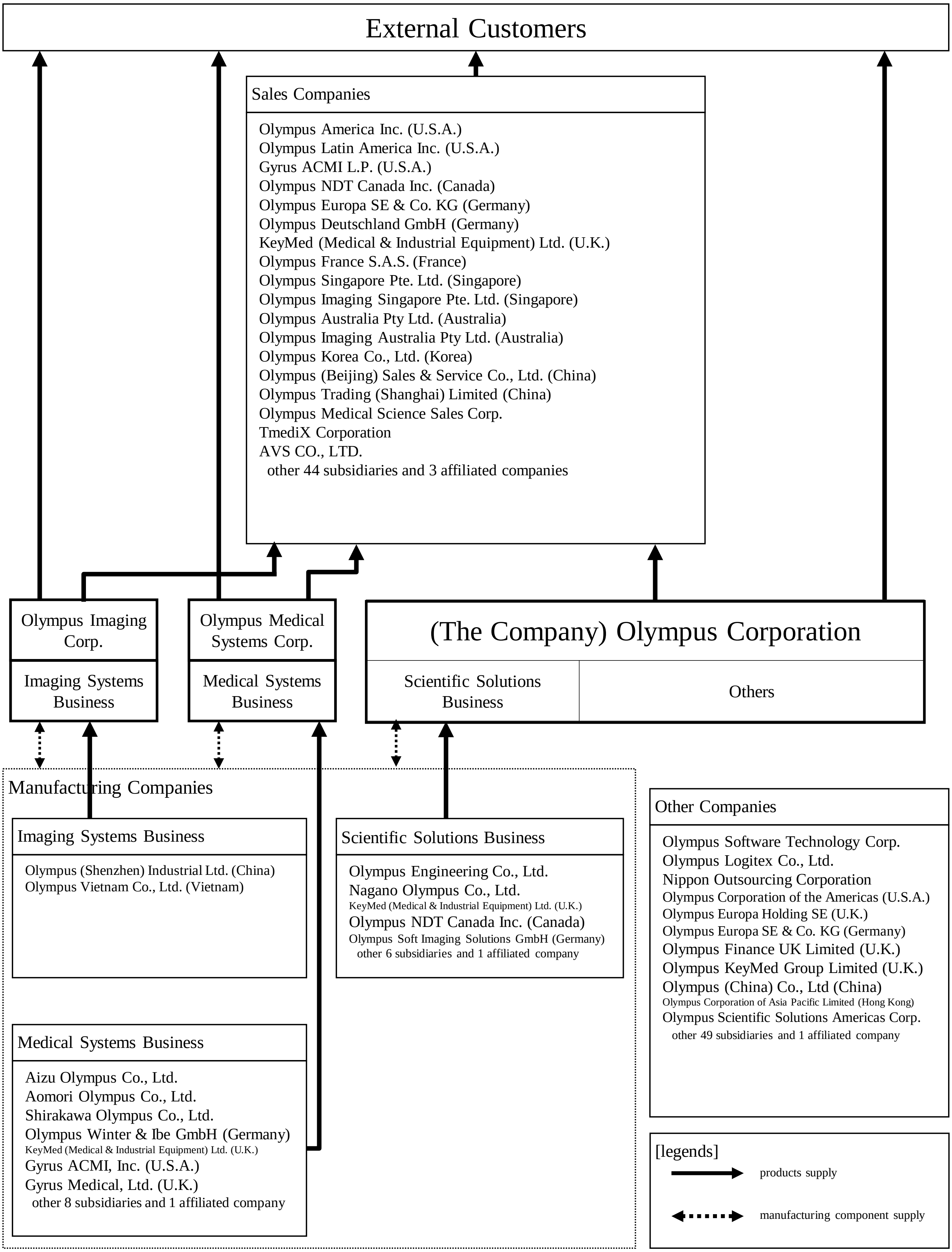
The Company and its 135 subsidiaries and 4 affiliated companies are engaged mainly in the manufacture and sales of products in Medical Systems, Scientific Solutions, Imaging Systems, and Others. There are also holding companies and Financial Investment, etc. related to each business.

Described below are business of the corporate group, roles of each business and relations to business segments.

Segmentation	Main products and business	Principal consolidated subsidiaries
Medical Systems	Gastrointestinal endoscopes, Surgical endoscopes, Endo-therapy devices, Ultrasound endoscopes	(Consolidated subsidiaries) Olympus Medical Systems Corp., Olympus Medical Science Sales Corp., Aizu Olympus Co., Ltd., Aomori Olympus Co., Ltd., Shirakawa Olympus Co., Ltd., Olympus America Inc., Olympus Europa SE & Co. KG, KeyMed (Medical & Industrial Equipment) Ltd., Gyrus ACMI, Inc., Olympus Winter & Ibe GmbH, Olympus (Beijing) Sales & Service Co., Ltd., Olympus Korea Co., Ltd., Olympus Singapore Pte. Ltd. (Affiliated company) Sony Olympus Medical Solutions Inc.
Scientific Solutions	Biological microscopes, Industrial microscopes, Industrial endoscopes, Non-destructive testing equipment	Olympus Corporation (Consolidated subsidiaries) Olympus Medical Science Sales Corp., Nagano Olympus Co., Ltd., Olympus America Inc., Olympus NDT Canada Inc., Olympus Scientific Solutions Americas Corp. Olympus Europa SE & Co. KG, Olympus Soft Imaging Solutions GmbH, KeyMed (Medical & Industrial Equipment) Ltd., Olympus (China) Co., Ltd., Olympus Singapore Pte. Ltd.
Imaging Systems	Digital cameras, Voice recorders	(Consolidated subsidiaries) Olympus Imaging Corp., Olympus America Inc., Olympus Europa SE & Co. KG, Olympus Hong Kong and China Limited, Olympus Korea Co., Ltd., Olympus (Shenzhen) Industrial Ltd., Olympus Imaging Singapore Pte. Ltd.
Others	Biomedical materials, System development etc.	Olympus Corporation (Consolidated subsidiaries) Olympus Terumo Biomaterials Corp., Olympus Systems Co., Ltd., Nippon Outsourcing Corporation
Common	Holding companies, Financial investment	Olympus Corporation (Consolidated subsidiaries) Olympus Corporation of the Americas, Olympus Europa Holding SE, Olympus Europa SE & Co. KG, Olympus KeyMed Group Limited, Olympus Corporation of Asia Pacific Limited, Olympus Finance UK Limited

Notes:
1. The name of the reportable segment previously known as “Life Science and Industrial Systems” has been changed to “Scientific Solutions.”
2. As of April 1, 2014, Olympus NDT Corporation changed its name to Olympus Scientific Solutions Americas Corp.
3. As of January 1, 2015, Olympus Imaging America Inc. was merged with Olympus America Inc. in an absorption-type merger.
4. During the fiscal year under review, the Company sold all the shares it held in E-Globaledge Corporation which was previously included in Others.
5. As of April 1, 2015, Olympus Imaging Corp. was merged with the Company in an absorption-type merger.
6. As of April 1, 2015, Olympus Engineering Co., Ltd. was merged with Nagano Olympus Co., Ltd. in an absorption-type merger.

The outline chart of our group described in the preceding clause is as follows;



3. Operating Policy

Disclosure of operating policy is omitted because there has not been any material changes since this information was disclosed in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2013" (disclosed May 15, 2013).

To view the above document, please visit the URL stated below.

(Website of the Company)

http://www.olympus-global.com/en/ir/data/brief/2013/

(Website of Tokyo Stock Exchange (Listed Company Search))

http://www2.tse.or.jp/tseHpFront/JJK020010Action.do?Show=Show

4. Basic Rationale for Selecting the Accounting Standards

The Olympus Group has commenced a study to understand the differences between IFRS and the accounting principles generally accepted in Japan, and their impact on the Group.

At this point, the adoption of IFRS has not been decided, and the Group intends to respond appropriately giving due consideration to the situation in Japan and overseas.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
ASSETS		
Current assets		
Cash and time deposits	252,121	209,875
Notes and accounts receivable	132,233	148,127
Lease receivables and lease investment assets	23,454	31,683
Merchandise and finished goods	51,613	57,179
Work in process	24,827	24,585
Raw materials and supplies	22,155	25,623
Deferred income taxes	35,925	40,341
Other current assets	37,570	44,384
Allowance for doubtful accounts	(3,386)	(4,269)
Total current assets	576,512	577,528
Fixed assets		
Property, plant and equipment		
Buildings and structures	126,026	127,751
Accumulated depreciation	(77,769)	(78,998)
Buildings and structures, net	48,257	48,753
Machinery and equipment	52,058	53,225
Accumulated depreciation	(42,194)	(41,805)
Machinery and equipment, net	9,864	11,420
Tools, furniture and fixtures	192,272	205,607
Accumulated depreciation	(139,547)	(146,194)
Tools, furniture and fixtures, net	52,725	59,413
Land	15,561	16,073
Lease assets	13,086	16,703
Accumulated depreciation	(5,603)	(7,812)
Lease assets, net	7,483	8,891
Construction in progress	1,550	5,595
Net property, plant and equipment	135,440	150,145
Intangible assets		
Goodwill	106,850	114,025
Others	66,709	66,622
Total intangible assets	173,559	180,647
Investments and other assets		
Investment securities	56,076	72,263
Long-term loans receivable	94	16
Deferred income taxes	12,247	9,480
Net defined benefit asset	28,217	36,547
Other assets	55,293	64,481
Allowance for doubtful accounts	(9,963)	(9,556)
Total investments and other assets	141,964	173,231
Total fixed assets	450,963	504,023
Total assets	1,027,475	1,081,551

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
LIABILITIES		
Current liabilities		
Notes and accounts payable	45,409	39,155
Short-term borrowings	69,017	89,118
Other payable	28,871	37,450
Accrued expenses	73,736	83,391
Income taxes payable	13,403	12,612
Provision for product warranties	8,937	5,116
Provision for loss on business liquidation	4,683	481
Provision for loss on litigation	11,000	11,000
Provision related to the U.S. Anti-kickback Act	–	58,883
Other current liabilities	21,250	25,570
Total current liabilities	276,306	362,776
Non-current liabilities		
Long-term bonds, less current maturities	55,000	55,000
Long-term borrowings, less current maturities	291,814	210,303
Deferred income taxes	33,711	39,160
Net defined benefit liability	27,291	38,429
Provision for retirement benefits for directors and audit & supervisory board members	58	34
Other non-current liabilities	12,011	18,595
Total non-current liabilities	419,885	361,521
Total liabilities	696,191	724,297
NET ASSETS		
Shareholders' equity		
Common stock	124,520	124,520
Capital surplus	131,871	90,940
Retained earnings	81,534	113,817
Treasury stock, at cost	(1,098)	(1,111)
Total shareholders' equity	336,827	328,166
Accumulated other comprehensive income		
Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	11,836	24,764
Net unrealized gains (losses) on hedging derivatives, net of taxes	(1)	(8)
Foreign currency translation adjustments	(13,411)	15,285
Remeasurements of defined benefit plans	(5,732)	(12,745)
Total accumulated other comprehensive income	(7,308)	27,296
Subscription rights to shares	115	260
Minority interests	1,650	1,532
Total net assets	331,284	357,254
Total liabilities and net assets	1,027,475	1,081,551

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Net sales	713,286	764,671
Costs of sales	272,830	274,820
Gross profit	440,456	489,851
Selling, general and administrative expenses	367,011	398,889
Operating income	73,445	90,962
Non-operating income		
Interest income	1,068	732
Dividends income	858	1,515
Reversal of allowance for doubtful accounts	–	750
Others	2,401	2,669
Total non-operating income	4,327	5,666
Non-operating expenses		
Interest expenses	11,470	8,918
Foreign currency exchange loss	2,022	1,669
Advanced repayment expenses	1,528	1,117
Net loss of investment in affiliated companies carried on the equity method	1,457	2,791
Others	10,382	9,351
Total non-operating expenses	26,859	23,846
Ordinary income	50,913	72,782
Extraordinary income		
Gain on sales of noncurrent assets	102	–
Gain on sales of investment securities	556	–
Gain on sales of investments in subsidiaries and affiliates	496	–
Total extraordinary income	1,154	–
Extraordinary losses		
Impairment loss on fixed assets	4,871	119
Loss on sales of investment securities	–	482
Loss on valuation of investment securities	177	–
Loss on sales of investments in subsidiaries and affiliates	209	–
Loss on valuation of investments in subsidiaries and affiliates	30	–
Soil improvement cost	808	745
Loss on liquidation of business	11,591	1,820
Loss related to securities litigation	17,256	6,816
Penalty charges	700	–
Loss related to the U.S. Anti-kickback Act	–	53,866
Total extraordinary losses	35,642	63,848

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Income before provision for income taxes	16,425	8,934
Income taxes, current	19,740	20,076
Income taxes for prior periods	(230)	–
Income taxes, deferred	(16,712)	(2,271)
Total	2,798	17,805
Income (loss) before minority interests	13,627	(8,871)
Minority interest (loss) in income of consolidated subsidiaries	0	(134)
Net income (loss)	13,627	(8,737)

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Income (loss) before minority interests	13,627	(8,871)
Other comprehensive income		
Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	5,541	12,928
Net unrealized gains (losses) on hedging derivatives, net of taxes	(21)	(7)
Foreign currency translation adjustments	44,622	28,759
Pension liability adjustment of foreign subsidiaries	1,150	–
Remeasurements of defined benefit plans, net of taxes	–	(7,013)
Share of other comprehensive income of associates accounted for using equity method	77	4
Total other comprehensive income	51,369	34,671
Comprehensive income	64,996	25,800
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	64,915	25,867
Comprehensive income attributable to minority interests	81	(67)

(3) Consolidated Statements of Changes in Net Assets

Fiscal year ended March 31, 2014

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at the beginning of the year	73,332	79,788	68,000	(11,255)	209,865
Changes during the year					
Issuance of common stock	51,189	51,189			102,378
Net income (loss)			13,627		13,627
Transfer to retained earnings from capital surplus					
Change of scope of consolidation			(93)		(93)
Acquisition of treasury stock				(16)	(16)
Disposal of treasury stock		894		10,173	11,067
Net changes in items other than shareholders' equity					
Net changes during the year	51,189	52,083	13,534	10,157	126,963
Balance at the end of the year	124,520	131,871	81,534	(1,098)	336,827

	Accumulated other comprehensive income						Subscription rights to shares	Minority interests	Total net assets
	Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	Net unrealized gains (losses) on hedging derivatives, net of taxes	Foreign currency translation adjustments	Pension liability adjustment of foreign subsidiaries	Remeasurements of defined benefit plans	Total accumulated other comprehen-sive income			
Balance at the beginning of the year	6,295	20	(58,029)	(9,546)	–	(61,260)	–	3,302	151,907
Changes during the year									
Issuance of common stock									102,378
Net income (loss)									13,627
Transfer to retained earnings from capital surplus									–
Change of scope of consolidation									(93)
Acquisition of treasury stock									(16)
Disposal of treasury stock									11,067
Net changes in items other than shareholders' equity	5,541	(21)	44,618	9,546	(5,732)	53,952	115	(1,652)	52,415
Net changes during the year	5,541	(21)	44,618	9,546	(5,732)	53,952	115	(1,652)	179,378
Balance at the end of the year	11,836	(1)	(13,411)	–	(5,732)	(7,308)	115	1,650	331,284

Fiscal year ended March 31, 2015

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at the beginning of the year	124,520	131,871	81,534	(1,098)	336,827
Cumulative effects of changes in accounting policies			89		89
Restated balance	124,520	131,871	81,623	(1,098)	336,916
Changes during the year					
Issuance of common stock					
Net income (loss)			(8,737)		(8,737)
Transfer to retained earnings from capital surplus		(40,931)	40,931		–
Change of scope of consolidation					
Acquisition of treasury stock				(13)	(13)
Disposal of treasury stock					
Net changes in items other than shareholders' equity					
Net changes during the year	–	(40,931)	32,194	(13)	(8,750)
Balance at the end of the year	124,520	90,940	113,817	(1,111)	328,166

	Accumulated other comprehensive income						Subscription rights to shares	Minority interests	Total net assets
	Net unrealized holding gains (losses) on available-for-sale securities, net of taxes	Net unrealized gains (losses) on hedging derivatives, net of taxes	Foreign currency translation adjustments	Pension liability adjustment of foreign subsidiaries	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the year	11,836	(1)	(13,411)	–	(5,732)	(7,308)	115	1,650	331,284
Cumulative effects of changes in accounting policies									89
Restated balance	11,836	(1)	(13,411)	–	(5,732)	(7,308)	115	1,650	331,373
Changes during the year									
Issuance of common stock									–
Net income (loss)									(8,737)
Transfer to retained earnings from capital surplus									–
Change of scope of consolidation									–
Acquisition of treasury stock									(13)
Disposal of treasury stock									–
Net changes in items other than shareholders' equity	12,928	(7)	28,696	–	(7,013)	34,604	145	(118)	34,631
Net changes during the year	12,928	(7)	28,696	–	(7,013)	34,604	145	(118)	25,881
Balance at the end of the year	24,764	(8)	15,285	–	(12,745)	27,296	260	1,532	357,254

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Cash flows from operating activities		
Income before provision for income taxes	16,425	8,934
Depreciation and amortization	36,850	41,219
Impairment loss on fixed assets	4,871	119
Amortization of goodwill	9,457	9,421
Advanced repayment expense	1,528	1,117
Loss on liquidation of business	11,591	1,820
Loss related to securities litigation	17,256	6,816
Penalty charges	700	–
Loss related to the U.S. Anti-kickback Act	–	53,866
Increase (decrease) in net defined benefit liabilities	502	(914)
Decrease (increase) in net defined benefit assets	(1,888)	(7,501)
Increase (decrease) in provision for product warranties	259	(3,580)
Interest and dividend income	(1,926)	(2,247)
Interest expense	11,470	8,918
Net loss (gain) of investment in affiliated companies carried equity method	1,457	2,791
Increase (decrease) in provision for loss on business liquidation	–	(3,679)
Loss (gain) on sales of investment securities	(556)	482
Loss (gain) on valuation of investment securities	177	–
Loss (gain) on sale of investment securities in subsidiaries and affiliates	(287)	–
Decrease (increase) in accounts receivable	1,950	(13,020)
Decrease (increase) in inventories	2,890	(7,214)
Increase (decrease) in accounts payable	2,056	(5,740)
Increase (decrease) in other payable	(3,659)	3,772
Increase (decrease) in accrued expense	2,087	7,672
Decrease (increase) in fixed lease receivables	(7,337)	(3,772)
Other	1,176	6,460
Sub-total	107,049	105,740
Interest and dividend received	1,926	2,247
Interest payments	(11,911)	(9,055)
Advanced repayment expense paid	(1,528)	(1,117)
Loss related to securities litigation paid	(6,256)	(4,716)
Penalty charges paid	(700)	–
Income taxes paid	(16,192)	(26,288)
Net cash provided by operating activities	72,388	66,811

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Cash flows from investing activities		
Deposits in time deposits	(2,770)	(312)
Withdrawals from time deposits	6,096	1,002
Purchase of property, plant and equipment	(27,342)	(35,955)
Purchases of intangible assets	(5,242)	(5,143)
Purchases of investment securities	(544)	(328)
Sales and redemption of investment securities	1,196	1,157
Net increase from sales of investment in subsidiaries related to changes in scope of consolidation	4,854	254
Payments for loans receivable	(45)	–
Proceeds from loans receivable	2,559	29
Payments for transfer of business	–	(798)
Other	965	482
Net cash used in investing activities	(20,273)	(39,612)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(24,714)	7,977
Proceeds from long-term debt	104	1,545
Repayments of long-term debt	(90,274)	(77,061)
Redemption of bonds	(35,000)	–
Proceeds from issuance of common stock	101,594	–
Proceeds from disposal of treasury stock	11,067	–
Purchase of treasury stock	(16)	(12)
Dividends paid to minority shareholders	(267)	(46)
Other	(2,187)	(2,588)
Net cash used in financing activities	(39,693)	(70,185)
Effect of exchange rate changes on cash and cash equivalents	13,140	1,451
Net increase (decrease) in cash and cash equivalents	25,562	(41,535)
Cash and cash equivalents at beginning of year	225,782	251,344
Cash and cash equivalents at end of year	251,344	209,809

(5) Notes Regarding Consolidated Financial Statements

(Notes on Premise of Going Concern)

No items to report

(Important Items That Form the Basis for Preparing the Consolidated Financial Statements)

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 133

E-Globaledge Corporation and other 3 companies have been excluded from consolidated subsidiaries due to sale of shares during the fiscal year ended March 31, 2015.

Olympus Imaging America Inc. and other 8 companies have been excluded from consolidated subsidiaries due to merger with other consolidated subsidiaries during the fiscal year.

Olympus Leasing Co., Ltd. and 6 other companies have been excluded from consolidated subsidiaries due to liquidation during the fiscal year.

(2) Name of non-consolidated subsidiaries

Non-consolidated subsidiaries are as follows:

Olympus-Supportmate Corp. and another company

Reason of excluding from the scope of consolidation

The 2 non-consolidated subsidiaries are all small and not material when measured by the impact of total amounts of assets, net sales, net income, and retained earnings (based on the Company’s ownership percentage) of those companies on consolidated financial statements. They have therefore been excluded from the scope of consolidation.

2. Application of the equity method

(1) Affiliated companies accounted for under the equity method: 4

Adachi Co., Ltd.

Olympus Opto Systems India Private Limited

OLYMPUS-RMS CORP.

Sony Olympus Medical Solutions Inc.

(2) Olympus-Supportmate Corp. and another non-consolidated subsidiary have not been accounted for under the equity method because the impact of all those companies on consolidated net income/loss and retained earnings is not material.

(Changes in Accounting Policies)

(Changes in accounting standard for retirement benefits, etc.)

Regarding the “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, May 17, 2012) and the “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, May 17, 2012), effective from the fiscal year ended March 31, 2015, the Company has applied the provisions of the main clauses of Paragraph 35 of the Accounting Standard for Retirement Benefits and Paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits, reviewed its calculation method for projected benefit obligation and current service costs, and changed its method of attributing expected benefits to periods from the straight-line basis to the benefit formula basis. In addition, the Company has changed the method for determining the discount rate to one that uses a single weighted average discount rate reflecting the estimated timing and amount of benefit payment.

Application of the Accounting Standard for Retirement Benefits and Guidance on Accounting Standard for Retirement Benefits is in line with the transitional measures provided in Paragraph 37 of the Accounting Standard for Retirement Benefits, and the effect of the revision to the calculation method for projected benefit obligation and current service costs has been added to or deducted from retained earnings as of April 1, 2014.

As a result, as of April 1, 2014, net defined benefit liability decreased ¥142 million, and retained earnings increased by ¥89 million.

The effect of this application on profit and loss for the fiscal year ended March 31, 2015, is immaterial. Moreover, the effect of this application on net assets per share and net loss per share for the fiscal year ended March 31, 2015, is immaterial.

(Changes in presentation method)

(Consolidated Statements of Income)

In the current fiscal year, “Settlement package” and “Provision for loss on litigation,” which were presented separately under “Extraordinary losses” in the previous fiscal year, are included in “Loss related to securities litigation” as one item, in light of their similarity in content.

As a result, ¥6,256 million presented as “Settlement package” and ¥11,000 million presented as “Provision for loss on litigation,” in the consolidated income statements for the previous fiscal year have been combined and restated in “Loss related to securities litigation.”

(Consolidated Statements of Cash Flows)

“Settlement package” and “Increase (decrease) in provision for loss on litigation” and “Settlement package paid,” which were presented separately under “Cash flows from operating activities” in the previous fiscal year, have been included in “Loss related to securities litigation” or “Loss related to securities litigation paid,” in light of their similarity in content.

As a result, ¥6,256 million presented as “Settlement package” and ¥11,000 million presented as “Increase (decrease) in provision for loss on litigation” under “Cash flows from operating activities” in the consolidated statements of cash flows for the previous fiscal year have been combined and restated as “Loss related to securities litigation,” while ¥6,256 million presented as “Settlement package paid” has been restated as “Loss related to securities litigation paid.”

(Additional Information)

1. Future conditions

Following the Company's announcement on November 8, 2011 concerning its postponing of recognition of losses on securities investments, etc., investigations by overseas investigative authorities, supervisory bodies and other public bodies (including those in the U.K. and U.S.) remain ongoing. The consolidated financial statements may be corrected if any further important information comes to light in such investigations in the future.

In addition, concerning the Company's postponing of recognition of losses mentioned above, the investigation by the UK Serious Fraud Office that had been ongoing is now complete and on September 3, 2013. Prosecution was brought against the Company and its subsidiary Gyrus Group Limited ("GGL") on charges of breaching Section 501 of the UK Companies Act of 2006 in relation to the explanation made to the auditors of GGL subsidiaries concerning the documents related to GGL's financial accounts. The trial of this case is currently ongoing in the UK courts.

The prosecution's effect on the financial results of the Olympus Group is not clear since it is difficult to calculate its financial impact at this stage.

(Consolidated Statements of Income)

1. Major items and amounts of selling, general and administrative expenses are as follows:

(Millions of yen)

	Fiscal year ended March 31, 2014 (April 1, 2013 - March 31, 2014)	Fiscal year ended March 31, 2015 (April 1, 2014 - March 31, 2015)
Advertising and promotion expenses	41,885	42,906
Salaries and allowance	113,761	124,863
Bonuses	26,085	28,073
Retirement benefit expenses	8,650	4,659
Amortization of goodwill	9,457	9,421
Experiment and research expenses	29,174	35,697
Depreciation	26,002	29,794

2. Total amount of research and development expenses included in general and administrative expenses and production cost

(Millions of yen)

Fiscal year ended March 31, 2014 (April 1, 2013 - March 31, 2014)	Fiscal year ended March 31, 2015 (April 1, 2014 - March 31, 2015)
66,796	74,101

3 Impairment losses

Impairment losses are accounted for the following asset groups.

Fiscal year ended March 31, 2014 (April 1, 2013 - March 31, 2014)

(Millions of yen)

Application	Type	Location	Impairment loss
Other business assets	Buildings and structures Tools, furniture and fixtures Machinery and equipment Construction in progress Goodwill Long-term prepaid expenses	Tokyo, Massachusetts, etc., America	2,394 137 906 340 174 400
Idle assets	Buildings and structures	Fukushima	488
Assets scheduled for disposal	Software	Singapore	32
Total			4,871

Business assets are grouped mainly by segment, assets scheduled for disposal are grouped as assets to be disposed of by abandonment, sale etc., and idle assets are presented individually.

For business assets whose recoverability is not recognized over the estimated future cash flow period due to changes in the business environment, and those whose recoverability is not recognized due to decision making on disposal owing to business withdrawal, their book value is reduced to the recoverable amount. The recoverable amount is measured according to the realizable value (fair value less costs to sell) or the value in use, whichever is the higher amount. Assessment of the realizable value is based on the appraisal value and assessment of the value in use is based on future cash flows.

Within assets scheduled for disposal, a decision has been made to discontinue an in-house system. As a result, the book value of these assets is considered to be zero (0).

Fiscal year ended March 31, 2015 (April 1, 2014 - March 31, 2015)

(Millions of yen)

Application	Type	Location	Impairment loss
Idle assets	Buildings and structures	Aomori	119
Total			119

In principle, the Group’s business assets are grouped mainly by segment, assets scheduled for disposal are grouped by assets to be disposed of by abandonment, sale, etc., and idle assets are grouped by individual asset.

During the fiscal year ended March 31, 2015, for idle assets that are not used for business, their book value is reduced to the recoverable amount. The recoverable amount is measured according to the realizable value (fair value less costs to sell) or the value in use, whichever is the higher amount. Assessment of the realizable value is based on the appraisal value and assessment of the value in use is based on future cash flows.

4. Loss related to securities litigation

The Company has received claims for compensation for damages from several individual and institutional investors, for losses sustained as a result of the Company's false statements for the purpose of postponing recognition of losses in the Annual Securities Reports, Semi-Annual Securities Reports and Quarterly Securities Reports for the period from the fiscal year ended March 31, 2001 through the first quarter of the fiscal year ended March 31, 2012. "Loss related to securities litigation" represents losses relating to these claims for compensation for damages. A breakdown of the losses is presented below.

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Settlement package	6,256	6,760
Compensation for damage	–	56
Provision for loss on litigation	11,000	–
Total	17,256	6,816

"Settlement package" and "Compensation for damage" included the amount of settlements paid for some of the claims for damages and damages and interest on delayed payment based on a court judgment.

"Provision for loss on litigation" is a rational estimate of the amount considered likely to be required to prepare for losses related to litigation, etc., in light of the status of litigation proceedings.

5. Fiscal year ended March 31, 2015 (April 1, 2014 - March 31, 2015)

The Company's U.S. subsidiary, Olympus Corporation of the Americas has been the subject of an investigation by the U.S. Department of Justice relating to potential issues concerning its medical business under the Anti-Kickback Statute and the False Claims Act in the U.S. The Company recorded ¥53,866 million for "Loss related to the U.S. Anti-kickback Act" as the expected loss burden to prepare for future losses in light of the status of the investigation proceedings.

(Consolidated Statements of Changes in Net Assets)

Fiscal year ended March 31, 2014 (April 1, 2013 - March 31, 2014)

1. Class and total number of issued shares and class and number of treasury shares

	Number of shares at the beginning of the year (shares)	Increase in number of shares during the year (shares)	Decrease in number of shares during the year (shares)	Number of shares at the end of the year (shares)
Issued shares				
Common stock (Note 1)	305,671,508	37,000,000	—	342,671,508
Total	305,671,508	37,000,000	—	342,671,508
Treasury stock				
Common stock (Notes 2, 3)	4,425,782	5,281	4,000,000	431,063
Total	4,425,782	5,281	4,000,000	431,063

Notes :1. The increase of 37,000,000 shares in issued shares of common stock was a result of the issuance of shares through public offering (offering through a book building method).

2. The increase of 5,281 shares of common stock in treasury stock was a result of the purchase of shares constituting less than one unit.

3. The decrease of 4,000,000 shares of common stock in treasury stock was a result of the disposal of treasury stock through public offering (offering through a book building method).

2. Matters regarding subscription rights to shares

Classification	Breakdown of subscription rights to shares	Class of shares to be issued upon exercise of subscription rights to shares	Number of shares to be issued upon exercise of subscription rights to shares (shares)				Balance at the end of the year (millions of yen)
			At the beginning of the year	Increase during the year	Decrease during the year	At the end of the year	
Submitting company (Parent company)	Subscription rights to shares as share-based compensation stock options (Notes 1, 2)	—	—	40,100	1,000	39,100	115
Total		—	—	40,100	1,000	39,100	115

Notes :1. The increase of 40,100 shares of subscription rights to shares as share-based compensation stock options was a result of their issuance.

2. The decrease of 1,000 shares of subscription rights to shares as share-based compensation stock options was a result of a lapse of rights.

3. Items concerning dividends

(1) Paid dividends

No items to report

(2) Dividends whose record date falls in the current fiscal year and which have an effective date in the next fiscal year

No items to report

Fiscal year ended March 31, 2015 (April 1, 2014 - March 31, 2015)

1. Class and total number of issued shares and class and number of treasury shares

	Number of shares at the beginning of the year (shares)	Increase in number of shares during the year (shares)	Decrease in number of shares during the year (shares)	Number of shares at the end of the year (shares)
Issued shares				
Common stock (Note 1)	342,671,508	–	–	342,671,508
Total	342,671,508	–	–	342,671,508
Treasury stock				
Common stock	431,063	3,173	–	434,236
Total	431,063	3,173	–	434,236

Note :1. The increase of 3,173 shares of common stock in treasury stock was a result of the purchase of shares constituting less than one unit.

2. Matters regarding subscription rights to shares

Classification	Breakdown of subscription rights to shares	Class of shares to be issued upon exercise of subscription rights to shares	Number of shares to be issued upon exercise of subscription rights to shares (shares)				Balance at the end of the year (millions of yen)
			At the beginning of the year	Increase during the year	Decrease during the year	At the end of the year	
Submitting company (Parent company)	Subscription rights to shares as share-based compensation stock options (Notes 1, 2)	—	—	—	—	—	260
Total		—	—	—	—	—	260

3. Items concerning dividends

(1) Paid dividends

No items to report

(2) Dividends whose record date falls in the current fiscal year and which have an effective date in the next fiscal year

At the Ordinary General Meeting of Shareholders scheduled for June 26, 2015, the following matters regarding dividends are scheduled to be brought up for resolution.

(Scheduled to be resolved)	Class of shares	Total dividends (Millions of yen)	Dividend resource	Dividend per share (Yen)	Record date	Effective date
Ordinary General Meeting of Shareholders held on June 26, 2015	Common stock	3,422	retained earnings	10	March 31, 2015	June 29, 2015

(Segment Information)

[Segment Information]

1. Overview of reportable segments

The reportable segments of the Olympus Group are components of the Company whose separate financial information is available. These segments are periodically evaluated by the Board of Directors in deciding how to allocate management resources and in assessing the performance.

The Olympus Group has established business divisions at the Company, Olympus Medical Systems Corporation and Olympus Imaging Corporation. Each business division formulates comprehensive strategies for Japan and abroad with respect to products and services handled and deploys business activities.

Accordingly, being composed of segments, based on these business divisions, that are categorized according to products and services, the Olympus Group has the following four reportable segments: Medical Systems Business, Scientific Solutions Business, Imaging Systems Business and Others.

The “Medical Systems Business” manufactures and sells gastrointestinal endoscopes, surgical endoscopes, endo-therapy devices and other products. The “Scientific Solutions Business” manufactures and sells biological microscopes, industrial microscopes, industrial endoscopes, non-destructive testing equipment and other products. The “Imaging Systems Business” manufactures and sells digital cameras, voice recorders and other products. The “Others” business manufactures and sells biomedical materials, and conducts system development and other business activities.

Effective from the fiscal year under ended March 31, 2015, the name of the reportable segment previously known as “Life Science and Industrial Systems” has been changed to “Scientific Solutions.” The segment name change has no impact on segment information.

2. Method of calculating amounts of net sales, income/loss, assets, liabilities and other items

The accounting methods for the reportable business segments are generally the same as the methods described in “Important Items That Form the Basis for Preparing the Consolidated Financial Statements.” Profits of reportable segments are values on an operating income base. The internal sales or transfer among segments are based on actual market prices.

3. Information regarding net sales, income/loss, assets, liabilities, and other items by reportable segment

The fiscal year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

(Millions of yen)

	Reportable Segment					Adjustment (Note 1)	Amount on consolidated financial statements (Note 2)
	Medical Systems	Scientific Solutions	Imaging Systems	Others	Total		
Sales							
Sales to outside customers	492,296	98,510	96,111	26,369	713,286	–	713,286
Internal sales or transfer among segments	109	36	13	298	456	(456)	–
Total	492,405	98,546	96,124	26,667	713,742	(456)	713,286
Segment profit (loss)	112,735	4,935	(9,182)	(5,356)	103,132	(29,687)	73,445
Segment assets	559,053	94,568	78,730	23,603	755,954	271,521	1,027,475
Other items							
Depreciation cost	25,219	4,843	1,731	906	32,699	4,151	36,850
Amortization of goodwill	8,428	921	–	108	9,457	–	9,457
Increase in property, plant and equipment and intangible assets	26,719	4,498	3,496	817	35,530	2,280	37,810

Notes:

1. The adjustments are as follows:

(1) The deduction of ¥456 million in internal sales or transfer among segments is elimination of transactions among segments.

(2) The deduction of ¥29,687 million listed as an adjustment to segment profit includes corporate expenses of ¥29,687 million not allocated to any reportable segment. These corporate expenses mostly consisted of expenses related to the Corporate Center (management departments such as the Administrative Department) and Research & Development Center of the parent company.

(3) The ¥271,521 million listed as an adjustment of segment assets mainly consists of corporate assets not allocated to any reportable segment.

(4) The ¥4,151 million listed as a segment depreciation cost mainly consists of depreciation cost relating to corporate assets not allocated to any reportable segment.

(5) The ¥2,280 million listed as an increase in segment property, plant and equipment and intangible assets mainly consists of increase in fixed assets relating to corporate assets not allocated to any reportable segment.

2. Segment profits are adjusted to agree with operating income on the consolidated financial statements.

The fiscal year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(Millions of yen)

	Reportable Segment					Adjustment (Note 1)	Amount on consolidated financial statements (Note 2)
	Medical Systems	Scientific Solutions	Imaging Systems	Others	Total		
Sales							
Sales to outside customers	558,348	103,880	83,825	18,618	764,671	–	764,671
Internal sales or transfer among segments	155	79	18	604	856	(856)	–
Total	558,503	103,959	83,843	19,222	765,527	(856)	764,671
Segment profit (loss)	124,894	6,837	(13,870)	1,190	119,051	(28,089)	90,962
Segment assets	673,058	88,282	82,593	11,022	854,955	226,596	1,081,551
Other items							
Depreciation cost	28,850	5,260	2,737	397	37,244	3,975	41,219
Amortization of goodwill	8,715	677	–	29	9,421	–	9,421
Increase in property, plant and equipment and intangible assets	36,801	3,911	3,412	880	45,004	2,739	47,743

Notes:

1. The adjustments are as follows:

(1) The deduction of ¥856 million in internal sales or transfer among segments is elimination of transactions among segments.

(2) The deduction of ¥28,089 million listed as an adjustment to segment profit includes corporate expenses of ¥28,089 million not allocated to any reportable segment. These corporate expenses mostly consisted of expenses related to the Corporate Center (management departments such as the Administrative Department) and Research & Development Center of the parent company.

(3) The ¥226,596 million listed as an adjustment of segment assets mainly consists of corporate assets not allocated to any reportable segment.

(4) The ¥3,975 million listed as a segment depreciation cost mainly consists of depreciation cost relating to corporate assets not allocated to any reportable segment.

(5) The ¥2,739 million listed as an increase in segment property, plant and equipment and intangible assets mainly consists of increase in fixed assets relating to corporate assets not allocated to any reportable segment.

2. Segment profits are adjusted to agree with operating income on the consolidated financial statements.
3. Effective from the fiscal year under ended March 31, 2015, the name of the reportable segment previously known as “Life Science and Industrial Systems” has been changed to “Scientific Solutions.” The segment name change has no impact on segment information.

[Related Information]

The fiscal year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

1. Information by product and service

   Since similar information is disclosed in segment information, information by product and service has been omitted.

2. Information by region

   (i) Net sales

(Millions of yen)

Japan	North America	Europe	Asia	Others	Total
172,583	216,098	184,012	118,717	21,876	713,286

Notes: 1. Net sales are based on the location of the customer, and are classified by country or region.

2. Major countries and regions other than Japan are as follows:

(1) North America: USA, Canada

(2) Europe: Germany, UK, France, etc.

(3) Asia: Singapore, Hong Kong, China, Korea, Australia, etc.

(4) Others: Central and South America, Africa, etc.

   (ii) Property, plant and equipment

(Millions of yen)

Japan	America	Europe	Asia	Total
53,748	35,550	30,037	16,105	135,440

Notes: 1. Countries and regions are segmented by geographical proximity.

2. Major countries and regions other than Japan are as follows:

(1) America: USA, Canada, Mexico, and Brazil

(2) Europe: Germany, UK, France, etc.

(3) Asia: Singapore, Hong Kong, China, Korea, Australia, etc.

3. Information by major customer

   Since there is no major external customer that accounts for 10% or more of the net sales in the consolidated statements of income, information by major customer has been omitted.

The fiscal year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

1. Information by product and service

   Since similar information is disclosed in segment information, information by product and service has been omitted.

2. Information by region

   (i) Net sales

(Millions of yen)

Japan	North America	Europe	Asia	Others	Total
161,432	249,896	195,223	139,274	18,846	764,671

Notes: 1. Net sales are based on the location of the customer, and are classified by country or region.

2. Major countries and regions other than Japan are as follows:

(1) North America: USA, Canada

(2) Europe: Germany, UK, France, etc.

(3) Asia: Singapore, Hong Kong, China, Korea, Australia, etc.

(4) Others: Central and South America, Africa, etc.

   (ii) Property, plant and equipment

(Millions of yen)

Japan	America	Europe	Asia	Total
57,179	44,881	28,024	20,061	150,145

Notes: 1. Countries and regions are segmented by geographical proximity.

2. Major countries and regions other than Japan are as follows:

(1) America: USA, Canada, Mexico, and Brazil

(2) Europe: Germany, UK, France, etc.

(3) Asia: Singapore, Hong Kong, China, Korea, Australia, etc.

3. Information by major customer

   Since there is no major external customer that accounts for 10% or more of the net sales in the consolidated statements of income, information by major customer has been omitted.

[Information regarding impairment loss on fixed assets by reportable segment]

The fiscal year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

(Millions of yen)

	Medical Systems	Scientific Solutions	Imaging Systems	Others	Unallocation or Elimination	Total
Impairment loss	–	–	–	4,351	520	4,871

The fiscal year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(Millions of yen)

	Medical Systems	Scientific Solutions	Imaging Systems	Others	Unallocation or Elimination	Total
Impairment loss	–	–	–	–	119	119

[Information regarding amortization of goodwill and unamortized balance by reportable segment]

The fiscal year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

(Millions of yen)

	Medical Systems	Scientific Solutions	Imaging Systems	Others	Total
Unamortized balance	103,745	3,005	–	100	106,850

Note: Amortization of goodwill is not described because similar information is disclosed in segment information.

The fiscal year ended March 31, 2015(from April 1, 2014 to March 31, 2015)

(Millions of yen)

	Medical Systems	Scientific Solutions	Imaging Systems	Others	Total
Unamortized balance	111,205	2,749	–	71	114,025

Note: Amortization of goodwill is not described because similar information is disclosed in segment information.

[Information regarding gain on negative goodwill by reportable segment]

No items to report

(Per-Share Data)

	Fiscal year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)	Fiscal year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)
Net assets per share	¥962.83	¥1,038.64
Net income (loss) per share	¥41.05	(¥25.53)
Fully diluted net income per share	¥41.04	–

Notes: 1. Although there are potential shares in existence, fully diluted net income per share is not recorded for the fiscal year ended March 31, 2015 because the Company recorded net loss per share.

2. The basis for calculating net income (loss) per share is as follows:

(Millions of yen)

	Fiscal year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)	Fiscal year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)
Net income (loss)	13,627	(8,737)
Amount not attributable to common shareholder	–	–
Net income (loss) concerning common stock	13,627	(8,737)
Average number of shares during the year	331,992,635 shares	342,238,820 shares
Fully diluted net income per share		
Amount of net income adjustment	–	–
Increase in number of shares of common stock	23,384 shares	–
(Subscription rights to shares included therein)	(23,384 shares)	(–)
Outline of the residual securities excluded from the calculation of the fully diluted net income per share because they have no dilutive effects	–	2 types of subscription rights to shares (Number of subscription rights to shares: 391)

(Important Subsequent Event)

(Transactions under common control)

On April 1, 2015, the Company succeeded to the medical systems business of its wholly owned subsidiary Olympus Medical Systems Corp. (except for part of the manufacturing functions and part of the functions for responding to the laws and regulations for medical devices in individual countries) by an absorption-type split, and absorbed its wholly owned subsidiary Olympus Imaging Corp. by an absorption-type merger. In addition to the above reorganization, the Company also conducted an absorption-type merger with its wholly owned subsidiary Olympus Intellectual Property Services Co., Ltd. These actions were in accordance with resolutions of a Board of Directors meeting held on December 19, 2014.

1. Overview of transactions

(1) Absorption-type split

i) Name and description of business involved in combination

Name of business	Medical Systems Business
Description of business	Manufacture and sales of medical endoscopes and other medical devices (except for part of the manufacturing functions and part of the functions for responding to the laws and regulations for medical devices in individual countries.)

ii) Date of business combination

April 1, 2015

iii) Legal form of business combination

Absorption-type split in which Olympus Medical Systems Corp. becomes a splitting company and the Company becomes the succeeding company.

iv) Name of company after combination

Olympus Corporation

(2) Absorption-type merger

i) Name of companies involved in combination and description of their business

Names of companies	Olympus Imaging Corp., Olympus Intellectual Property Services Co., Ltd.
Description of business	Manufacture and sales of digital cameras and others, Research and analysis on, and management of, intellectual property rights

ii) Date of business combination

April 1, 2015

iii) Legal form of business combination

Absorption-type merger in which the Company becomes the surviving company, and Olympus Imaging Corp. and Olympus Intellectual Property Services Co., Ltd. become disappearing companies

iv) Name of company after combination

Olympus Corporation

(3) Description of transaction including purpose of the transaction

The Company seeks to promote its Medium-Term Vision, further advance One Olympus to achieve further growth under its next medium and long-term management plan, and achieve optimal allocation and maximum utilization of companywide management resources. To this end, the Company reviewed its business unit structure and other aspects in the Medical Systems and Imaging Systems Businesses, and consequently conducted a reorganization between itself and two companies: namely the Medical Systems Systems business unit, Olympus Medical Systems Corp., and the Imaging business unit, Olympus Imaging Corp. Moreover, in addition to the above reorganization, the Company also took steps to streamline the Group’s intellectual property operations, and strengthen their functions, by conducting an absorption-type merger with its wholly owned subsidiary Olympus Intellectual Property Services Co., Ltd. at the same time.

2. Outline of accounting treatment applied

These transactions are treated as transactions under common control in accordance with the Accounting Standard for Business Combinations (ASBJ Statement No. 21, December 26, 2008) and Guidance on Accounting Standard for Business Combinations and Business Divestitures (ASBJ Guidance No. 10, December 26, 2008).