Consolidated Financial Results for the 2nd Quarter and Full-year Forecasts for Fiscal 2024

Olympus Corporation | President and CEO, Stefan Kaufmann Executive Officer and CFO, Chikashi Takeda | November 9, 2023

(Slide 1)

- Hello everyone. I am Chikashi Takeda, CFO of Olympus Corporation.
- I would like to thank you all for participating in this conference.
- I would like to provide a review of our consolidated financial results for the second quarter of fiscal 2024 and talk about our full-year forecasts for fiscal 2024.

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Highlights

2Q and 6M Consolidated Financial Results

Sales increased due to strong growth in APAC, which grew in all areas. By segment, continued strength in Medical service. Profit decreased due to investments for sustainable growth and strengthening of operational infrastructure, and project-related expenses for improving efficiency, as well as loss related to Veran Medical Technologies, Inc.

- Revenue: 5% consolidated growth. Record high for Medical Business in 2Q and 6M
- Adjusted operating profit : Decreased due mainly to an increase in project-related expenses for improving efficiency, as well as personnel expenses for future growth and strengthening of operational infrastructure such as QARA
- Profit*: Record high of ¥216.3 billion due to a gain on transfer of Scientific Solutions Business (Evident). EPS: ¥174
- Others: Steady progress in addressing issues identified in warning letters, while engaging in a constructive dialogue with FDA

Full-year Performance Forecasts

Profit is expected to decline due to various internal and external factors, but we will steadily take measures to address identified growth inhibitors and continue to invest for sustainable growth

- Revenue: Expected to achieve ¥958 billion, up 9% YoY
- Adjusted operating profit: Expected to achieve ¥174.5 billion, down 1% YoY, with an adjusted operating margin of 18.2%
- Profit*: Record high of ¥289 billion due to a gain on transfer of Evident. EPS: Expected to be ¥238
- Shareholder returns: Decided on an additional share buyback of ¥80 billion (FY2024 total: ¥180 billion)

*Profit attributable to owners of parent. Figures through FY2016 are based on Japanese GAAP (JGAAP) and figures from FY2017 onward are based on IFRS. Since all shares of discontinued operation (Evident) were transferred in April 2023, a gain on this share transfer was recorded in the first quarter of FY2024.

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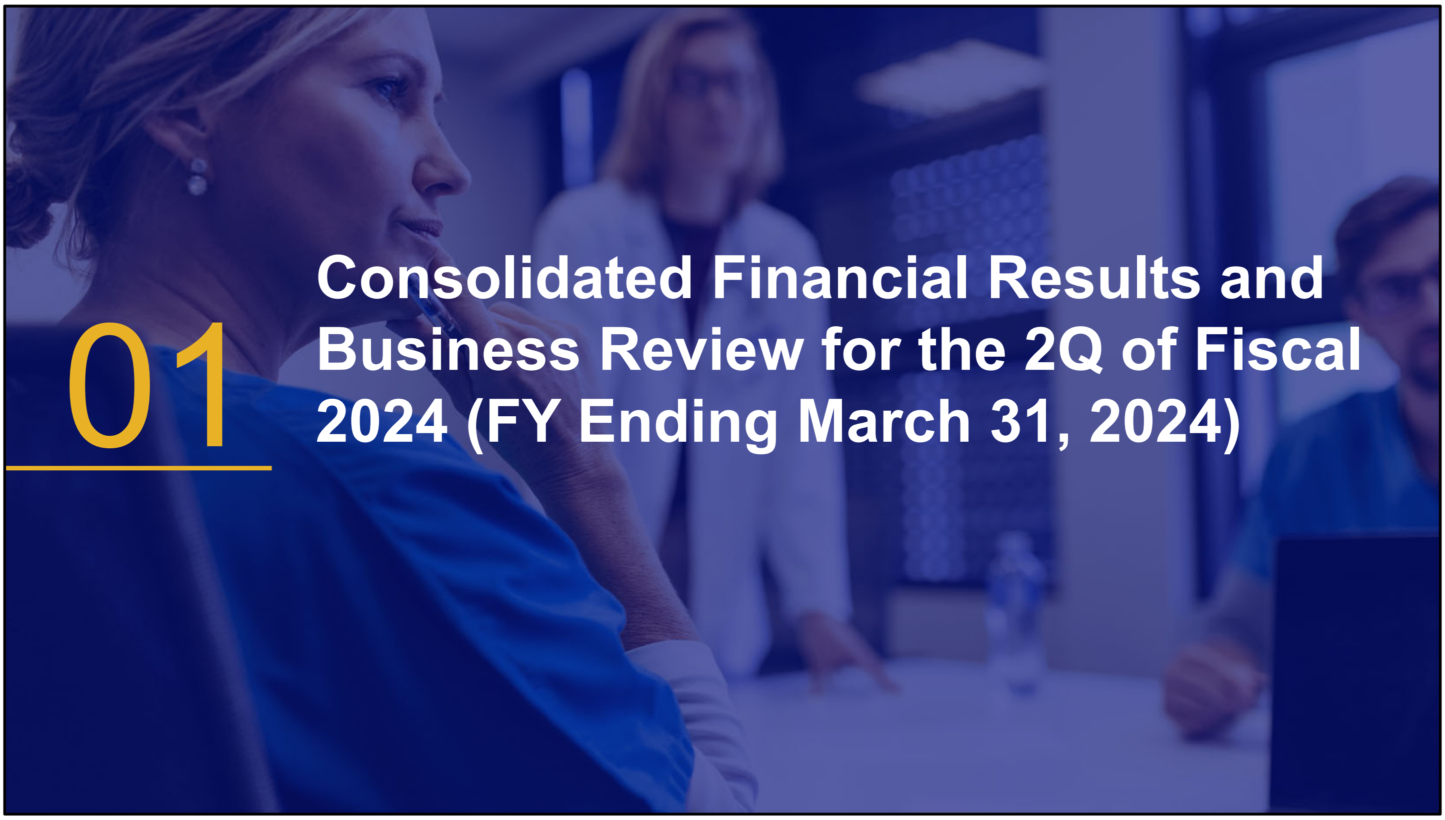
- This slide highlights the main points of our second quarter financial results for fiscal 2024.
- Revenue increased 5% on a consolidated basis. The Medical business reached a record high for the second quarter and for the first six months of the fiscal year.
- However, profit declined. In addition to the absence of the approximately ¥16.4 billion gain on the sale of land in Tokyo recorded in the previous fiscal year, this is due mainly to a loss of around ¥49.6 billion due to the discontinuation of manufacturing and sales of electromagnetic navigation systems, etc. by Veran Medical Technologies, and a provision of approximately ¥5 billion associated with the voluntary recall of small intestine endoscopy system, etc. in ESD. Other factors include rising expenses related to various projects to improve efficiency, as well as personnel expenses for future growth and strengthening of operational infrastructure such as QARA.
- Expenses related to the U.S. FDA were approximately ¥1.0 billion under SG&A expenses, with approximately ¥11.9 billion incurred under other expenses. These expenses were mainly comprised of complaint handling, medical device reports (MDRs) and the validation of processes and designs, and were designed to strengthen the quality assurance function for our medical devices as required by the FDA and authorities in various countries. We have been engaged in constructive dialogue with the FDA to date and have made steady progress in dealing with the issues indicated in the warning letters.
- Adjusted operating profit, which excludes other income and expenses, declined 16%, with an adjusted operating margin of 15.2%.
- Regarding total profit including both Continuing and Discontinued Operations, we posted a record high of ¥216.7 billion, with EPS of ¥174, due to a gain on the transfer of the Scientific Solutions Division (Evident) recorded in the first quarter.
- Moving on to our full-year forecasts for fiscal 2024, we have revised our forecasts to reflect results up until the second quarter in addition to changes to FX assumptions from the previous forecast.
- We project that revenue will increase 9% YoY to ¥958 billion, with adjusted operating profit declining 1% to ¥174.5 billion. We forecast an adjusted operating margin of 18.2%.
- We project combined profit from Continuing Operations and Discontinued Operation to reach a record high of ¥289 billion, with EPS of ¥238.
- Additionally, as announced in a timely disclosure today, we have decided on an additional share buyback of ¥80 billion in accordance with our capital allocation policy. In fiscal 2024, we plan a share buyback of ¥180 billion in total.
- In fiscal 2024, while we expect profit to decline due to various internal and external factors, we will steadily implement measures to address specific factors that inhibit growth, while continuing to implement upfront investments for sustainable growth. Our CEO, Stefan Kaufmann will talk more about these points later.



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- I will now explain the consolidated financial results and provide a business review for the second quarter of fiscal 2024.

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2Q of Fiscal 2024 (1) Consolidated Financial Results

1 Revenue: 5% consolidated growth. Record high for Medical Business in 2Q and 6M

2 Adjusted operating profit: Decreased due mainly to an increase in project-related expenses for improving efficiency, as well as personnel expenses for future growth and strengthening of operational infrastructure such as QARA

3 Profit*: Record high of ¥216.3 billion due to a gain on transfer of Scientific Solutions Business (Evident). EPS: ¥174

		6 Months (Apr. to Sep.)				2Q (Jul. to Sep.)			
	(Billions of yen)	FY2023	FY2024	YoY	After FX adjustment	FY2023	FY2024	YoY	After FX adjustment
**Continuing operations	Revenue	417.1	436.6	1 +5%	0%	224.8	228.9	+2%	-2%
	Gross profit (% of revenue)	277.5 (66.5%)	288.4 (66.1%)	+4%	-2%	151.8 (67.5%)	151.2 (66.1%)	0%	-5%
	Selling, general and administrative expenses (% of revenue)	198.5 (47.6%)	221.6 (50.8%)	+12%	+7%	102.5 (45.6%)	112.9 (49.3%)	+10%	+5%
	Other income and expenses	14.6	-62.0	-	-	-0.2	-56.0	-	-
	Operating profit (% of revenue)	93.6 (22.4%)	4.8 (1.1%)	-95%	-99%	49.1 (21.8%)	-17.7	-	-
	Adjusted operating profit (% of revenue)	**79.4 (19.0%)**	**66.6 (15.2%)**	2 **-16%**	**-24%**	**49.6 (22.1%)**	**38.3 (16.7%)**	**-23%**	**-26%**
	Profit before tax (% of revenue)	89.3 (21.4%)	-1.0	-¥90.3billion		47.3 (21.0%)	-20.7	-¥67.9billion	
	Profit from continuing operations (% of revenue)	69.5 (16.7%)	-11.5	-¥81.0billion		41.6 (18.5%)	-25.0	-¥66.6billion	
***Discontinued operation	Profit from discontinued operation	-2.6	228.1	+¥230.7billion		0.4	1.0	+¥0.6billion	
Continuing operations + Discontinued operation	Profit (loss)	66.9	216.7	+224%		42.0	-24.0	-¥66.0billion	
	Profit (loss) attributable to owners of parent	66.8	216.3	3 +224%		42.0	-24.3	-¥66.2billion	
	EPS	¥53	¥174			-	-		

*Profit attributable to owners of parent. Figures through FY2016 are based on Japanese GAAP (JGAAP) and figures from FY2017 onward are based on IFRS.

**The figures from "Revenue" to Profit from continuing operations" represents continuing operations.

***Since all shares of discontinued operation (Evident) were transferred in April 2023, a gain on this share transfer was recorded in the first quarter of the fiscal year ending March 31, 2024.

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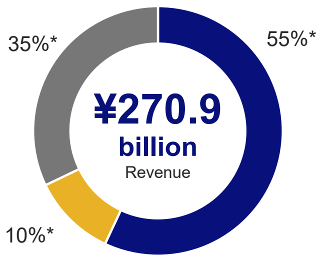
- This is an overview of our consolidated financial results.
- Consolidated revenue amounted to ¥436.6 billion, up 5% YoY. The Medical business reached a record high for the second quarter and for the first six months of the fiscal year. All business segments - ESD, TSD and Others - grew. By region, APAC, which grew in all areas, performed well. By business segment, Medical service and GI-Endotherapy continued strength.
- Gross profit was ¥288.4 billion, with gross margin deteriorating 0.4 point. Despite a decrease in procurement in the semiconductor spot market, the ratio worsened due to a provision of approximately ¥5 billion associated with the voluntary recall of small intestine endoscopy system, etc. in ESD.
- SG&A expenses were ¥221.6 billion, with SG&A ratio deteriorating 3.2 points. Major factors behind this include an increase in expenses related to various projects to improve efficiency, as well as rising personnel expenses for future growth and strengthening of operational infrastructure such as QARA.
- Adjusted operating profit declined ¥12.8 billion to ¥66.6 billion, down 16% YoY. The adjusted operating margin deteriorated 3.8 points to 15.2%.
- Regarding other income and expenses, a loss of ¥62 billion was posted. A loss of about ¥49.6 billion due to the discontinuation of manufacturing and sales of electromagnetic navigation systems, etc. by Veran Medical Technologies, and FDA-related expenses of about ¥11.9 billion were recorded. In the previous fiscal year, we recorded a gain of ¥14.6 billion, including a gain of approximately ¥16.4 billion on the sale of land in Tokyo.
- A loss of ¥11.5 billion from Continuing Operations was posted. In the meantime, with completion of the transfer of Discontinued Operation (Evident) in April 2023, we recorded a gain on the transfer in the first quarter of this fiscal year. Total profit including both Continuing and Discontinued Operations amounted to ¥216.7 billion, with EPS of ¥174.

2Q of Fiscal 2024 (2) Endoscopic Solutions Division (ESD)



	FY2023		FY2024	
(Billions of yen)	2Q	6M	2Q	6M
Revenue	141.6	258.5	143.7	270.9
Operating profit	44.1	68.9	28.7	50.9
Other income and expenses	-0.2	-1.4	-4.4	-7.8
Adjusted operating profit	**44.3**	**70.3**	**33.2**	**58.7**
Operating margin (After FX adjustment)	31.1%	26.7%	20.0% (19.8%)	18.8% (17.7%)
Adjusted operating margin (After FX adjustment)	**31.3%**	**27.2%**	**23.1% (22.9%)**	**21.7% (20.6%)**

*Approx. Due to rounding, the total may not add up to 100%.

Growth Rate FY2024 2Q vs FY2023 2Q	After FX adjustment		Incl. FX
Gastrointestinal endoscope	-8%	▪ Sales were particularly sluggish in Europe, where capital investment has stagnated, and in North America, where customers refrained from purchasing before launch of EVIS X1.	-5%
Surgical endoscope	-5%	▪ Sales decreased, particularly in China, where business environment was challenging. In the meantime, Japan, Europe and APAC performed well, led by new surgical endoscope system VISERA ELITE III.	-2%
Medical service	8%	▪ Steady growth in all regions, including China, due to stable revenue stream based on service contracts including maintenance service and an increase in new accounts.	14%
Total	-3%		1%

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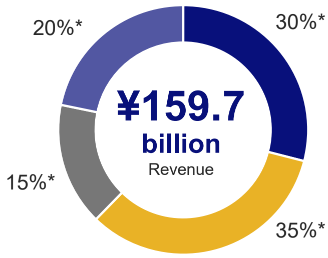
- Next, let's take a look at the business situation in each segment.
- First is the Endoscopic Solutions Division. Revenue was ¥270.9 billion, up 5% on a reporting basis and up 1% after FX adjustment. Adjusted operating profit, excluding other income and expenses, was ¥58.7 billion, with an adjusted operating margin of 21.7%.
- While revenue in China recovered from the first quarter of the previous fiscal year, which was affected by the Shanghai lockdown and other factors, and Medical service performed well, revenue declined in Europe, where it had been boosted by large-scale projects at the same period of the previous year, and in North America, where customers refrained from purchasing in anticipation of the EVIS X1 launch. Revenue after FX adjustment increased only slightly from the previous year. Adjusted operating profit declined, due in part to a provision of approximately ¥5 billion associated with the voluntary recall of small intestine endoscopy system, etc. in addition to rising personnel expenses for future growth and strengthening of operational infrastructure such as QARA. Under other expenses, approximately ¥7.6 billion was posted as FDA-related expenses.
- I will now give a review of the second quarter (from July to September) for each sub-segment.
- In GI endoscope, sales were particularly sluggish in Europe, where capital investment has stagnated, and in North America, where customers refrained from purchasing before the launch of EVIS X1.
- Also note that sales contribution of the EVIS X1 series accounted for around 15% in the GI endoscope sub-segment in the second quarter.
- In Surgical endoscope, sales decreased, particularly in China, where the business environment was challenging. In the meantime, Japan, Europe and APAC performed well, led by the new surgical endoscope system VISERA ELITE III.
- In Medical service, we saw steady growth in all regions, including China, due to stable revenue stream based on service contracts including maintenance service and an increase in new accounts.

2Q of Fiscal 2024 (3) Therapeutic Solutions Division (TSD)



(Billions of yen)	FY2023 2Q	FY2023 6M	FY2024 2Q	FY2024 6M
Revenue	80.6	152.9	82.5	159.7
Operating profit(loss)	16.4	29.8	-38.2	-28.5
Other income and expenses	0.1	-0.1	-52.8	-54.7
Adjusted operating profit	**16.3**	**29.9**	**14.5**	**26.1**
Operating margin (After FX adjustment)	20.4%	19.5%	-	-
Adjusted operating margin (After FX adjustment)	**20.2%**	**19.6%**	**17.6% (18.2%)**	**16.4% (16.1%)**

*Approx. Due to rounding, the total may not add up to 100%.

Growth Rate FY2024 2Q vs FY2023 2Q	After FX adjustment		Incl. FX
GI-Endotherapy	6%	Growth centered on North America. Notable momentum in ERCP, ESD/EMR and hemostasis products.	11%
Urology	-4%	Sales decreased in North America and Japan due to temporary shipment suspension and supply shortages, including for major products. Resection electrodes mainly for BPH treatment continued to grow.	1%
Respiratory	-2%	Sales decreased in China, which was affected by supply shortages of some products, etc., and in Japan, where COVID-related subsidies effect was seen in previous year.	2%
Other therapeutic areas	-9%	Sales decreased due to sale of Gyrus Medical in Europe, etc.	-5%
Total	-2%		2%

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- Next, the Therapeutic Solutions Division. Revenue was ¥159.7 billion, up 4% on a reporting basis and on a par with the previous year after FX adjustment. Adjusted operating profit, excluding other income and expenses, was ¥26.1 billion, with an adjusted operating margin of 16.4%.
- Due in part to quality-related responses, supply delays attributable to parts shortages, and a decrease in revenue stemming from the discontinuation of sales of products by Veran Medical Technologies and the sale of a subsidiary, revenue after FX adjustment remained at the same level as the previous year. Adjusted operating profit declined, due mainly to such factors as higher expenses related to various projects to improve efficiency and personnel expenses for future growth and strengthening of operational infrastructure such as QARA. As for other expenses, we posted approximately ¥49.6 billion due to the discontinuation of manufacturing and sales of electromagnetic navigation systems, etc. by Veran Medical Technologies, and approximately ¥4.3 billion as FDA-related expenses.
- I will now give a review of the second quarter (from July to September) for each sub-segment.
- In GI-Endotherapy, growth centered on North America. We saw notable momentum in ERCP (Endoscopic Retrograde Cholangio Pancreatography), ESD (Endoscopic Submucosal Dissection)/EMR (Endoscopic Mucosal Resection), and hemostasis products.
- In Urology, sales decreased in North America and Japan due to temporary shipment suspension and supply shortages, including for major products. Resection electrodes mainly for BPH treatment continued to grow.
- In Respiratory, sales decreased in China, which was affected by supply shortages of some products, etc., and in Japan, where the COVID-related subsidies effect was seen in the previous year.
- In Other therapeutic areas, sales decreased due to the sale of Gyrus Medical in Europe, etc.

Statement of Financial Position

- ☑ Balance sheet increased by approx. ¥20.5 billion in real terms, excluding FX impact of approx. ¥89 billion, due mainly to an increase in cash and profit from transfer of Evident
- ☑ Assets held for sale and liabilities directly associated with assets held for sale changed due to completion of transfer of Evident
- ☑ Intangible assets and goodwill decreased due mainly to impairment loss of Veran Medical Technologies

(Billions of yen)	End of Mar. 2023	End of Sep. 2023	Change		End of Mar. 2023	End of Sep. 2023	Change
Current assets	726.4	921.8	+195.4	Current liabilities	461.9	423.3	-38.6
Inventories	163.0	183.4	+20.4	Bonds/loans payable	50.0	100.0	+50.0
Assets held for sale	169.6	-	-169.6	Liabilities directly associated with assets held for sale	43.3	-	-43.3
Non-current assets	782.0	696.0	-86.0	Non current liabilities	405.2	367.0	-38.2
Property, plant and equipment	238.7	253.1	+14.3	Bonds/loans payable	290.1	248.5	-41.6
Intangible assets	115.2	99.6	-15.5	Equity	641.2	827.5	+186.3
Goodwill	182.5	182.3	-0.2	(Equity ratio)	42.4%	51.2%	+8.8pt
Total assets	1,508.3	1,617.8	+109.5	**Total liabilities and equity**	1,508.3	1,617.8	+109.5

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- This is our financial position at the end of September 2023.
- The balance sheet increased by ¥109.5 billion, of which approximately ¥89 billion was impacted by FX, resulting in an increase of approximately ¥20.5 billion in real terms.
- The main factor was an increase in cash and profit due to the transfer of Evident, despite a decrease in goodwill and intangible assets due mainly to the impairment loss of Veran Medical Technologies.
- With completion of the transfer of Evident, “Assets held for sale” decreased by ¥169.6 billion and “Liabilities directly associated with assets held for sale” decreased by ¥43.3 billion.
- The equity ratio rose to 51.2%, up 8.8 points from the end of March 2023.

Consolidated Cash Flows

- FCF: Despite a decrease in operating CF due mainly to corporate tax payment related to gain on transfer of Evident, FCF increased significantly due to receipt of consideration for transfer of Evident. Adjusted FCF was ¥17.7 billion
- Financing CF: Minus ¥125.4 billion due mainly to share buyback and dividend payment

6 Months (Apr. to Sep.)

		FY2023	FY2024	Change
Continuing operations	Profit before tax	89.3	-1.0	-90.3
Discontinued operation	CF from operating activities	27.3	-11.8	-39.1
	CF from investing activities	-15.7	412.7	+428.4
	Free cash flow	11.6	400.9	+389.3
	Adjusted Free cash flow	**16.2**	**17.7**	**+1.5**
	CF from financing activities	-35.5	-125.4	-90.0
	Cash and cash equivalents at end of period	297.4	488.2	+190.8

Major adjusted items for FY2023 6M (Apr. to Sep.)	
Operating CF: Tax payments for reorganization of SSD	-¥15.2 billion
Investing CF: Proceeds from sale of fixed assets (land)	+¥19.1 billion
Investing CF: Acquisition of investment securities	-¥3.5 billion
Investing CF: Investments and temporary financial burden associated with reorganization of SSD	-¥4.9 billion

Major adjusted items for FY2024 6M (Apr. to Sep.)	
Operating CF: Corporate tax payment on gain on transfer of Evident	-¥56.7 billion
Investing CF: Receipt of consideration for transfer of Evident, etc.	+¥387.9 billion
Investing CF: Collection of loan from Evident, etc.	+¥52.0 billion

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- This slide shows the status of cash flows.
- Cash flow from operating activities was minus ¥11.8 billion. The decrease was due mainly to the payment of corporate tax related to a gain on the transfer of Evident.
- Cash flow from investing activities was plus ¥412.7 billion. The increase was due to the receipt of the transfer consideration of Evident, etc. and the collection of loan from Evident, etc.
- Free cash flow stood at ¥400.9 billion. Adjusted cash flow from operating activities was plus ¥44.9 billion and adjusted free cash flow was plus ¥17.7 billion, considering extraordinary factors such as acquisitions, transfers, and reorganizations of businesses.
- Note that the loss associated with the exit from electromagnetic navigation business of Veran Medical Technologies had a negligible impact on cash flows, because it was due mainly to the impairment of goodwill and intangible assets. There is no change in our ability to generate stable cash, which is centered on our GI endoscopy business.
- Cash flow from financing activities was minus ¥125.4 billion due mainly to share buyback and dividend payment.
- As a result, cash and cash equivalents stood at ¥488.2 billion as of September 30, 2023, an increase of ¥190.8 billion.

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- Next, I would like to explain our full-year forecasts for fiscal 2024.

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Fiscal 2024 Consolidated Forecasts

1	Revenue:	Expected to achieve ¥958 billion, up 9% YoY
2	Adjusted Operating profit:	Expected to achieve ¥174.5 billion, down 1% YoY, with an adjusted operating margin of 18.2%
3	Profit*:	Record high of ¥289 billion due to a gain on transfer of Evident. EPS: Expected to be ¥238
4	Shareholder returns:	Decided on an additional share buyback of ¥80 billion (FY2024 total: ¥180 billion)

	(Billions of yen)	FY2024 Forecasts as of Aug 9	FY2024 Latest Forecasts	Change	vs Aug 9	After FX adjustment	FY2023	vs FY2023	After FX adjustment
** Continuing operations	Revenue	914.0	1 958.0	+44.0	+5%	-2%	881.9	+9%	+3%
	Gross profit (% of revenue)	627.0 (68.6%)	650.0 (67.8%)	+23.0	+4%	-3%	596.8 (67.7%)	+9%	+2%
	Selling, general and administrative expenses (% of revenue)	446.0 (48.8%)	476.0 (49.7%)	+30.0	+7%	+1%	420.5 (47.7%)	+13%	+8%
	Other income and expenses	-18.0	-74.0	-	-	-	10.3	-	-
	Operating profit (% of revenue)	163.0 (17.8%)	100.0 (10.4%)	-63.0	-39%	-46%	186.6 (21.2%)	-46%	-54%
	Adjusted operating profit (% of revenue)	**182.0 (19.9%)**	**2 174.5 (18.2%)**	**-7.5**	**-4%**	**-14%**	**176.8 (20.0%)**	**-1%**	**-12%**
	Profit before tax (% of revenue)	159.0 (17.4%)	92.0 (9.6%)				182.3 (20.7%)		
	Profit from continuing operations (% of revenue)	115.0 (12.6%)	61.0 (6.4%)				138.0 (15.7%)		
***Discontinued operation / Continuing operations	Profit from discontinued operation	221.0	228.0				5.6		
	Profit (loss)	336.0	3 289.0				143.6		
	Profit (loss) attributable to owners of parent	336.0 (36.8%)	289.0 (30.2%)				143.4 (16.3%)		
	EPS	¥273	¥238				¥113		

*Profit attributable to owners of parent. Figures through FY2016 are based on Japanese GAAP (JGAAP) and figures from FY2017 onward are based on IFRS.
**The figures from "Revenue" to Profit from continuing operations" represents continuing operations.
***Since all shares of discontinued operation (Evident) were transferred in April 2023, a gain on this share transfer was recorded in the first quarter of the fiscal year ending March 31, 2024.

Dividend forecast for FY2024

4 Year-end dividend of ¥18 per share

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- Our full-year forecasts for fiscal 2024.
- We have revised our forecasts to reflect results up until the second quarter in addition to changes to FX assumptions from the previous forecast.
- The assumed exchange rates that are the basis for forecasts are ¥145 to the U.S. dollar and ¥155 to the Euro.
- We project that revenue will increase 9% YoY to ¥958 billion, with adjusted operating profit declining 1% YoY to ¥174.5 billion with an adjusted operating margin of 18.2%.
- While the weak yen will act as a tail wind, we expect to see challenging results due to various internal and external factors.
- We project a record profit attributable to owners of parent of ¥289 billion with EPS of ¥238, reflecting a gain on the transfer of Evident. Also, profit from Continuing Operations is expected to reach ¥61 billion, with EPS of ¥50.
- Note that capital expenditures have been revised from the previous forecast to ¥78.0 billion due to a review of investment items, based on the results until the second quarter and the impact of weak yen.
- Regarding dividends for fiscal 2024, we plan to issue a dividend of ¥18 per share, unchanged from the forecast announced in May.
- In addition, today we announced an additional share buyback of up to ¥80 billion. The EPS figures provided today are reflective of this share buyback. With this, we plan a share buyback of ¥180 billion in total for the full year.

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Fiscal 2024 Forecasts by Business Segment

1 ESD: EVIS X1 launched in the U.S. and China in Oct 2023. Revised downward in consideration of delay in tenders due to anti-corruption campaign in China and provision associated with voluntary recall.

2 TSD: Revised downward in consideration of sales decline due mainly to supply delays, and loss related to Veran Medical Technologies, Inc.

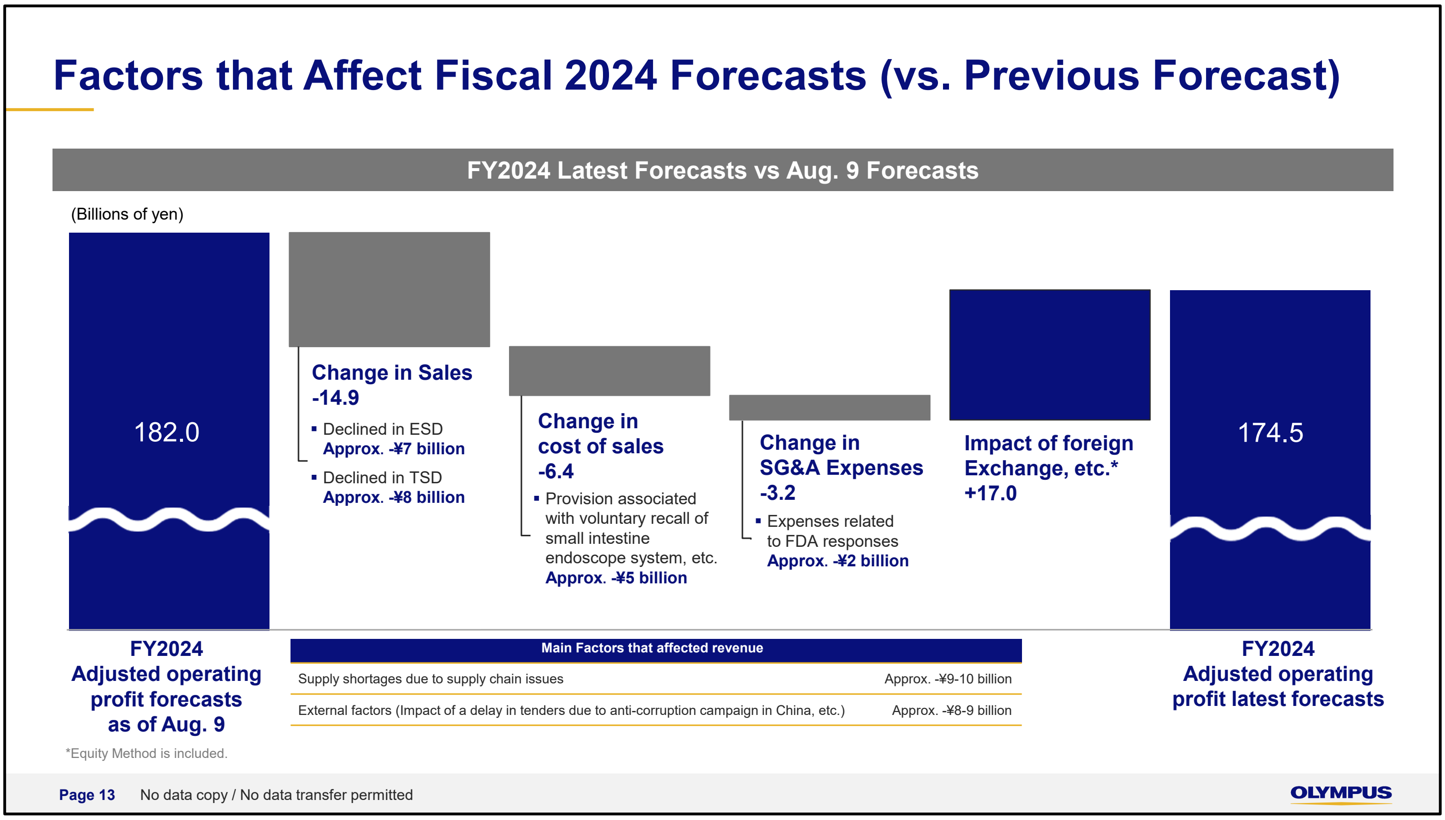
3 Discontinued Operation: Expected to achieve a significant profit increase YoY due to a gain on transfer of Evident

(Billions of yen)		FY2024 Forecasts as of Aug 9		FY2024 Latest Forecasts	Change	vs Aug 9	After FX adjustment	FY2023	vs FY2023	After FX adjustment
ESD	Revenue	572.0		604.0	+32.0	+6%	-1%	551.8	+9%	+3%
	Operating profit	158.0	1	150.0	-8.0	-5%	-15%	152.8	-2%	-12%
TSD	Revenue	329.0		342.0	+13.0	+4%	-3%	318.2	+7%	+1%
	Operating profit(loss)	56.0	2	-4.5	-60.5	-¥60.5 billion	-¥58.7 billion	63.7	-¥68.2 billion	-¥68.9 billion
Others	Revenue	13.0		12.0	-1.0	-8%	-12%	11.9	+1%	-4%
	Operating profit(loss)	1.0		1.0	0	-	-	-0.9	+¥1.9 billion	+¥1.9 billion
Elimination and Corporate	Operating profit(loss)	-52.0		-46.5	+5.5	+¥5.5 billion	+¥7.2 billion	-28.9	-¥17.6 billion	-¥16.1 billion
Consolidated Total	Revenue	914.0		958.0	+44.0	+5%	-2%	881.9	+9%	+3%
	Operating profit	163.0		100.0	-63.0	-39%	-46%	186.6	-46%	-54%
(Reference) Discontinued Operation	Revenue	0		0	-	-	-	135.4	-	-
	Operating profit	347.0	3	348.0	+1.0	-	-	7.0	-	-

*Since all shares of discontinued operation (Evident) were transferred in April 2023, a gain on this share transfer was recorded in the first quarter of the fiscal year ending March 31, 2024.

(Slide 12)

- Moving on to forecasts by segment.
- In ESD, we have revised down the forecast of operating profit from the one presented in August, considering a delay in tenders affected by the anti-corruption campaign in China and the provision associated with the voluntary recall of small intestine endoscope system, etc. Note that EVIS X1 was launched in North America, our largest market, and China from October 2023, and we expect them to drive our future business expansion.
- In TSD, we also have revised down the forecast of operating profit, considering supply delays due to quality responses and parts shortages, as well as a loss of approximately ¥49.6 billion related to Veran Medical Technologies, inc., posted in the second quarter.
- FDA-related expenses are expected to be approximately ¥9 billion in SG&A expenses and approximately ¥20 billion in other expenses for the full year.
- For Elimination and Corporate, there is an absence of a gain on the sale of land in Tokyo approximately ¥16.4 billion recorded in the previous year, and we expect to see an increase in expenses for strengthening our corporate infrastructure such as IT-related expenses. However, operating profit(loss) is expected to improve because we revised the classification related to each project from the previous forecast.
- Lastly, Discontinued Operation is expected to record a gain on transfer of Evident, resulting in a significant increase in profit YoY.



(Slide 13)

- This slide shows the factors behind the change in adjusted operating profit compared to the previous forecast.
- As we have already explained, we are facing a difficult situation this fiscal year due to various factors.
- Due to the decrease in sales, the provision associated with the voluntary recall of some products, expenses related to FDA response, and other factors, adjusted operating profit is expected to be 174.5 billion yen.
- Please refer to the Appendix for the factors for the change in operating profit.
- Now, I would like to hand over to our CEO, Stefan Kaufmann.

(Slide 14)

- Hello, everyone. I am Stefan Kaufmann, thank you for joining this earnings call. Today as the President and CEO of Olympus I would like to share with you my view on our current situation and give you some insight on our actions to sustain growth and value creation for all our stakeholders mid-and long-term.

Key Message

1 **Our clear priority is the remediation of all issues outlined in the three warning letters and transforming Olympus into a best-in-class MedTech company with highest focus on patient safety and quality.** We are making good progress in both fulfilling our commitments towards FDA and transforming the way we work.

2 **Mid-term ambition level with respect to growth and margin expansion is obviously higher than** what we will be able to deliver in FY2024.

3 We will this fiscal year and in the future **increase value for our shareholders and improve our capital efficiency.**

*Constant currency basis and adjusted for extraordinary Items

(Slide 15)

- Our clear priority is the remediation of all issues outlined in the three warning letters and transforming Olympus into a best in class MedTech company with highest focus on patient safety and quality. We are making significant progress in meeting our FDA commitments and transforming our operational approach to deliver innovative, high-quality products and solutions to the market with enhanced efficiency, paving the way for the future.
- As already indicated in May, when we shared our three year strategy with you, some of our remediation activities have a short term impact on growth and profitability.
- FX is helping us this fiscal year, but our mid-term ambition level with respect to growth and margin expansion is obviously higher than what we will be able to deliver in fiscal 2024.
- Our shareholder’s trust is important for us. Our capital allocation policy remains valid and we will this fiscal year and in the future increase value for our shareholders and improve our capital efficiency.
- Now I will provide you with some more details to the respective points mentioned so that you hopefully gain a good level of understanding of my leadership and direction for Olympus.

Guiding Principles

(Slide 17)

- Our company strategy is easy to summarize and comprehend.
- We have defined 3 strategic priorities:
  - Patient safety and sustainability
  - Innovation for growth
  - Productivity
- We invest and will harvest from 4 strategic value pools:
  - Business and Global Expansion
  - Strategic M&A
  - Care Pathway Enhancement
  - Intelligent Endoscopy Ecosystem
- We prioritize resources and investments in 3 focus areas:
  - GI
  - Urology
  - Respiratory

(Slide 18)

- As announced in the company strategy, we will invest approx. ¥60 billion over the next three years in strengthening QARA. These will be invested in both remediation and transformational activities, which can not clearly be segregated due to the complexity and dependency of the different projects and we have therefore consolidated remediation and transformation under one holistic Program management, which we named ELEVATE.
- We believe that ELEVATE will be one important enabler for innovation, growth, and improved profitability through sustainable benefits such as improved lifecycle management and digitally-enabling processes to reduce costs, improve effectiveness, and shorten time to develop, clear and launch products.
- Once more, the remediation of the findings that led to our three warning letters as committed to FDA is the undebatable top priority. But we will at the same time unleash Olympus' full potential. We do not want to miss out on this opportunity for fundamental change.

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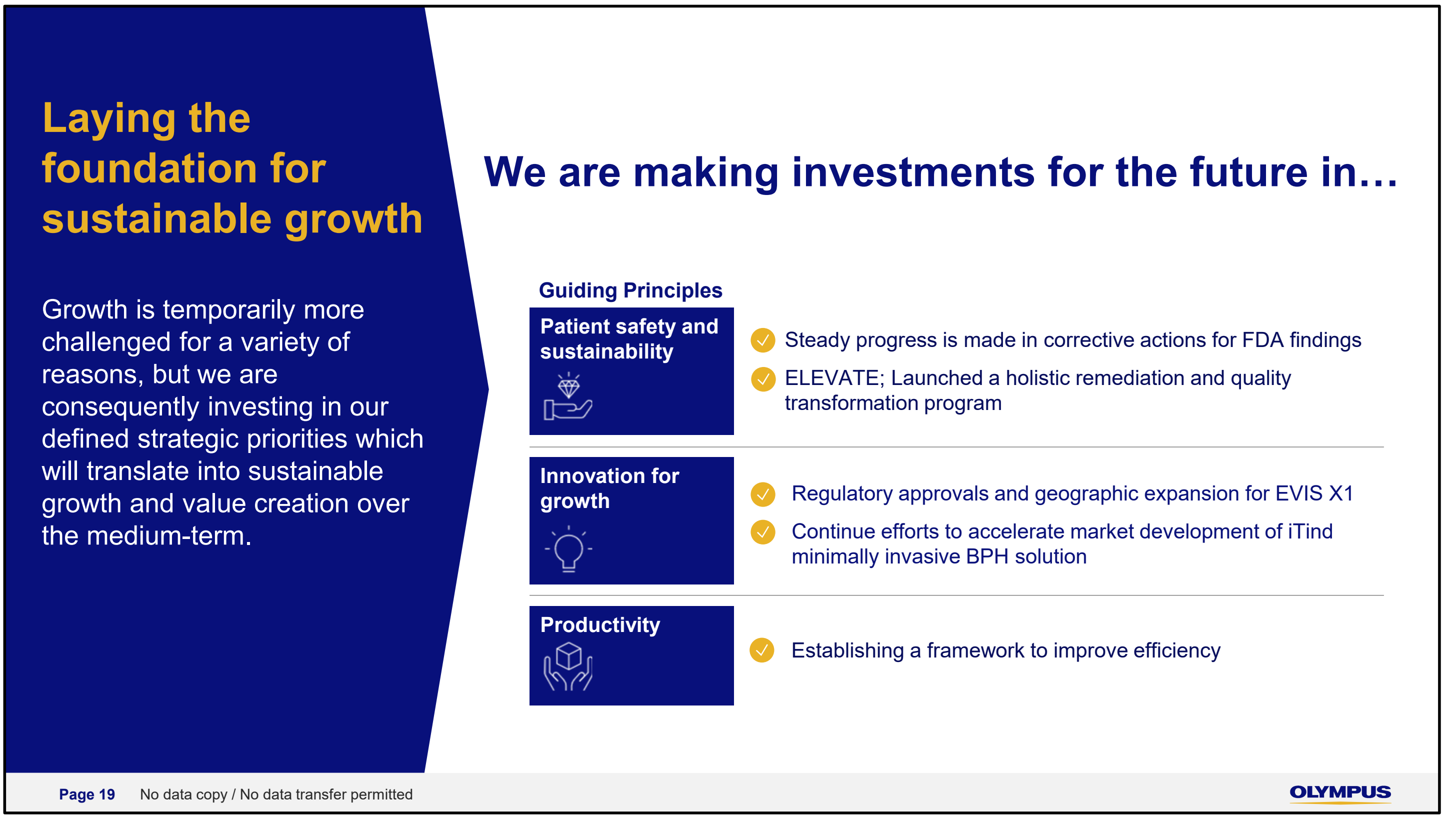


(Slide 19)

- In addition to the QARA efforts I have just described, we are also making investments and implementing initiatives in the three strategic priorities to achieve sustainable growth and value creation over the mid-term, and I would like to introduce some of those examples today.

(Slide 20)

- As one of our remediation and transformation projects, we have strengthened our capabilities and completely revisited our structure and processes for regulatory approvals.
- I am proud that we launched EVIS X1 endoscopy system as promised in the U.S. and even earlier than planned in China. EVIS X1 is now available in all relevant markets worldwide. It will provide the company with stable growth and cash flow - in markets where we launched already a few years ago and from now on also in the U.S. and China. In China, the effect may delay due to the local anti-corruption efforts. So we are incredibly excited about this progress as we will be able to cover approximately 50% of our sales for further growth potential.

EVIS X1 Endoscopy System
- Elevating the Standard of Endoscopy

Innovation for growth

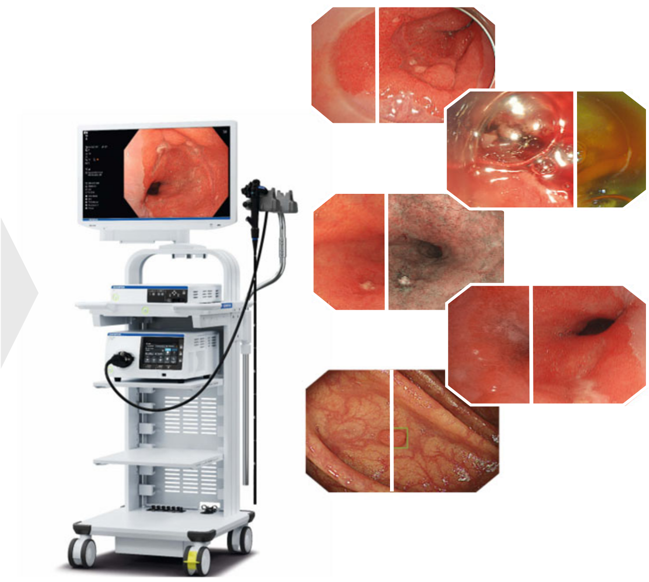
TXI – Texture and Color Enhancement Imaging
Optimizes mucosal surface image color, texture, and brightness during endoscopic screening, increasing the visibility of potentially suspicious lesions.

RDI – Red Dichromatic Imaging
Supports easier identification of bleeding points and hemostasis — helping to reduce treatment time and stress and to avoid delayed bleeding after endoscopic therapy.

NBI – Narrow Band Imaging
Results in sharper, clearer, brighter images — enhancing the visibility of vascular and mucosal patterns.

EDOF – Extended Depth of Field
Delivers continuous broad focus, higher image resolution, and maximum magnification functionality.

ENDO-AID
– Application to aid in the detection of colonic lesions
Uses advanced AI technology to suggest the potential presence of lesions, helping increase adenoma detection rates (ADR) .



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(Slide 21)

- In the last months, I had numerous opportunities to talk with healthcare professionals at congresses in Europe and Japan and at other occasions. Their feedback is unanimously reassuring and everyone is specifically praising that we have reached the next dimension of visualization.
- Therefore, please let me highlight some of the specifications that give us again a unique position in the market, ahead of competition.
- The EVIS X1 endoscopy system is our most advanced endoscopy system and introduces several easy-to-use technologies that aim to revolutionize the way gastrointestinal disorders can be detected, characterized, and treated.
- The imaging (visualization) advancements include TXI, RDI, NBI, EDOF and ENDO-AID CADe.
- The EVIS X1 system first launched in Europe and has seen immense success and adoption. A recent customer testimonial claimed that “The imaging capabilities delivered by the EVIS X1 platform really improve our capabilities to diagnose lesions and GI cancer at an earlier stage than was possible before.”
- The EVIS X1 provides a combination of diagnostic and therapeutic innovations to streamline and improve endoscopic procedures and scope handling.
- We are excited to continue to elevate the standard of care with EVIS X1.

TSD offers a compelling portfolio of differentiated solutions with a robust pipeline

Innovation for growth

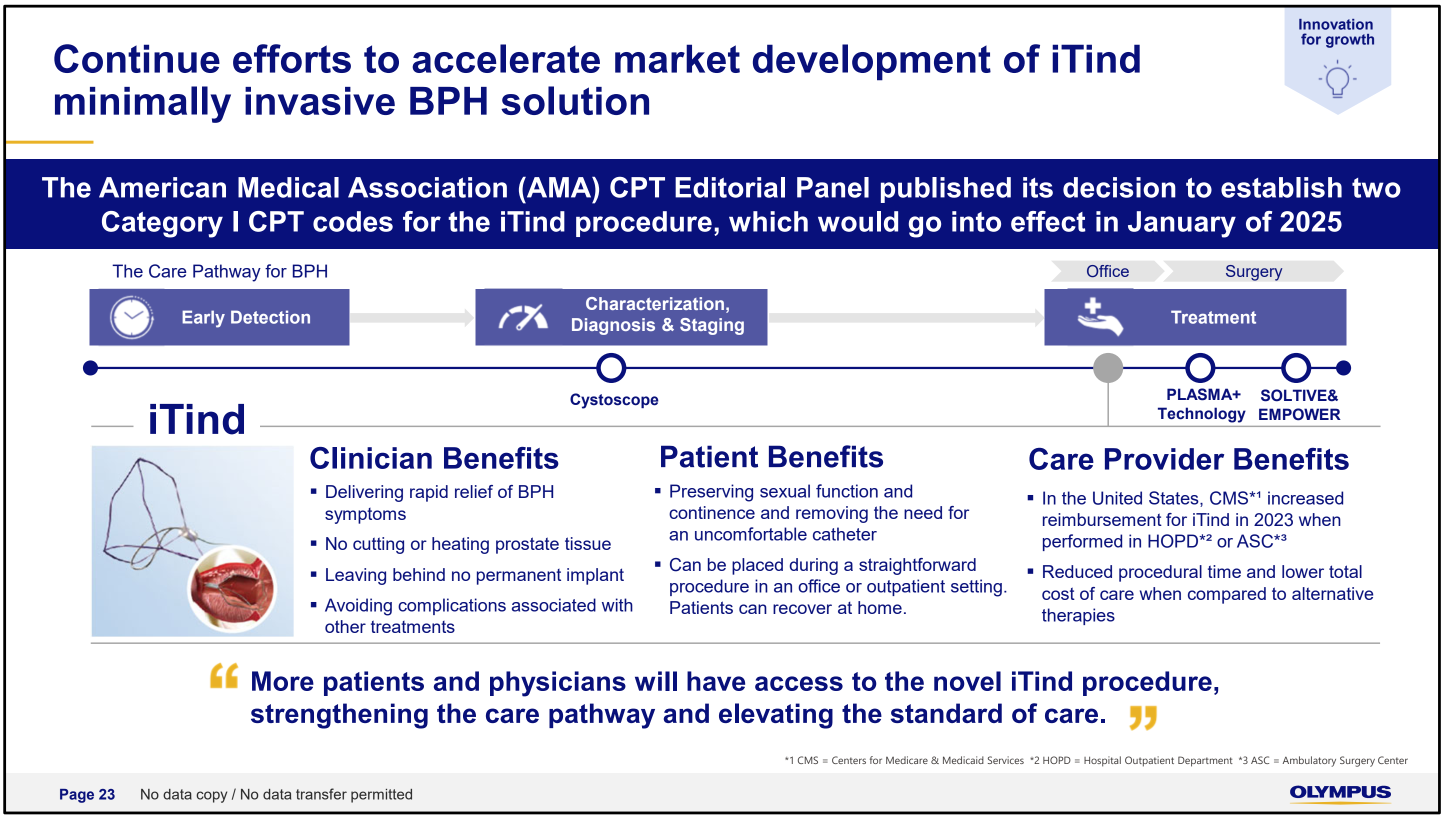
Steady progress is made in line with the company strategy for sustainable growth.

GI-Endotherapy	▪ Double-digit growth in our ESD/EMR, ENDOCUFF VISION, EndoClot portfolios ▪ Acquisition*1 of **broad metal stent portfolio will significantly accelerate our global position** and options in biliary tract, esophagus, colon, and duodenum treatments
Respiratory	▪ Differentiated solutions such as EVIS X1 bronchoscopes and EU-ME3 endoscopic ultrasound processor expected to **drive robust future growth** ▪ Committed to **delivering meaningful innovation to optimize patient outcomes** in bronchoscopy and lung cancer staging & diagnosis procedures
Urology	▪ Launch of single-use ureteroscope will expand clinician options ▪ Portfolio of Laser and Ultrasonic lithotripsy systems **enables market share capture** ▪ PLASMA+ Technology system, one of the growth drivers, **continues solid growth**. ▪ Expanded reimbursement for differentiated **MIS BPH device which provides better clinical outcomes** and elevates the standard of care*2

*1 Acquisition of Taewoong medical Co., Ltd,: Closure pending *2 iTind procedure does not require a permanent implant and preserves sexual function and continence, while reducing the need for a post procedure catheter. Procedure can be done in the MD office setting.

(Slide 22)

- Sales growth in TSD is more impacted by remediation activities and unfortunately we have not yet solved all our supply chain challenges. Nevertheless, the basics are still in place:
- In GI-Endotherapy, complementary to our core GI portfolio, we have built a broad and differentiated GI-Endotherapy portfolio of ERCP, ESD, Sampling and Hemostasis solutions. Sales in U.S. grew in the first half double digit, which demonstrates our strong competitiveness in these therapeutic areas.
- As you are aware, we are in closing discussions with Taewoong Medical. Their product portfolio is largely complementary to ours and we regard their metallic stent portfolio as a significant future growth driver.
- In Respiratory, we lead market position in pulmonary and EBUS bronchoscopes, and our investments in single-use airway management scopes and the Slim-EBUS scope, which are under development, are expected to reinvigorate the growth in this segment.
- In Urology, for the upper urological tract, Olympus was the first company to launch the new thulium fiber lasers for lithotripsy and we command the top market share in this category for both the laser systems as well as the consumable fibers. Competition has increased in this segment and we are currently revisiting our go to market strategy for the U.S.
- In the lower urological tract, we have a similarly compelling and market-leading portfolio of solutions for the treatment of bladder cancer and BPH. We expect to see significant growth from the PLASMA+ Technology system and more good news to come on the following page.



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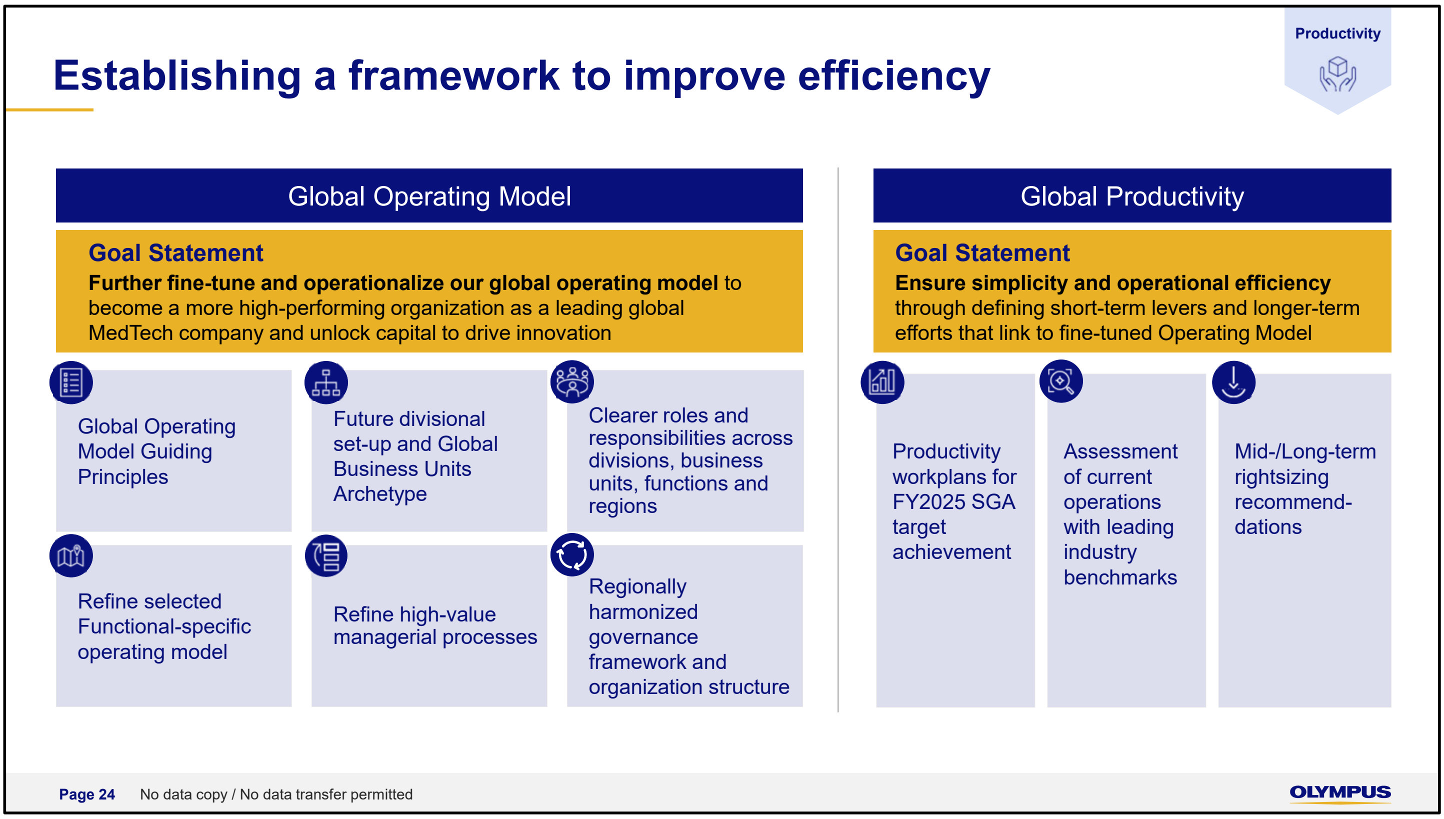
- Today, I am delighted to introduce iTind, which we expect to be a mid- to long-term growth driver for Urology.
- iTind is a minimally invasive treatment device that contributes to early improvement of symptoms of BPH (benign prostatic hyperplasia). It does not require cutting or heating of prostate tissue, does not require permanent device implantation, and contributes to avoiding complications associated with other treatments.
- For patients, it is also a great way to maintain sexual and urinary function and recuperate at home, as it does not require an uncomfortable catheter and can be inserted with a simple procedure without hospitalization.
- For iTind, on October 20, 2023, the American Medical Association (American Medical Association) CPT Committee published its decision to establish two Category I CPT codes, a reimbursement code for clinics, which is expected to go into effect in January 2025.
- Although we have already obtained reimbursement in hospital outpatient (HOPD) and Ambulatory Surgical Center (ASC) settings, iTind is in high demand in the clinic or office setting due to its minimally invasive device and day treatment capability, and more patients and physicians will have access to the novel iTind procedure.
- The U.S., where the CPT code applies, accounts for approx. 40% of BPH patients worldwide, and iTind is expected to drive future growth in the urology field.



(Slide 24)

- Next, we will discuss the efforts to improve “Productivity”.
- Since this fiscal year, we are not a conglomerate of different businesses, but a pure MedTech player.
- Now we have the opportunity to create an operating model that puts the divisions on top of the organization with the full accountability for the global P&L and verticalize all supporting functions with an aligned set of targets and KPIs and clarity about accountability.
- We have already allocated targets for productivity improvements in fiscal 2025 and will in addition take a more structured approach next year to baseline the global organization, clarify value contribution and benchmark with industry benchmarks to seek for further simplification and higher efficiency.

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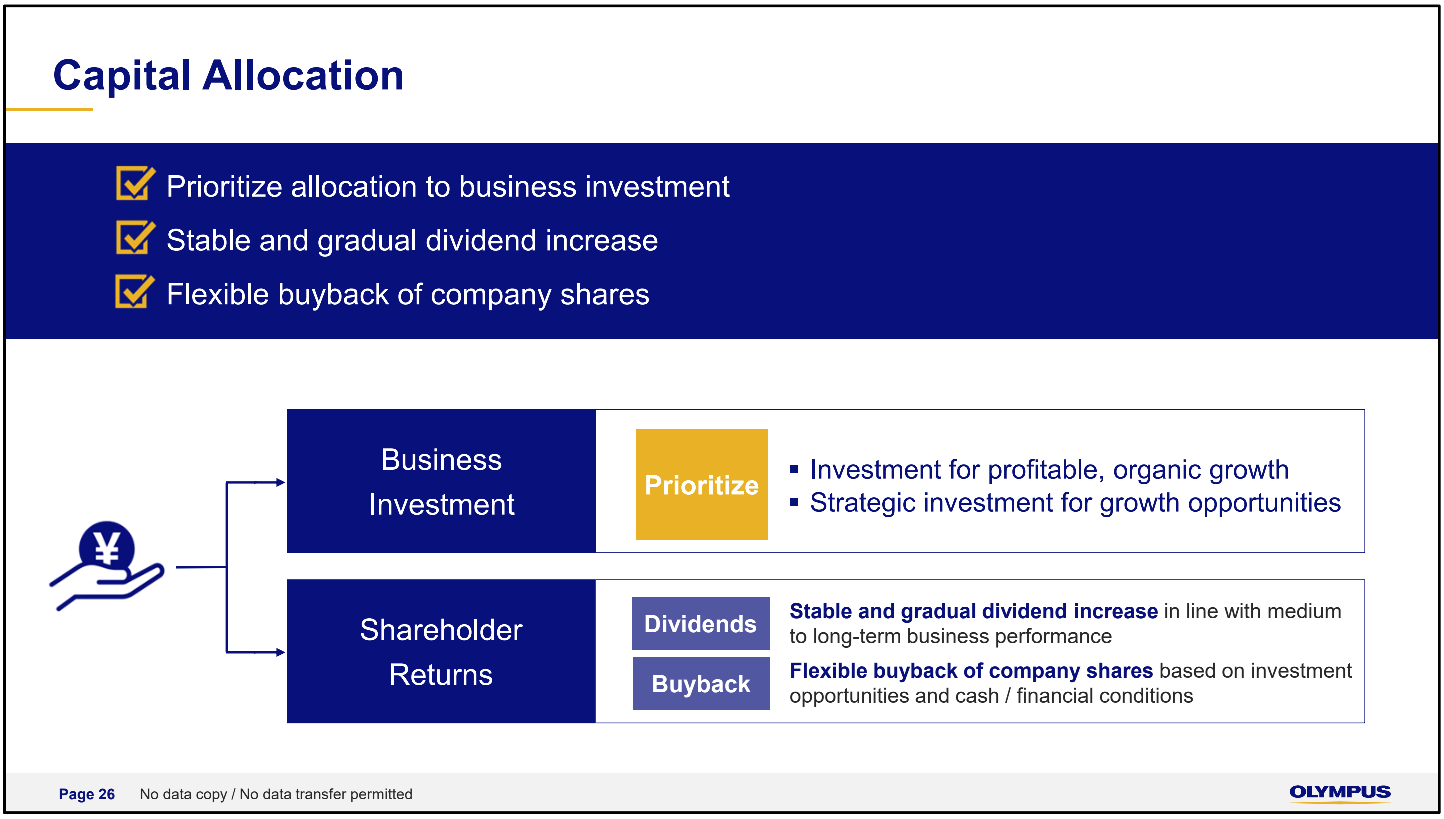
Capital Allocation



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- Regarding capital allocation, the policy of investing in innovation, business, and M&A remains unchanged, with business investment as the top priority. In terms of M&A, we will continue to strengthen our product portfolio through tuck-in M&A opportunities that complement and enhance our existing businesses and fit our portfolio in focus disease areas in GI, urology, and respiratory.
- As in the past, we aim to increase dividends to shareholders in a stable and gradual manner and will consider share buyback when there are surplus funds available, after securing sufficient liquidity on hand for working capital and investments.

Shareholder Returns: Additional share buyback of ¥80 billion

"We will proactivity continue to consider share buyback in FY2025 and FY2026 after securing sufficient liquidity on hand for working capital and investment, based on the capital allocation policy."

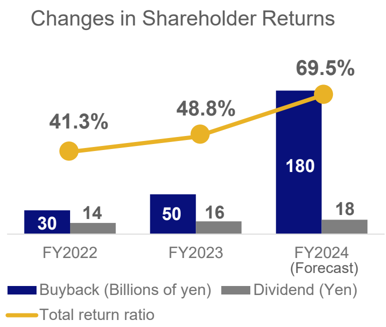
¥100 billion

- Total number of shares to be repurchased 55,000,000 shares (maximum)
  : 4.39%* of total number of shares outstanding (excluding treasury shares)
- Repurchase Period
  May 15, 2023 to November 6, 2023

NEW ¥80 billion

- Total number of shares to be repurchased 53,000,000 shares (maximum)
  : 4.34%** of total number of shares outstanding (excluding treasury shares)
- Repurchase Period
  November 10, 2023 to March 31, 2024

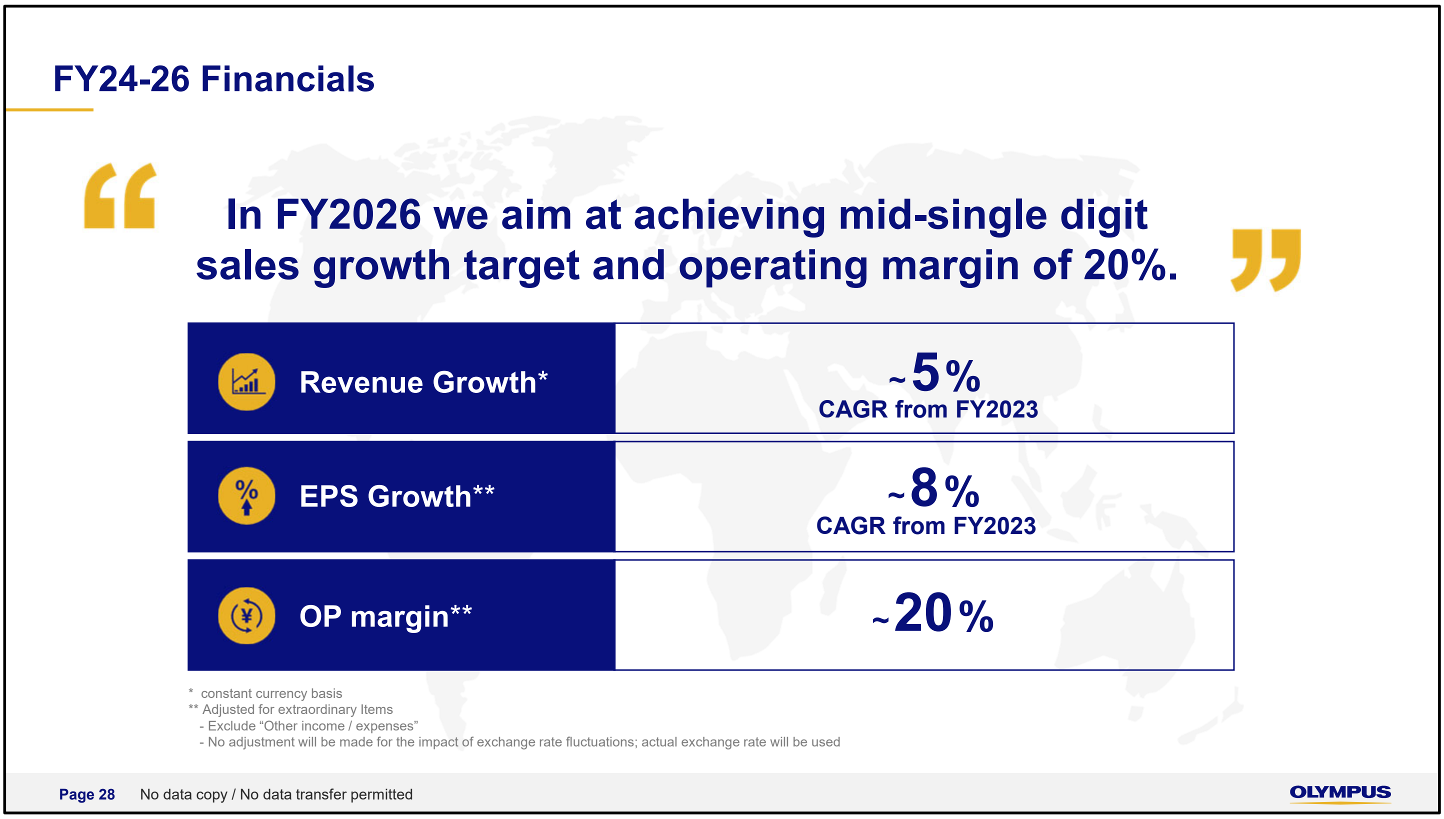
¥180 billion



* Calculated based on the number of shares outstanding (excluding treasury shares) as of March 31,2023
** Calculated based on the number of shares outstanding (excluding treasury shares) as of September 31,2023

(Slide 27)

- We announced today that we decided on an additional share buyback of ¥80 billion. The total share buyback for fiscal 2024 is expected to be ¥180 billion.
- The total shareholder return ratio for fiscal 2024, including an annual dividend forecast of 18 yen per share, is expected to be 69.5%.
- We will proactivity continue to consider share buyback in accordance with our capital allocation policy for fiscal 2025 and 2026.
- We are committed to allocating our capital with a view to improve the capital efficiency of Olympus and optimize returns to our shareholders.



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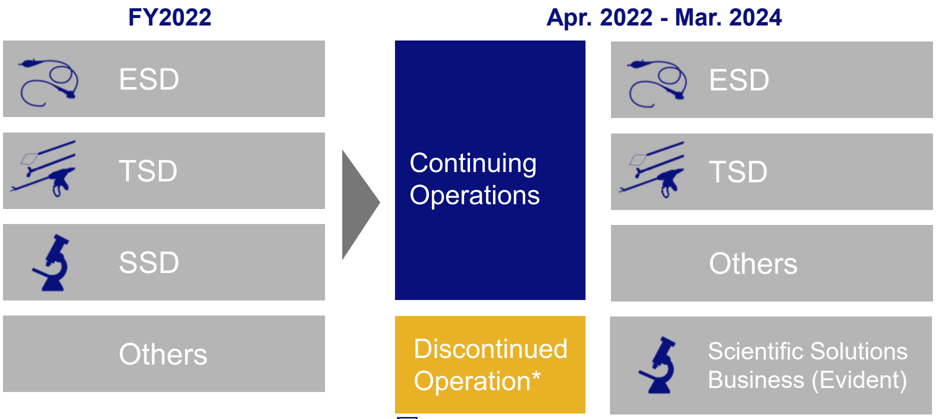
- This is the last slide of my presentation. As we are holding the Q2 Earnings Call today it is not the right time to update our mid-term target until fiscal 2026 with you. Nevertheless, I would like to give you today at least an indication of how I expect our financial KPIs will develop in the next two years and beyond.
- We are facing temporary headwinds on our top line caused by our quality remediation efforts, macropolitical and economical factors and some supply chain shortages. But we take actions to mitigate those headwinds and defend shareholder value because we believe we have a great business and the right strategy in place.
- In fiscal 2025 our remediation will not be finalized. I also don't expect that the macropolitical and economical headwinds we experience this fiscal year, will go away quickly. It is too early to say, but while I believe sales growth will be higher than this year, I don't expect a v shape recovery.
- Our EPS target is including the ¥100 billion share buy back but not the one announced today. Also FX is not included. We aim to achieve an EPS growth well above the target of 8%, as we will proactivity continue to consider share buyback in fiscal 2025 and fiscal 2026, in addition to a share buyback of ¥180 billion in total in fiscal 2024. Part of being a leading global MedTech company is having industry-leading capital efficiency so we have room to improve our capital efficiency.
- We have started already our productivity measures, but some of them will take time to fully positively impact SGA and bottom line in fiscal 2026.
- With all this said, in fiscal 2026 I expect us to achieve our mid-single sales growth target and adjusted operating margin to finally meet our target of 20%.
- After fiscal 2026 I expect Olympus to be set up for steady margin expansion above 20% by higher sales growth on a more efficient global operating model. Thank you very much.

Appendix

Changes in Reporting Structure

With completion of divestiture of Scientific Solutions Business (Evident) in FY2024 1Q, it is disclosed as a discontinued operation from FY2023 2Q to FY2024 (based on IFRS)



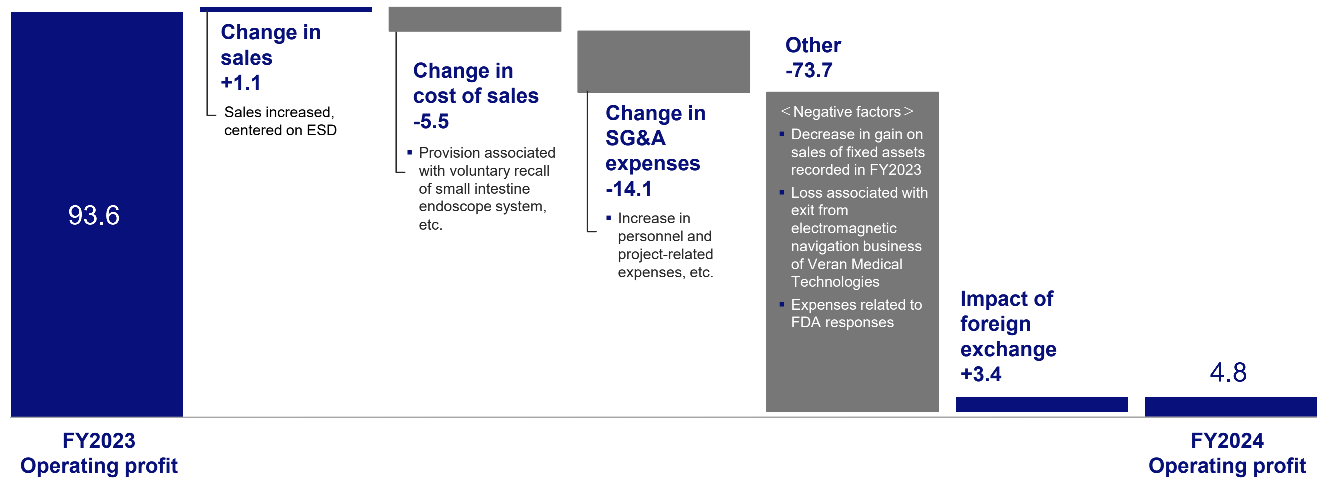
- ☑ Profit (loss) from Discontinued Operation is disclosed in Consolidated Financial Results
- ☑ Performance of Discontinued Operation is disclosed as supplementary information

*In the six months ended September 30, 2022, Olympus Corporation concluded a share transfer agreement related to the transfer of our Group's Scientific Solutions Business with K.K. BCJ-66, a special purpose company indirectly owned by funds advised by Bain Capital Private Equity, LP (together with its affiliates, "Bain Capital"). The amounts presented for revenue, operating profit, profit before tax and profit from continuing operations are the amounts from continuing operations from which the discontinued operation has been excluded, while the amounts presented for profit and profit attributable to owners of parent are aggregates of continuing operations and discontinued operation. The transfer of all shares was completed in April 2023.

2Q of Fiscal 2024 Factors that Affected Consolidated Operating Profit

6 Months (Apr. to Sep.)

(Billions of yen)



2Q of Fiscal 2024 Results by Segment

(Billions of yen)		6 Months (Apr. - Sep.) FY2023	FY2024	YoY	After FX adjustment	2Q (Jul. – Sep.) FY2023	FY2024	YoY	After FX adjustment
ESD	Revenue	258.5	270.9	+5%	+1%	141.6	143.7	+1%	-3%
	Operating profit	68.9	50.9	-26%	-33%	44.1	28.7	-35%	-38%
TSD	Revenue	152.9	159.7	+4%	0%	80.6	82.5	+2%	-2%
	Operating profit(loss)	29.8	-28.5	-¥58.3 billion	-¥57.2 billion	16.4	-38.2	-¥54.7 billion	-¥52.3 billion
Others	Revenue	5.7	6.1	+8%	+3%	2.6	2.7	+2%	-4%
	Operating profit(loss)	-0.8	1.0	+¥1.8 billion	+¥1.8 billion	-0.5	1.1	+¥1.6 billion	+¥1.6 billion
Elimination and Corporate	Operating profit(loss)	-4.3	-18.6	-¥14.3 billion	-¥14.0 billion	-10.9	-9.3	+¥1.6 billion	+¥1.8 billion
Consolidated Total	Revenue	417.1	436.6	+5%	0%	224.8	228.9	+2%	-2%
	Operating profit	93.6	4.8	-95%	-99%	49.1	-17.7	-¥66.8 billion	-¥65.6 billion
Discontinued operation	Revenue	52.7	0	-	-	30.9	0	-	-
	Operating profit(loss)	-4.9	348.2	-	-	-1.1	0.6	-	-

Other income and expenses

6 Months (Apr. to Sep.)

(Billions of yen)	FY2023 6M	FY2024 6M	Change
Other income	19.4	2.5	-16.8
Major items	Gain on sales of land 16.4	Gain on transfer of collagen business 1.1	
Other expenses	5.1	64.3	+59.2
Major items	Transform Olympus cost 1.7	Veran Medical Technologies Inc. related loss 49.6 Expenses related to FDA Responses 11.9 Impairment of development assets 1.0	

Full-year Forecasts

(Billions of yen)	FY2023	FY2024	Change
Other income	23.7	3.5	-20.2
Major items	Gain on sales of land 16.4 Medi-Tate Reversal of conditional consideration 1.3	Gain on transfer of collagen business 1.1	
Other expenses	13.9	78.0	+64.1
Major items	Transform Olympus cost 2.4 Impairment of development Assets 1.8 Expenses related to FDA Responses 1.9	Veran Medical Technologies Inc. related loss 51.0 Expenses related to FDA Responses 20.0 Impairment of development assets 1.0	

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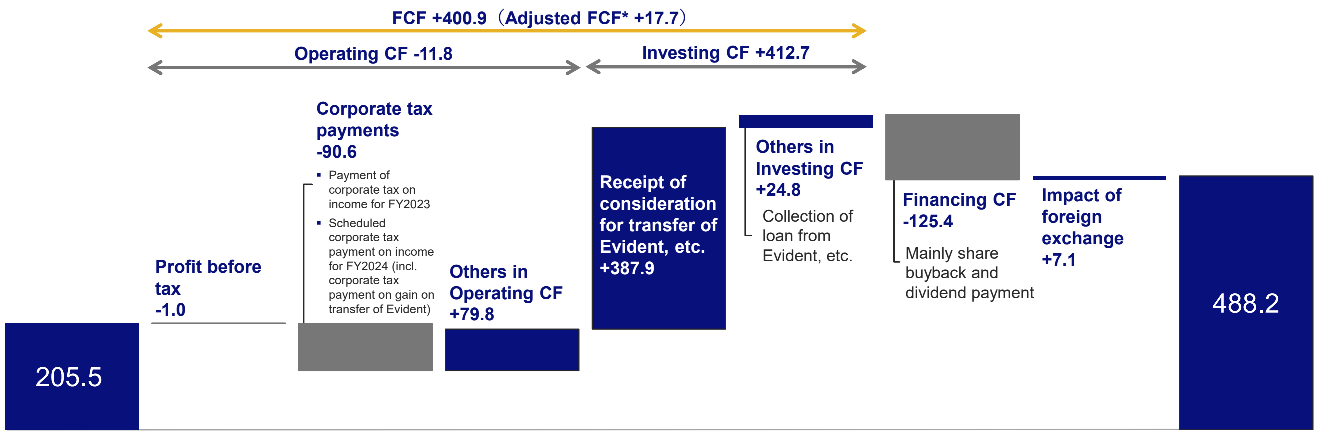
Factors that Affected Consolidated Cash Flows



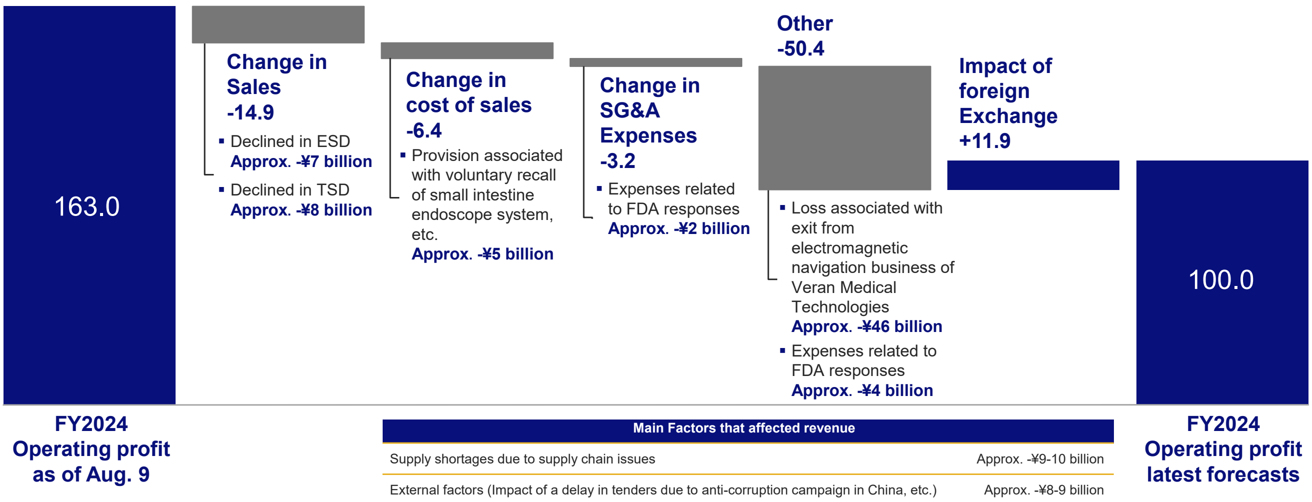
End of March 2023 Cash and cash equivalents

End of September 2023 Cash and cash equivalents

Major adjusted items for FY2024 6M (Apr. to Sep.)	
Operating CF: Corporate tax payment on gain on transfer of Evident	-¥56.7 billion
Investing CF: Receipt of consideration for transfer of Evident, etc.	+¥387.9 billion
Investing CF: Collection of loan from Evident, etc.	+¥52.0 billion

Factors that Affect Fiscal 2024 Forecasts (vs. Previous Forecast)

FY2024 Latest Forecasts vs Aug. 9 Forecasts



Main Factors that affected revenue	
Supply shortages due to supply chain issues	Approx. -¥9-10 billion
External factors (Impact of a delay in tenders due to anti-corruption campaign in China, etc.)	Approx. -¥8-9 billion

Key Product Catalysts: Endoscopic Solutions Division (As of Nov. 9, 2023)

ESD Key priorities for FY2024

- Accelerate EVIS X1 sales growth in Europe, Japan and Asia Pacific
- Aim to launch EVIS X1 in the US in middle of FY2024 and prepare for launch in China
- Launch next generation EUS system in Europe and Japan successfully
- Maximize market potential in emerging countries and further expansion in China
- Introduce new generation surgical endoscopy system and improve profitability

Growth driver now	Just launched / Coming soon	Beyond
GI endoscopy ▪ EVIS X1 (EU, Japan, AP) ▪ EVIS EXERA III (US, EU) ▪ EVIS LUCERA ELITE (China)	**GI endoscopy** ▪ EVIS X1 (US, China) ▪ EU-ME3 (EU, Japan, AP)	**GI endoscopy** ▪ Single-use duodenoscope ▪ ENDO-AID, endoscopy CAD platform for EVIS-X1 (Japan, US)
Surgical endoscopy ▪ VISERA ELITE II 2D/3D/IR (US, EU, Japan, China) ▪ VISERA 4K UHD (US, EU, Japan, China)	**Surgical endoscopy** ▪ VISERA ELITE III (EU, Japan、AP)	**Surgical endoscopy** ▪ VISERA ELITE III (US)

3%

Growth rate[1] in FY2024

1 YoY after FX adjustment

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Key Product Catalysts: Therapeutic Solutions Division (As of Nov. 9, 2023)

TSD Key priorities for FY2024

GI-Endotherapy
- Expand clinically differentiated product offerings in key areas of focus: ERCP, ESD, Luminal Patency and Hemostasis devices

Urology
- Expand leadership in BPH through iTind market development while maintaining resection as a primary revenue and profit growth
- Drive lithotripsy growth through SOLTIVE SuperPulsed Laser System

Respiratory
- **Drive growth in lung cancer with stronger emphasis around updated EBUS-TBNA offering.**
- Reinforce strength in respiratory endoscopy through continued focus on driving adoption of X1 bronchoscopy platform

1%
Growth rate[1] in FY2024

Growth driver now

GI-Endotherapy
- Visiglide series
- ESD Knife
- EZ Clip / QuickClip Pro
- EndoJaw

Urology
- Resection electrodes
- SOLTIVE SuperPulsed Laser System for stone + soft tissue (US, EU, AP)

Respiratory
- **Single-use bronchoscope (US)**
- Bronchoscope, EBUS scope
- ViziShot series
- Spiration Valve System
- EVIS X1 bronchoscope (Japan, EU, AP)

Just launched / Coming soon

GI-Endotherapy
- 1 product (US)
- 6 products (EU)
- 5 products (Japan)
- 1 product (China)

Urology
- ESG-410 (US, Japan, AP)
- Single-use ureteroscope (US, **AP**, Japan)
- **SOLTIVE SuperPulsed Laser System (Japan)**
- iTind (US, EU, AP)
- Resection electrodes (China)
- OES ELITE Ureteroscope (China)

Respiratory
- New EBUS scope (US, China)
- EVIS X1 bronchoscope (US)
- Endoscopic Ultrasound Processor (EU, Japan, AP)

Beyond

GI-Endotherapy
- Single-use cholangioscope

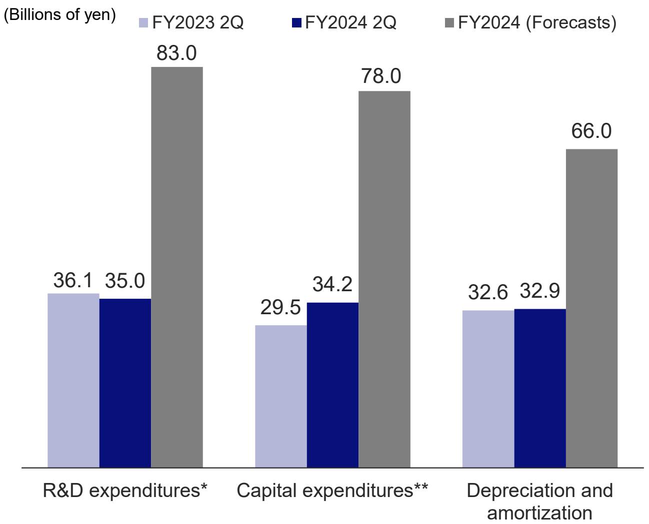
Urology
- Cystoscope
- Camera head
- **Video processor**

Respiratory
- Slim EBUS scope
- EVIS X1 bronchoscope (China)

1 YoY after FX adjustment

Expenditures, etc.

6 Months (Apr. to Sep.) and Full-year Forecasts



(Billions of yen)	FY2023	FY2024
R&D expenditures* (a)	36.1	35.0
Capitalization of R&D expenditures (b)	5.6	6.2
R&D expenses in P/L (a-b)	30.5	28.8

(Billions of yen)	FY2023	FY2024
Amortization	3.9	4.2
	End of Jun. 2023	End of Sep. 2023
R&D assets	59.9	60.8

*Capitalization of R&D expenditures (b) is included in R&D expenditures.
**Capitalization of R&D expenditures (b) is included in capital expenditures.
In addition, the Olympus Group has adopted IFRS #16 "Leases" from FY2020, and right-of-use assets below are included in capital expenditures.
(FY2023 2Q: ¥4.3 billion, FY2024 2Q: ¥6.9 billion, FY2024 Forecast: ¥9.0 billion)

Foreign Exchange and Sensitivity

☑ As a general rule, we use average value for latest month as exchange rates for full-year forecasts

Foreign exchange rate

(Yen)	FY2023 1Q	FY2023 2Q	FY2024 1Q	FY2024 2Q	FY2024 Forecasts as of August 9	FY2024 Latest Forecasts
Yen/U.S. dollar	129.57	138.37	137.37	144.62	132	145
Yen/Euro	138.12	139.34	149.47	157.30	144	155
Yen/CNY	19.58	20.19	19.56	19.94	19	20

Forex sensitivity (annualized impact)

(Billions of yen)	Revenue	Operating profit
U.S. dollar (per yen)	2.5	0.7
Euro (per yen)	1.6	0.6
CNY (per yen)	5.8	3.5

*Forex sensitivity (annualized impact) is calculated based on the FY2023 4Q results.

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