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Consolidated Financial Results for the Three Months of the Fiscal Year Ending March 31, 2019 <under IFRS>



August 7, 2018

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: Takayuki Aoyagi, General Manager, Accounting Department
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Scheduled date to submit the Quarterly Securities Report: August 7, 2018
Scheduled date to commence dividend payments: –
Presentation of supplementary material on quarterly financial results: Yes
Holding of quarterly 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 Three Months of the Fiscal Year Ending March 31, 2019 (From April 1, 2018 to June 30, 2018)

(1) Consolidated Results of Operations (cumulative) (% indicate changes from the same period of the previous fiscal year)

	Revenue		Operating profit		Profit before tax		Profit	
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
Three months ended June 30, 2018	180,554	5.1	(11,639)	–	(14,708)	–	(16,709)	–
June 30, 2017	171,846	1.9	12,707	(4.9)	11,924	5.4	10,084	12.0

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	(¥ million)	%	(¥ million)	%	(¥)	(¥)
Three months ended June 30, 2018	(16,685)	–	(13,456)	–	(48.87)	(48.87)
June 30, 2017	10,055	12.0	16,354	–	29.38	29.37

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent to total assets
	(¥ million)	(¥ million)	(¥ million)	%
As of June 30, 2018	981,978	421,119	419,821	42.8
March 31, 2018	978,663	444,259	442,793	45.2

2. Dividends

	Annual dividends				
	First quarter	Second quarter	Third quarter	Year-end	Total
	(¥)	(¥)	(¥)	(¥)	(¥)
Fiscal year ended March 31, 2018	–	0.00	–	28.00	28.00
Fiscal year ending March 31, 2019	–	–	–	–	–
Fiscal year ending March 31, 2019 (Forecast)	–	0.00	–	30.00	30.00

Note: Revisions of the forecast most recently announced: No

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2019

(From April 1, 2018 to March 31, 2019)

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

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥)
Full year	800,000	1.7	58,000	(28.4)	53,000	(30.9)	40,000	(29.9)	117.17

Note: Revisions of the forecast most recently announced: Yes

* Notes

(1) Changes in significant subsidiaries during the three months under review (changes in specified subsidiaries resulting in the changes in scope of consolidation): No

(2) Changes in accounting policies and changes in accounting estimates

- 1) Changes in accounting policies required by IFRS: No
- 2) Changes in accounting policies due to other reasons: No
- 3) Changes in accounting estimates: No

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

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

As of June 30, 2018	342,691,224 shares
As of March 31, 2018	342,691,224 shares

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

As of June 30, 2018	1,291,951 shares
As of March 31, 2018	1,295,351 shares

3) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2018	341,398,058 shares
Three months ended June 30, 2017	342,236,151 shares

* Quarterly financial results reports are exempt from quarterly reviews conducted by certified public accountants or an audit corporation.

* Proper use of the forecast of financial results, and other special matters

(Caution concerning forward-looking statements)

The forward-looking statements, including forecast of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable.

Accordingly, the Company cannot make promises to achieve such forecasts. Actual business and other results may differ substantially due to various factors. Please refer to the section of "Explanation of Forecast of Consolidated Financial Results and Other Forward-looking Statements" on page 4 of the attached material for the conditions that form the assumptions for the forecast and cautions concerning the use thereof.

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1. Qualitative Information Regarding Settlement of Accounts for the Three Months

(1) Explanation of Results of Operations

Overall

	(Millions of yen)			
	Three months ended June 30, 2017	Three months ended June 30, 2018	Increase (Decrease)	Increase (Decrease) Ratio (%)
Revenue	171,846	180,554	8,708	5.1
Operating profit (loss)	12,707	(11,639)	(24,346)	–
Profit (loss) attributable to owners of parent	10,055	(16,685)	(26,740)	–
Exchange rate (Yen/U.S. dollar)	111.09	109.07	(2.02)	
Exchange rate (Yen/Euro)	122.19	130.06	7.87	

In the global economy during the three months ended June 30, 2018, the U.S. economy continued to steadily recover against a backdrop of robust personal consumption. Europe is in a mild economic recovery amid improvement in the employment environment. In China, a move toward recovery has been seen due to expansion of personal consumption. In the Japanese economy, employment condition continued to improve and capital investment remained in a growth trend amid strong corporate earnings, with the trend of moderate recovery continuing.

Amid this business environment, the Olympus Group's overall consolidated revenue increased for the three months ended June 30, 2018 to ¥180,554 million (up 5.1% year on year), due to increased sales in the Medical Business and Scientific Solutions Business. Operating loss amounted to ¥11,639 million (compared with an operating profit of ¥12,707 million in the same period of the previous fiscal year) despite the Medical and Scientific Solutions Businesses' revenue growth. The loss was due to a monetary settlement of ¥19,028 million following damages claim litigation settlements; ¥5,380 million in costs associated with the restructuring of the Imaging Business's manufacturing locations; and damages, etc., amounting to ¥3,457 million resulting from the judgment regarding a lawsuit involving a Chinese production subsidiary, being recorded in Other expenses. Moreover, an increase in finance costs associated with exchange losses and an increase in income tax costs resulted in loss attributable to owners of parent of ¥16,685 million (compared with profit attributable to owners of parent of ¥10,055 million in the same period of the previous fiscal year).

Regarding foreign exchange, the yen appreciated against the U.S. dollar, on the other hand, it depreciated against the euro compared to the previous fiscal year. The average exchange rate during the period was ¥109.07 against the U.S. dollar (¥111.09 in the same period of the previous fiscal year) and ¥130.06 against the euro (¥122.19 in the same period of the previous fiscal year), which caused revenue and operating profit to rise by ¥2,017 million and ¥186 million, respectively, year on year.

Medical Business

	(Millions of yen)			
	Three months ended June 30, 2017	Three months ended June 30, 2018	Increase (Decrease)	Increase (Decrease) Ratio (%)
Revenue	134,436	143,916	9,480	7.1
Operating profit	23,197	27,382	4,185	18.0

Consolidated revenue in the Medical Business amounted to ¥143,916 million (up 7.1% year on year), while operating profit amounted to ¥27,382 million (up 18.0% year on year).

In the gastrointestinal endoscope field, although the mainstay endoscopy platform systems are reaching the second half of their product life cycles, steady sales were maintained. In the surgical field, the new "VISERA ELITE II" surgical endoscopy systems performed strongly while sales of the "THUNDERBEAT" integrated energy device with both advanced bipolar and ultrasonic energy continued to grow. In the therapeutic devices field, sales of disposable products for use in endoscopic diagnosis and treatment of biliary and pancreatic ducts and others were strong.

Operating profit in the Medical Business increased due to the increase in revenue.

Scientific Solutions Business

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018	Increase (Decrease)	Increase (Decrease) Ratio (%)
Revenue	19,973	21,089	1,116	5.6
Operating profit (loss)	(584)	(382)	202	–

Consolidated revenue in the Scientific Solutions Business amounted to ¥21,089 million (up 5.6% year on year), while operating loss amounted to ¥382 million (compared with an operating loss of ¥584 million in the same period of the previous fiscal year).

Sales of products for hospitals and life science research were strong in Japan and China. Moreover, in addition to strong sales of industrial microscopes for semiconductor and electrical component inspection, sales of non-destructive testing equipment mainly to the petroleum gas and power generation markets increased in Europe and China, leading to higher revenue year on year in the Scientific Solutions Business.

Operating loss in the Scientific Solutions Business decreased due to the increase in revenue.

Imaging Business

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018	Increase (Decrease)	Increase (Decrease) Ratio (%)
Revenue	15,131	13,891	(1,240)	(8.2)
Operating profit (loss)	886	(5,785)	(6,671)	–

Consolidated revenue in the Imaging Business amounted to ¥13,891 million (down 8.2% year on year), while operating loss amounted to ¥5,785 million (compared with an operating profit of ¥886 million in the same period of the previous fiscal year).

The Imaging Business's revenue declined due partly to the impact of constraints on supplies of certain products in conjunction with restructuring of manufacturing locations.

As a result of a decrease in revenues and the recording of costs associated with the restructuring of manufacturing locations, operating loss was recognized in the Imaging Business.

Others

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018	Increase (Decrease)	Increase (Decrease) Ratio (%)
Revenue	2,306	1,658	(648)	(28.1)
Operating profit (loss)	(479)	(662)	(183)	–

Consolidated revenue in other businesses amounted to ¥1,658 million (down 28.1% year on year) and operating loss was ¥662 million (compared with an operating loss of ¥479 million in the same period of the previous fiscal year).

Other businesses' revenue declined due mainly to external sales being terminated for lens units for compact cameras.

Operating loss for other businesses increased due to the decrease in revenue.

(2) Explanation of Financial Position

As of the end of the first quarter under review, total assets increased ¥3,315 million compared to the end of the previous fiscal year to ¥981,978 million.

This was primarily as a result of increases in inventories of ¥7,067 million, property, plant and equipment of ¥2,977 million, goodwill of ¥3,496 million and intangible assets of ¥3,413 million, and a decrease in trade and other receivables of ¥20,475 million.

Total liabilities increased ¥26,455 million compared to the end of the previous fiscal year to ¥560,859 million due mainly to an increase in provisions of ¥25,578 million in current liabilities.

Total equity decreased ¥23,140 million compared to the end of the previous fiscal year to ¥421,119 million, primarily due to a decrease in retained earnings reflecting ¥16,685 million in loss attributable to owners of parent and dividends of ¥9,559 million.

As a result of the foregoing, equity attributable to owners of parent to total assets decreased from 45.2% as of the end of the previous fiscal year to 42.8%.

(3) Explanation of Cash Flows

Cash and cash equivalents at the end of the first quarter under review reached ¥189,925 million, a decrease of ¥1,314 million compared to the end of the previous fiscal year. The following are the cash flows for the three months ended June 30, 2018.

Cash flows from operating activities

“Cash flows from operating activities” increased by ¥25,028 million for the three months ended June 30, 2018 (compared with an increase of ¥20,138 million for the three months ended June 30, 2017). Increasing factors mainly included a decrease of ¥22,592 million in trade and other receivables, ¥14,321 million in depreciation and amortization, and an adjustment for noncash items of ¥19,028 million in loss related to securities litigation. Decreasing factors mainly included ¥14,708 million in loss before tax, an increase of ¥6,721 million in inventories, and ¥7,460 million in income taxes paid.

Cash flows from investing activities

“Cash flows from investing activities” decreased by ¥17,378 million for the three months ended June 30, 2018 (compared with a decrease of ¥20,827 million for the three months ended June 30, 2017). Decreasing factors mainly included ¥11,584 million in purchase of property, plant and equipment and ¥3,436 million in payments for acquisition of business.

Cash flows from financing activities

“Cash flows from financing activities” decreased by ¥9,099 million for the three months ended June 30, 2018 (compared with a decrease of ¥10,147 million for the three months ended June 30, 2017). Decreasing factors mainly included ¥9,167 million in dividends paid.

(4) Explanation of Forecast of Consolidated Financial Results and Other Forward-looking Statements

Regarding the forecasts of consolidated financial results for the fiscal year ending March 31, 2019, the forecasts have been revised from the forecasts announced in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2018,” which was released on May 11, 2018.

The Olympus Group expects each of the income items to fall short of its previous forecast because a monetary settlement following damages claim litigation settlements, and damages, etc., resulting from the judgment regarding a lawsuit involving a Chinese production subsidiary, were recorded in Other expenses. The average exchange rates for the second quarter and onward of the fiscal year ending March 31, 2019, which are a precondition for the forecast, are expected to be ¥105 against the U.S. dollar and ¥130 against the euro.

(Millions of yen)

	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	Basic earnings per share
Previous Forecast (A)	800,000	81,000	76,000	59,000	¥172.50
Revised Forecast (B)	800,000	58,000	53,000	40,000	¥117.17
Increase (Decrease) (B-A)	–	(23,000)	(23,000)	(19,000)	–
Increase (Decrease) ratio (%)	–	(28.4)	(30.3)	(32.2)	–

2. Condensed Consolidated Financial Statements and Significant Notes Thereto**(1) Condensed Consolidated Statements of Financial Position**

(Millions of yen)

	As of March 31, 2018	As of June 30, 2018
ASSETS		
Current assets		
Cash and cash equivalents	191,239	189,925
Trade and other receivables	157,339	136,864
Other financial assets	7,442	6,353
Inventories	139,309	146,376
Income taxes receivable	4,127	8,725
Other current assets	14,487	16,866
Subtotal	513,943	505,109
Non-current assets held for sale	348	1,708
Total current assets	514,291	506,817
Non-current assets		
Property, plant and equipment	168,243	171,220
Goodwill	97,208	100,704
Intangible assets	73,371	76,784
Retirement benefit asset	29,514	30,713
Investments accounted for using equity method	44	39
Trade and other receivables	17,971	18,089
Other financial assets	39,683	39,346
Deferred tax assets	37,135	36,975
Other non-current assets	1,203	1,291
Total non-current assets	464,372	475,161
Total assets	978,663	981,978

(Millions of yen)

	As of March 31, 2018	As of June 30, 2018
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Trade and other payables	57,559	55,442
Bonds and borrowings	88,791	117,213
Other financial liabilities	8,793	11,297
Income taxes payable	9,467	7,345
Provisions	6,814	32,392
Other current liabilities	134,496	132,033
Total current liabilities	305,920	355,722
Non-current liabilities		
Bonds and borrowings	159,183	132,989
Other financial liabilities	7,379	7,754
Retirement benefit liability	39,145	40,468
Provisions	785	1,217
Deferred tax liabilities	10,004	11,312
Other non-current liabilities	11,988	11,397
Total non-current liabilities	228,484	205,137
Total liabilities	534,404	560,859
Equity		
Share capital	124,560	124,560
Capital surplus	91,502	91,505
Treasury shares	(4,775)	(4,763)
Other components of equity	(5,810)	(2,046)
Retained earnings	237,316	210,565
Total equity attributable to owners of parent	442,793	419,821
Non-controlling interests	1,466	1,298
Total equity	444,259	421,119
Total liabilities and equity	978,663	981,978

(2) Condensed Consolidated Statements of Profit or Loss

	(Millions of yen)	
	Three months ended June 30, 2017	Three months ended June 30, 2018
Revenue	171,846	180,554
Cost of sales	58,957	62,205
Gross profit	112,889	118,349
Selling, general and administrative expenses	99,526	105,011
Share of profit (loss) of investments accounted for using equity method	(187)	(8)
Other income	1,136	3,818
Other expenses	1,605	28,787
Operating profit (loss)	12,707	(11,639)
Finance income	1,149	619
Finance costs	1,932	3,688
Profit (loss) before tax	11,924	(14,708)
Income taxes	1,840	2,001
Profit (loss)	10,084	(16,709)
Profit (loss) attributable to:		
Owners of parent	10,055	(16,685)
Non-controlling interests	29	(24)
Profit (loss)	10,084	(16,709)
Earnings per share		
Basic earnings (loss) per share	¥29.38	¥(48.87)
Diluted earnings (loss) per share	¥29.37	¥(48.87)

(3) Condensed Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	Three months ended June 30, 2017	Three months ended June 30, 2018
Profit (loss)	10,084	(16,709)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	1,683	297
Remeasurements of defined benefit plans	(769)	(583)
Total of items that will not be reclassified to profit or loss	914	(286)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	5,299	3,420
Cash flow hedges	70	123
Share of other comprehensive income of associates accounted for using equity method	(13)	(4)
Total of items that may be reclassified to profit or loss	5,356	3,539
Total other comprehensive income	6,270	3,253
Comprehensive income	16,354	(13,456)
Comprehensive income attributable to:		
Owners of parent	16,325	(13,428)
Non-controlling interests	29	(28)
Comprehensive income	16,354	(13,456)

(4) Condensed Consolidated Statements of Changes in Equity

Three months ended June 30, 2017

(Millions of yen)

	Equity attributable to owners of parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Treasury shares	Other components of equity	Retained earnings	Total		
Balance at April 1, 2017	124,520	91,779	(1,122)	(5,652)	185,226	394,751	1,477	396,228
Profit					10,055	10,055	29	10,084
Other comprehensive income				6,270		6,270	0	6,270
Comprehensive income	–	–	–	6,270	10,055	16,325	29	16,354
Purchase of treasury shares			(1)			(1)		(1)
Dividends from surplus					(9,583)	(9,583)	(79)	(9,662)
Transfer from other components of equity to retained earnings				534	(534)	–		–
Total transactions with owners	–	–	(1)	534	(10,117)	(9,584)	(79)	(9,663)
Balance at June 30, 2017	124,520	91,779	(1,123)	1,152	185,164	401,492	1,427	402,919

Three months ended June 30, 2018

(Millions of yen)

	Equity attributable to owners of parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Treasury shares	Other components of equity	Retained earnings	Total		
Balance at April 1, 2018	124,560	91,502	(4,775)	(5,810)	237,316	442,793	1,466	444,259
Profit (loss)					(16,685)	(16,685)	(24)	(16,709)
Other comprehensive income				3,257		3,257	(4)	3,253
Comprehensive income	–	–	–	3,257	(16,685)	(13,428)	(28)	(13,456)
Purchase of treasury shares			(2)			(2)		(2)
Disposal of treasury shares		(14)	14			0		0
Dividends from surplus					(9,559)	(9,559)	(140)	(9,699)
Transfer from other components of equity to retained earnings				507	(507)	–		–
Share-based payment transactions		17				17		17
Total transactions with owners	–	3	12	507	(10,066)	(9,544)	(140)	(9,684)
Balance at June 30, 2018	124,560	91,505	(4,763)	(2,046)	210,565	419,821	1,298	421,119

(5) Condensed Consolidated Statements of Cash Flows

	(Millions of yen)	
	Three months ended June 30, 2017	Three months ended June 30, 2018
Cash flows from operating activities		
Profit (loss) before tax	11,924	(14,708)
Depreciation and amortization	12,651	14,321
Interest and dividend income	(535)	(576)
Interest expenses	1,759	1,480
Loss related to securities litigation	12	19,028
Share of loss (profit) of investments accounted for using equity method	187	8
Decrease (increase) in trade and other receivables	20,785	22,592
Decrease (increase) in inventories	(11,670)	(6,721)
Increase (decrease) in trade and other payables	1,048	(2,648)
Increase (decrease) in retirement benefit liability	(243)	531
Decrease (increase) in retirement benefit asset	2,078	(2,216)
Other	(10,699)	1,801
Subtotal	27,297	32,892
Interest received	211	299
Dividends received	324	277
Interest paid	(994)	(980)
Payments for loss on securities litigation	(217)	-
Income taxes paid	(6,483)	(7,460)
Net cash provided by operating activities	20,138	25,028
Cash flows from investing activities		
Purchase of property, plant and equipment	(11,289)	(11,584)
Proceeds from sale of property, plant and equipment	690	1,474
Purchase of intangible assets	(5,012)	(3,490)
Proceeds from sale of investments	960	38
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(8,726)	-
Proceeds from sale of investments in subsidiaries resulting in change in scope of consolidation	2,261	-
Payments for acquisition of business	-	(3,436)
Other	289	(380)
Net cash used in investing activities	(20,827)	(17,378)

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(2,051)	–
Dividends paid	(9,139)	(9,167)
Dividends paid to non-controlling interests	(79)	(140)
Other	1,122	208
Net cash used in financing activities	(10,147)	(9,099)
Effect of exchange rate changes on cash and cash equivalents	1,489	135
Net increase (decrease) in cash and cash equivalents	(9,347)	(1,314)
Cash and cash equivalents at beginning of period	199,465	191,239
Cash and cash equivalents at end of period	190,118	189,925

(6) Notes to Condensed Consolidated Financial Statements

(Notes on premise of going concern)

No items to report

(Reporting entity)

Olympus Corporation (hereinafter, the “Company”) is a joint stock company located in Japan. The address of its registered head office is Hachioji-shi, Tokyo. The Company’s condensed consolidated financial statements comprise the Company and its subsidiaries (hereinafter, the “Olympus Group”) and interests in the Company’s associates.

The Olympus Group is principally engaged in the manufacture and sales of medical, scientific, imaging and other products. Details of each business are as described in Note “Segment information.”

(Basis of preparation)

(1) Statement of the condensed consolidated financial statements’ compliance with IFRS

The condensed consolidated financial statements of the Olympus Group have been prepared in accordance with IAS 34. Since the requirements for “Specified Company of Designated International Accounting Standards” set forth in Article 1-2 of the “Ordinance on Terminology, Forms, and Preparation Methods of Quarterly Consolidated Financial Statements” are satisfied, the Olympus Group adopts the provisions of Article 93 of the same Ordinance.

The condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be used in conjunction with the Olympus Group’s annual consolidated financial statements as of March 31, 2017.

These condensed consolidated financial statements were approved by the Board of Directors meeting on August 7, 2018.

(2) Basis of measurement

The Olympus Group’s condensed consolidated financial statements have been prepared on an acquisition cost basis, except for specific financial instruments measured at fair value.

(3) Functional currency and presentation currency

The Olympus Group’s condensed consolidated financial statements are presented in Japanese yen, which is also the Company’s functional currency, and figures are rounded off to the nearest million yen.

(Significant accounting policies)

The significant accounting policies adopted for the condensed consolidated financial statements of the Olympus Group for the three months ended June 30, 2018 are the same as those applied for the fiscal year ended March 31, 2018.

(Significant accounting estimates and associated judgments)

In preparing IFRS-based consolidated financial statements, the management is required to make judgment, estimates and assumptions that affect the adoption of accounting policies and the amounts of assets, liabilities, revenues and expenses. Actual results may differ from such estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis and the effect is recognized in the period in which the estimates are revised and in future periods.

Significant accounting estimates and associated judgments in the condensed consolidated financial statements are consistent with the consolidated financial statements for the previous fiscal year.

(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, based on the four businesses, Medical Business, Scientific Solutions Business, Imaging Business and Others, formulates comprehensive strategies for Japan and abroad with respect to products and services handled and deploys business activities.

Accordingly, the Olympus Group has the abovementioned four businesses as reportable segments.

The principal products and services of each reportable segment are as follows.

Reportable Segment	Principal products and services
Medical Business	Gastrointestinal endoscopes, surgical endoscopes, endo-therapy devices, ultrasound endoscopes
Scientific Solutions Business	Biological microscopes, industrial microscopes, industrial endoscopes, non-destructive testing equipment
Imaging Business	Digital cameras, voice recorders
Others	Biomedical materials

(2) Revenue and business results for reportable segments

Revenue and other performance of each reportable segment of the Olympus Group are as follows. The accounting method used for reportable segments is the same as that applied for its consolidated financial statements for the fiscal year ended March 31, 2018.

Three months ended June 30, 2017

	Reportable Segment					Adjustment (Note 2)	Amount on condensed consolidated financial statements
	Medical	Scientific Solutions	Imaging	Others	Total		
Revenue							
Revenue from outside customers	134,436	19,973	15,131	2,306	171,846	—	171,846
Revenue among segments (Note 1)	—	25	—	136	161	(161)	—
Total revenue	134,436	19,998	15,131	2,442	172,007	(161)	171,846
Operating profit (loss)	23,197	(584)	886	(479)	23,020	(10,313)	12,707
Finance income							1,149
Finance costs							1,932
Profit before tax							11,924
Other items							
Share of profit (loss) of investments accounted for using equity method	(188)	1	—	—	(187)	—	(187)
Depreciation and amortization	9,659	1,469	530	151	11,809	842	12,651
Impairment losses (non-financial assets)	—	—	—	—	—	—	—

Notes:

- Revenue among segments is based on actual market prices.
- Adjustment for operating profit (loss) is corporate expenses that consist of elimination of transactions among segments as well as general and administrative expenses and fundamental research expenses etc. that are not attributable to reportable segments.

Three months ended June 30, 2018

	Reportable Segment					Adjustment (Note 2)	(Millions of yen) Amount on condensed consolidated financial statements
	Medical	Scientific Solutions	Imaging	Others	Total		
Revenue							
Revenue from outside customers	143,916	21,089	13,891	1,658	180,554	–	180,554
Revenue among segments (Note 1)	–	8	–	118	126	(126)	–
Total revenue	143,916	21,097	13,891	1,776	180,680	(126)	180,554
Operating profit (loss)	27,382	(382)	(5,785)	(662)	20,553	(32,192)	(11,639)
Finance income							619
Finance costs							3,688
Profit before tax							(14,708)
Other items							
Share of profit (loss) of investments accounted for using equity method	(7)	(1)	–	–	(8)	–	(8)
Depreciation and amortization	11,215	1,695	380	122	13,412	909	14,321
Impairment losses (non-financial assets)	–	–	–	–	–	–	–

Notes:

1. Revenue among segments is based on actual market prices.
2. Adjustment for operating profit (loss) is corporate expenses that consist of elimination of transactions among segments as well as general and administrative expenses and fundamental research expenses etc. that are not attributable to reportable segments.