

OLYMPUS

Transform Olympus

Transforming into
a Truly Global Medical Technology Company

Olympus Corporation

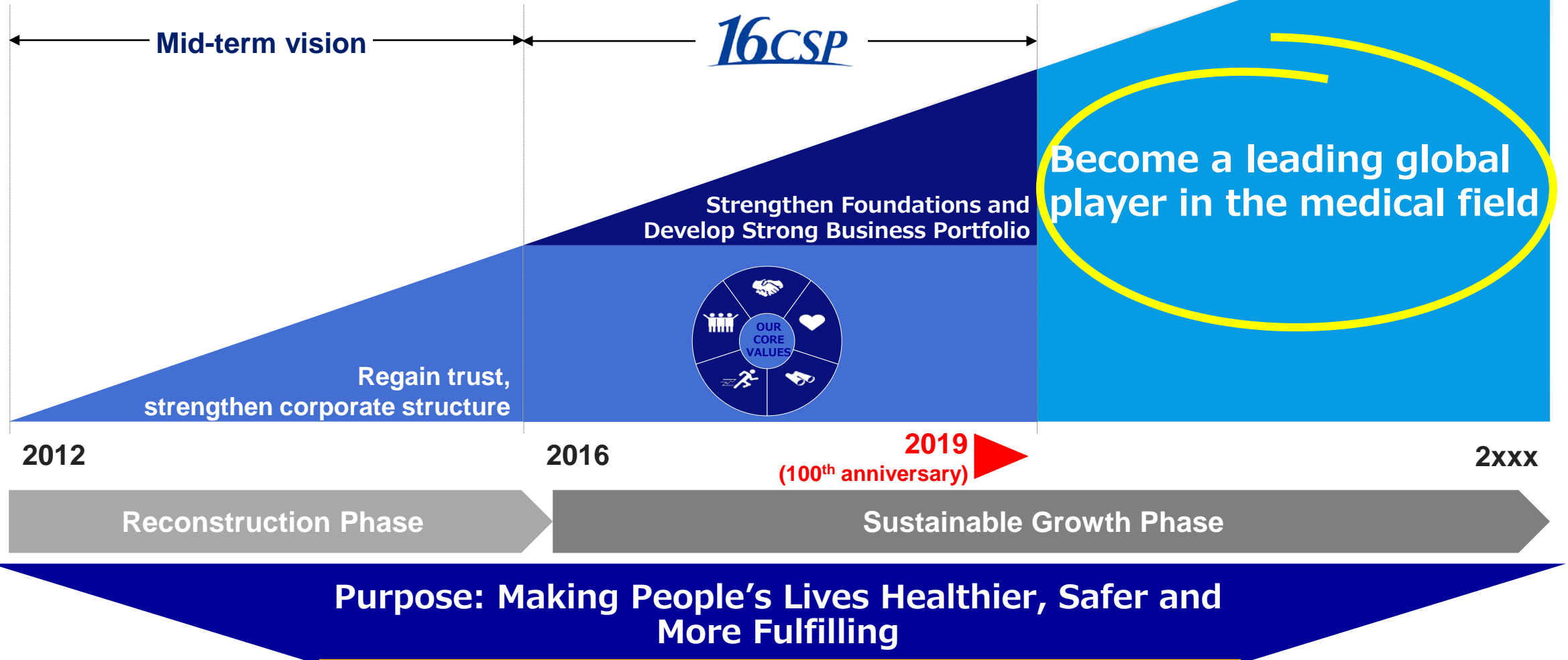
January 11, 2019

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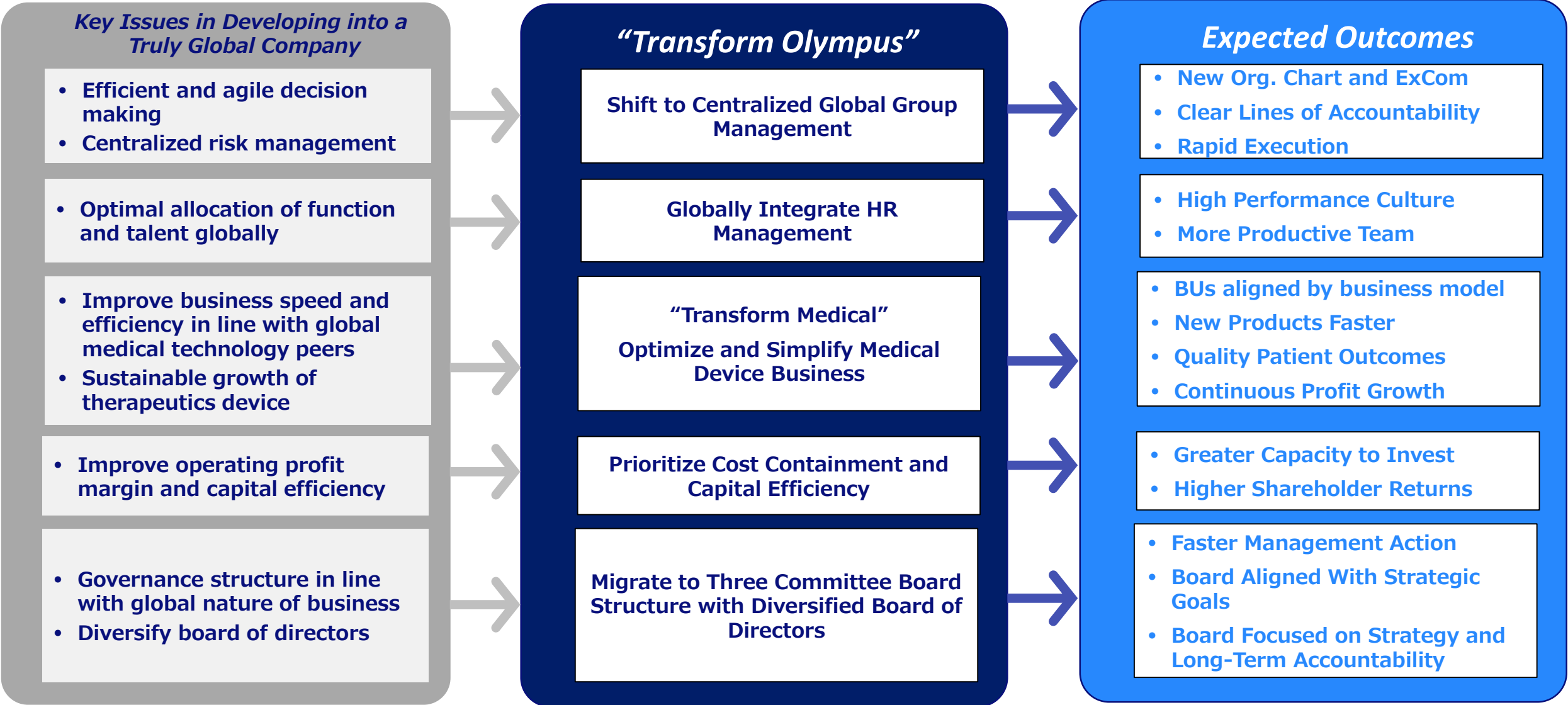
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Our Path So Far, and the Future Before Us

Sustainable and Continuous Growth from our 100th Anniversary Onwards



“Transform Olympus” - Transformation Plan to Become a Truly Global Company

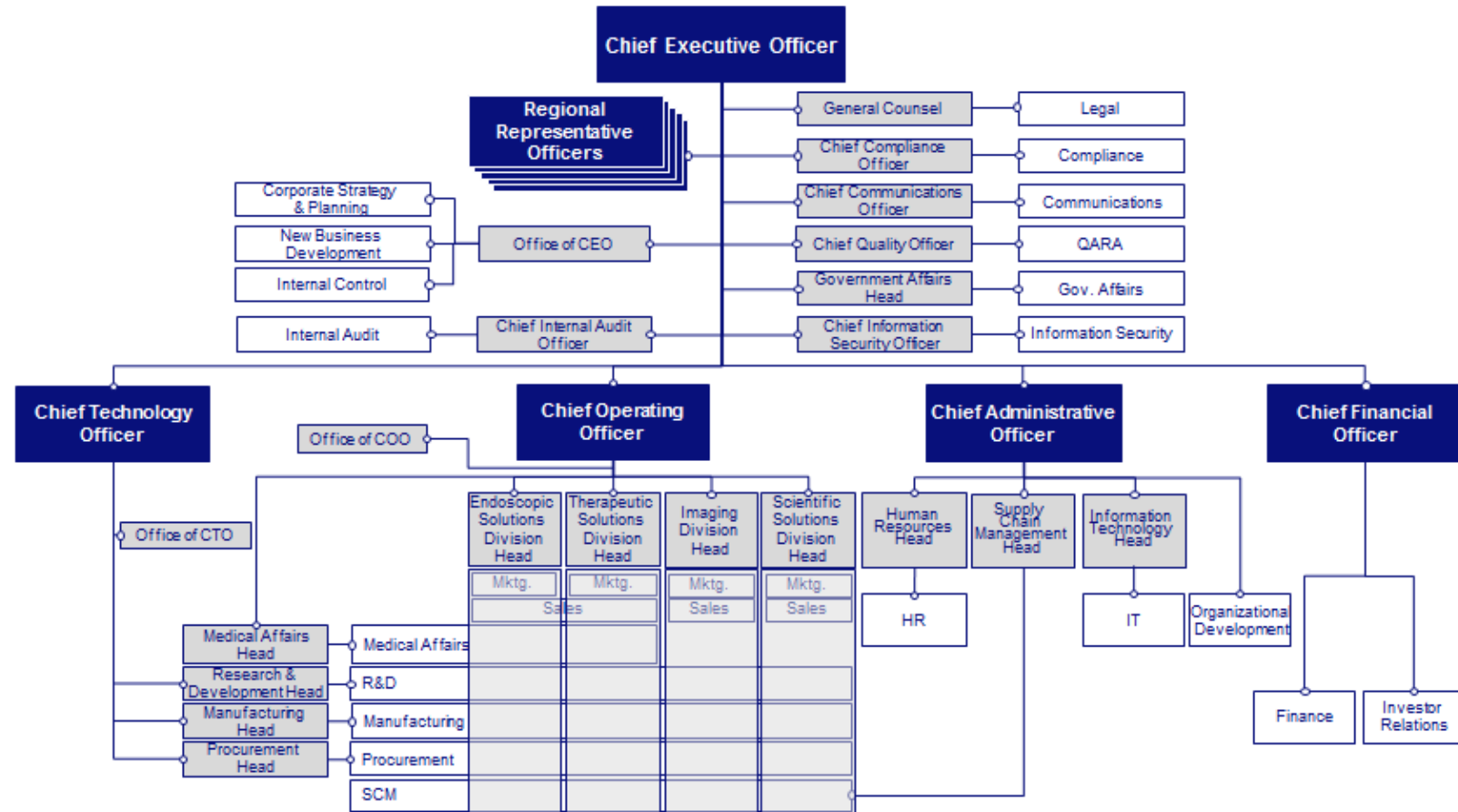


Shift to Integrated Global Group Management

Agile Decision-Making and Centralized Risk Management with Strengthened Leadership through Global Management Structure and Five Executive Officers

Effective as of April 1, 2019

Title	Name
Chief Executive Officer (CEO)	Yasuo Takeuchi
Chief Operating Officer (COO)	Akihiro Taguchi
Chief Technology Officer (CTO)	Haruo Ogawa
Chief Finance Officer (CFO)	Yasushi Sakai
Chief Administrative Officer (CAO)	Stefan Kaufmann

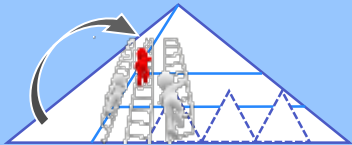


Globally Integrate HR Management to Create High Performance Culture

Establish Structure to Enable Optimal Talent Allocation Based on Globally Uniform Business Management

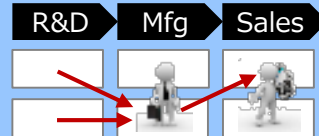
Talent Management Policy

1 Train Talent



- Early selection and appointment
- Talent management by function; greater functional specialization

2 Appoint and Assign Talent



- Appointing and assigning talent regardless of age and nationality
- Establishing a talent information system

3 Secure Talent



- Securing necessary talent at a global level
- Standardization of HR system

4 HR Governance



- Direct reporting lines and governance for all key positions globally

“Transform Medical” - Optimize and Simplify Medical Device Business

Initiative to Achieve Sustainable Business Growth; Enable Speedy and Lean Business Management
 Optimize Medical Business Potential with Respect to More Timely and Effective Product Offerings

Current Business Units	April 2019 onwards	Key Features	Products
Gastrointestinal and Respiratory	Endoscopic Solutions Division	<ul style="list-style-type: none"> Global Division Headquarters in Japan Improve existing infrastructure and processes 	<ul style="list-style-type: none"> Gastrointestinal (GI), Respiratory and Surgical endoscopy capital products Software Reprocessing Repair service Systems Integration
General Surgery			
Urology / Gynecology	Therapeutic Solutions Division	<ul style="list-style-type: none"> Global Division Headquarters in US Global decision making from US, the largest therapeutic device market with better access to the medical industry cluster 	<ul style="list-style-type: none"> EndoTherapy (single-use therapeutic) devices for GI and Respiratory fields Energy and other surgical single-use devices Urology, Gynecology and ENT products
Ear, Nose, and Throat (ENT)			
Medical Service			

Prioritize Cost Containment and Capital Efficiency for Entire Olympus Group

Improve Operating Profit Margin and Return on Capital in line with Global MedTech Industry Peers

A. Improve Operating Profit Margin

Initiatives

- Freeze FY2020 SG&A, including R&D at FY2018 level
 - ✓ Working groups to kickoff from January 2019
 - ✓ Covering FY2020 (April 2019 to March 2020)
 - ✓ FY2019 will remain at current guidance level
- Develop longer-term cost savings program for FY2020 onward
 - ✓ Will be finalized and announced in first half of FY2020

B. Improve Capital Efficiency

Initiatives

- Review capital expenditure and working capital levels across business units
- Sustainably improve free cash flow available for strategic M&A and shareholder return

Enhance Shareholder Return and Become a Leading Global MedTech Company

Migrate to “Company with Three Committees” Board Structure

Align Olympus’ Board Structure with the Global Nature of its Business and Provide Enhanced Oversight and Support of Management

Drive efficiency in decision-making, enhance corporate governance and improve transparency

Simultaneously improve the board’s focus on supervising management’s implementation of strategy and best practices

Increase management’s agility, and improve the ability to attract global executives

Diversify Board of Directors

Commitment to Diversifying Board By Nominating Three New Directors with Highly Relevant Global Backgrounds

Seek Shareholder Approval at 2019 AGM

Sustainable Growth in
MedTech Industry

*Accelerate
Shareholder
Value Creation
and Benefit All
Stakeholders*

Capital Efficiency
& Optimization of
Business Model

D. Robert Hale

- A Partner at ValueAct Capital Management L.P.
- Brings institutional and personal experience in corporate transformation and medical technology industry

Other New Directors

- Executives with relevant experience at leading global MedTech companies
- Help management refine and implement strategic goals and best practices

To Continue Development as a Truly Global MedTech Company

“Transform Olympus”

**Shift to Integrated
Global Group Management**

Globally Integrate HR Management

**“Transform Medical”
Optimize and Simplify
Medical Device Business**

**Prioritize Cost Containment and
Capital Efficiency**

**Migrate to Three Committee Board
Structure with Diversified Board of
Directors**

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