Olympus’ Value Creation Model

Making people’s lives healthier, safer and more fulfilling

OUR PURPOSE

Strong position built on basis of relationships of trust with care providers
- Global market share for gastrointestinal endoscopes approximately 70%.
- Training support for doctors conducted around the world
- Entered emerging markets ahead of other companies and built relationships of trust with doctors
  - Have built relationships of trust in Chinese market for about 50 years, since normalization of diplomatic relations between Japan and China in 1972.
  - Established representative office in Singapore in 1975.
  - Established a global headquarters for the Therapeutic Solutions Business in the U.S.
- Credit ratings: A+ (R&I), BBB+ (S&P), Baa2 (Moody’s).

Global and robust management foundation
- Approximately 17 training centers with the aim of providing training opportunities for healthcare professionals
- Build an industry-leading service network among the world’s medical device companies
- Established a global headquarters for the Therapeutic Solutions Business in the U.S.
- Strong know-how and optical technology built up since Olympus Group’s approximately 16,000 patents*2 to build a high-quality and advanced products
- Ongoing technological progress

Technological capabilities that produce high-quality and advanced products
- Selected as one of the top 100 most innovative companies in the world 11 times.
- Olympus Group’s approximately 16,000 patents*2 to build a high-quality IP portfolio
- Strong know-how and optical technology built up since the Company’s founding
- Manufacturing techniques that realize high-mix, low-volume production

Diverse human resources that possess high expertise
- Aiming to become a global MedTech company, hiring highly specialized and talented people for global positions
  - To further grow mainly in the Therapeutic Solutions Business, set up a specialized business development team in the U.S., hired talented people, and carried out M&A
  - To strengthen implementation skills, approximately 6,600 employees participated in training, and approximately 6,700 people participated in the Global Communication Skill Strengthening Program*3

Strength

Strategy

Company Strategy
- Leading as a global MedTech company
  - Patient safety and sustainability
    - Receive pending commitments to the FDA, prove confidence with regulators
    - Lead in organization health and ESG
  - Innovation for growth
    - Strengthen the Olympus brand, elevate the experience of our customers
    - Grow our business through purposeful innovation and acquisitions
  - Productivity
    - Build a high performing organization focused on patient safety and product quality
    - Ensure simplicity and operational efficiency

Financial KPIs

- Revenue Growth*4
  - Endoscopic Solutions Division: ~5%
  - Therapeutic Solutions Division: ~8%
- Operating Margin*5
  - ~20%
- EPS Growth*6
  - ~8%

Materiality Topics at Olympus
- Healthcare Access and Outcome
- Compliance, Product Quality and Safety
- Responsible Supply Chain
- Healthy Organization
- Carbon Neutral Society and Circular Economy
- Corporate Governance

Details on the materiality topics at Olympus are on page 38.

Social Outcome

Providing value to patients, countries, regions, and society through care providers

- Patients
  - Contributing to people’s health around the world by always giving the highest priority to patient safety
  - Improving patient outcomes by elevating the standard of care in target diseases based on early diagnosis and minimally invasive treatments

- Care providers
  - Contributing to the enhancement of the customer experience in the care pathway from early detection and diagnosis to staging, treatment, and post procedure
  - Contributing to improvements in efficiency of medical care and its economic outcomes through early diagnosis and minimally invasive treatments
  - Providing unique solutions to issues in the medical field

- Countries/Regions/Society
  - Contributing to limiting medical expenses through early diagnosis and minimally invasive treatments
  - Contributing to the future of medicine

Strategic value pools that drive long-term sustainable growth

- Business and Global Expansion
- Care Pathway Enhancement
- Strategic M&A
- Intelligent Endoscopy Ecosystem

Details on the materiality topics at Olympus are on page 38.

*1 Fiscal year 2023
*2 As of March 2023. Excluding Scientific Solutions Business
*3 Olympus has awarded medical devices with the ability to treat approximately 100 diseases or conditions as of March 2023.
*4 Numbers come from the Company’s research. Numbers for the U.S., Canada, Germany, France, Key Spain, Argentina, Japan, China, South Korea, Australia, India and Russia. As of 2019.
*5 Excluding extraordinary items
*6 Excluding extraordinary items and adjusted for exchange rate fluctuations. Actual exchange rate will be used.