

Our New Company Strategy

# Company Strategy

## Guiding Principles

Olympus has decided “Patient safety and sustainability,” “Innovation for growth,” and “Productivity” as the three priorities in order to achieve “Making people’s lives healthier, safer and more fulfilling” as stated in Our Purpose. In addition, we will accelerate investment in strategic value pools that drive long-term sustainable growth: Business and Global Expansion, Strategic M&A, Care Pathway Enhancement, and Intelligent Endoscopy Ecosystem. We will continue to invest in patient safety and our business’ growth, which are fundamental to our organization’s long-term sustainability.

<b>Patient safety and sustainability</b> 	<b>1</b> Resolve pending commitments to the FDA, prove confidence with regulators > Initiatives for Patient Safety and Growth (P. 16)
	<b>2</b> Lead in organization health and ESG > Evolving Our Corporate Culture (P. 72) > ESG Strategy (P. 38)
<b>Innovation for growth</b> 	<b>3</b> Strengthen the Olympus brand, elevate the experience of our customers
	<b>4</b> Grow our business, through purposeful innovation and acquisitions > Innovation (P. 58) > Strategic M&A (P. 66)
<b>Productivity</b> 	<b>5</b> Build a high performing organization focused on patient safety and product quality > Activities to Improve Productivity (P. 77)
	<b>6</b> Ensure simplicity and operational efficiency

## Strategic Value Pools that Drive Long-term Sustainable Growth

<p>Business and Global Expansion</p>	<p>Strategic M&amp;A</p>	<p>Care Pathway Enhancement</p>	<p>Intelligent Endoscopy Ecosystem</p>
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## FY2024-FY2026 Financial Guidance

Despite continuing drastic changes in the external environment, we aim to sustain an annual revenue growth rate of around 5% and maintain an operating margin of around 20%. EPS CAGR is targeted at around 8%, above revenue growth, with productivity and efficiency improvements to control rising costs. Over the next three years, we plan to resolve QARA issues and actively invest for sustainable growth. At the same time, we will take steps to enhance efficiency, including the optimization of manufacturing plants through cost-cutting activities, and globalizing our organization and operations.

### Competitive Growth Along with Steady Value Creation



## Capital Allocation

Regarding capital allocation, we are prioritizing business investments. Under our new company strategy, we will continue to proceed with business investments and M&A, focusing on disease states where Olympus can have market-leading impact and contribute to elevating the standard of care. In addition to investments for business growth, we will also invest in sustainable growth, such as strengthening QARA functions. Through appropriate financial management, we will see a stable and gradual dividend increase, and consider flexible buyback of company shares based on investment opportunities and cash/financial conditions.

