

October 20th, 2011

To: Mr. Tsuyoshi Kikukawa, Chairman, President and Chief Executive Officer

Cc: Olympus Corporation Board Members

Mr. Haruhito Morishima

Mr. Hisashi Mori

Mr. Masataka Suzuki

Mr. Kazuhisa Yanagisawa

Mr. Shuichi Takayama

Mr. Takashi Tsukaya

Mr. Kazuhiro Watanabe

Mr. Makoto Nakatsuka

Mr. Shinichi Nishigaki

Mr. Hironobu Kawamata

Mr. Michael C. Woodford

Mr. Yasuo Hayashida

Mr. Hiroshi Kuruma

Mr. Junichi Hayashi

Cc:

Mr. Hideo Yamada, Standing Corporate Auditor

Mr. Tadao Imai, Standing Corporate Auditor

Mr. Yoshitaka Kato, Ernst & Young Japan

Mr. James Turley, Ernst & Young

Mr. Kazuyuki Miyaji, Listings Department, Tokyo
Stock Exchange

Mr. Makoto Shimada, Outside Corporate Auditor

Mr. Yasuo Nakamura, Outside Corporate Auditor
Securities and Exchange Surveillance Commission,
Japan Financial Services Agency

Mr. Barry Collins, Serious Fraud Office (UK)

Dear Sirs,

Southeastern Asset Management has been a supportive shareholder invested in Olympus since 2004. Currently we hold approximately 5% of shares outstanding. We are long term investors focused on high quality businesses with good people and good corporate governance. We are very concerned with the detailed allegations raised by your former CEO, Michael Woodford, over the last week. The questions that have been raised cannot go unanswered. Olympus has a storied history in imaging and a high quality medical franchise that is worth significantly more than the share price of ¥2,482 on the Thursday before the news of Mr. Michael Woodford's removal was released. Your duty to the company and all stakeholders requires that corporate governance and management match this quality and history. In that interest, we require answers to the questions detailed below. We request a reputable, third party accounting firm unaffiliated with Olympus or Gyrus be brought in to carry out a detailed audit and furnish answers to these questions no later than November 16th, 2011. We request a third party, independent special committee to oversee this process and report its results.

- Related to the Gyrus acquisition:
 - Was the Financial Advisor (FA) Axes America LLC (Axes)? What is the relationship between Axes and AXAM Investments Ltd (Axam)? Are any parties related to Olympus affiliated with Axes and/or Axam in any way? Who were the principals? Who did Olympus deal with at Axes and Axam?
 - What services provided by the FA merited a deal fee of \$50 million in warrants and \$176.98 million in options on a \$2 billion deal, 11.4% of the deal price? Why did the FA remuneration change from \$176.98 million to \$620 million (\$176.98+\$443.02) between September 30th, 2008 and March 31st, 2010?



- What were the formulas used to determine these two figures? Why did the formula change? Was professional advice sought in determining the reasonableness of the formulas that determined these payments? If yes please provide details. How does Olympus management justify a total of \$670 million in payments on a \$2 billion acquisition, 33.5% of the price?
- In an email exchange with Olympus investor relations dated May 28th of 2010 why was Southeastern told that the payment for preferred stock in the 2009 Annual Report was “one of the financing for Gyrus acquisition” when in fact it was payment to an FA?
- Relating to the acquisitions of Altis, Humalabo and News Chef:
 - Respectively, from whom did Olympus buy these three companies? Are any parties related to Olympus affiliated with the prior owners of Altis, Humalabo and News Chef in any way?
 - The Corporate value of Altis, Humalabo and News Chef was carried out using the DCF method. What third party accounting firm carried out this calculation? Did this accounting firm supply their own analysis of the companies or determine value using Olympus assumptions? Did the board approve these corporate values and the acquisitions of Altis, Humalabo and News Chef?
 - Who was held accountable for the dramatic impairment of value totaling ¥55.7 billion a mere nine months after the deals were completed? Why is this classified as Amortization of Goodwill and not an impairment charge? Why was no mention of Altis, Humalabo or News Chef made in the English 2009 Annual Report given the negative impact?
- Relating to Mr. Michael Woodford’s firing:
 - As representative director why was Mr. Woodford not allowed a hearing at the final board meeting?
 - Who will be held accountable for the dramatic collapse in the share price following his removal which has resulted in hundreds of billions of yen in market losses to shareholders?

Furthermore, Southeastern requests that we be provided voluntary access to, and allowed to make copies of, certain board minutes. We request access to the minutes of meetings related to the discussion and approval of the acquisitions of Gyrus, Altis, Humalabo and News Chef and any payments made to an FA for these transactions. To avoid any misunderstanding Southeastern does not wish to obtain material, non-public information which would affect Olympus business and/or limit Southeastern’s activities. We would like this access immediately.

We await the response to these questions as furnished by an independent third party auditor no later than November 16th, 2011.

Regards,



Mason Hawkins
Chairman & CEO



Josh Shores
Analyst & Principal



Andrew R. McCarroll
General Counsel & Principal

