

Tokyo prosecutors to quiz former Olympus officials: Nikkei

Tokyo prosecutors plan to investigate former Olympus Corp executives for their alleged role in a cover-up of investment losses, the Nikkei business daily said.

Ex-President Tsuyoshi Kikukawa, former Executive Vice President Hisashi Mori, and former auditor Hideo Yamada will face questioning by the Tokyo District Public Prosecutors Office's special investigations unit to determine whether they acted in violation of the Financial Instruments and Exchange Law, the paper said.

According to those familiar with the investigation, Mori and Yamada are suspected of orchestrating a scheme to hide nearly 100 billion yen (\$1.28 billion) in investment losses at Olympus, the daily added.

The alleged accounting maneuver involves shifting the losses off the books to domestic and overseas investment funds starting in the year ended March 1999, the Nikkei said.

Olympus allegedly provided false information in its financial statements for fiscal 2006 to 2010 by inflating the value of corporate buyouts to plug the hole created by the securities losses and Kikukawa, who became president in 2001, was reportedly aware of the details of the cover-up, the paper said.

Three former brokerage employees who were well-acquainted with Mori and Yamada reportedly advised the Olympus executives about the financial arrangements and helped to register overseas funds, the business daily said.

Tokyo prosecutors, the Tokyo Metropolitan Police Department, and the Securities and Exchange Surveillance Commission jointly raided Olympus headquarters and other sites in December and prosecutors have sifted through the seized data to build a case, the Nikkei said.

(Reporting by Ranjita Ganesan; Editing by Sreejiraj Eluvangal)

Source URL (retrieved on 01/29/2015 - 8:02pm):

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