Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 <under IFRS>

May 13, 2025

Company Name: Olympus Corporation
Code Number: 7733
(URL: https://www.olympus.co.jp/)
Stock Exchange Listing: Prime Market of Tokyo Stock Exchange
Representative: Yasuo Takeuchi, Director, Representative Executive Officer, Executive Chairperson, President and Chief Executive Officer, and ESG Officer
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Scheduled date of General Meeting of Shareholders:	June 26, 2025
Scheduled date to submit the Securities Report:	June 19, 2025
Scheduled date to commence dividend payments:	June 5, 2025
Presentation of supplementary material on financial results:	Yes
Holding of 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 Fiscal Year Ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

(1) Consolidated Results of Operations

(% indicate changes from the previous fiscal year)

	Revenue		Operating profit		Adjusted operating profit		Profit before tax		Profit		Profit attributable to owners of parent	
Fiscal year ended	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
March 31, 2025	997,332	7.7	162,462	216.2	188,509	24.6	159,070	264.7	117,855	(51.5)	117,855	(51.4)
March 31, 2024	925,752	–	51,387	–	151,316	–	43,611	–	242,929	69.2	242,566	69.1

	Total comprehensive income		Basic earnings per share	Diluted earnings per share	Ratio of equity attributable to owners of parent to profit	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
Fiscal year ended	(¥ million)	%	(¥)	(¥)	%	%	%
March 31, 2025	113,464	(64.1)	102.99	102.80	15.6	10.7	16.3
March 31, 2024	316,425	60.9	199.91	199.44	34.7	2.9	5.6

Reference: Share of profit (loss) of investments accounted for using equity method:
Fiscal year ended March 31, 2025: ¥466 million Fiscal year ended March 31, 2024: ¥(358) million

Note: The Orthopedic Business has been classified as a discontinued operation from the first quarter ended June 30, 2024. Due to this, the amounts presented for revenue, operating profit, adjusted operating profit and profit before tax are the amounts from continuing operations from which the amounts from the discontinued operation have been excluded. The amounts presented for profit and profit attributable to owners of parent are aggregates of continuing operations and discontinued operation. As the businesses have been similarly reclassified in the fiscal year ended March 31, 2024, changes from the previous fiscal year are not presented.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	(¥ million)	(¥ million)	(¥ million)	%	(¥)
March 31, 2025	1,432,826	751,733	751,733	52.5	666.54
March 31, 2024	1,534,216	757,186	757,186	49.4	649.59

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
Fiscal year ended	(¥ million)	(¥ million)	(¥ million)	(¥ million)
March 31, 2025	190,463	(65,469)	(211,542)	252,532
March 31, 2024	42,365	359,992	(276,010)	340,933

2. Dividends

	Annual dividends per share					Total amount of cash dividends (Annual)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter	Second quarter	Third quarter	Year-end	Total			
	(¥)	(¥)	(¥)	(¥)	(¥)	(¥ million)	%	%
Fiscal year ended March 31, 2024	–	0.00	–	18.00	18.00	20,981	9.0	3.1
Fiscal year ended March 31, 2025	–	0.00	–	20.00	20.00	22,556	19.4	3.0
Fiscal year ending March 31, 2026 (Forecast)	–	0.00	–	30.00	30.00		31.8	

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2026 (From April 1, 2025 to March 31, 2026)

(% indicate changes from the previous fiscal year)

	Revenue		Operating profit		Adjusted operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥)
Full year	999,000	0.2	150,000	(7.7)	175,000	(7.2)	145,000	(8.8)	105,000	(10.9)	94.44

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 Company (Olympus Corporation Chile)
Excluded: 2 companies (Olympus Terumo Biomaterials Corp., FH Ortho SAS)

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

As of March 31, 2025	1,139,116,300 shares
As of March 31, 2024	1,215,146,700 shares

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

As of March 31, 2025	11,305,636 shares
As of March 31, 2024	49,514,907 shares

3) Average number of shares during the period

Fiscal year ended March 31, 2025	1,144,342,822 shares
Fiscal year ended March 31, 2024	1,213,401,518 shares

Reference: Summary of Non-Consolidated Financial Results

Financial Results for the Fiscal Year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

(1) Non-Consolidated Results of Operations (% indicate changes from the previous fiscal year)

	Revenue		Operating profit		Ordinary profit		Profit	
Fiscal year ended	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
March 31, 2025	389,797	2.7	12,485	(70.2)	69,516	(48.6)	61,665	(79.0)
March 31, 2024	379,373	(0.2)	41,907	(48.9)	135,139	(11.3)	293,613	125.3

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	(¥)	(¥)
March 31, 2025	53.89	53.79
March 31, 2024	241.97	241.41

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	(¥ million)	(¥ million)	%	(¥)
March 31, 2025	913,012	457,205	50.1	405.22
March 31, 2024	954,925	512,912	53.7	439.81

Reference: Equity as of March 31, 2025: ¥457,009 million March 31, 2024: ¥512,652 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* 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 Olympus Corporation and on certain assumptions deemed to be reasonable. Accordingly, Olympus Corporation 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 “(Forecast for the Fiscal Year Ending March 31, 2026)” on page 7 of the attached material for the conditions that form the assumptions for the forecast and cautions concerning the use thereof.

(Adjusted operating profit)
Adjusted operating profit is the amount of profit after deducting other income and other expenses from operating profit. Adjusted operating profit is disclosed because it is one of the performance metrics of the Olympus Group.

Attached Material

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1. Overview of Operating Results and Others

(1) Analysis of Business Results

(Review of Operations)

In the fiscal year ended March 31, 2025, Olympus Corporation entered into a put option agreement with PTCJ-6O Holdings Inc. and PTCJ-6F Holdings Inc. (special purpose companies established by Polaris Capital Group Co., Ltd., collectively, the “Polaris Capital Group”), to transfer Olympus Terumo Biomaterials Corporation and FH Ortho SAS, Olympus’s Orthopedic Business, a process that was completed on July 12, 2024. Due to this, profit (loss) from the Orthopedic Business has been classified as profit (loss) from discontinued operation, and it has been presented in the same manner for the fiscal year ended March 31, 2024. Furthermore, the amounts presented for revenue, operating profit, adjusted operating profit, profit before tax and profit from continuing operations are the amounts from continuing operations from which the amounts from the discontinued operation have been excluded, while the amounts presented for profit and profit attributable to owners of parent are aggregates of continuing operations and discontinued operation.

In the past, the Olympus Group had three reportable segments: “Endoscopic Solutions,” “Therapeutic Solutions,” and “Other.” However, since the Orthopedic Business was classified as a discontinued operation, the operations in “Other” apart from the Orthopedic Business that were included in continuing operations have been excluded from the reportable segments as they were deemed to have a decrease in financial materiality for financial information expected in the fiscal year ended March 31, 2025. For this reason, from the first quarter ended June 30, 2024, we have changed to two reportable segments: “Endoscopic Solutions” and “Therapeutic Solutions,” and have presented the information in the same manner for the fiscal year ended March 31, 2024.

Furthermore, effective April 1, 2025, we have implemented a reorganization of business units and a restructuring of the organization with the aim of developing a more efficient and a more patient- and customer-centric business. The Olympus Group has two reportable segments: “Endoscopic Solutions” and “Therapeutic Solutions.” However, we will change these two reportable segments to “Gastrointestinal Solutions Division” and “Surgical & Interventional Solutions Division” from the fiscal year ending March 31, 2026.

Trends in overall business results

During the fiscal year ended March 31, 2025, the global economy continued to move towards recovery, but the downside risks of trade policy in the U.S., as well as heightened volatility in the financial markets, need to be closely monitored. Notwithstanding a gradual improvement in business conditions for the Japanese economy, the outlook for the global economy also needs to be closely monitored.

Despite this environment, the Olympus Group is continuing to work to transform into a global MedTech company by pursuing our three priorities of “Patient safety and sustainability,” “Innovation for growth” and “Productivity” in line with the company strategy announced in May 2023.

Business results

Business results of continuing operations are presented in (1) to (10), and business results of aggregates of continuing operations and discontinued operation are presented in (11) below.

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Increase (Decrease)	Increase (Decrease) ratio (%)
(1) Revenue	925,752	997,332	71,580	7.7
(2) Cost of sales	307,320	313,635	6,315	2.1
(3) Selling, general and administrative expenses	466,758	495,654	28,896	6.2
(4) Share of profit (loss) of investments accounted for using equity method/Other income/Other expenses	(100,287)	(25,581)	74,706	–
(5) Operating profit	51,387	162,462	111,075	216.2
(6) Adjusted operating profit	151,316	188,509	37,193	24.6
(7) Finance income (loss)	(7,776)	(3,392)	4,384	–
(8) Profit before tax	43,611	159,070	115,459	264.7
(9) Income taxes	8,546	41,270	32,724	382.9
(10) Profit from continuing operations	35,065	117,800	82,735	235.9
(11) Profit attributable to owners of parent	242,566	117,855	(124,711)	(51.4)
Exchange rate (Yen/USD)	144.62	152.58	7.96	–
Exchange rate (Yen/EUR)	156.80	163.75	6.95	–
Exchange rate (Yen/CNY)	20.14	21.10	0.96	–

(1) Revenue

Revenue increased by ¥71,580 million year on year to ¥997,332 million, with revenue growth in both the Endoscopic Solutions Business and Therapeutic Solutions Business. Details are as described in “Analysis of the performance by segment” below.

(2) Cost of sales

Cost of sales increased by ¥6,315 million year on year to ¥313,635 million. The cost-to-sales ratio improved by 1.7 percentage points year on year to 31.4% as a result of the disappearance of provisions recorded in the Endoscopic Solutions Business in the fiscal year ended March 31, 2024, including approximately ¥5,200 million in costs associated with market correction measures for hi-flow insufflation units and approximately ¥5,000 million for expenses associated with the voluntary recall of small intestine endoscope systems.

(3) Selling, general and administrative expenses

Selling, general and administrative expenses increased by ¥28,896 million year on year to ¥495,654 million. The ratio of selling, general and administrative expenses to revenue improved by 0.7 percentage points year on year to 49.7% as a result of increased revenue, despite an increase in research and development expenses.

(4) Share of profit (loss) of investments accounted for using equity method/Other income/Other expenses

The sum of share of profit (loss) of investments accounted for using equity method, other income, and other expenses amounted to expenses of ¥25,581 million, and the profit or loss improved by ¥74,707 million year on year. In terms of other income, consolidated subsidiary, Olympus (Shenzhen) Industrial Ltd. received compensation income of approximately ¥1,200 million in the fiscal year ended March 31, 2025, in relation to the return of usage rights for land and buildings in Shenzhen City, China, to the government of Shenzhen City. The same subsidiary also came to a settlement with Shenzhen Anpingtai Investment and Development

Co., Ltd. This led to the reversal of provisions of approximately ¥900 million that had been recorded in the past based on estimates for losses associated with litigation, etc., resulting in a year-on-year increase of ¥1,814 million. With regard to other expenses, in addition to the disappearance of a loss recorded in the fiscal year ended March 31, 2024 of approximately ¥51,900 million, which related to the discontinuation of the manufacture and sale of Veran Medical Technologies, Inc.'s electromagnetic navigation systems, and the absence of expenses of approximately ¥2,000 million related to the conclusion and rescission of share purchase agreement of Taewoong Medical Co., Ltd., there were decreases of impairment losses on development assets for the Endoscopic Solutions Business and Therapeutic Solutions Business of approximately ¥3,900 million and ¥1,900 million respectively. In addition, there was a decline of impairment losses on research and development in progress for the Endoscopic Solutions Business of approximately ¥4,500 million, a fall of approximately ¥3,700 million in one-off expenses related to the quality and regulatory transformation project Elevate, and a decrease of approximately ¥3,000 million in special additional payment and other expenses associated with the implementation of a career support system for external opportunities, resulting in an overall year-on-year decline of ¥72,068 million.

(5) Operating profit

Reflecting the factors stated above, operating profit increased by ¥111,075 million year on year to ¥162,462 million.

(6) Adjusted operating profit

Reflecting the factors stated above, adjusted operating profit, which is the amount of profit after deducting other income and other expenses from operating profit, increased by ¥37,193 million year on year to ¥188,509 million.

(7) Finance income (loss)

Finance loss, which reflects finance income and finance costs, improved ¥4,384 million year on year to ¥3,392 million. The loss improvement mainly reflects a decrease in foreign exchange losses.

(8) Profit before tax

Reflecting the factors stated above, profit before tax increased by ¥115,459 million year on year to ¥159,070 million.

(9) Income taxes

The increased profit before tax led income taxes to increase by ¥32,724 million year on year to ¥41,270 million.

(10) Profit from continuing operations

Reflecting the factors stated above, profit from continuing operations increased by ¥82,735 million year on year to ¥117,800 million.

(11) Profit attributable to owners of parent

As a result of recording a gain of approximately ¥349,000 million on the transfer of Scientific Solutions Business in discontinued operation during the fiscal year ended March 31, 2024, profit attributable to owners of parent decreased by ¥124,711 million year on year to ¥117,855 million.

(Research and development, and capital investments)

During the fiscal year ended March 31, 2025, the Olympus Group invested ¥103,890 million on research and development, and spent ¥84,959 million on capital investments in continuing operations, excluding discontinued operation.

(Impact of foreign exchanges rates)

Compared to the previous fiscal year, the yen depreciated against the USD, EUR, and CNY. The average exchange rate during the period was ¥152.58 against the USD (¥144.62 in the previous fiscal year), ¥163.75

against the EUR (¥156.80 in the previous fiscal year) and ¥21.10 against the CNY (¥20.14 in the previous fiscal year), which caused revenue, operating profit and adjusted operating profit to increase by ¥39,907 million, ¥20,775 million and ¥21,390 million, respectively, year on year. Consolidated revenue increased 3.4% year on year, and consolidated operating profit increased 175.7% year on year, excluding the impact of the foreign exchange rate.

Analysis of the performance by segment

(Millions of yen)

	Revenue			Operating profit (loss)		
	Previous fiscal year	Current fiscal year	Increase (Decrease) ratio (%)	Previous fiscal year	Current fiscal year	Increase (Decrease) ratio (%)
Endoscopic Solutions	586,617	636,144	8.4	104,684	141,398	35.1
Therapeutic Solutions	337,331	360,658	6.9	(8,466)	61,453	–
Subtotal	923,948	996,802	7.9	96,218	202,851	110.8
Other	1,804	530	(70.6)	(287)	(473)	–
Elimination or Unallocation	–	–	–	(44,544)	(39,916)	–
Consolidated total	925,752	997,332	7.7	51,387	162,462	216.2

Note: Businesses are segmented by adding similarities of sales market to the business established based on line of products.

Endoscopic Solutions Business

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Increase (Decrease)	Increase (Decrease) ratio (%)
Revenue	586,617	636,144	49,527	8.4
Operating profit (loss)	104,684	141,398	36,714	35.1

Consolidated revenue in the Endoscopic Solutions Business amounted to ¥636,144 million (up 8.4% year on year), while operating profit amounted to ¥141,398 million (up 35.1% year on year).

In GI Endoscopy, while sales in China, where the competition is becoming increasingly fierce, declined due to the impact of policies favoring domestic products and other factors, revenue increased in North America with favorable sales of the gastrointestinal endoscopy system “EVIS X1,” driving positive year-on-year growth.

In Surgical Endoscopy, although China recorded lower revenue, revenue grew in North America and APAC. Growth driven mainly by the favorable performance of new products related to surgical system integration in North America resulted in positive growth year on year.

In the medical services field, all regions, especially in Europe and North America, showed positive year-on-year growth due to an increase in new contracts, in addition to stable sales of existing service contracts including maintenance services.

Operating profit in the Endoscopic Solutions Business increased, despite higher research and development expenses related mainly to next-generation endoscopic systems. This was driven by an increase in revenue, the disappearance of approximately ¥5,200 million in costs associated with market correction measures for hi-flow insufflation units and the disappearance of approximately ¥5,000 million for expenses associated with the voluntary recall of small intestine endoscope systems. In addition, there were decreases of impairment losses on development assets and impairment losses on research and development in progress, both recorded in other expenses, of approximately ¥3,900 million and ¥4,500 million respectively, and a fall of approximately ¥2,300 million in one-off expenses related to the quality and regulatory transformation project Elevate.

Revenue increased 4.1% year on year, and operating profit increased 19.8% year on year, excluding the impact of the foreign exchange rate.

Therapeutic Solutions Business

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Increase (Decrease)	Increase (Decrease) ratio (%)
Revenue	337,331	360,658	23,327	6.9
Operating profit (loss)	(8,466)	61,453	69,919	–

Consolidated revenue in the Therapeutic Solutions Business amounted to ¥360,658 million (up 6.9% year on year), while operating profit amounted to ¥61,453 million (compared with an operating loss of ¥8,466 million in the previous fiscal year).

The Therapeutic Solutions Business saw positive growth centered on North America and Europe in all three focus areas: the GI EndoTherapy field, the urology field, and the respiratory field.

In the GI EndoTherapy field, sales increased in product groups for Endoscopic Retrograde Cholangio Pancreatography (ERCP), which are used in endoscopic diagnoses and treatment of pancreatic duct, bile duct, etc.

In the urology field, there was an increase in sales of resection electrodes for BPH (Benign Prostatic Hyperplasia), and “SOLTIVE SuperPulsed Laser System” lithotripsy machines for kidney stones.

In the respiratory field, sales of therapeutic devices and EBUS scopes mainly used for EBUS-TBNA (Endobronchial Ultrasound-guided Transbronchial Needle Aspiration) were favorable.

In other therapeutic areas, revenue decreased, mainly reflecting an impact in Japan, where we ceased handling of another company’s products.

Operating profit in the Therapeutic Solutions Business rose despite an increase in research and development expenses. This was caused by an increase in profit driven by higher revenue, the disappearance of other expenses recorded in the previous fiscal year, including a loss of approximately ¥51,900 million, which related to the discontinuation of the manufacture and sale of Veran Medical Technologies, Inc.’s electromagnetic navigation systems, and expenses of approximately ¥2,000 million, which related to the conclusion and rescission of the share purchase agreement of Taewoong Medical Co., Ltd., as well as decreases of impairment losses on development assets of approximately ¥1,900 million, and expenses related to the quality and regulatory transformation project Elevate of approximately ¥1,300 million as other expenses.

Revenue increased 2.6% year on year, and operating profit increased by ¥64,434 million year on year, excluding the impact of the foreign exchange rate.

(Forecast for the Fiscal Year Ending March 31, 2026)

The forecast for consolidated financial results in the fiscal year ending March 31, 2026 is as follows. Foreign exchange rates for the fiscal year ending March 31, 2026, which are a precondition, are expected to be ¥145 per USD, ¥161 per EUR and ¥20 per CNY. Please note that due to the uncertainty surrounding U.S. tariffs policies, we have disclosed our outlook without factoring in the impact of such policies. We will continue to monitor the situation closely and implement measures to mitigate any potential impact.

	Revenue (Millions of yen)	Operating profit (Millions of yen)	Adjusted operating profit (Millions of yen)	Profit before tax (Millions of yen)	Profit attributable to owners of parent (Millions of yen)	Basic earnings per share (Yen)
Fiscal Year Ending March 31, 2026	999,000	150,000	175,000	145,000	105,000	94.44

As mentioned above, Gastrointestinal Solutions Division (GIS) and Surgical & Interventional Solutions Division (SIS) are our new reportable segments for the fiscal year ending March 31, 2026, and beyond.

Revenue is expected to remain at the same level as the fiscal year ended March 31, 2025, but excluding the impact of foreign exchange rates, we anticipate a steady growth excluding the impact of foreign exchange, we expect sales growth in the Gastrointestinal Solutions business driven by expanded sales of the gastrointestinal endoscopic system EVIS X1 in North America and a recovery in the business environment in Europe and Asia/Oceania. In the Surgical & Intervention business, we anticipate sales growth focused on our mainstay urology and respiratory fields.

Operating profit, adjusted operating profit, profit before tax, and profit attributable to owners of parent are expected to decrease due to a long-term strategic investments, such as research and development expenses for future growth.

(2) Analysis of Financial Position and Cash Flows

(Analysis of assets, liabilities and equity)

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025	Increase (Decrease)	Increase (Decrease) ratio (%)
Total assets	1,534,216	1,432,826	(101,390)	(6.6)
Total equity	757,186	751,733	(5,453)	(0.7)
Equity attributable to owners of parent to total assets	49.4%	52.5%	3.1%	

[Assets]

As of the end of the fiscal year ended March 31, 2025, total assets decreased by ¥101,390 million compared to the end of the previous fiscal year to ¥1,432,826 million. Cash and cash equivalents decreased by ¥88,401 million due mainly to payments for share repurchase of ¥100,002 million, and income taxes receivable decreased by ¥32,304 million due mainly to income taxes refund.

[Liabilities]

Total liabilities decreased by ¥95,937 million from the end of the previous fiscal year to ¥681,093 million. Bonds and borrowings decreased by ¥70,514 million due to the redemption of bonds and the repayments of borrowings, and provisions decreased by ¥15,584 million due to decreases in provision for product warranties and provision for duodenoscope market response. In addition, other current liabilities decreased by ¥13,523 million due mainly to a decrease in accrued expenses.

[Equity]

Total equity decreased by ¥5,453 million from the end of the previous fiscal year to ¥751,733 million. This decrease took place despite profit attributable to owners of parent of ¥117,855 million, mainly as a result of share repurchase of ¥100,002 million and dividends of surplus of ¥20,981 million.

In addition, based on resolution of the Board of Directors meeting held on November 9, 2023, Olympus Corporation canceled treasury shares of ¥77,161 million on April 30, 2024. Furthermore, based on resolution of the Board of Directors meeting held on May 10, 2024, Olympus Corporation repurchased its shares of ¥100,002 million, and canceled treasury shares of ¥95,338 million on January 31, 2025. As a result, treasury shares decreased by ¥74,094 million (contraction of negative stated amount in equity).

As a result of the foregoing, equity attributable to owners of parent to total assets increased from 49.4% as of the end of the previous fiscal year to 52.5%.

(Analysis of cash flows)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Increase (Decrease)
Cash flows from operating activities	42,365	190,463	148,098
Cash flows from investing activities	359,992	(65,469)	(425,461)
Cash flows from financing activities	(276,010)	(211,542)	64,468
Cash and cash equivalents at end of year	340,933	252,532	(88,401)

[Cash flows from operating activities]

Net cash provided by operating activities for the fiscal year ended March 31, 2025 was ¥190,463 million (compared with ¥42,365 million provided for the fiscal year ended March 31, 2024). This increase was driven mainly by profit before tax of ¥159,070 million and an adjustment for depreciation and amortization of ¥66,456 million, outweighing the increase in trade and other receivables of ¥27,725 million.

[Cash flows from investing activities]

Net cash used in investing activities for the fiscal year ended March 31, 2025 was ¥65,469 million (compared with ¥359,992 million provided for the fiscal year ended March 31, 2024). The main factors behind this were purchase of property, plant and equipment of ¥46,001 million and purchase of intangible assets of ¥19,208 million.

[Cash flows from financing activities]

Net cash used in financing activities for the fiscal year ended March 31, 2025 was ¥211,542 million (compared with ¥276,010 million used for the fiscal year ended March 31, 2024). The main factors behind this were payments for share repurchase of ¥100,002 million, redemption of bonds and repayments of long-term borrowings of ¥70,035 million, dividends paid of ¥20,981 million, and repayments of lease liabilities of ¥19,302 million.

As a result of the foregoing, cash and cash equivalents at the end of the fiscal year ended March 31, 2025 reached ¥252,532 million, a decrease of ¥88,401 million compared to the end of the previous fiscal year. Note that of the related indicators, the interest-bearing debt to cash flows ratio went from 7.1 years at the end of the previous fiscal year to 1.2 years for the fiscal year ended March 31, 2025, due to cash flows from operating activities being ¥190,463 million, an increase of ¥148,098 million compared with the previous fiscal year. The interest coverage ratio went from 8.8 times at the end of the previous fiscal year to 45.4 times for the fiscal year ended March 31, 2025.

(Indicators)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Ratio of equity attributable to owners of parent to total assets (%)	37.6	42.4	49.4	52.5
Market value ratio of equity attributable to owners of parent to total assets (%)	219.3	192.7	168.1	153.3
Interest-bearing debt to cash flows ratio (years)	2.3	3.5	7.1	1.2
Interest coverage ratio (times)	39.6	18.3	8.8	45.4

Notes: Ratio of equity attributable to owners of parent to total assets: Equity attributable to owners of parent/Total assets
Market value ratio of equity attributable to owners of parent to total assets: Total market capitalization/Total assets
Interest-bearing debt to cash flows ratio: Interest-bearing debt/Cash flow
Interest coverage ratio: Cash flow/Interest payment

1. Each index was calculated by financial index of consolidated basis.
2. Total market capitalization is calculated on the basis of the number of issued shares excluding treasury stock.
3. Cash flows from operating activities are used as “Cash flow” for calculation purposes.

4. Interest-bearing debts include all of those debts reported on the consolidated statements of financial position on which interest is paid.

(3) Basic Strategy for Profit Sharing and Dividend for the Fiscal Year Ended March 31, 2025 and Following Fiscal Year

In order to realize the sustainable growth of the Olympus Group, Olympus Corporation prioritizes the allocation of cash on hand to invest in growth drivers and carries out strategic investment both in highly profitable existing businesses and in growth opportunities. Our policy is to increase dividends in a stable and gradual manner and to repurchase our shares flexibly based on investment opportunities and our capital situation.

In accordance with the above policy and in consideration of comprehensive factors that include the consolidated financial results for the fiscal year ended March 31, 2025, the financial standing and future investment in operations, the year-end dividend is ¥20 (annual dividend of ¥20) per share for the fiscal year ended March 31, 2025.

Olympus Corporation intends to pay an annual dividend of ¥30 (year-end dividend of ¥30) per share for the next fiscal year ending March 31, 2026.

(4) Business Risks

Olympus Corporation applies the regulations in Note (31) listed in Form 2 of the “Cabinet Office Order on Disclosure of Corporate Affairs” following amendment in accordance with the “Cabinet Office Order Partially Amending the Cabinet Office Order on Disclosure of Corporate Affairs” (Cabinet Office Order No. 3 of January 31, 2019).

The business performance of the Olympus Group may be materially affected by various risks (uncertainties) that could occur in the future. The Olympus Group has established a comprehensive global Enterprise Risk Management framework to facilitate the attainment of its strategic business objectives, which encompass, among other aspects, its management philosophy and Guiding Principles. The Enterprise Risk Management structure implemented by the Olympus Group is based on and operates in accordance with the formalized “Policy of Risk Management & Crisis Response.” The Olympus Group is undertaking Enterprise Risk Management from the perspective of both opportunities and threats. Opportunities are seized through active and appropriate risks-taking leading to sustainable growth and value creation for the Olympus Group. Threats are identified, prioritized, and treated to ensure the achievement of business objectives and to prevent non-compliance.

The global organizational design integrates the four functions, Risk & Controls, Compliance, Privacy, and Information Security, responsible for the related management systems for Risk & Control, Compliance, Privacy and Information, Product and Cyber Security to deliver a holistic view on risks Olympus wide, embedded in business processes “Aligned Assurance.” During the fiscal year ended March 31, 2025, these areas were integrated with the Global Legal function into Legal, Risk and Compliance function (LRC) reporting into the Global General Counsel (GGC) as executive officer. The Global Chief Compliance Officer maintains regular reporting to the CEO, the Audit Committee, and the Board of Directors while he or she continues to attend applicable Group Executive Committee meetings.

The elements of the enhanced Enterprise Risk Management System are:

- A global Risk & Controls organization embedded into the LRC function
- An enhanced global Enterprise Risk Management methodology and approach
- A globally harmonized Enterprise Risk Management process

Those three elements aim to ensure a streamlined Enterprise Risk Management that feeds into business and financial planning and safeguards the achievement of Olympus Corporation’s business objectives and its company strategy by supporting informed decision making.

Further building on the global Enterprise Risk Management Portfolio for the fiscal year ended March 31, 2024, Olympus conducted Risk Assessments with all relevant functions during the fiscal year ended March 31, 2025, to validate and update Olympus Corporation’s regional and global Risk Portfolio.

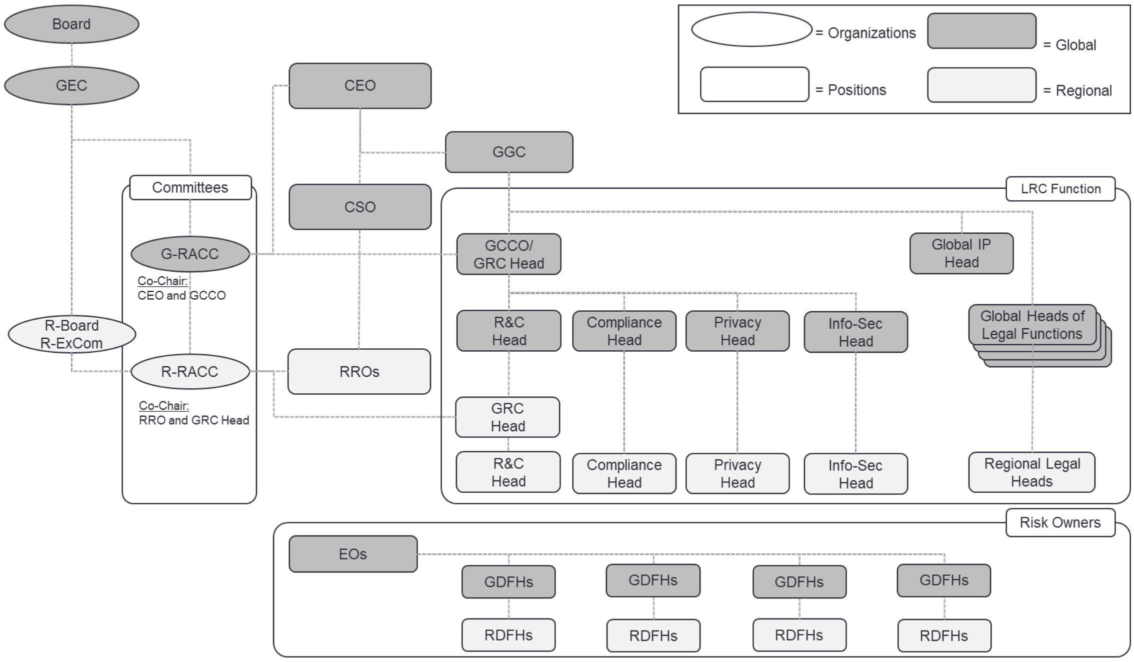
Risk and Compliance Management Organizational Setup

The Olympus Group has established a committee structure on both global and regional level, the Global and Regional Risk Assurance and Compliance Committees (G-RACC and R-RACC, collectively the “RACCs”).

The objectives of the RACCs are to establish, implement and manage a framework for addressing enterprise risk and complying with applicable policies, laws, and regulations. Recommendations, guidance and significant risks are regularly reported to the Olympus Group Executive Committee (GEC), the Board of Directors (Board), and the Audit Committee for ongoing monitoring.

The Olympus Group also identified and collaboratively nominated Risk Owners, i.e., Global Division and Function Heads, and Regional Division and Function Heads, and respective Risk Coordinators responsible for managing risks. Each Risk Owner is accountable to execute the necessary measures (organizational structure, process preparation, focus measures, etc.) in their designated area of risk.

< Enterprise Risk Management Organizational Chart >



Enterprise Risk Management Methodology and Approach

The Olympus Group has established a global Enterprise Risk Management Methodology and Approach which includes five Risk Categories (1. Strategic (incl. External), 2. Operations & Product, 3. Financial, 4. Governance, and 5. IT & Digital) and corresponding Risk Sub-Categories.

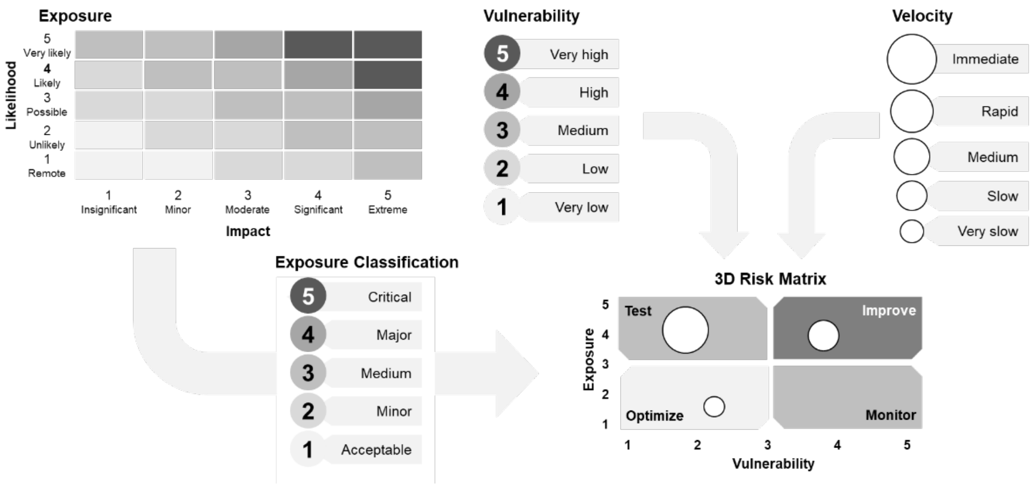
< Enterprise Risk Management Risk Categories >

Risk Categories	Strategic (incl. External)	Operations & Product	Financial	Governance	IT & Digital
Risk Sub-Categories	▪ Planning & resource allocation ▪ Business Development & Investment ▪ Communication & Stakeholder Management ▪ Market dynamics ▪ Force Majeure	▪ Research & Development ▪ Manufacturing & Repair ▪ End-to-end Supply Chain ▪ Sales, Marketing & Service ▪ Quality ▪ Physical Assets ▪ People & HR	▪ Capital Structure ▪ Accounting & Reporting ▪ Liquidity & Credit ▪ Revenue Cycle ▪ Tax	▪ Culture ▪ Regulatory ▪ Legal ▪ Compliance ▪ Data Privacy ▪ Corporate Governance	▪ IT Security & Cyber ▪ IT Applications ▪ IT Governance ▪ IT Infrastructure & Services ▪ Digital

The Olympus Group bases the risk assessments on three Risk Evaluation Criteria (1. Exposure, 2. Vulnerability, 3. Velocity) to evaluate and display that the risks it might reasonably have an effect on the achievement of Olympus' business objectives and the company strategy:

- Exposure which is determined by likelihood and impact. The likelihood indicates the probability of a risk materializing, while the impact assesses the severity of the consequences if a risk does materialize. Likelihood and impact levels are defined as quantitative (financial) or qualitative criteria.
- Vulnerability which refers to how well the organization is prepared to manage a risk if it occurs.
- Velocity which indicates how fast Olympus Corporation would be affected by a risk after it occurs.

< Enterprise Risk Management Risk Evaluation Method >



Based on the three dimensions, the Olympus Group actively identifies, mitigates and monitors risks. Mitigation measures are regularly reviewed and tested for effectiveness. The Olympus Group utilizes a 3D-Risk Matrix to effectively visualize and manage risks. This matrix combines Exposure levels with assessed Vulnerability and incorporates Risk Velocity. The 3D-Risk Matrix is divided into four quadrants, each providing specific guidance on appropriate risk response strategies. The Olympus Group has implemented an enhanced IT system featuring integrated databases and visual dashboards to enable more effective and data-driven risk-based decision making. During the fiscal year ended March 31, 2025, the ERM IT system has been upgraded with in-house design and tested artificial intelligence tools to optimize the risk portfolio completeness, while simultaneously structuring, categorizing, and standardizing risk descriptions to enhance clarity and comprehension.

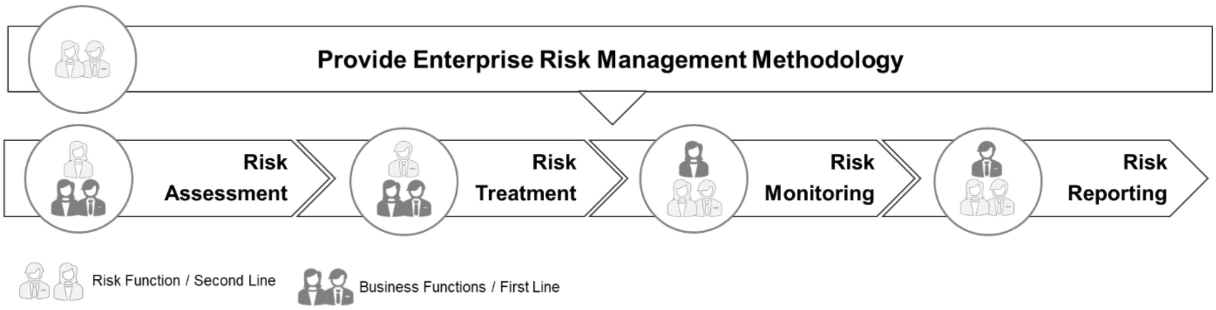
Enterprise Risk Management Process

The main components of the Enterprise Risk Management Process are:

- Risk Assessment to identify, analyze, and evaluate risks.
- Risk Treatment to mitigate risks, coordinate and execute Risk Management activities.
- Risk Monitoring to design and implement monitoring procedures on risks and evaluate effectiveness on Risk Treatment activities.
- Risk Reporting to aggregate and evaluate risks and mitigating measures and report to relevant stakeholders regularly. Risk Reporting is developed and deployed internally as part of the annual plan.

The Enterprise Risk Management Process is based on the strong collaboration between the Risk & Controls Function and the Divisions/Business Functions following the principle of the Three Lines Model. Risk & Controls is responsible for providing, maintaining and developing Enterprise Risk Management Methodology and operational guidance.

< Enterprise Risk Management Process >



Macroeconomic Business Environment

From April 2024, many countries experienced higher-than-expected inflation rates due to supply chain disruptions, rising energy prices and other factors.

Geopolitical tensions continue to pose risks to the global macroeconomic environment. In addition to the uncertainty caused by the war in Ukraine and the situation in the Middle East region, and trade tensions between major economies, including the United States and China, there is also uncertainty regarding additional tariffs in the United States, which is having a significant impact on global trade and supply chains.

Technological advancements such as digital technologies, artificial intelligence, and automation are driving productivity gains and creating new economic opportunities. However, these advancements also pose challenges, including concerns about data privacy and cybersecurity.

Climate change and sustainability are globally important issues and there is an increasing focus on the sustainability and reduction of carbon emissions. However, the transition to a low-carbon economy also presents challenges, including the need for significant capital investment and potential disruptions to traditional industries.

Risk Environment in MedTech sector

In addition to the macroeconomic business environment described above, the MedTech sector is also greatly affected by factors specific to this industry.

In the medical field, healthcare system reforms are being continuously implemented in Japan and overseas with the aim of curbing medical care costs and improving the quality of life of patients by improving the safety and efficacy of healthcare services. Meanwhile, legal and regulatory requirements for medical device applications and registrations in each country, including the US Food and Drug Administration (FDA) and European Medical Device Regulations (EU-MDR), are increasing every year. Also, the requirements concerning infection prevention and reprocessing (i.e., cleaning, disinfection, and sterilization) are becoming more complex.

The hurdles and complexities for technological development are increasing due to changes in healthcare policies in various countries, reductions in healthcare costs, tighter healthcare-related laws and regulations, and further increased demands for infection prevention and reprocessing. Accordingly, the business environment is changing dramatically, not only due to new and alternative technologies, but also due to the entrants into the medical industry from other industries, including large IT companies.

Furthermore, there is a growing need for healthcare as societies progressively age, particularly in developed countries. There are many competitors in the business areas in which the Olympus Group is involved. Technological innovation is also progressing, and competition is intensifying more than ever before. Emerging markets are experiencing increasing healthcare needs and economic growth potential.

In the industry in which the Olympus Group operates, competition for talent is intensifying globally, and changes in the labor market are leading to higher retirement rates. Recruitment, development, and retention of personnel is becoming increasingly important.

The Olympus Group's Risk State for the Fiscal Year Ended March 31, 2025

Based on the Olympus Group's global Risk Assessment performed in the fiscal year ended March 31, 2025, risks impacting the Olympus Group have been identified, quantified, and prioritized.

Risks designated as "Improve" in the 3D-Risk Matrix have been prioritized for Risk Treatment. For the risks in the "Test" quadrant controls are in place. Routine audits should ensure that the existing controls are designed well and operate effectively. Risks located in the "Monitor" quadrant are subject to periodic re-evaluation to ensure that their Risk Exposure is still at an acceptable level or to initiate additional Risk Treatment where necessary.
The Olympus Group reports the following top risks per Risk Category:

<table>
<tr><td>Risk Category: "Strategy (incl. External)"</td><td>Type: Opportunity and Threat</td><td>Trend: Increasing ↑</td></tr>
<tr><td colspan="3">Risk Scenarios</td></tr>
<tr><td colspan="3">The "Strategy" Risk Category includes Planning & Resource Allocation, Business Development & Investment, Communication & Stakeholder Management, Market Dynamics, and Force Majeure. Highest rated risks include geopolitical threats, business development challenges in volatile markets, and supply chain disruptions.
• Geopolitical tensions have been categorized as having Top Risk status, threatening supply chains through military conflicts and trade wars that increase costs and create compliance risks from rapidly changing sanctions.
• In major markets, the market environment is changing significantly due to the implementation of protective measures for domestic industries and other factors. Earnings may be adversely affected due to factors such as increased tariffs and preferential treatment for domestic suppliers.
• With the intensifying competitive environment, launching innovative products that are competitive in terms of price, technology, and quality into the market in a timely manner remains a priority.
• M&A activities present both opportunities and threats, requiring rigorous due diligence and structured integration processes. Insufficient risk mitigation may adversely affect business execution, performance, and financial position through goodwill impairment or related expenses.</td></tr>
<tr><td colspan="3">Risk Treatment</td></tr>
<tr><td colspan="3">To address these strategic risks, Olympus focuses on:
• Increasing supply chain visibility and supplier diversification to reduce vulnerability to supply chain disruptions.
• Monitoring the competitive environment and identifying alternative technologies and market trends, to build a system that will enable the rapid development of new technologies. In China, we are making progress with preparations for local manufacturing, and in the United States, while monitoring the situation regarding additional tariffs, we are working closely with industry associations, with the safety and health of patients as our top priority.
• Enhancement and harmonization of global Business Continuity Management Systems to ensure continued supply to customers and patients despite potential disruptions.
• Taking a balanced approach to innovation through both in-house development and external technology acquisition via M&A and strategic alliances; as well as targeting high-value-added products such as those that may be used in an Intelligent Endoscopy Ecosystem.
• Continuous refinement of M&A processes and systems to improve target selection, due diligence, and post-acquisition integration effectiveness.</td></tr>
<tr><td colspan="3">Connection with company strategy and policies: Patient Safety and Sustainability, Innovation for Growth, Productivity</td></tr>
</table>

Risk Category: "Operations & Product"	**Type:** Opportunity and Threat	**Trend:** unchanged →
Risk Scenarios		
The "Operations & Product" Risk Category encompasses Research & Development, Manufacturing & Repair, End-to-End Supply Chain, Sales, Marketing & Service, Quality, Physical Assets, and People & HR. Most significant risks are primarily related to Product Quality, End-to-End Supply Chain, and Marketing & Sales, affecting product availability and lifecycle management. Key challenges include: • Continuation of activities on FDA warning letter remediation activities, which required significant resource allocation across Manufacturing, Quality, Supply Chain Management, and R&D functions. • Supply chain resilience which remains a persistent challenge amid increasing geopolitical tensions and climate change-related natural disasters.		
Risk Treatment		
Olympus prioritizes improving End-to-End Supply Chain stability and quality processes to deliver premium service with an emphasis on patient safety through: • Continuous improvement of global Business Continuity Management Systems. • Supply chain visibility improvement projects and supplier base diversification to reduce dependency. • Implementation of a global multi-year quality program to enhance and harmonize Quality Management Systems and processes.		
Connection with company strategy and policies: Patient Safety and Sustainability, Productivity		

Risk Category: "Financial"	**Type:** Opportunity and Threat	**Trend:** unchanged →
Risk Scenarios		
This Risk Category consists of the following sub-categories: Capital Structure, Accounting & Reporting, Liquidity & Credit, Revenue Cycle, and Tax. Foreign currency exchange rate fluctuations present significant exposure. We hedge against foreign currency-denominated transactions, but business performance can potentially be adversely affected by a strong yen and positively affected by a weak yen. • Financing risks emerge from financial market volatility affecting access to capital and borrowing, and from company performance influencing borrowing costs. Deteriorating company performance and changes in the financial market environment potentially narrow financing options. • Tax burden may increase through changes in applicable tax laws or interpretations across global jurisdictions. Deferred tax asset valuations may require reassessment due to changing business conditions or organizational restructuring. • Credit risks from customers and suppliers may further impact financial stability.		
Risk Treatment		
Olympus implements targeted financial risk mitigation through: • Deployment of derivative instruments including forward exchange contracts and currency swaps to manage exchange fluctuations, complemented by global cash pooling to reduce foreign currency exposure. • Diversification of funding methods such as public bonds to optimize financing costs, coupled with fixed interest rate policies for long-term debt to minimize interest rate volatility. • Proactive monitoring of tax legislation changes across jurisdictions, with appropriate adjustments to intra-group transaction rules and close profitability management to optimize deferred tax asset positions. • Systematic monitoring of credit recipients' financial condition with timely intervention protocols.		
Connection with company strategy and policies: Productivity		

<table>
<tr><td>Risk Category: “Governance”</td><td>Type: Opportunity and Threat</td><td>Trend: unchanged →</td></tr>
<tr><td colspan="3">Risk Scenarios</td></tr>
<tr><td colspan="3">The “Governance” Risk Category encompasses Culture, Regulatory, Legal, Compliance, Data Privacy, and Corporate Governance.
• Fragmented contract management processes and databases create transparency gaps potentially triggering contract breaches, claims, or liabilities.
• Complex medical device and trade regulations require comprehensive documentation, with potential compliance violations directly impacting product availability.
• The remediation activities underway to address the FDA warning letters received in the fiscal year ended March 31, 2023 need to be fully executed to comply with regulations. Depending on future progress, additional regulatory actions may be taken by the FDA.
• Inadequate Business Continuity Management systems may result in operational disruptions during natural disasters or other emergencies.</td></tr>
<tr><td colspan="3">Risk Treatment</td></tr>
<tr><td colspan="3">Olympus has implemented key governance improvements through:
• A contract management enhancement project with process improvements and database renewal.
• Working on the Quality and regulatory transformation project “Elevate.”
• Remediation of FDA warning letters we received in the fiscal year ended March 31, 2023.
• Development and implementation of a harmonized, targeted Business Continuity Management system to standardize existing continuity measures.
• And, following the resignation of the CEO in the fiscal year ended March 2025, updates to the Global Code of Conduct, along with related training, to clarify that we must comply with our Code, our policies, and all applicable laws and regulations. We will conduct annual Code training for all employees on the updated Code in the fiscal year ending March 2026, and strengthen our offerings for mental health care for executives.</td></tr>
<tr><td colspan="3">Connection with company strategy and policies: Patient Safety and Sustainability</td></tr>
</table>

<table>
<tr><td>Risk Category: “IT & Digital”</td><td>Type: Opportunity and Threat</td><td>Trend: unchanged →</td></tr>
<tr><td colspan="3">Risk Scenarios</td></tr>
<tr><td colspan="3">The “IT & Digital” Risk Category encompasses IT Security & Cyber, IT Applications, IT Governance, IT Infrastructure & Services, and Digital.
• High dependency on digital systems creates vulnerability to operational disruptions from IT failures.
• Cyber security breaches represent high-priority risks requiring continuous monitoring and adaptation.
• Legacy IT applications approaching end-of-service or end-of-life present significant risks for system failures and operational disruption.
• Increasing integration of digital technologies in Olympus products necessitates comprehensive cyber security measures throughout the entire value chain.</td></tr>
<tr><td colspan="3">Risk Treatment</td></tr>
<tr><td colspan="3">Olympus addresses IT and digital risks through:
• Implementation of a comprehensive multi-year IT security program progressing according to plan.
• Significant IT infrastructure updates, upgrades, and transfers advancing on schedule.
• Enhanced security and collaboration requirements for Third Party Providers.
• Upgraded Business Continuity and Disaster Recovery Plans within the global Business Continuity Management harmonization project to minimize customer impact during security incidents.
• A global initiative to protect products and digital services through technologies and processes aligned with the latest cyber security requirements.
• Periodic employee education on cyber security threats and preventive measures for daily operations.</td></tr>
<tr><td colspan="3">Connection with company strategy and policies: Patient Safety and Sustainability, Productivity</td></tr>
</table>

2. Basic Rationale for Selecting the Accounting Standards

The Olympus Group has voluntarily applied the International Financial Reporting Standards (IFRS) from the first quarter of the fiscal year ended March 31, 2018, with the aim of improving the international comparability of financial information in the capital market, improving the effectiveness of corporate management by applying one unified accounting rule in the Olympus Group, and reinforcing governance.

3. Consolidated Financial Statements and Significant Notes Thereto

(1) Consolidated Statements of Financial Position

(Millions of yen)

	Notes	As of March 31, 2024	As of March 31, 2025
ASSETS			
Current assets			
Cash and cash equivalents	18	340,933	252,532
Trade and other receivables	7,18	197,599	204,183
Other financial assets	18	9,862	2,301
Inventories		190,030	187,145
Income taxes receivable		36,686	4,382
Other current assets		25,175	28,451
Subtotal		800,285	678,994
Assets held for sale	8	55	449
Total current assets		800,340	679,443
Non-current assets			
Property, plant and equipment	9	259,968	263,410
Goodwill	9	180,331	180,191
Intangible assets	9	91,961	93,971
Retirement benefit asset		36,815	40,510
Investments accounted for using equity method		479	482
Trade and other receivables	18	55,764	64,200
Other financial assets	18	34,146	43,440
Deferred tax assets		72,324	65,400
Other non-current assets		2,088	1,779
Total non-current assets		733,876	753,383
Total assets		1,534,216	1,432,826

(Millions of yen)

	Notes	As of March 31, 2024	As of March 31, 2025
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade and other payables	18	61,855	61,415
Bonds and borrowings	10,18	69,988	94,985
Other financial liabilities		27,673	21,829
Income taxes payable		38,658	42,451
Provisions	11	31,318	16,001
Other current liabilities		202,203	188,680
Subtotal		431,695	425,361
Total current liabilities		431,695	425,361
Non-current liabilities			
Bonds and borrowings	10,18	229,628	134,117
Other financial liabilities	18	62,238	62,802
Retirement benefit liability		20,586	19,800
Income taxes payable		–	4,743
Provisions		2,362	2,095
Deferred tax liabilities		11,989	13,632
Other non-current liabilities		18,532	18,543
Total non-current liabilities		345,335	255,732
Total liabilities		777,030	681,093
Equity			
Share capital		124,643	124,643
Capital surplus	12	92,032	92,433
Treasury shares	12	(102,017)	(27,923)
Other components of equity		149,127	141,613
Retained earnings		493,401	420,967
Total equity attributable to owners of parent		757,186	751,733
Total equity		757,186	751,733
Total liabilities and equity		1,534,216	1,432,826

(2) Consolidated Statements of Profit or Loss

(Millions of yen)

	Notes	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Continuing operations			
Revenue	6,14	925,752	997,332
Cost of sales	11	307,320	313,635
Gross profit		618,432	683,697
Selling, general and administrative expenses		466,758	495,654
Share of profit (loss) of investments accounted for using equity method		(358)	466
Other income	15,17	3,432	5,246
Other expenses	9,15	103,361	31,293
Operating profit	6	51,387	162,462
Finance income		2,520	3,449
Finance costs		10,296	6,841
Profit before tax		43,611	159,070
Income taxes		8,546	41,270
Profit from continuing operations		35,065	117,800
Discontinued operation			
Profit from discontinued operation	19	207,864	55
Profit		242,929	117,855
Profit attributable to:			
Owners of parent		242,566	117,855
Non-controlling interests		363	–
Profit		242,929	117,855
Earnings per share			
Basic earnings per share			
Continuing operations	16	¥28.60	¥102.94
Discontinued operation	16	¥171.31	¥0.05
Basic earnings per share	16	¥199.91	¥102.99
Diluted earnings per share			
Continuing operations	16	¥28.53	¥102.75
Discontinued operation	16	¥170.91	¥0.05
Diluted earnings per share	16	¥199.44	¥102.80

(3) Consolidated Statements of Comprehensive Income

(Millions of yen)

	Notes	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit		242,929	117,855
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Financial assets measured at fair value through other comprehensive income		(20)	(78)
Remeasurements of defined benefit plans		4,682	3,123
Total of items that will not be reclassified to profit or loss		4,662	3,045
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		69,011	(9,630)
Cash flow hedges		(177)	2,194
Total of items that may be reclassified to profit or loss		68,834	(7,436)
Total other comprehensive income		73,496	(4,391)
Comprehensive income		316,425	113,464
Comprehensive income attributable to:			
Owners of parent		316,062	113,464
Non-controlling interests		363	–
Comprehensive income		316,425	113,464

(4) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Notes	Equity attributable to owners of parent							Non-controlling interests	Total equity
		Share capital	Capital surplus	Treasury shares	Other components of equity	Other components of equity related to disposal group held for sale	Retained earnings	Total		
Balance at April 1, 2023		124,643	92,150	(28,086)	77,280	3,034	371,064	640,085	1,149	641,234
Profit							242,566	242,566	363	242,929
Other comprehensive income					76,530	(3,034)		73,496		73,496
Comprehensive income		–	–	–	76,530	(3,034)	242,566	316,062	363	316,425
Share repurchase	12			(180,002)				(180,002)		(180,002)
Disposal of treasury shares	12		(43)	43				0		0
Cancellation of treasury shares	12		(104,795)	104,795				–		–
Dividends from surplus	13						(20,057)	(20,057)	(183)	(20,240)
Transfer from retained earnings to capital surplus	12		104,855				(104,855)	–		–
Transfer from other components of equity to retained earnings					(4,683)		4,683	–		–
Share-based payment transactions	12		1,457	1,233				2,690		2,690
Equity transactions with non-controlling interests	12		(1,592)					(1,592)	(1,329)	(2,921)
Total transactions with owners		–	(118)	(73,931)	(4,683)	–	(120,229)	(198,961)	(1,512)	(200,473)
Balance at March 31, 2024		124,643	92,032	(102,017)	149,127	–	493,401	757,186	–	757,186

Fiscal year ended March 31, 2025

(Millions of yen)

	Notes	Equity attributable to owners of parent						Total equity
		Share capital	Capital surplus	Treasury shares	Other components of equity	Retained earnings	Total	
Balance at April 1, 2024		124,643	92,032	(102,017)	149,127	493,401	757,186	757,186
Profit						117,855	117,855	117,855
Other comprehensive income					(4,391)		(4,391)	(4,391)
Comprehensive income		–	–	–	(4,391)	117,855	113,464	113,464
Share repurchase	12			(100,002)			(100,002)	(100,002)
Disposal of treasury shares	12		(172)	172			0	0
Cancellation of treasury shares	12		(172,499)	172,499			–	–
Dividends from surplus	13					(20,981)	(20,981)	(20,981)
Transfer from retained earnings to capital surplus	12		172,431			(172,431)	–	–
Transfer from other components of equity to retained earnings					(3,123)	3,123	–	–
Share-based payment transactions	12		641	1,425			2,066	2,066
Total transactions with owners		–	401	74,094	(3,123)	(190,289)	(118,917)	(118,917)
Balance at March 31, 2025		124,643	92,433	(27,923)	141,613	420,967	751,733	751,733

Note: Details of share capital, capital surplus, retained earnings, treasury shares and other components of equity are as described in Note “12. Equity and other equity items.”

(5) Consolidated Statements of Cash Flows

(Millions of yen)

	Notes	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities			
Profit before tax		43,611	159,070
Profit before tax from discontinued operation	19	340,519	61
Depreciation and amortization		65,940	66,456
Impairment losses	9,15	64,568	3,636
Interest and dividend income		(2,376)	(3,308)
Interest expenses		5,409	4,628
Share of loss (profit) of investments accounted for using equity method		358	(466)
Gain on transfer of the Scientific Solutions Business	17,19	(349,037)	–
Decrease (increase) in trade and other receivables	7	(11,851)	(27,725)
Decrease (increase) in inventories		(19,072)	(3,410)
Increase (decrease) in trade and other payables		(5,935)	(1,926)
Increase (decrease) in retirement benefit liability		1,013	1,408
Decrease (increase) in retirement benefit asset		(3,269)	(1,197)
Increase (decrease) in provisions	11	9,083	(15,225)
Other		43,221	6,338
Subtotal		182,182	188,340
Interest received		2,365	3,296
Dividends received		11	12
Interest paid		(4,803)	(4,194)
Income taxes refund (paid)		(137,390)	3,009
Net cash provided by operating activities		42,365	190,463

(Millions of yen)

	Notes	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities			
Purchase of property, plant and equipment		(46,425)	(46,001)
Purchase of intangible assets		(18,199)	(19,208)
Purchase of investment securities		(28)	(8,588)
Proceeds from transfer of the Scientific Solutions Business	17,19	379,091	–
Proceeds from the transfer of the collagen business and dental product sales businesses	17	1,656	–
Proceeds from the transfer of the Orthopedic Business	17,19	–	3,730
Payments for acquisition of subsidiaries	20	–	(3,881)
Proceeds from sale of subsidiaries	17	4,472	–
Collection of loans receivable		53,373	4,283
Payments for contingent consideration		(2,966)	(4,793)
Expenditures based on share purchase agreement		(43,647)	–
Amount recovered upon cancellation of share purchase agreement		31,110	7,603
Other		1,555	1,386
Net cash provided by (used in) investing activities		359,992	(65,469)
Cash flows from financing activities			
Repayments of lease liabilities		(19,518)	(19,302)
Repayments of long-term borrowings		(40,000)	(50,035)
Dividends paid	13	(20,057)	(20,981)
Dividends paid to non-controlling interests		(183)	–
Payments for share repurchase	12	(180,002)	(100,002)
Redemption of bonds	10	(10,000)	(20,000)
Payments for acquisition of interests in subsidiaries from non-controlling interests	12	(2,921)	–
Other		(3,329)	(1,222)
Net cash used in financing activities		(276,010)	(211,542)
Effect of exchange rate changes on cash and cash equivalents		9,074	(1,853)
Net increase (decrease) in cash and cash equivalents		135,421	(88,401)
Cash and cash equivalents at beginning of period		205,512	340,933
Cash and cash equivalents at end of period		340,933	252,532

(6) Notes to Consolidated Financial Statements

1. Notes on premise of going concern

Not applicable.

2. Reporting entity

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

The Olympus Group is principally engaged in the manufacturing and sales of endoscopic and therapeutic products. We have changed its reportable segments from the first quarter ended June 30, 2024. Details of each business are as described in Note “6. Business segments.”

3. Basis of preparation

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

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

(2) Functional currency and presentation currency

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

(3) Changes in presentation methods

(Consolidated Statements of Cash Flows)

(Cash flows from operating activities)

As “Loss (gain) on sale and retirement of fixed assets” of “Cash flows from operating activities,” which had previously been listed independently in the fiscal year ended March 31, 2024, decreased in significance, they have been included in “Other” from the fiscal year ended March 31, 2025. To reflect this change in the presentation method, we have reorganized our Consolidated Financial Statements for the fiscal year ended March 31, 2024.

As a result, in the Consolidated Statements of Cash Flows for the fiscal year ended March 31, 2024, the ¥42,765 million presented as “Other” and ¥456 million as “Loss (gain) on sale and retirement of fixed assets” in “Cash flows from operating activities” were reorganized into ¥43,221 million in “Other.”

(Cash flows from investing activities)

As “Proceeds from sale of property, plant and equipment” of “Cash flows from investing activities,” which had previously been listed independently in the fiscal year ended March 31, 2024, decreased in significance, they have been included in “Other” from the fiscal year ended March 31, 2025. To reflect this change in the presentation method, we have reorganized our Consolidated Financial Statements for the fiscal year ended March 31, 2024.

As a result, in the Consolidated Statements of Cash Flows for the fiscal year ended March 31, 2024, the ¥84 million presented as “Other” and ¥1,471 million as “Proceeds from sale of property, plant and equipment” in “Cash flows from investing activities” were reorganized into ¥1,555 million in “Other.”

(Cash flows from financing activities)

As “Net increase (decrease) in short-term borrowings and commercial papers” of “Cash flows from financing activities,” which had previously been listed independently in the fiscal year ended March 31, 2024, decreased in significance, they have been included in “Other” from the fiscal year ended March 31, 2025. To reflect this change in the presentation method, we have reorganized our Consolidated Financial Statements for the fiscal year ended March 31, 2024.

As a result, in the Consolidated Statements of Cash Flows for the fiscal year ended March 31, 2024, the ¥(3,326) million presented as "Other" and ¥(3) million as "Net increase (decrease) in short-term borrowings and commercial papers" in "Cash flows from financing activities" were reorganized into ¥(3,329) million in "Other."

4. Material accounting policies

The material accounting policies adopted for the consolidated financial statements of the Olympus Group for the fiscal year ended March 31, 2025 are the same as those applied for the fiscal year ended March 31, 2024.

5. Significant accounting estimates and associated judgments

In preparing IFRS-based consolidated financial statements, the management is required to make judgments, 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 consolidated financial statements are consistent with the consolidated financial statements for the previous fiscal year.

6. Business segments

(1) Overview of reportable segments

The business segments of the Olympus Group are the units for which separate financial information is available and according to which review is periodically conducted to decide how to allocate management resources and assess business performance.

In the past, the Olympus Group had three reportable segments: "Endoscopic Solutions," "Therapeutic Solutions," and "Other." However, from the first quarter ended June 30, 2024, we have changed to two reportable segments: "Endoscopic Solutions" and "Therapeutic Solutions," and have presented the information in the same manner for the fiscal year ended March 31, 2024.

Olympus Corporation entered into a put option agreement with PTCJ-6O Holdings Inc. and PTCJ-6F Holdings Inc. (special purpose companies established by Polaris Capital Group Co., Ltd., collectively, the "Polaris Capital Group"), to transfer Olympus Terumo Biomaterials Corporation and FH Ortho SAS (the "FHO Group"), Olympus's Orthopedic Business, a process that was completed on July 12, 2024.

As a result of the transfer, the financial materiality of the financial information with regard to the previous "Other businesses" will be reduced, and the segment classification has therefore been changed as described above.

From the first quarter ended June 30, 2024, in accordance with company organization changes and a review of operating results management categories inside the Olympus Group, intersegment revenue that was previously recorded in "Other" are now recorded after being allocated to "Endoscopic Solutions" and "Therapeutic Solutions." The results for the fiscal year ended March 31, 2024 have also been restated to reflect the change in categorization.

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

Reportable Segment	Principal products and services
Endoscopic Solutions Business	Gastrointestinal endoscopes, surgical endoscopes, medical services
Therapeutic Solutions Business	Gastroenterology devices, urology products, respiratory products, energy devices, ENT products, gynecology products

(2) Revenue, business results and other items for reportable segments

Revenue, business results and other items for reportable segments are as follows. The accounting treatment used for reportable segments is the same as those described in Note "4. Material accounting policies."

Fiscal year ended March 31, 2024

(Millions of yen)

	Reportable Segment			Other (Note 2)	Adjustment (Note 3, 4, 5, 6)	Amount on consolidated financial statements
	Endoscopic Solutions	Therapeutic Solutions	Total			
Revenue						
Revenue from outside customers	586,617	337,331	923,948	1,804	–	925,752
Intersegment revenue (Note 1)	35	7	42	–	(42)	–
Total	586,652	337,338	923,990	1,804	(42)	925,752
Operating profit (loss)	104,684	(8,466)	96,218	(287)	(44,544)	51,387
Finance income						2,520
Finance costs						10,296
Profit before tax						43,611
Other items						
Share of profit (loss) of investments accounted for using equity method	(332)	(26)	(358)	–	–	(358)
Depreciation and amortization	41,501	18,184	59,685	193	5,315	65,193
Impairment losses (Note 7)	10,890	44,315	55,205	–	775	55,980
Segment assets	637,036	469,186	1,106,222	3,905	424,089	1,534,216
Investments accounted for using equity method	–	479	479	–	–	479
Capital expenditures	50,674	19,295	69,969	50	9,324	79,343

Notes:

1. Intersegment revenue is based on actual market prices.
2. The amounts recorded in other are the amounts of business segments not attributable to the reportable segments, such as research and development or exploratory activities related to new businesses.
3. Adjustment for operating profit (loss) is corporate expenses that mainly consist of elimination of transactions among segments, as well as general and administrative expenses and fundamental research expenses that are not attributable to reportable segments.
4. Adjustment for segment assets is corporate assets that are not attributable to reportable segments and assets of discontinued operations.
5. Adjustment for depreciation and amortization is the amount of depreciation and amortization related to corporate assets that are not attributable to reportable segments.
6. Adjustment for capital expenditures is the amount of increase in fixed assets related to corporate assets that are not attributable to reportable segments.
7. The operating loss of the Therapeutic Solutions segment includes a loss of ¥51,886 million incurred from the discontinuation of manufacturing and sales of Veran Medical Technologies, Inc. products. Details are as described in Note “15. Other income and other expenses.” Such losses include impairment losses of ¥41,704 million. Details are as described in Note “9. Impairment of non-financial assets.”

Fiscal year ended March 31, 2025

(Millions of yen)

	Reportable Segment			Other (Note 2)	Adjustment (Note 3, 4, 5, 6)	Amount on consolidated financial statements
	Endoscopic Solutions	Therapeutic Solutions	Total			
Revenue						
Revenue from outside customers	636,144	360,658	996,802	530	–	997,332
Intersegment revenue (Note 1)	157	29	186	–	(186)	–
Total	636,301	360,687	996,988	530	(186)	997,332
Operating profit (loss)	141,398	61,453	202,851	(473)	(39,916)	162,462
Finance income						3,449
Finance costs						6,841
Profit before tax						159,070
Other items						
Share of profit (loss) of investments accounted for using equity method	493	(27)	466	–	–	466
Depreciation and amortization	43,466	18,546	62,012	141	4,197	66,350
Impairment losses	2,599	542	3,141	–	495	3,636
Segment assets	672,499	474,492	1,146,991	5,401	280,434	1,432,826
Investments accounted for using equity method	148	334	482	–	–	482
Capital expenditures	56,486	21,588	78,074	5	6,880	84,959

Notes:
1. Intersegment revenue is based on actual market prices.
2. The amounts recorded in other are the amounts of business segments not attributable to the reportable segments, such as research and development or exploratory activities related to new businesses.
3. Adjustment for operating profit (loss) is corporate expenses that mainly consist of elimination of transactions among segments, as well as general and administrative expenses and fundamental research expenses that are not attributable to reportable segments.
4. Adjustment for segment assets is corporate assets that are not attributable to reportable segments.
5. Adjustment for depreciation and amortization is the amount of depreciation and amortization related to corporate assets that are not attributable to reportable segments.
6. Adjustment for capital expenditures is the amount of increase in fixed assets related to corporate assets that are not attributable to reportable segments.

7. Trade and other receivables

Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)

Effective March 7, 2024, Olympus Corporation reached an agreement with the former shareholders of South Korean medical device manufacturer Taewoong Medical Co., Ltd. to rescind the definitive agreement to acquire shares concluded on February 24, 2023. Current assets of ¥6,056 million and non-current assets of ¥6,697 million are respectively included in “Trade and other receivables” in the consolidated statements of financial position as other receivables associated with the rescission of this definitive agreement.

Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)

There are no significant transactions.

8. Assets held for sale and liabilities directly associated with assets held for sale

Breakdown of assets held for sale and liabilities directly associated with assets held for sale is as follows:

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Land	41	299
Buildings and structures	14	150
Total	55	449

Assets categorized as assets held for sale as of March 31, 2024 are assets, belonging to the Endoscopic Solutions segment and Therapeutic Solutions segment, that are to be sold from the standpoint of management resource optimization, and were sold during the fiscal year ended March 31, 2025.

Assets categorized as assets held for sale as of March 31, 2025 are corporate assets that are to be sold from the standpoint of management resource optimization and are scheduled for sale within a year from the fiscal year closing date.

9. Impairment of non-financial assets

The Olympus Group recognizes impairment losses when the recoverable amount of an asset falls below its carrying amount. Impairment losses related to non-financial assets are recorded as “Other expenses” in the consolidated statements of profit or loss.

Business assets are mainly grouped according to business segment, while assets scheduled for disposal are grouped according to the assets to be disposed or sold, and idle assets are grouped individually.

The main impairment losses recognized in the fiscal year ended March 31, 2024 were as follows.

(Losses associated with the discontinuation of manufacture and sale of products from Veran Medical Technologies, Inc.)

Following the discontinuation of the manufacture and sale of Veran Medical Technologies, Inc. (“VMT”) electromagnetic navigation systems, related non-current assets were written down to their recoverable amount, and an impairment loss of ¥41,704 million was recorded (¥20,227 million for goodwill; ¥16,077 million for technology-related assets; ¥250 million for trademarks; ¥3,601 million for research and development in progress; and ¥1,157 million for license usage rights). Since the completion of the acquisition, the non-current assets related to the manufacture and sale of VMT’s products included in Therapeutic Solutions segment had been tested for impairment using this business segment as the cash-generating unit, taking into account synergies with other assets in the Therapeutic Solutions Business segment. However, during the fiscal year ended March 31, 2024, it was found that it was difficult to achieve the original goal of early diagnosis and minimally invasive treatment of respiratory diseases in combination with existing respiratory products, which was assumed at the time of acquisition, and it was also found that the products did not meet the quality standards required internally. Due to the decision to terminate the development and sale of VMT’s products, the impairment test was performed separately for non-current assets incurred in connection with the acquisition of VMT, rather than on a business segment basis. The recoverable amount was the fair value less costs of disposal and, as the assets are difficult to sell, this amount was zero. It was classified as level 3 in the fair value hierarchy. Details regarding the fair value hierarchy are as described in Note “18. Financial instruments.”

VMT was acquired by the Olympus Group in December 2020, with the objective of combining VMT’s electromagnetic navigation systems and related devices with Olympus Corporation’s bronchoscope systems to enable early diagnosis and minimally invasive therapies for bronchial disease, and drive the growth of the Respiratory business. However, as a result of an independent investigation it became apparent that VMT’s technology and products did not conform to the quality standards of the Olympus Group, and accordingly Olympus Corporation discontinued shipments of said products in February 2023, since which time it has been engaged in further analysis and considering how to address the situation going forward. After putting the highest priority on the safety of patients during these deliberations, we concluded that improving the quality for these products to meet Olympus standards would incur enormous costs, and that a resumption of shipments would be significantly delayed at a time when the clinical needs of our customers are undergoing rapid change. Accordingly, on September 6, 2023 we took the decision to discontinue the manufacture and sale of these products. Loss amounts associated with the discontinuation of manufacture and sale of these products are as described in Note “15. Other income and other expenses.”

There were no significant impairment losses during the fiscal year ended March 31, 2025.

10. Bonds and borrowings

Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)

During the fiscal year ended March 31, 2024, Olympus Corporation redeemed the 23rd unsecured corporate bonds of ¥10,000 million (interest rate 0.27%, due March 7, 2024).

Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)

During the fiscal year ended March 31, 2025, Olympus Corporation redeemed the 25th unsecured corporate bonds of ¥20,000 million (interest rate 0.20%, due December 4, 2024).

11. Provisions

Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)

(Voluntary recall of Olympus Corporation’s products)
As a result of an independent market survey conducted by Olympus Corporation and of comparisons to in-house quality standards, we made the decision to implement a voluntary recall of small intestine endoscope systems in line with our policy of putting the highest priority on ensuring the safety of patients. A provision of ¥4,157 million for expenses associated with this market response was made in the cost of sales of the Endoscopic Solutions Business in the fiscal year ended March 31, 2024.

(Provision for market corrective measures for hi-flow insufflation units)
A provision of ¥5,238 million for expenses associated with market corrective measures for hi-flow insufflation units was made in the cost of sales of the Endoscopic Solutions Business in the fiscal year ended March 31, 2024.

Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)
(Reversal of provision related to litigation involving consolidated subsidiary)
Following a civil mediation ruling in court to conclude a lawsuit, consolidated subsidiary Olympus (Shenzhen) Industrial Ltd. came to a settlement with Shenzhen Anpingtai Investment and Development Co., Ltd. This led to reversal of provisions that had been recorded in the past based on estimates for losses associated with litigation, etc. The amount of reversal of the provision is described in Note “15. Other income and other expenses.”

12. Equity and other equity items

Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)
(Cancellation of treasury shares)

Based on resolution of the Board of Directors meeting held on May 12, 2023, Olympus Corporation canceled treasury shares on February 29, 2024. Due to this cancellation, treasury shares decreased by 51,032,000 shares during the fiscal year ended March 31, 2024.

The impact of this cancellation is that treasury shares decreased by ¥104,795 million (contraction of negative stated amount in equity), and capital surplus decreased by ¥104,795 million.

The amount of the above cancellation was deducted from other capital surplus in capital surplus, but the amount that exceeds other capital surplus was deducted from retained earnings.

(Disposal of treasury shares)

Olympus Corporation conducted the disposal of treasury shares based on its restricted stock unit (RSU) system and performance share unit (PSU) system on June 14, 2023 and July 25, 2023. Due to this disposal, treasury shares decreased by 554,030 shares during the fiscal year ended March 31, 2024.

The impact of this disposal is that treasury shares decreased by ¥1,233 million.

(Share repurchase)

At meetings of the Board of Directors held on May 12, 2023 and November 9, 2023, Olympus Corporation resolved the repurchase of its own shares and the specific means of repurchase as provided for under Article 459, Paragraph 1 of the Companies Act and Article 32 of Olympus Corporation's Articles of Incorporation, and carried out the repurchase of its own shares as follows:

(1) Details of the resolution passed at the meeting of the Board of Directors held on May 12, 2023:

1. Class of shares:	Common stock of Olympus Corporation
2. Total number of shares to be repurchased:	55,000,000 shares (maximum)
3. Total amount of shares to be repurchased:	¥100,000 million (maximum)
4. Repurchase period:	May 15, 2023 to January 31, 2024
5. Repurchase method:	Market purchase on the Tokyo Stock Exchange based on a discretionary trading contract

(2) Shares repurchased based on the above resolution by the Board of Directors

1. Total number of shares repurchased:	51,032,000 shares
2. Total amount of shares repurchased:	¥100,000 million
3. Repurchase period:	May 15, 2023 to November 8, 2023 (based on delivery date)

(3) Details of the resolution passed at the meeting of the Board of Directors held on November 9, 2023:

1. Class of shares:	Common stock of Olympus Corporation
2. Total number of shares to be repurchased:	53,000,000 shares (maximum)
3. Total amount of shares to be repurchased:	¥80,000 million (maximum)
4. Repurchase period:	November 10, 2023 to March 31, 2024
5. Repurchase method:	Market purchase on the Tokyo Stock Exchange based on a discretionary trading contract

(4) Shares repurchased based on the above resolution by the Board of Directors

1. Total number of shares repurchased:	37,446,500 shares
2. Total amount of shares repurchased:	¥80,000 million
3. Repurchase period:	November 10, 2023 to March 26, 2024 (based on delivery date)

(Equity transactions with non-controlling interests)

On August 4, 2023, the Olympus Group acquired all the shares of Olympus Terumo Biomaterials Corporation ("OTB"), raising its equity interest in OTB from 66.6% to 100%, and resulting in OTB becoming a wholly owned subsidiary of the Olympus Group. As a result, non-controlling interests and capital surplus decreased by ¥1,329 million and ¥1,592 million respectively in the fiscal year ended March 31, 2024.

Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)
(Cancellation of treasury shares)

Based on resolution of the Board of Directors meeting held on November 9, 2023, Olympus Corporation canceled treasury shares on April 30, 2024. Due to this cancellation, treasury shares decreased by 37,446,500 shares during the fiscal year ended March 31, 2025. The impact of this cancellation is that treasury shares decreased by ¥77,161 million (contraction of negative stated amount in equity), and capital surplus decreased by ¥77,161 million.

The amount of the above cancellation was deducted from other capital surplus in capital surplus, but the amount that exceeds other capital surplus was deducted from retained earnings.

Based on resolution of the Board of Directors meeting held on May 10, 2024, Olympus Corporation canceled treasury shares on January 31, 2025. Due to this cancellation, treasury shares decreased by 38,583,900 shares during the fiscal year ended March 31, 2025. The impact of this cancellation is that treasury shares decreased by ¥95,338 million (contraction of negative stated amount in equity), and capital surplus decreased by ¥95,338 million.

The amount of the above cancellation was deducted from other capital surplus in capital surplus, but the amount that exceeds other capital surplus was deducted from retained earnings.

(Disposal of treasury shares)

Olympus Corporation mainly conducted the disposal of treasury shares based on its restricted stock unit (RSU) system and performance share unit (PSU) system on June 10, 2024 and July 24, 2024. Due to this disposal, treasury shares decreased by 692,833 shares during the fiscal year ended March 31, 2025. The impact of this disposal is that treasury shares decreased by ¥1,425 million.

(Share repurchase)

At a meeting of the Board of Directors held on May 10, 2024, Olympus Corporation resolved items related to the repurchase of its own shares as provided for in Article 459, Paragraph 1 of the Companies Act and Article 32 of Olympus Corporation's Articles of Incorporation, as well as the cancellation of treasury shares as provided for in Article 178 of the Companies Act. During the fiscal year ended March 31, 2025, share repurchases were carried out as follows.

(1) Details of the resolution passed at the meeting of the Board of Directors held on May 10, 2024:

1. Class of shares:	Common stock of Olympus Corporation
2. Total number of shares to be repurchased:	60,000,000 shares (maximum)
3. Total amount of shares to be repurchased:	¥100,000 million (maximum)
4. Repurchase period:	May 13, 2024 to December 31, 2024
5. Repurchase method:	Market purchase on the Tokyo Stock Exchange based on a discretionary trading contract

(2) Shares repurchased based on the above resolution by the Board of Directors

1. Total number of shares repurchased:	38,583,900 shares
2. Total amount of shares repurchased:	¥100,000 million
3. Repurchase period:	May 13, 2024 to November 19, 2024

13. Dividends

Dividends paid are as follows.

Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)

Resolution	Class of shares	Total dividends (Millions of yen)	Dividend per share (Yen)	Record date	Effective date
Board of Directors meeting held on May 12, 2023	Common stock	20,057	16	March 31, 2023	June 6, 2023

Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)

Resolution	Class of shares	Total dividends (Millions of yen)	Dividend per share (Yen)	Record date	Effective date
Board of Directors meeting held on May 10, 2024	Common stock	20,981	18	March 31, 2024	June 5, 2024

14. Revenue

The organization of the Olympus Group has basically consisted of the Endoscopic Solutions Business, Therapeutic Solutions Business, and Other, but, from the first quarter ended June 30, 2024, the organization has been changed to basically consist of the Endoscopic Solutions Business and Therapeutic Solutions Business.

Olympus Corporation entered into a put option agreement with PTCJ-6O Holdings Inc. and PTCJ-6F Holdings Inc. (special purpose companies established by Polaris Capital Group Co., Ltd., collectively, the “Polaris Capital Group”), to transfer Olympus Terumo Biomaterials Corporation and FH Ortho SAS (the “FHO Group”), Olympus’s Orthopedic Business, a process that was completed on July 12, 2024.

As a result of the transfer, the financial materiality of the financial information with regard to the previous “Other businesses” will be reduced, and the organizational composition has therefore been changed as described above.

Revenue recorded in Endoscopic Solutions Business and Therapeutic Solutions Business is stated as revenue, as these segments are the units for which separate financial information is available and according to which reporting is periodically conducted to decide how to allocate management resources and assess business performance. Revenue is geographically disaggregated by customer location. Relationship between the disaggregated revenue and revenue of each reportable segment is as follows:

Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)

(Millions of yen)

	Endoscopic Solutions	Therapeutic Solutions	Other	Total
Japan	71,892	44,495	914	117,301
North America	216,565	134,666	18	351,249
Europe	145,931	90,714	125	236,770
China	74,950	30,748	637	106,335
Asia and Oceania	58,979	28,897	110	87,986
Other	18,300	7,811	–	26,111
Total	586,617	337,331	1,804	925,752

Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)

(Millions of yen)

	Endoscopic Solutions	Therapeutic Solutions	Other	Total
Japan	70,462	39,650	417	110,529
North America	258,214	155,600	82	413,896
Europe	157,041	97,579	–	254,620
China	67,926	27,797	15	95,738
Asia and Oceania	62,048	31,643	16	93,707
Other	20,453	8,389	–	28,842
Total	636,144	360,658	530	997,332

The Endoscopic Solutions Business sells medical devices, including gastrointestinal endoscopes and surgical endoscopes, as well as provides medical services such as lease and repair for these products, to customers who are primarily medical institutions in Japan and overseas.

The Therapeutic Solutions Business sells medical devices, including gastroenterology devices, urology products, respiratory products, energy devices, ENT products, and gynecology products, to customers who are primarily medical institutions in Japan and overseas.

Other includes revenues related to business segments not attributable to the reportable segments, such as research and development or exploratory activities related to new businesses.

Revenue from the sales of these products has been accounted for using the same accounting policy as that applied in the consolidated financial statements for the previous fiscal year.

15. Other income and other expenses

(1) Other income

Major items of other income are as follows.

Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)

There are no significant transactions.

Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)

(Reversal of provision related to litigation involving consolidated subsidiary)

Following a civil mediation ruling in court to conclude a lawsuit, consolidated subsidiary Olympus (Shenzhen) Industrial Ltd. came to a settlement with Shenzhen Anpingtai Investment and Development Co., Ltd. This led to a ¥874 million reversal of provisions that had been recorded in the past based on estimates for losses associated with litigation, etc., which has been recorded in other income.

(Compensation income for return of fixed assets)

Consolidated subsidiary, Olympus (Shenzhen) Industrial Ltd. received compensation income of ¥1,170 million in relation to the return of usage rights for land and buildings in Shenzhen City, China, to the government of Shenzhen City, which was recorded in other income.

(2) Other expenses

Major items of other expenses are as follows.

Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)

(Quality-related expenses)

In order to comply with quality laws and regulation for medical device of global regulatory authorities, we must strengthen our quality management systems. An expense of ¥23,041 million was incurred in “Other expenses” to ensure we strengthen our global quality management system and to improve targeted areas including complaint handling and response, medical device reporting (MDR), and process design validation.

(Losses associated with the discontinuation of manufacture and sale of products from Veran Medical Technologies, Inc.)

A loss of ¥51,886 million (¥2,337 million for loss on valuation of inventories; ¥41,704 million for impairment loss on non-current assets (Note); ¥7,846 million for expenses related to the voluntary recall of products) associated with the discontinuation of manufacture and sale of products from Veran Medical Technologies, Inc.’s electromagnetic navigation systems was recorded in “Other expenses.”

Note: Details of impairment losses on non-current assets are as described in Note “9. Impairment of non-financial assets.”

(Impairment losses)

Olympus Corporation recognized impairment losses of ¥6,002 million and ¥4,565 million on development assets and research and development in progress, respectively, in the Endoscopic Solutions Business, which were written down to their recoverable amount since Olympus Corporation no longer expects them to generate the expected earnings at the time of acquisition due to such factors as changes in the market environment, and recorded the losses in “Other expenses.” Olympus Corporation recognized impairment losses of ¥2,346 million on development assets in Therapeutic Solutions Business, which were written down to their recoverable amount since Olympus Corporation no longer expects them to generate the expected earnings at the time of acquisition due to such factors as changes in the market environment, and recorded the losses in “Other expenses.”

(Implementation of career support system for external opportunity)

Olympus Corporation recorded ¥5,851 million in “Other expenses” as expenses incurred in the provision of special additional payment and re-employment support services under the career support system for external opportunity implemented by Olympus Corporation and its group companies.

(Conclusion and rescission of the share purchase agreement)

Effective March 7, 2024, Olympus Corporation reached an agreement with the former shareholders of South Korean medical device manufacturer Taewoong Medical Co., Ltd. to rescind the definitive agreement to acquire shares concluded on February 24, 2023. Olympus Corporation recorded ¥1,966 million in “Other expenses” as expenses related to the conclusion and rescission of the share purchase agreement.

Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)

(Quality-related expenses)

In order to comply with quality laws and regulation for medical device of global regulatory authorities, we must strengthen our quality management systems. An expense of ¥19,350 million was incurred in “Other expenses” to ensure we strengthen our global quality management system and to improve targeted areas including complaint handling and response, medical device reporting (MDR), and process design validation.

(Implementation of career support system for external opportunity)

Olympus Corporation recorded ¥2,865 million in “Other expenses” as expenses incurred in the provision of special additional payment and re-employment support services under the career support system for external opportunity implemented by Olympus Corporation and its group companies.

(Impairment losses)

Olympus Corporation recognized impairment losses of ¥2,110 million and ¥448 million respectively on development assets in Endoscopic Solutions Business and Therapeutic Solutions Business, which were written down to their recoverable amount since Olympus Corporation no longer expects them to generate the expected earnings at the time of acquisition due to such factors as changes in the market environment, and recorded the losses in “Other expenses.”

16. Per-share data

(1) Basic earnings per share and diluted earnings per share

	Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)
Basic earnings per share		
Continuing operations	¥28.60	¥102.94
Discontinued operation	¥171.31	¥0.05
Basic earnings per share	¥199.91	¥102.99
Diluted earnings per share		
Continuing operations	¥28.53	¥102.75
Discontinued operation	¥170.91	¥0.05
Diluted earnings per share	¥199.44	¥102.80

(2) The basis for calculating basic earnings per share and diluted earnings per share

(Millions of yen)

	Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)
Profit used to calculate basic earnings per share and diluted earnings per share		
Profit attributable to owners of parent	242,566	117,855
Profit not attributable to common shareholders of parent	–	–
Profit used to calculate basic earnings per share	242,566	117,855
Continuing operations	34,702	117,800
Discontinued operation	207,864	55
Adjustment to profit	–	–
Profit used to calculate diluted earnings per share	242,566	117,855
Continuing operations	34,702	117,800
Discontinued operation	207,864	55
The weighted average number of shares of common stock used to calculate basic earnings per share and diluted earnings per share		
The weighted average number of shares of common stock	1,213,402 thousand shares	1,144,343 thousand shares
Increase in number of shares of common stock		
Subscription rights to shares relating to stock options	291 thousand shares	263 thousand shares
Common stock relating to PSU	1,927 thousand shares	970 thousand shares
Common stock relating to RSU	621 thousand shares	849 thousand shares
Average number of shares of diluted common stock during the period	1,216,241 thousand shares	1,146,425 thousand shares

17. Cash flow information

Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)

(Transfer of Scientific Solutions Business)

(i) Overview of transaction

On August 29, 2022, Olympus Corporation concluded an agreement to transfer all shares of its consolidated subsidiary, Evident Corporation (hereinafter, “Evident”), which operates the Scientific Solutions Business, to K.K. BCJ-66, a special purpose company indirectly owned by funds advised by Bain Capital, and completed the transfer procedures on April 3, 2023. As a result of this, Olympus Corporation lost its control of Evident on the same day.

(ii) Assets and liabilities associated with the loss of control

(Millions of yen)

	Amount
Current assets	118,936
Non-current assets	50,119
Total assets	169,055
Current liabilities	30,657
Non-current liabilities	12,497
Total liabilities	43,154

(iii) Cash flows associated with the loss of control

(Millions of yen)

	Amount
Cash and cash equivalents received as consideration of the loss of control	418,166
Expenses related to transfer of businesses	(2,892)
Cash and cash equivalents of subsidiaries with the loss of control	(36,183)
Proceeds from the transfer of Scientific Solutions Business (Note)	379,091

Note: Proceeds from the transfer of Scientific Solutions Business are included in “Cash flows from investing activities” in the Consolidated Statements of Cash Flows.

(iv) Gain or loss associated with the loss of control

Olympus Corporation recorded a gain of ¥349,037 million associated with the loss of control of Evident under “Profit from discontinued operation” in the Consolidated Statements of Profit or Loss.

(Transfer of Gyrus Medical Limited)

(i) Overview of transaction

On April 21, 2023, Olympus Corporation concluded an agreement to transfer all shares of Gyrus Medical Limited (“GML”), a consolidated subsidiary of Olympus Corporation, to ATL TECHNOLOGY UK HOLDINGS LIMITED.

Olympus Corporation lost control of GML on the same day that the transfer of shares in accordance with this share transfer agreement was completed.

(ii) Assets and liabilities associated with the loss of control

(Millions of yen)

	Amount
Current assets	2,226
Non-current assets	1,285
Total assets	3,511
Current liabilities	688
Non-current liabilities	17
Total liabilities	705

(iii) Cash flows associated with the loss of control

(Millions of yen)

	Amount
Cash and cash equivalents received as consideration of the loss of control	4,429
Cash and cash equivalents of subsidiaries with the loss of control	(0)
Proceeds from sale of subsidiaries (Note)	4,429

Note: Proceeds from sale of subsidiaries are included in "Cash flows from investing activities" in the Consolidated Statements of Cash Flows.

(iv) Gain or loss associated with the loss of control

Olympus Corporation recorded a gain of ¥115 million associated with the loss of control of GML under "Other income" in the Consolidated Statements of Profit or Loss.

(Transfer of collagen business and dental product sales businesses)

(i) Overview of transaction

On March 28, 2023, Olympus Terumo Biomaterials Corporation, a consolidated subsidiary of Olympus Corporation, executed a company split agreement with GC Corporation for the transfer of the collagen products development, manufacture and sales business and dental products sales business, which are included in the other businesses of the Olympus Group. The transfer of the businesses in accordance with this agreement was completed on July 3, 2023. As a result, Olympus Corporation lost its control of the collagen business and the dental product sales business on that date.

(ii) Assets and liabilities associated with the loss of control

(Millions of yen)

	Amount
Current assets	158
Non-current assets	399
Total assets	557
Current liabilities	28
Non-current liabilities	–
Total liabilities	28

(iii) Cash flows associated with the loss of control

(Millions of yen)

	Amount
Cash and cash equivalents received as consideration of the loss of control	1,769
Expenses related to transfer of businesses	(113)
Proceeds from the transfer of the collagen business and dental product sales businesses (Note)	1,656

Note: Proceeds from the transfer of the collagen business and dental product sales businesses are included in “Cash flows from investing activities” in the Consolidated Statements of Cash Flows.

(iv) Gain or loss associated with the loss of control

Olympus Corporation recorded a gain of ¥1,127 million associated with the loss of control of the collagen business and dental product sales businesses under “Profit from discontinued operation” in the Consolidated Statements of Profit or Loss.

Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)

(Transfer of Orthopedic Business)

(i) Overview of transaction

Olympus Corporation entered into a put option agreement with PTCJ-6O Holdings Inc. and PTCJ-6F Holdings Inc. (special purpose companies established by Polaris Capital Group Co., Ltd., collectively, the “Polaris Capital Group”), to transfer Olympus Terumo Biomaterials Corporation and FH Ortho SAS (the “FHO Group”), Olympus’s Orthopedic Business. The transfer of the business in accordance with this agreement was completed on July 12, 2024. As a result of this, Olympus Corporation lost its control of Orthopedic Business on the same day.

(ii) Assets and liabilities associated with the loss of control

(Millions of yen)

	Amount
Current assets	10,122
Non-current assets	2,358
Total assets	12,480
Current liabilities	2,937
Non-current liabilities	1,093
Total liabilities	4,030

(iii) Cash flows associated with the loss of control

(Millions of yen)

	Amount
Cash and cash equivalents received as consideration of the loss of control	5,634
Expenses related to transfer of businesses	(350)
Cash and cash equivalents of subsidiaries with the loss of control	(1,554)
Proceeds from the transfer of Orthopedic Business (Note)	3,730

Note: Proceeds from the transfer of Orthopedic Business are included in “Cash flows from investing activities” in the Consolidated Statements of Cash Flows.

(iv) Gain or loss associated with the loss of control

Olympus Corporation recorded a gain of ¥435 million associated with the loss of control of Orthopedic Business under “Profit from discontinued operation” in the Consolidated Statements of Profit or Loss.

18. Financial instruments

Fair value of financial instruments

Fair value hierarchy is categorized into the following three levels depending on the observability of inputs used in the valuation technique for the measurement.

Level 1: Fair value measured at market prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Fair value measured using observable prices other than those categorized within level 1, either directly or indirectly

Level 3: Fair value measured using a valuation technique which includes inputs that are not based on observable market data

The Olympus Group recognizes transfers of financial instruments between the levels of the fair value hierarchy as if they occurred at the end of each fiscal year. There were no significant financial instruments transferred between the levels for the fiscal years ended March 31, 2024 and 2025.

(1) Financial instruments measured at fair value

The methods for measuring major financial instruments measured at fair value are as follows.

(Other financial assets and other financial liabilities)

Listed shares are classified as level 1 and stated at market prices valued at the end of each fiscal year.

Unlisted shares are classified as level 3 and stated at the value obtained by using valuation techniques such as the comparable company analysis method.

Derivative assets and liabilities are classified as level 2. Currency derivatives are stated at the value based on forward exchange rates, and interest-rate derivatives are stated at the value obtained based on observable data such as market interest rates, credit risks, and the period up to maturity.

The contingent consideration for business combinations, etc. is classified as level 3 and stated at the estimates of future payability.

The fair value hierarchy of major financial instruments measured at fair value is as follows:

As of March 31, 2024

(Millions of yen)

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at fair value through profit or loss				
Derivative assets	–	14,358	–	14,358
Equity securities and others	–	–	704	704
Financial assets measured at fair value through other comprehensive income				
Equity securities and others	538	–	7,014	7,552
Financial liabilities				
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities	–	2,483	–	2,483
Contingent consideration	–	–	7,119	7,119

As of March 31, 2025

(Millions of yen)

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at fair value through profit or loss				
Derivative assets	–	16,731	–	16,731
Equity securities and others	–	–	828	828
Financial assets measured at fair value through other comprehensive income				
Equity securities and others	424	–	15,159	15,583
Financial liabilities				
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities	–	1,007	–	1,007
Contingent consideration	–	–	1,689	1,689

The changes in financial assets categorized within level 3 were as follows:

(Millions of yen)

	Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)
Balance at April 1	7,368	7,718
Gains and losses (Note)		
Profit or loss	(18)	95
Other comprehensive income	(106)	53
Purchases	325	8,587
Sales	(405)	–
Other	554	(466)
Balance at March 31	7,718	15,987

Note: Gains or losses recognized in profit or loss are mainly included in “Finance income” or “Finance costs” in the consolidated statements of profit or loss. Gains or losses recognized in other comprehensive income are included in “Financial assets measured at fair value through other comprehensive income” in the consolidated statements of comprehensive income.

Total gains or losses recognized in profit or loss included a loss of ¥71 million and a gain of ¥95 million on financial instruments held as of the years ended March 31, 2024 and 2025, respectively.

The changes in financial liabilities categorized within level 3 were as follows:

(Millions of yen)

	Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)
Balance at April 1	8,226	7,119
Settlement	(3,421)	(6,000)
Change in fair value	1,400	564
Other	914	6
Balance at March 31	7,119	1,689

(2) Financial instruments measured at amortized cost

The methods for measuring the fair value of major financial instruments measured at amortized cost are as follows. These financial instruments are mainly classified into level 2.

(Cash and cash equivalents, trade and other receivables, and trade and other payables)

Account items to be settled in the short term are stated at their book value because their fair value is nearly equal to their book value.
Lease receivables are stated at the value obtained by calculating the present value of each lease receivable categorized by a specific period, at discounted rates that take into account credit risks and the period up to maturity.

(Other financial assets and other financial liabilities)

Account items to be settled in the short term are stated at their book value because their fair value is nearly equal to their book value.

(Bonds and borrowings)

Bonds and borrowings with fixed interest rates are stated at the value calculated at discounted rates which would be applied to a similar issuance of bonds or similar new loans to generate future cash flows.
Borrowings with variable interest rates are stated at their book value because their fair value is deemed to be nearly equal to their book value, given that they are short-term borrowings reflecting market interest rates, and their credit conditions have not significantly changed since the drawdown.
Short-term borrowings and commercial papers are stated at their book value since they are settled in the short term and their fair value is nearly equal to their book value.

The carrying amount and fair value of major financial instruments measured at amortized cost were as follows. Financial instruments whose carrying amounts approximate fair value are not included in the following table.

(Millions of yen)

	As of March 31, 2024		As of March 31, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Lease receivables	86,238	86,085	105,382	105,176
Financial liabilities				
Bonds	145,250	139,324	124,484	120,093
Borrowings	94,372	94,225	94,611	93,145

19. Discontinued operation

(1) Scientific Solutions Business

On August 29, 2022, Olympus Corporation concluded a share transfer agreement related to the transfer of Scientific Solutions Business of the Olympus Group with K.K. BCJ-66, a special purpose company indirectly owned by funds advised by Bain Capital. Due to this, profit (loss) from the Scientific Solutions Business has been classified as profit (loss) from discontinued operation. The transfer of the shares of Evident, which operates the Scientific Solutions Business, was completed on April 3, 2023. Details are described in Note “17. Cash flow information.”

1) Profit (loss) of discontinued operation

Profit (loss) of discontinued operations is as follows:

(Millions of yen)

	Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)
Revenue	–	–
Cost of sales	–	–
Gross profit	–	–
Selling, general and administrative expenses	244	–
Share of profit (loss) of investments accounted for using equity method	–	–
Other income (Note 1)	349,151	–
Other expenses (Note 2)	631	–
Operating profit	348,276	–
Finance income	–	–
Finance costs	–	–
Profit before tax	348,276	–
Income taxes (Note 3)	132,320	–
Profit from discontinued operation	215,956	–

Notes:
1. Other income includes ¥349,037 million in the fiscal year ended March 31, 2024 for the gain on the transfer of Scientific Solutions Business.
2. Other expenses include ¥161 million in the fiscal year ended March 31, 2024 related to the spin-off of the Scientific Solutions Business and the strengthening of its management systems.
3. Income taxes in the fiscal year ended March 31, 2024 include ¥120,313 million of tax expenses related to the transfer of Scientific Solutions Business.

2) Cash flows of discontinued operation

Cash flows of discontinued operation are as follows:

(Millions of yen)

Cash flows of discontinued operation	Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)
Net cash used in operating activities	(57,569)	–
Net cash provided by investing activities	431,091	–
Net cash provided by (used in) financing activities	–	–

Note: Net cash provided by investing activities in the fiscal year ended March 31, 2024 includes proceeds from the transfer of the Scientific Solutions Business of ¥379,091 million and collection of loans receivable from Evident Corporation of ¥52,000 million.

(2) Orthopedic Business

Olympus Corporation entered into a put option agreement with PTCJ-6O Holdings Inc. and PTCJ-6F Holdings Inc. (special purpose companies established by Polaris Capital Group Co., Ltd., collectively, the “Polaris Capital Group”), to transfer Olympus Terumo Biomaterials Corporation and FH Ortho SAS (the “FHO Group”), Olympus’s Orthopedic Business, a process that was completed on July 12, 2024.

Due to this, profit (loss) from the Orthopedic Business has been classified as profit (loss) from discontinued operation from the first quarter ended June 30, 2024, and it has been presented in the same manner for the fiscal year ended March 31, 2024.

1) Profit (loss) of discontinued operation

Profit (loss) of discontinued operations is as follows:

(Millions of yen)

	Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)
Revenue	10,458	2,929
Cost of sales	3,767	987
Gross profit	6,691	1,942
Selling, general and administrative expenses	6,473	1,908
Share of profit (loss) of investments accounted for using equity method	–	–
Other income	1,234	436
Other expenses	9,241	428
Operating profit (loss)	(7,789)	42
Finance income	42	22
Finance costs	10	3
Profit (loss) before tax	(7,757)	61
Income taxes	335	6
Profit (loss) from discontinued operation	(8,092)	55

2) Cash flows of discontinued operation

Cash flows of discontinued operation are as follows:

(Millions of yen)

Cash flows of discontinued operation	Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)
Net cash used in operating activities	(155)	(467)
Net cash provided by investing activities (Note)	427	6,551
Net cash used in financing activities	(3,268)	(43)

Note: Net cash provided by investing activities in the fiscal year ended March 31, 2025 includes proceeds from the transfer of the Orthopedic Business of ¥3,730 million and proceeds from the collection of loans receivable from Olympus Terumo Biomaterials Corporation of ¥3,101 million.

20. Business combinations

Fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024)

(Revised provisional amounts)

For the following business combination that occurred in the fiscal year ended March 31, 2023, provisional amounts have been revised during the fiscal year ended March 31, 2024. As a result, we have retrospectively revised the figures at the end of the fiscal year ended March 31, 2023 in the consolidated statements of financial position.

(Acquisition of Odin Medical Ltd.)

Odin Medical Ltd. became a consolidated subsidiary of Olympus Corporation on December 19, 2022, due to the acquisition of shares for cash consideration.

In the fiscal year ended March 31, 2024, the fair value of some assets acquired and liabilities assumed has been revised with respect to the measurement of the fair value of assets acquired and liabilities assumed as of the acquisition date in said business combination. Regarding said business combination, in the fiscal year ended March 31, 2024, initial measurement of assets acquired, liabilities assumed and goodwill has been finalized.

(Millions of yen)

	Provisional fair value as of March 31, 2023	Subsequent revision	Revised fair value
Fair value of consideration paid			
Cash	3,982	–	3,982
Contingent consideration	4,095	–	4,095
Total	8,077	–	8,077
Fair value of assets acquired and liabilities assumed			
Cash and cash equivalents	148	–	148
Other current assets	1	–	1
Property, plant and equipment	3	–	3
Intangible assets	2,434	1,521	3,955
Trade and other payables	(28)	–	(28)
Other current liabilities	(99)	–	(99)
Deferred tax liabilities	(606)	(380)	(986)
Other non-current liabilities	(74)	–	(74)
Fair value of assets acquired and liabilities assumed, net	1,779	1,141	2,920
Goodwill	6,298	(1,141)	5,157
Total	8,077	–	8,077

Due to these revisions, there were increases in intangible assets and deferred tax liabilities of ¥1,574 million and ¥393 million, respectively, and a decrease in goodwill of ¥1,181 million in the consolidated statements of financial position for the fiscal year ended March 31, 2023.

Fiscal year ended March 31, 2025 (April 1, 2024 – March 31, 2025)
(Acquisition of Sur Medical SpA)

(1) Outline of business combination

1) Name and description of acquired business

Name of acquired business	Sur Medical SpA (hereinafter “Surmedical”)
Description of business	Sales of medical devices

2) Primary reason for business combination

For more than ten years, Surmedical has helped to establish our leadership in the GI area as a partner to Olympus. It has also strengthened Olympus Corporation’s presence in the GI EndoTherapy market and built reliable medical device repair services.

Purchasing from Surmedical the business that sells Olympus products will enable Olympus Corporation to roll out sales and business strategies for its own products in Chile going forward, and improve operational efficiency and customer service.

3) Acquired ratio of holding capital with voting rights

100%

4) Acquisition date

January 14, 2025

5) Acquisition method to govern the acquired company

Cash consideration for the acquisition of shares

(2) Acquisition-related expense

The acquisition-related expense of ¥105 million has been booked in “Selling, general and administrative expenses.”

(3) Fair value of consideration paid, assets acquired, and liabilities assumed as of the acquisition date

(Millions of yen)

	Amount
Fair value of consideration paid	
Cash, etc.	4,541
Total	4,541
Fair value of assets acquired and liabilities assumed	
Cash and cash equivalents	16
Trade and other receivables	701
Inventories	513
Other current assets	319
Property, plant and equipment	247
Intangible assets (excluding goodwill)	1,732
Trade and other payables	(44)
Other current liabilities	(337)
Deferred tax liabilities	(9)
Fair value of assets acquired and liabilities assumed, net	3,138
Goodwill	1,403
Total	4,541

Based on the fair value of consideration paid on the acquisition date, we have allocated the assets acquired and liabilities assumed. However, as this allocation is not yet complete, the above values represent provisional fair values based on the best estimates at present. In the event we can receive and evaluate additional information relating to facts and conditions present at the point of acquisition, we may adjust the above values for a period of one year from the acquisition date.

Goodwill mainly represents a rational estimate of the expected future excess earning power. Furthermore, the amount of goodwill recognized does not include the amount that is expected to be deductible for tax purposes.

(4) Impacts on the Olympus Group

Olympus Corporation omits making a description concerning profit or loss information of the said business combination on and after the acquisition date as well as profit or loss information under the assumption that the said business combination was conducted at the beginning of the fiscal year ended March 31, 2025. This is because the amount of impact on consolidated statements of profit or loss due to such information is not material.

21. Subsequent events

(Changes in reportable segments)

The Olympus Group reorganized the previous Endoscopic Solutions and Therapeutic Solutions to Gastrointestinal Solutions Division and Surgical & Interventional Solutions Division from the fiscal year ending March 31, 2026.

In conjunction with this organizational restructuring, the reportable segments have been changed from the previous “Endoscopic Solutions” and “Therapeutic Solutions” to “Gastrointestinal Solutions Division” and “Surgical & Interventional Solutions Division.” In addition, the role of Olympus-wide shared functions has changed due to the focusing of the business portfolio, which has advanced further, and the specialization toward the medical business. Accordingly, we reviewed the method for allocating shared expenses and are now allocating expenses for basic research, etc. from these functions to the business units. The financial information that we disclose concerning the changed reportable segments has not been finalized at this time.

(Share repurchase and cancellation of treasury shares)

At a meeting of the Board of Directors held on May 13, 2025, Olympus Corporation resolved items related to the repurchase of its own shares as provided for in Article 459, Paragraph 1 of the Companies Act and Article 32 of Olympus Corporation’s Articles of Incorporation, as well as the cancellation of treasury shares as provided for in Article 178 of the Companies Act.

(1) Reasons for the share repurchase and cancellation of treasury shares

To strengthen shareholder returns and to improve capital efficiency

(2) Details of items related to the repurchase

1. Class of shares:	Common stock of Olympus Corporation
2. Total number of shares to be repurchased:	36,000,000 shares (maximum) (3.19% of total number of issued shares (excluding treasury shares))
3. Total amount of shares to be repurchased:	¥50,000 million (maximum)
4. Repurchase period:	July 28, 2025 to October 31, 2025
5. Repurchase method:	Market purchase on the Tokyo Stock Exchange based on a discretionary trading contract

(3) Details of cancellation

1. Class of shares:	Common stock of Olympus Corporation
2. Number of shares to be cancelled:	Total number of shares after excluding shares earmarked for use for share-based payments in the future (3,000,000 shares) from the number of shares to be repurchased in (2) above
3. Date of cancellation:	November 28, 2025