

# CEO Remark

Yasuo Takeuchi

# Accomplishments

## FY2019-FY2022 Transform Olympus & Corporate Strategy

- ✓ Solidified foundation for next 100 years
- ✓ Solid progress to deliver FY23 strategic goals



Our aspiration is to **become a globally-leading medtech company** contributing to people's lives by delivering innovative solutions that **benefit patients, healthcare professionals, payors and providers**



Sustain **5-6%** growth annually



Deliver **>20%** consolidated corporate operating margin\*



Become **leaders** in the therapeutic areas where we compete (GI, urology and respiratory)

# Enabler for Accelerated Growth

## Beyond FY2023 Shifting to growth phase as a global med-tech

Different level of ability required to strategize and execute for success

**FY2023 is a milestone, not our goal.**

3 Years



# FY24 Structure Proposal

## Board of Directors





# New CEO

Stefan Kaufmann



# Consolidated Financial Results for the 2<sup>nd</sup> Quarter and Full-year Forecasts for Fiscal 2023

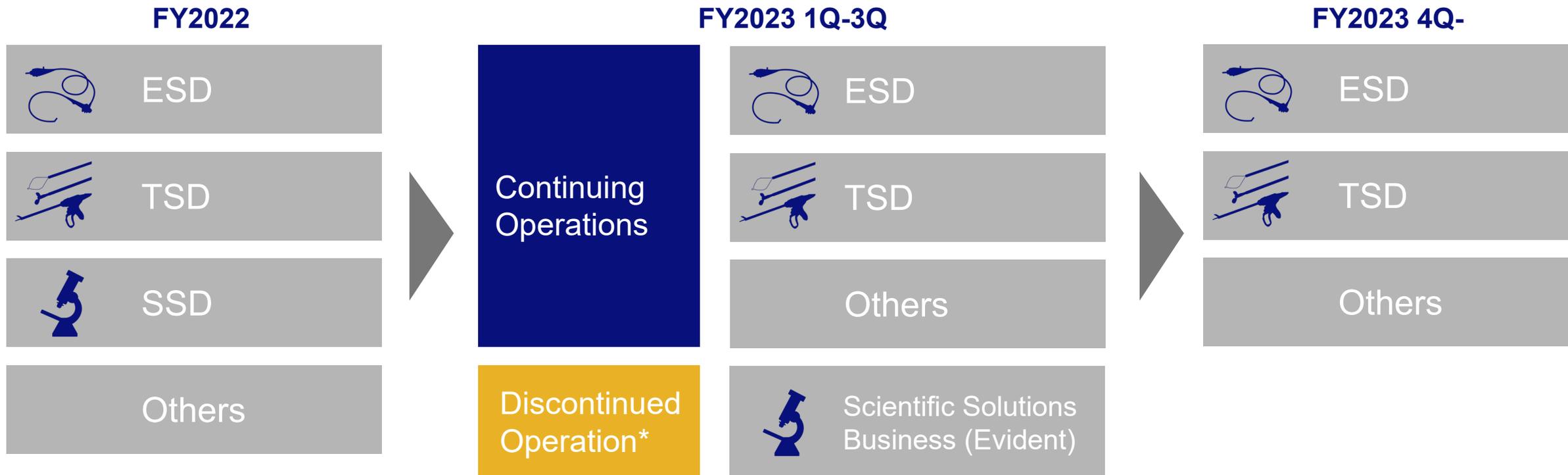
# Disclaimer

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- This material contains forward-looking statements that reflect management's current views, plans, and expectations based on information available at the time of preparation. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, future business decisions, and other internal and external factors that may cause the Company's actual results, performance, achievements, or financial position to be materially different from any future results expressed or implied by these forward-looking statements.
- Additionally, this information is subject to change without notice. Accordingly, other information should be used in addition to this material when making investment decisions.
- Products or devices presented include future technology which may be pending regional regulatory approval and are not available for sale in all regions. This information is not intended for promotional or medical advice use. Rather, it is provided to give examples of technology development by Olympus and no guarantees are made about the future sale of such products.
- Olympus Corporation assumes no responsibility for any damage resulting from the use of this material.

# Changes in Reporting Structure

With divestiture of Scientific Solutions Business (Evident),  
it is disclosed as a discontinued operation from 2Q (based on IFRS)



- Profit (loss) from discontinued operation is disclosed in Consolidated Financial Results
- Performance of discontinued operation is disclosed as supplementary information

\*In the six months ended September 30, 2022, Olympus Corporation concluded a share transfer agreement related to the transfer of our Group's Scientific Solutions Business with K.K. BCJ-66, a special purpose company indirectly owned by funds advised by Bain Capital Private Equity, LP (together with its affiliates, "Bain Capital"). Due to this, profit (loss) from the Scientific Solutions Business has been classified as profit (loss) from discontinued operation from the second quarter under review, and corresponding items for the six months ended September 30, 2021, have been restated in a similar manner. Furthermore, the amounts presented for revenue, operating profit, profit before tax and profit from continuing operations are the amounts from continuing operations from which the discontinued operation has been excluded, while the amounts presented for profit and profit attributable to owners of parent are aggregates of continuing operations and discontinued operation. It is assumed that the transfer of all shares will be completed in January 2023.

# Highlights

## 2Q and 6M Consolidated Financial Results

- ✓ **Achieved revenue and profit growth even in an uncertain environment by continuing to take countermeasures against various risks**
  - Revenue: 16% consolidated growth. Record high for Medical Business in 2Q and 6M  
Double-digit growth for both ESD and TSD
  - Operating profit: Record highs for both amount and ratio in 2Q and 6M\*

## Full-year Performance Forecasts

- ✓ **Revenue revised upward from previous forecast due to a change in FX assumptions. Expected to achieve adj. OPM of >20%, our target in corporate strategy, despite rising materials costs and additional expenses**
  - Revenue: Expected to achieve ¥892 billion, up 19% YoY. Operating profit: Record highs for both amount and ratio
  - Profit\*\*: Expected to reach a record high of ¥387 billion due to a gain on transfer of Scientific Solutions Business.  
EPS: Expected to grow 238% to ¥305
  - Shareholder returns: Share buyback of approx. ¥50 billion expected

\*From FY2009, when Olympus began disclosing the quarterly report.

\*\*Profit attributable to owners of parent. Figures through FY2016 are based on Japanese GAAP (JGAAP) and figures from FY2017 onward are based on IFRS. Since all shares of discontinued operation (Evident) are scheduled to be transferred in January 2023, the latest forecast for discontinued operation for the fiscal year 2023 is based on the figures up to the third quarter of the fiscal year 2023.

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**Consolidated Financial Results and  
Business Review for the 2Q of Fiscal  
2023 (FY Ending March 31, 2023)**

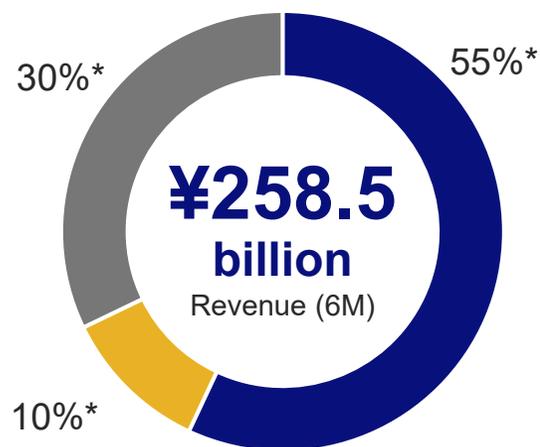
# 2Q of Fiscal 2023 (1) Consolidated Financial Results

- 1 Revenue: 16% consolidated growth. Record high for Medical business in 2Q and 6M. Double-digit growth for both ESD and TSD
- 2 Operating profit: Record highs for both amount and ratio in 2Q and 6M\*

		6 Months (Apr. to Sep.)				2Q (Jul. to Sep.)					
(Billions of yen)		FY2022	FY2023	YoY	YoY (After FX adjustment)	FY2022	FY2023	YoY	YoY (After FX adjustment)		
Continuing operations**	Revenue	360.1	1	417.1	+16%	+2%	193.3	1	224.8	+16%	+1%
	Gross profit (% of revenue)	241.4 (67.0%)		277.5 (66.5%)	+15%	-1%	131.2 (67.9%)		151.8 (67.5%)	+16%	-3%
	Selling, general and administrative expenses (% of revenue)	168.9 (46.9%)		198.5 (47.6%)	+18%	+7%	84.4 (43.7%)		102.5 (45.6%)	+21%	+8%
	Other income and expenses	-1.8		14.6	-	-	-2.1		-0.2	-	-
	Operating profit (% of revenue)	70.7 (19.6%)	2	93.6 (22.4%)	+32%	+3%	44.7 (23.1%)	2	49.1 (21.8%)	+10%	-20%
	<b>Adjusted operating profit (% of revenue)</b>	<b>72.8 (20.2%)</b>		<b>79.4 (19.0%)</b>	<b>+9%</b>		<b>47.2 (24.4%)</b>		<b>49.6 (22.1%)</b>	<b>+5%</b>	
	Profit before tax (% of revenue)	68.4 (19.0%)		89.3 (21.4%)	+31%		43.0 (22.2%)		47.3 (21.0%)	+10%	
	Profit from continuing operations (% of revenue)	58.4 (16.2%)		69.5 (16.7%)	+19%		40.1 (20.7%)		41.6 (18.5%)	+4%	
Profit from discontinued operation	4.1		-2.6	-¥6.7 billion		3.7		0.4	-89%		
Profit (loss)	62.5		66.9	+7%		43.8		42.0	-4%		
Profit (loss) attributable to owners of parent	62.4		66.8	+7%		43.7		42.0	-4%		
EPS	¥49		¥53			-		-			

\*From FY2009, when Olympus began disclosing the quarterly report.  
 \*\*The figures from "Revenue" to Profit from continuing operations" represents continuing operations.

# 2Q of Fiscal 2023 (2) Endoscopic Solutions Division (ESD)

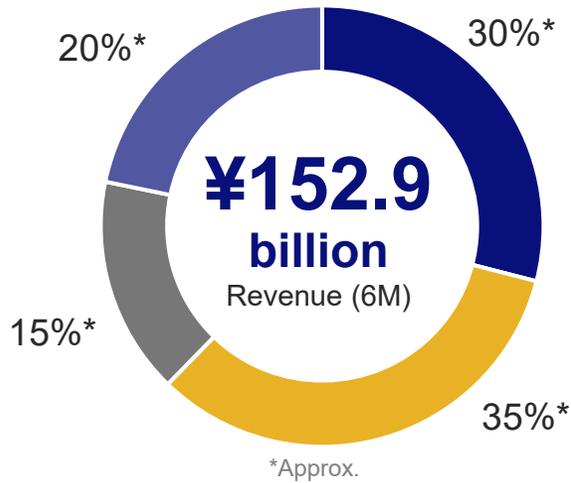


\*Approx.

(Billions of yen)	FY2022		FY2023	
	2Q	6M	2Q	6M
Revenue	120.6	220.6	141.6	258.5
Operating profit	39.0	61.6	44.1	68.9
Other income and expenses	-1.0	-3.1	-0.2	-1.4
Operating margin (After FX adjustment)	32.3%	27.9%	31.1% (27.3%)	26.7% (23.1%)
<b>Adjusted operating margin</b>	<b>33.1%</b>	<b>29.4%</b>	<b>31.3%</b>	<b>27.2%</b>

Growth Rate FY2023 2Q vs FY2022 2Q	vs FY2022 (incl. FX)		vs FY2022 (After FX adjustment)
<b>■ Gastrointestinal endoscope</b>	17%	<ul style="list-style-type: none"> <li>All regions grew, led by steady sales expansion of EVIS X1 series. North America, where yen depreciation had a significant effect, also contributed to revenue increase.</li> </ul>	1%
<b>■ Surgical endoscope</b>	4%	<ul style="list-style-type: none"> <li>VISERA ELITE II surgical endoscopy system maintained momentum. North America, where yen depreciation had a significant effect, also contributed to revenue increase.</li> <li>After FX adjustment, revenue declined due to impact of prolonged delivery time in Europe caused by parts shortages including semiconductors and declined due to strong growth in the same quarter last year in China.</li> </ul>	-10%
<b>■ Medical service</b>	25%	<ul style="list-style-type: none"> <li>Steady growth in all regions, including China, due to stable revenue stream based on service contracts including maintenance service and an increase in new accounts.</li> </ul>	8%
<b>Total</b>	17%		1%

# 2Q of Fiscal 2023 (3) Therapeutic Solutions Division (TSD)



(Billions of yen)	FY2022		FY2023	
	2Q	6M	2Q	6M
Revenue	69.5	133.1	80.6	152.9
Operating profit	16.2	30.3	16.4	29.8
Other income and expenses	-0.4	2.1	0.1	-0.1
Operating margin (After FX adjustment)	23.3%	22.7%	20.4% (19.2%)	19.5% (17.9%)
<b>Adjusted operating margin</b>	<b>23.9%</b>	<b>21.1%</b>	<b>20.2%</b>	<b>19.6%</b>

\*\*From FY2023, Gynecology products classified in Other therapeutic areas in TSD are included in Urology in TSD. FY2022 results have been reclassified in the same manner.

**Growth Rate FY2023 2Q vs FY2022 2Q**

**vs FY2022 (incl. FX)**

**vs FY2022 (After FX adjustment)**

<b>GI-endothecopy</b>	15%	<ul style="list-style-type: none"> <li>Sales grew in many regions and product categories. In particular, strong performance in North America with the number of procedures increasing. Notable momentum in Sampling (biopsy forceps, etc), ERCP and ESD/EMR products.</li> </ul>	3%
<b>Urology**</b>	24%	<ul style="list-style-type: none"> <li>The number of procedures is recovering. Strong performance in North America and Europe, led by resection electrodes for BPH and "SOLTIVE SuperPulsed Laser System" for stone lithotripsy.</li> </ul>	4%
<b>Respiratory</b>	9%	<ul style="list-style-type: none"> <li>Solid growth in Europe due to increasing procedure volume. In addition, North America, where yen depreciation had a significant effect, also contributed to revenue increase. Strong performance in respiratory-endothecopy products for EBUS-TBNA (Endobronchial ultrasound-guided Transbronchial Needle Aspiration). After FX adjustment, revenue declined due to high growth in the same quarter last year in Japan and China thanks to COVID-related supplementary budget effects.</li> </ul>	-7%
<b>Other therapeutic areas</b>	12%	<ul style="list-style-type: none"> <li>Solid performance in "Powerseal" energy device. North America, where yen depreciation had a significant effect, also contributed to revenue increase.</li> </ul>	-1%
<b>Total</b>	<b>16%</b>		<b>1%</b>

# Statement of Financial Position

- ☑ Stated line items for Discontinued Operation's assets held for sale and liabilities directly associated with assets held for sale
- ☑ Overall balance sheet increased due to foreign exchange effects (Approx. ¥130 billion)

(Billions of yen)	End of Mar. 2022	End of Sep. 2022	Change		End of Mar. 2022	End of Sep. 2022	Change
Current assets	694.6	791.6	+97.0	Current liabilities	376.3	359.7	-16.5
Inventories	167.4	171.2	+3.8	Bonds/loans payable	52.3	44.4	-7.9
Assets held for sale	4.7	122.5	+117.8	Liabilities directly associated with assets held for sale	0	34.4	+34.4
Non-current assets	663.4	694.5	+31.2	Non current liabilities	470.4	482.3	+11.9
Property, plant and equipment	247.1	239.7	-7.4	Bonds/loans payable	333.8	345.4	+11.5
Intangible assets and others	251.8	265.3	+13.6	Equity	511.4	644.1	+132.7
Goodwill	164.5	189.5	+25.0	(Equity ratio)	37.6%	43.3%	+5.7pt
<b>Total assets</b>	<b>1,358.0</b>	<b>1,486.1</b>	<b>+128.1</b>	<b>Total liabilities and equity</b>	<b>1,358.0</b>	<b>1,486.1</b>	<b>+128.1</b>

# Consolidated Cash Flows

- ☑ FCF: Operating CF increased to ¥6.3 billion for 6M from minus ¥26.9 billion in 1Q (Plus ¥33.2 billion in 2Q), and FCF improved
- ☑ Financing CF: Minus ¥35.5 billion due mainly to dividend payments and bond redemption

## 6 Months (Apr. to Sep.)

		FY2022	FY2023	Change	
Continuing operations	Discontinued operation	Profit before tax	68.4	89.3	+20.9
		CF from operating activities	68.8	6.3	-62.5
		CF from investing activities	-50.5	-15.7	+34.8
		Free cash flow	18.4	-9.3	-27.7
		Adjusted Free cash flow	49.8	-4.8	-54.7
		CF from financing activities	-44.1	-35.5	8.6
		Cash and cash equivalents at end of period	193.4	297.4	+104.0

### Major adjusted items for FY2022 6M (Apr. to Sep.)

Operating CF: Reversal of provision for career support for external opportunity program	¥10.0 billion
Investing CF: Acquisition of businesses and subsidiaries	¥21.3 billion

### Major adjusted items for FY2023 6M (Apr. to Sep.)

Operating CF: Tax payments for reorganization of Scientific Solutions Business	¥15.2 billion
Investing CF: Proceeds from sale of fixed assets (land)	¥19.1 billion
Investing CF: Acquisition of investment securities	¥3.5 billion
Investing CF: Investments and temporary financial burden for reorganization of Scientific Solutions Business	¥4.9 billion

\*Please refer to Appendix (P.27) for cash flow of discontinued operation

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## **Forecasts for Fiscal 2023**

# Fiscal 2023 Consolidated Forecasts

✓ Revenue revised upward from previous forecast due to a change in FX assumptions  
Expected to achieve adj. OPM of >20%, our target in corporate strategy, despite rising materials costs and additional expenses

- 1 Revenue: Expected to achieve ¥892 billion, up 19% YoY, Operating profit: Record highs for both amount and ratio
- 2 Profit\*: Expected to reach a record high of ¥387 billion due to a gain on transfer of SSD. EPS: Expected to grow 238% to ¥305

		FY2023 Forecasts as of Aug. 9	FY2023 Latest Forecasts	Change	vs Aug. 9	vs Aug. 9 (After FX adjustment)	FY2022****	YoY	YoY (After FX adjustment)
Continuing operations*	Revenue	874.0	1 892.0	+18.0	+2%	0%	750.1	+19%	+4%
	Gross profit (% of revenue)	605.5 (69.3%)	613.0 (68.7%)	+7.5	+1%	-1%	506.7 (67.5%)	+21%	+3%
	Selling, general and administrative expenses (% of revenue)	405.0 (46.3%)	413.5 (46.4%)	+8.5	+2%	+1%	357.5 (47.7%)	+16%	+5%
	Other income and expenses	13.0	12.5	-	-	-	-3.0	-	-
	Operating profit (% of revenue)	213.5 (24.4%)	1 212.0 (23.8%)	-1.5	-1%	-4%	146.2 (19.5%)	+45%	+7%
	<b>Adjusted operating profit (% of revenue)</b>	<b>201.5 (23.1%)</b>	<b>200.5 (22.5%)</b>	<b>-1.0</b>	<b>0%</b>		<b>150.7 (20.1%)</b>	<b>+33%</b>	
	Profit before tax (% of revenue)	207.5 (23.7%)	206.0 (23.1%)	Dividend forecast for FY2023 Year-end dividend of ¥16 per share			141.8 (18.9%)		
	Profit from continuing operations (% of revenue)	158.5 (18.1%)	157.0 (17.6%)				110.7 (14.7%)		
	Profit from discontinued operation	13.5	230.0	5.3					
	Profit (loss)	172.0	387.0	116.0					
Profit (loss) attributable to owners of parent	172.0 (16.9%)	2 387.0 (39.2%)	115.7 (13.3%)						
EPS	¥135	¥305	¥90						

\*Profit attributable to owners of parent. Figures through FY2016 are based on Japanese GAAP (JGAAP) and figures from FY2017 onward are based on IFRS.  
\*\*The figures from "Revenue" to Profit from continuing operations" represents continuing operations.  
\*\*\*Since all shares of discontinued operation (Evident) are scheduled to be transferred in January 2023, the latest forecast for discontinued operation for the fiscal year 2023 is based on the figures up to the third quarter of the fiscal year 2023.  
\*\*\*\*The figures for FY2022 are before the audit.

# Fiscal 2023 Forecasts by Business Segment

- 1 Medical: Revenue expected to reach a record high
- 2 Discontinued Operation: Expected to achieve a significant profit increase due to a gain

(Billions of yen)		FY2023 Forecasts as of Aug. 9	FY2023 Latest Forecasts*	Change	vs Aug. 9	vs Aug. 9 (After FX adjustment)	FY2022**	YoY	YoY (After FX adjustment)	
ESD	Revenue	536.0	1	552.0	+16.0	+3%	+1%	461.5	+20%	+5%
	Operating profit	174.0		173.5	-0.5	0%	-4%	133.2	+30%	-2%
TSD	Revenue	327.0	1	329.0	+2.0	+1%	-1%	275.6	+19%	+5%
	Operating profit	75.5		75.0	-0.5	-1%	-3%	60.8	+23%	0%
Others	Revenue	11.0		11.0	-	-	-	13.0	-15%	-18%
	Operating profit(loss)	-1.5		-1.5	-	-	-	-2.0	+¥0.5 billion	+¥0.6 billion
Elimination and Corporate	Operating profit(loss)	-34.5		-35.0	-0.5	-¥0.5 billion	-¥0.2 billion	-45.8	+¥10.8 billion	+¥12.4 billion
<b>Consolidated Total</b>	Revenue	874.0		892.0	+18.0	+2%	0%	750.1	+19%	+4%
	Operating profit	213.5		212.0	-1.5	-1%	-4%	146.2	+45%	+7%
(Reference) Discontinued Operation	Revenue	145.0	2	95.0	-50.0	-34%	-35%	118.7	-20%	-30%
	Operating profit(loss)	17.5		354.0	+336.5	+1,923%	+1,918%	7.7	+4,497%	+4,429%

\*Since all shares of discontinued operation (Evident) are scheduled to be transferred in January 2023, the latest forecast for discontinued operation for the fiscal year 2023 is based on the figures up to the third quarter of the fiscal year 2023.

\*\*The figures for FY2022 are before the audit.

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## **GI Endotherapy Growth Story**

# TSD targeted therapeutic focus enables high growth



Market leading position in Respiratory driven by differentiated portfolio in lung cancer staging and diagnosis



Urology delivering strong growth through innovative solutions that improve procedural workflow and clinical outcomes



GI EndoTherapy comprehensive portfolio in hemostasis, access, + stricture management improving the standard of care



¥60 - 80B  
6% - 7% CAGR  
Respiratory  
addressable  
market

Note: Products or devices presented include:  
\* EBUS: endoscopic bronchial ultrasound  
\* EMU: electromagnetic navigation  
\* SSU: single use  
\* TBNA - transbronchial needle aspiration

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¥280 - 350B  
5% - 7% CAGR  
Urology  
addressable  
market

Note: Products or devices presented include:  
\* BPH: benign prostatic hyperplasia

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¥300 - 350B  
5% - 7% CAGR  
GI Endotherapy  
addressable  
market

Note: Products or devices presented include:  
\* EPH: benign prostatic hyperplasia

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#2 Market Position	Strong Foundation	Driving Growth Now	Future Growth Drivers	
<p>Leading Solutions</p>	<p>Guidewires</p> <p>Sphincterotomies</p>	<p>Dual Knife J™</p>	<p>EndoCuff™</p> <p>Adenoma detection</p>	<p>Under development</p> <p>Single-use cholangioscope<sup>3</sup></p>
Clinical procedure	ERCP <sup>1</sup>	ESD <sup>2</sup>	Colonoscopy	Cholangioscopy

**Leverage #1 market position in GI endoscopes**

Note: Served market scale and growth forecast information comes from Olympus research and pertains to data for the USA, Germany, UK, Italy, France, Spain, Japan and China. Market scale is as of March 31, 2021. Respiratory includes the impact of the Varian Medical acquisition. Growth forecasts are projected for fiscal year 2022 to fiscal year 2024, starting from fiscal year 2021. This also applies to market data shown on the two slides that follow.  
Note: Products or devices presented include future technology which may be pending regional regulatory approval and are not available for sale in all regions.  
<sup>1</sup> ERCP: endoscopic retrograde cholangiopancreatography  
<sup>2</sup> ESD: endoscopic submucosal dissection  
<sup>3</sup> The product under development, has not been submitted to FDA for formal review and is not available for the US Market

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OLYMPUS



Therapeutic Area  
**GI Endotherapy**

**Targeted Diseases/Procedures**

- Pancreaticobiliary diseases
- Colorectal diseases
- Gastric diseases
- Hemostasis

We **target attractive and growing disease states** in which we have a **strong market presence** and are **elevating the standard of care** with differentiated offerings

# GI Endotherapy competes in a large and growing market



## Procedures Across Diseases



### Our GI Endotherapy business

**¥300 - 350B**  
addressable global market

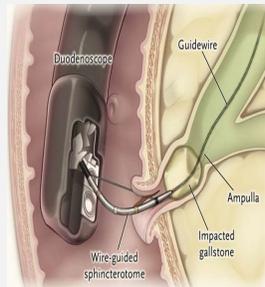
**5% - 7%**  
CAGR

**Visualization**  
Endoscopes + VPU

**Hemostasis**  
Stop GI bleeding

Target Diseases

**Pancreaticobiliary**  
Pancreas, liver,  
gall bladder + bile ducts  
(ERCP)



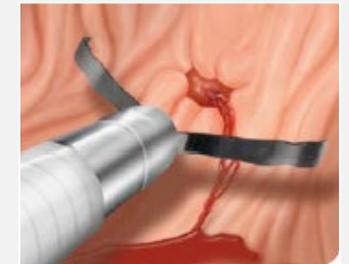
- ~ 60M patients affected annually<sup>1</sup>
- >¥100B global market opportunity

**GI tract**  
Colorectal + gastric



- CRC<sup>2</sup> is 2nd leading cancer death
- >50M colonoscopies performed worldwide<sup>3</sup>

- Ever increasing demands for novel imaging solutions to visualize anatomy and improve outcomes



- #1 device cost for GI endosuite
- >¥100B global market opportunity

<sup>1</sup> Epi Database®. Cerner Enviza. Available from wee.epidb.com. Accessed 18 Nov 21. Data for USA, EU5, JP, CN

<sup>2</sup> CRC = colorectal cancer

<sup>3</sup> Company's research for the USA, Canada, Germany, France, Italy, Spain, the UK, Poland, Japan, China, South Korea, Australia, India, and Russia, as of 2019.



# Hemostasis legacy and innovation



## Strong legacy



**QuickClip™**  
2004



**Coagrasper™**  
forceps  
2004



**PolyLoop™**  
loop ligator  
2004



**QuickClip Pro™**  
pre-loaded clip  
2013



**Argon plasma**  
coagulation probe  
2019



**EZ Clip™**  
reloadable clip  
USA 2020



**SutuArt™**  
suturing  
Japan + EUR  
2022



**EndoClot™**  
2022



**EndoClot™**

**Product name**

EndoClot™

**Category**

Hemostasis powder

**Clinical application<sup>1</sup>**

1. Stops small bleeds
2. Adjunct to conventional techniques (e.g., clips) for large or diffuse bleeds

**Reimbursement USA**

Eligible for CMS<sup>2</sup> TPT<sup>3</sup> payments thru Dec 2023

1 Refer to product Instructions for Use for details of clinical Indications for Use  
2 CMS = Centers for Medicare and Medicaid services 3 TPT = Transitional Pass Through

**OLYMPUS**

A thick, yellow, brushstroke-style underline that tapers at both ends, positioned directly beneath the word "OLYMPUS".

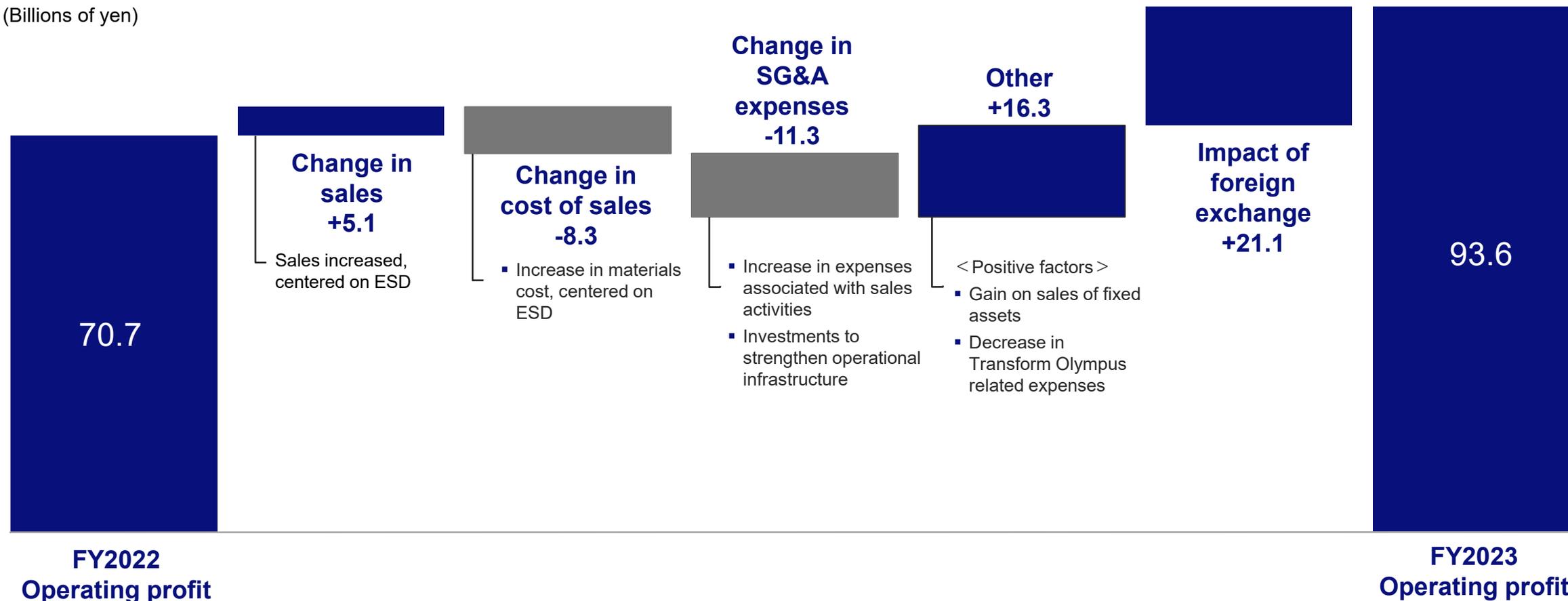
# Appendix

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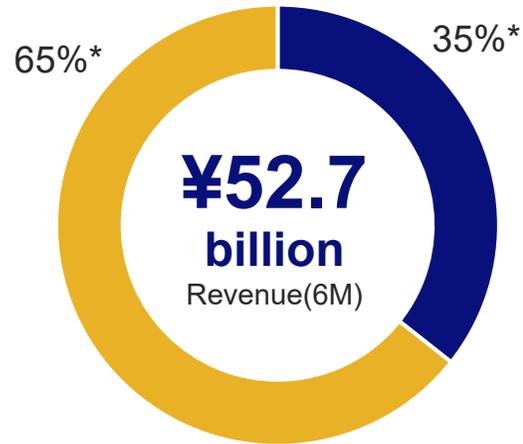
# 2Q of Fiscal 2023 Factors that Affected Consolidated Operating Profit

6 Months (Apr. to Sep.)

(Billions of yen)



# 2Q of Fiscal 2023 Discontinued Operation (Scientific Solutions Business)



\*Approx.

(Billions of yen)	FY2022		FY2023	
	2Q	6M	2Q	6M
Revenue	28.2	53.0	30.9	52.7
Operating profit	3.9	5.6	-1.1	-4.9
Other income and expenses	-0.6	-0.8	-2.6	-4.9
Operating margin (After FX adjustment)	13.8%	10.6%	-	-
<b>Adjusted operating margin</b>	<b>15.9%</b>	<b>12.0%</b>	<b>4.8%</b>	<b>0.1%</b>

Growth Rate FY2023 2Q vs  
FY2022 2Q

vs FY2022  
(incl. FX)

vs FY2022(After FX  
adjustment)

■ Life science	-4%	<ul style="list-style-type: none"> <li>Sales decreased due to impact of prolonged delivery time caused by parts shortages including semiconductors, although budget execution at research institutions and universities remained steady.</li> </ul>	-17%
■ Industrial	19%	<ul style="list-style-type: none"> <li>Sales increased despite impact of prolonged delivery time caused by parts shortages including semiconductors, due to an improvement in customers' CAPEX sentiment as well as an increase in shipment in China after COVID related restrictions in Shanghai were lifted.</li> </ul>	2%
<b>Total</b>	<b>10%</b>		<b>-6%</b>

Cash flow of discontinued operation 6M (Apr. - Sep.)

	FY2022	FY2023	Change
CF from operating activities	5.1	-11.0	-16.1
CF from investing activities	-2.9	-6.0	-3.1
CF from financing activities	-0.4	-1.0	-0.7

# 2Q of Fiscal 2023 Results by Segment

6 Months (Apr. - Sep.)

(Billions of yen)		FY2022	FY2023	YoY	After FX adjustment
ESD	Revenue	220.6	258.5	+17%	+3%
	Operating profit	61.6	68.9	+12%	-15%
TSD	Revenue	133.1	152.9	+15%	+1%
	Operating profit	30.3	29.8	-2%	-20%
Others	Revenue	6.4	5.7	-12%	-14%
	Operating profit(loss)	-1.1	-0.8	+¥0.3 billion	+¥0.4 billion
Elimination and Corporate	Operating profit(loss)	-20.1	-4.3	+¥15.8 billion	+¥16.7 billion
<b>Consolidated Total</b>	Revenue	360.1	417.1	+16%	+2%
	Operating profit	70.7	93.6	+32%	+3%
Discontinued operation	Revenue	53.0	52.7	0%	-13%
	Operating profit(loss)	5.6	-4.9	-¥10.5 billion	-¥12.1 billion

2Q (Jul. - Sep.)

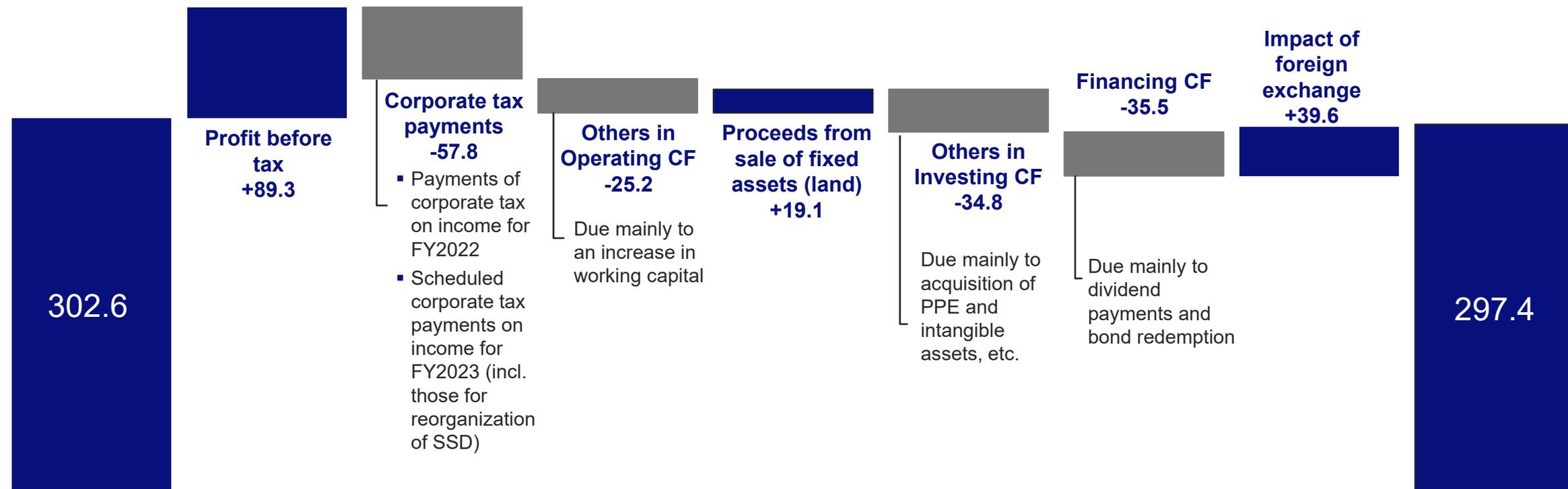
		FY2022	FY2023	YoY	After FX adjustment
ESD	Revenue	120.5	141.6	+17%	+1%
	Operating profit	39.0	44.1	+13%	-14%
TSD	Revenue	69.5	80.6	+16%	+1%
	Operating profit	16.2	16.4	+1%	-17%
Others	Revenue	3.3	2.6	-21%	-23%
	Operating profit(loss)	-0.6	-0.5	+¥0.1 billion	+¥0.1 billion
Elimination and Corporate	Operating profit(loss)	-9.9	-10.9	-¥1.1 billion	-¥0.6 billion
<b>Consolidated Total</b>	Revenue	193.3	224.8	+16%	+1%
	Operating profit	44.7	49.1	+10%	-20%
Discontinued operation	Revenue	28.2	30.9	+10%	-6%
	Operating profit(loss)	3.9	-1.1	-¥5.0 billion	-¥6.3 billion

# Factors that Affected Consolidated Cash Flows

FCF -9.3 (Adjusted FCF\* -4.8)

Operating CF +6.3

Investing CF -15.7



End of March  
2022  
Cash and cash  
equivalents

End of  
September 2022  
Cash and cash  
equivalents

## \*Major adjusted items for FY2023 6M (Apr. to Sep.)

Operating CF: Tax payments for reorganization of Scientific Solutions Business	¥15.2 billion
Investing CF: Proceeds from sale of fixed assets (land)	¥19.1 billion
Investing CF: Acquisition of investment securities	¥3.5 billion
Investing CF: Investments and temporary financial burden for reorganization of Scientific Solutions Business	¥4.9 billion

# Key Product Catalysts: Endoscopic Solutions Division (As of Nov. 11, 2022)



## ESD Key priorities for FY2023

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

### Growth driver now

#### GI endoscopy

- EVIS X1 (EU, Japan, AP)
- EVIS EXERA III (US, EU)
- EVIS LUCERA ELITE (China)

#### Surgical endoscopy

- VISERA ELITE II 2D/3D/IR (EU, Japan)
- VISERA ELITE II 2D (US)
- VISERA ELITE (China)
- VISERA 4K UHD (US, EU, Japan, China)

### Just launched / Coming soon

#### GI endoscopy

- EVIS X1 (US)
- **EU-ME3 (EU, Japan, AP)**

#### Surgical endoscopy

- VISERA ELITE II 3D/IR (US)
- VISERA ELITE II 2D/3D/IR (China)
- **VISERA ELITE III (EU, Japan)**

### Beyond

#### GI endoscopy

- EVIS X1 (China)
- Single-use duodenoscope
- ENDO-AID, endoscopy CAD platform for EVIS-X1 (Japan, US)

#### Surgical endoscopy

- **VISERA ELITE III (US)**

# 20%

Growth rate<sup>1</sup> in  
FY2023

1 YoY including FX

# Key Product Catalysts: Therapeutic Solutions Division (As of Nov. 11, 2022)



## TSD Key priorities for FY2023

### GI endotherapy

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

### Urology

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

### Respiratory

- Launch EVIS X1, our next generation bronchoscopy platform, in the US market
- Accelerate growth through expansion of lung cancer solutions leveraging acquisition of Veran Medical Technologies

## Growth driver now

### GI endotherapy

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

### Urology

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

### Respiratory

- Bronchoscope, EBUS scope
- ViziShot series
- Spiration Valve System

## Just launched / Coming soon

### GI endotherapy

- 3 products (US)
- 5 products (EU)
- 5 products (Japan)

### Urology

- iTind, non-surgical device for Benign Prostatic Hyperplasia (US, EU)

### Respiratory

- Veran Electromagnetic Navigation system (US)
- Single-use bronchoscope (US)
- EBUS scope (US)
- EVIS X1 bronchoscope (US)

## Beyond

### GI endotherapy

- Single-use cholangioscope

### Urology

- Single-use ureteroscope

### Respiratory

- Veran Electromagnetic Navigation system (EU)
- Single-use bronchoscope

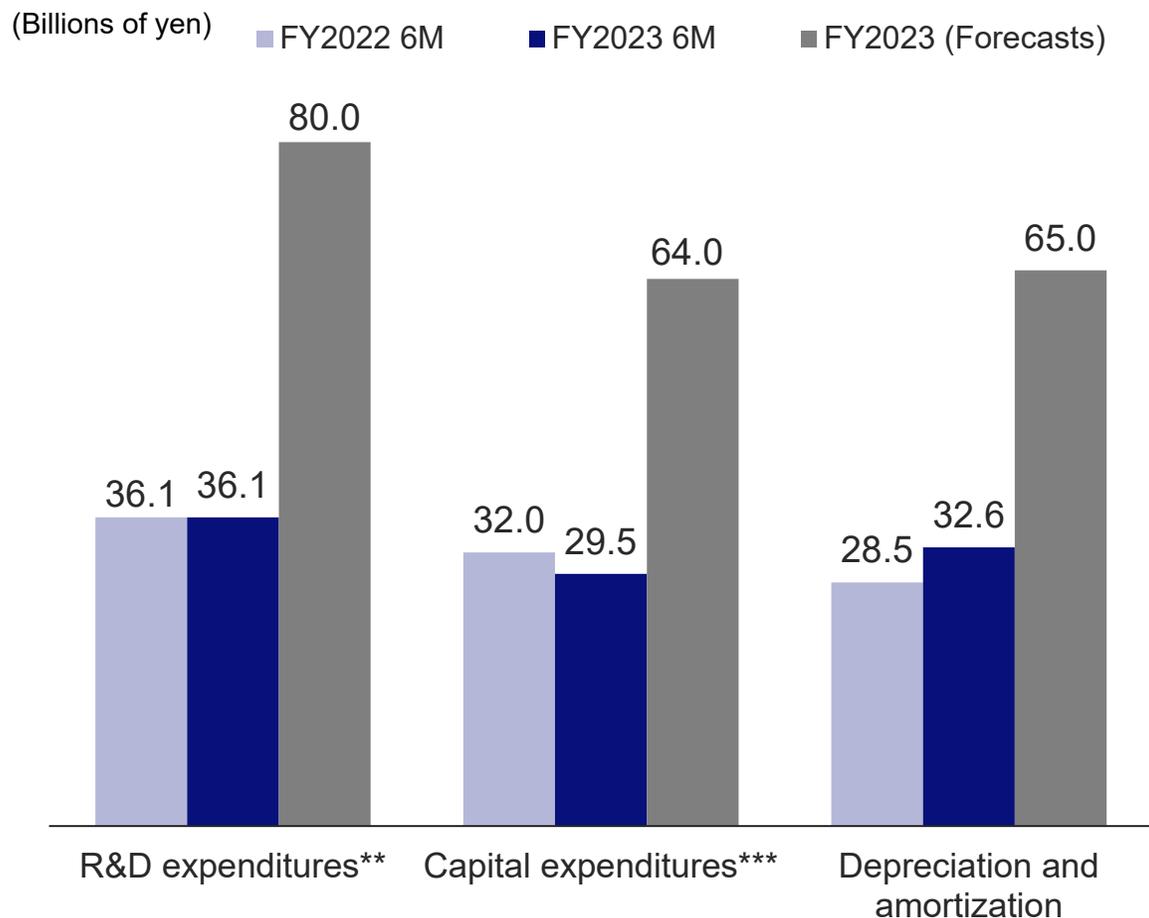
# 19%

## Growth rate<sup>1</sup> in FY2023

<sup>1</sup> YoY including FX

# Expenditures, etc.

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



(Billions of yen)	FY2022	FY2023
R&D expenditures** (a)	36.1	36.1
Capitalization of R&D expenditures (b)	6.5	5.6
R&D expenses in P/L (a-b)	29.6	30.5

(Billions of yen)	FY2022	FY2023
Amortization	3.3	3.9
	End of Jun. 2022	End of Sep. 2022
R&D assets	51.8	53.8

\*The Scientific Solutions Business has been classified as a discontinued operation from the second quarter under review. Due to this, the amounts presented for R&D expenditures, Capital expenditures and Depreciation and amortization are the amounts from continuing operations from which the discontinued operation has been excluded. The figures have been similarly reclassified in the six months ended September 30, 2021.

\*\*Capitalization of R&D expenditures (b) is included in R&D expenditures.

\*\*\*Capitalization of R&D expenditures (b) is included in capital expenditures.

In addition, the Olympus Group has adopted IFRS #16 "Leases" from FY2020, and right-of use assets below are included in capital expenditures.

(FY2022 2Q: ¥5.8 billion, FY2023 2Q: ¥4.3 billion, FY2023 Forecast: ¥7.0 billion)

# Foreign Exchange and Sensitivity

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

## Foreign exchange rate

(Yen)	FY2022 1Q	FY2022 2Q	FY2023 1Q	FY2023 2Q	FY2023 Forecasts as of August 9	FY2023 Latest Forecasts
Yen/U.S. dollar	109.49	110.11	129.57	138.37	134	140
Yen/Euro	131.96	129.84	138.12	139.34	140	139
Yen/CNY	16.96	17.02	19.58	20.19	20	20

## Forex sensitivity (annual)

(Billions of yen)	Revenue	Operating profit
U.S. dollar (per yen)	2.5	1.1
Euro (per yen)	1.6	0.7
CNY (per yen)	6.0	3.9

\*Amounts in the above table are related to continuing operations only.