



## **Consolidated Financial Results for the 3rd Quarter for Fiscal Year 2025**

Olympus Corporation | Director, Representative Executive Officer, Executive Chairperson and ESG Officer, Yasuo Takeuchi | Executive Officer and CFO, Tatsuya Izumi | February 14, 2025

- Hello everyone. I am Yasuo Takeuchi, Representative Executive Officer.
- I would like to thank you all for participating in this conference.

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## 3Q (9 months) Consolidated Financial Results

Revenue

¥725.2 billion

+9% / +3%



ESD +10% / +4%



TSD +7% / +2%

Adjusted operating profit

¥128.2 billion

Adjusted Operating Margin  
17.7%

+¥18.1 billion

+1.2 pt

■ % YoY including FX  
■ % YoY after FX adjustment

- 1 Achieved +22% (+14% after FX adj.) growth YoY in North America, with double-digit growth in all three focus areas of GI, Urology, and Respiratory.
- 2 Achieved over 20% growth YoY in emerging markets, with strong performance especially in ESD.
- 3 PJ “Elevate” is continuing to progress well.
- 4 Revised forecasts, taking into consideration progress in 9 months and external environment, particularly in China.

- First, our business continued to grow steadily in the third quarter, driven by GI Endoscopy in North America. Revenue increased by 9% YoY on a consolidated basis, accelerated by a tailwind of yen depreciation. In North America, we achieved strong growth of 22% YoY with double-digit growth in all three focus areas of GI, Urology, and Respiratory.
- Strong core customer demand, particularly in the U.S., drove overall growth mitigating headwinds in China, including the continued impact of the anti-corruption campaign, volume-based procurement, and increasing local competition as well as stagnation of budget execution and delays in business negotiations in Japan and budget cuts in the U.K.
- We have also continued to see strong growth in emerging markets, especially in ESD, achieving over 20% growth YoY.
- Quality and regulatory transformation project “Elevate” is continuing to progress well to meet our commitments to the U.S. Food and Drug Administration (FDA).
- We have revised the forecasts for fiscal year 2025 after taking into consideration the progress up to the third quarter and the external environment, particularly in China. We will continue to monitor the situation closely and respond appropriately and promptly, working towards achieving the forecasts.

# Changes to More Efficient and Patient- and Customer-centric Structure

Through organizational improvements, including the re-alignment of our divisional structure, we aim to operate with greater speed, ensure consistency across the regions, break down silos and **reinforce our commitment to patient- and customer-centric growth in maintaining our patient focus.**



<sup>1</sup> The names of the sub-segments are subject to change after fiscal year 2026. <sup>2</sup> Including respiratory EndoTherapy.

- Today, I would like to announce changes to more efficient and patient- and customer-centric structure.
- As we continue to advance our Global Target Operating Model to enhance our entire company architecture and business processes, we will re-align our divisional structure from April 2025 to be more customer centric. We will continue our journey to focus on therapeutic areas by improving focus on each Business Unit (BU). This creates a direct connection between BU global management and local sales teams, fostering collaboration, enhancing alignment between global and regional strategies and ultimately improving effectiveness in execution.
- As part of this evolution, the Endoscopic Solutions Division (ESD) and the Therapeutic Solutions Division (TSD) will transition into the new divisions of the Gastrointestinal Solutions Division (GIS) and the Surgical & Interventional Solutions Division (SIS). GIS includes GI Endoscopy, GI EndoTherapy, Medical Service, and SIS includes Urology, Respiratory, and Surgical.
- Through this reorganization, we aim to operate with greater speed, ensure consistency across the regions, break down silos, and reinforce our commitment to patient- and customer-centric growth.

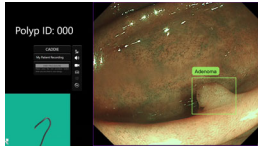
# GIS: Full GI Ecosystem Vision Integrated within One Division



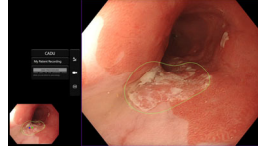
<sup>1</sup> OLYSENSE is a trademark of Olympus Corporation and/or its affiliated entities. All trademarks, logos and brand names are the property of their respective owners. Note: The content includes technologies which are still under development, is to be considered preliminary and conceptual only, and is intended only for the discussion of the potential future use of such new technologies. Any features, benefits, or claims suggested or implied in this presentation may or may not be included in future technology when released to the market. Specifications, design, and accessories are subject to change without any notice or obligation on the part of the manufacturer. Technology shown may not be available in all countries and is not presently available in United States or Canada.

- In GIS we will now have our full portfolio of solutions for GI procedures within one Division.
- We aim to seamlessly integrate our broad portfolio of endo towers, endoscopes, endotherapy devices, reprocessing and service solutions with a cloud-based suite of apps.
- With our unique GI Solutions portfolio, we are well positioned to unlock the full power of endoscopy for the benefit of patients and customers.
- We are confident that fulfilling our unique customer promise will have positive impact on our market penetration, unlock additional recurring revenue streams, and foster strong customer loyalty.

# Launching OLYSENSE<sup>1</sup>: First CAD/AI Products in Q1 FY2026<sup>2</sup>



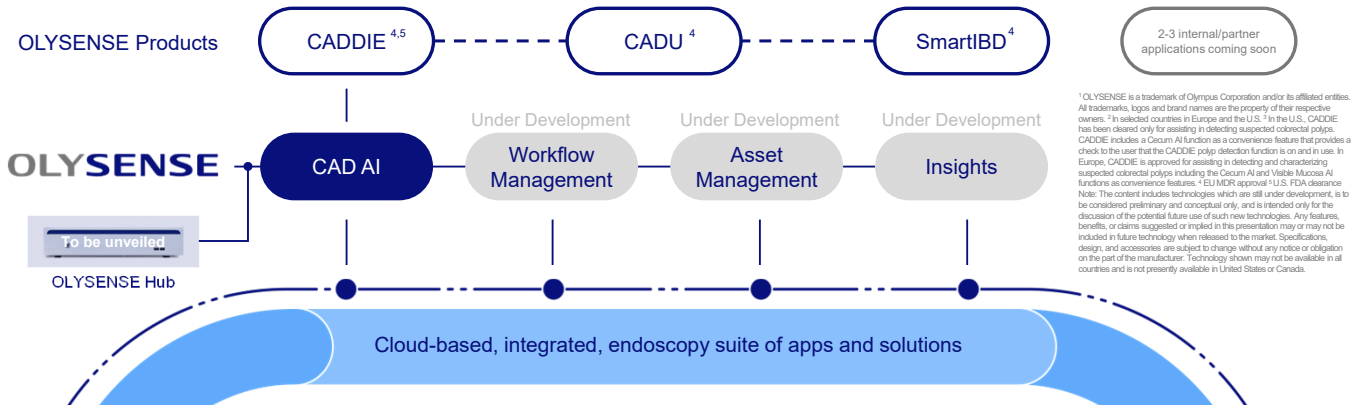
Cloud-based computer aided detection and diagnosis for colorectal polyps<sup>3</sup>



Cloud-based computer aided detection for potential dysplasia analysis



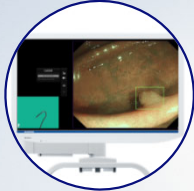
Cloud-based device for ulcerative colitis analysis



- Let's take a closer look at our upcoming Intelligent Endoscopy Ecosystem launches quickly:
- We have established OLYSENSE as our new sub-brand for our primarily cloud-based, integrated, suite of endoscopic applications and solutions. Our preparations to commercialize the first CAD/AI products in selected countries in Europe and the U.S. are in full swing.
- This will be an exciting and strategically important launch for the new GIS Division.

## Elevate: Initiatives to Shorten the Lead Time to Get Clearance/approval and Launch Products

PJ “Elevate” has accelerated the clearance/approval process for several strategically important products.



### CAD/AI (ODIN VISON)

EU MDR APPROVAL (Aug 2024)  
U.S. FDA CLEARANCE (Jul 2024)

- Part of strategically important Intelligent Endoscopy Ecosystem launch (OLYSENSE)



### EDof Scopes

U.S. FDA SUBMISSION (Feb 2025)

- Strong potential for U.S. market
- Plans for local manufacturing and launch in China



### EU-ME3

U.S. FDA CLEARANCE (Jan 2025)

- Replaces EU-ME2 Endoscopic Ultrasound Processor and is used in GI and Respiratory



### VISERA S OTV-S500

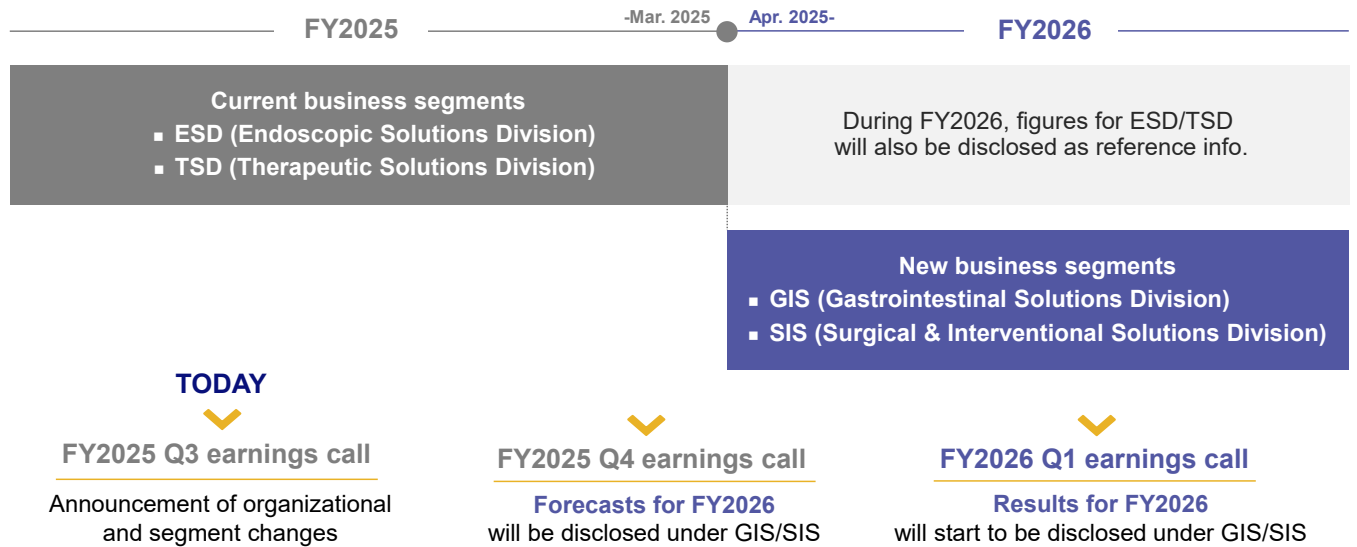
EU MDR APPROVAL (Jul 2024)<sup>1</sup>  
U.S. FDA CLEARANCE (Jul 2024)

- Will support SIS sales

<sup>1</sup> OTV-S500 is classified as a Class I device in Europe. The required document has been signed in July 2024.

- Through our project “Elevate”, we have been working on shortening the lead time to get clearance/approval and launch products. As a result, we have been able to get several strategically important products cleared/approved more quickly, as shown in this slide.
- I already mentioned the upcoming launch of the new OLYSENSE CAD/AI products.
- Moreover, we are making progress on the FDA submission for the EDof scopes and our plans for local manufacturing in China. We see growth potential for EDof scopes in both the U.S. and Chinese markets, based on the success of these scopes in the markets where they are already available.
- In addition, the EU-ME3 endoscopic ultrasound processor has received FDA clearance. We expect this to boost sales in GI and Respiratory in the U.S. in the future.
- And we expect that the outpatient endoscopy system “OTV-S500,” which has been approved in Europe and cleared in the U.S., will also contribute to the SIS Division in the sub-segments of Urology.
- We are confident that these initiatives through PJ Elevate will continue to have positive effects for future clearance/approval submissions and will lead to sustainable growth for Olympus.

# Disclosure Plan for Re-alignment of Divisional Structure



- Regarding our future disclosure plans for the business division reorganization, we plan to disclose the forecasts for the fiscal year ending March 31, 2026 under new business segments on the fourth quarter next earnings call.
- Starting with the first quarter earnings call for fiscal year 2026, results for each new segment will be disclosed.
- We will also disclose the figures for ESD and TSD as reference information during fiscal year 2026.
- With that brief introduction, I'll hand it over to our CFO, Tatsuya Izumi, who will lead you through our detailed financials for the third quarter.



## 3Q of Fiscal Year 2025 Consolidated Financial Results

- 1 Revenue: Driven by North America, which achieved double-digit growth in three focus areas, led by “EVIS X1” GI endoscopy system. With yen depreciation serving as a tailwind, revenue increased by 9%.
- 2 Operating profit and Adjusted operating profit: Increased due to a decrease in losses related to Veran Medical Technologies, which were recorded in previous fiscal year, and a tailwind from FX. Adjusted operating margin reached approx. 18% in 9 months.
- 3 Full-year Forecasts: Revised revenue and each profit level, taking into consideration progress in 9 months and external environment, particularly in China.

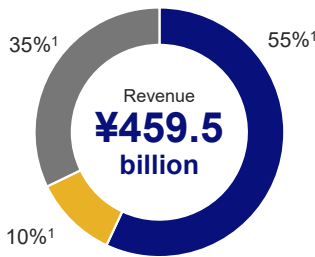
	9 Months (Apr. to Dec.)				Forecasts (Apr. to Mar.)		
	(Billions of yen)	FY2024	FY2025	YoY	After FX adjustment	FY2025 Latest Forecasts	% of progress
Continuing operations	Revenue	668.1	1 725.2	+9%	+3%	3 997.5	73%
	Gross profit	446.7	490.9	+10%	+3%	673.0	73%
	(% of revenue)	(66.9%)	(67.7%)	(+0.8%)		(67.5%)	
	Selling, general and administrative expenses	336.2	363.0	+8%	+3%	499.0	73%
	(% of revenue)	(50.3%)	(50.1%)	(-0.3%)		(50.0%)	
	Other income and expenses	-72.5	-19.2	-	-	-23.0	-
	Operating profit	38.0	2 108.8	+186%	+142%	151.0	72%
(% of revenue)	(5.7%)	(15.0%)	(+9.3%)		(15.1%)		
<b>Adjusted operating profit</b>	<b>110.1</b>	<b>128.2</b>	<b>+16%</b>	<b>0%</b>	<b>174.5</b>	<b>73%</b>	
(% of revenue)	<b>(16.5%)</b>	<b>(17.7%)</b>	<b>(+1.2%)</b>		<b>(17.5%)</b>		
Profit before tax	32.0	105.2	+229%	-	146.0	72%	
(% of revenue)	(4.8%)	(14.5%)	(+9.7%)		(14.6%)		
Discontinued operation	Profit	235.6	76.4	-68%	-	105.0	73%
	Profit attributable to owners of parent	235.2	76.4	-68%	-	105.0	73%

<sup>1</sup> The figures from “Revenue” to “Profit before tax” represent continuing operations.

- Hello everyone. I am Tatsuya Izumi, CFO.
- I would like to provide our consolidated financial results and a business review for the third quarter of fiscal year 2025.
- Consolidated revenue increased by 9% YoY to ¥725.2 billion with yen depreciation serving as a tailwind.
- Revenue growth was driven by North America, which achieved double-digit growth in all three focus areas (GI, Urology, and Respiratory), led by sales of the EVIS X1 GI endoscopy system.
- Revenue<sup>1</sup> reached a record high for the third quarter and for the first nine months.
- Operating profit increased YoY to ¥108.8 billion due to a decrease in losses related to Veran Medical Technologies, which were recorded in the previous fiscal year, and the tailwind from FX.
- Note that the FX impact of ¥16.9 billion on operating profit included the impact of the elimination of unrealized gains on inventories of ¥4.4 billion as a positive factor.
- Adjusted operating profit increased by 16% YoY to ¥128.2 billion, with an adjusted operating margin improving 1.2 points to 17.7%.
- Regarding full-year forecasts, revenue and each profit level have been revised, taking into consideration the progress up to the third quarter and the external environment, particularly in China. Further details will be provided starting on the slide 14.

<sup>1</sup> Revenue from the Medical Business (Endoscopic Solutions Division and Therapeutic Solutions Division)

## 3Q of Fiscal Year 2025 Endoscopic Solutions Division (ESD)



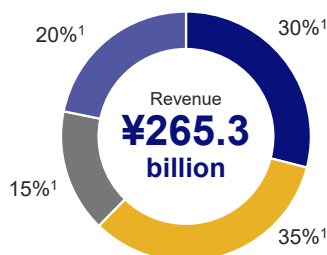
(Billions of yen)	FY2024 9 Mos	FY2025 9 Mos	FY2025 Forecasts	% of progress
Revenue	419.3	459.5	634.0	72%
Operating profit	83.6	93.9	137.5	68%
Other income and expenses	-11.9	-12.9	-14.0	-
<b>Adjusted operating profit</b>	<b>95.5</b>	<b>106.8</b>	<b>151.5</b>	<b>70%</b>
Operating margin (After FX adjustment)	19.9%	20.4% (18.5%)	21.7%	-
<b>Adjusted operating margin (After FX adjustment)</b>	<b>22.8%</b>	<b>23.2% (21.4%)</b>	<b>23.9%</b>	<b>-</b>

<sup>1</sup> Approx.

Growth Rate FY2025 9 Mos vs FY2024 9 Mos	Incl. FX		After FX adjustment
■ GI Endoscopy	9%	<ul style="list-style-type: none"> <li>Growth of 39% in North America, where sales of EVIS X1 GI endoscopy system were strong. On the other hand, sales declined in China due to impact of anti-corruption campaign and other factors. EVIS X1 series accounts for approx. 25% of total GI Endoscopy sales.</li> </ul>	4%
■ Surgical Endoscopy	5%	<ul style="list-style-type: none"> <li>Sales decreased in China, while increased in North America, Europe, and APAC. Growth driven by solid performance of VISERA ELITE III surgical endoscopy system in APAC, coupled with FX tailwind.</li> </ul>	0%
■ Medical Service	12%	<ul style="list-style-type: none"> <li>Steady growth in all regions, especially in Europe and North America, due to stable revenue streams based on service contracts including maintenance services and an increase in new accounts.</li> </ul>	6%
<b>Total</b>	<b>10%</b>		<b>4%</b>

- Next, let's take a look at the business situation in each segment.
- First is the Endoscopic Solutions Division. Revenue grew 10% YoY. Adjusted operating profit, excluding other income and expenses, increased YoY to ¥106.8 billion, with an adjusted operating margin of 23.2%, an improvement from the same period of the last fiscal year.
- I will now give a review for each sub-segment. In GI Endoscopy, sales in North America grew 39%, led by strong sales of the EVIS X1 GI endoscopy system. On the other hand, sales declined in China due to the impact of the anti-corruption campaign and other factors.
- In Surgical Endoscopy, sales declined in China, while they increased in North America, Europe, and APAC. Growth was driven by the solid performance of VISERA ELITE III surgical endoscopy system in APAC, combined with favorable FX effects.
- In Medical Service, we saw steady growth across all regions, especially in Europe and North America, due to stable revenue streams based on service contracts, including maintenance services, and an increase in new accounts.

## 3Q of Fiscal Year 2025 Therapeutic Solutions Division (TSD)



(Billions of yen)	FY2024 9 Mos	FY2025 9 Mos	FY2025 Forecasts	% of progress
Revenue	247.2	265.3	363.0	73%
Operating profit (loss)	-16.2	42.3	54.5	78%
Other income and expenses	-58.5	-7.6	-8.5	-
<b>Adjusted operating profit</b>	<b>42.3</b>	<b>49.9</b>	<b>63.0</b>	<b>79%</b>
Operating margin (After FX adjustment)	-	16.0% (15.1%)	15.0%	-
<b>Adjusted operating margin (After FX adjustment)</b>	<b>17.1%</b>	<b>18.8% (18.0%)</b>	<b>17.4%</b>	<b>-</b>

<sup>1</sup> Approx.

### Growth Rate FY2025 9 Mos vs FY2024 9 Mos

	Incl. FX		After FX adjustment
■ GI EndoTherapy	7%	▪ Growth primarily in North America and Europe. Sales increased in HPB <sup>2</sup> (e.g. ERCP) products etc.	2%
■ Urology	13%	▪ Momentum primarily in North America and Europe. Sales increased in SOLTIVE SuperPulsed Laser System for urinary tract stone management and resection electrodes for benign prostatic hyperplasia (BPH) treatments.	6%
■ Respiratory	14%	▪ Growth primarily in North America and Europe. Notable momentum in therapeutic devices and EBUS scopes mainly used for endobronchial ultrasound-guided transbronchial needle aspiration (EBUS-TBNA).	8%
■ Other therapeutic areas <sup>3</sup>	-5%	▪ Sales decreased specifically in Japan due to discontinuation of handling other companies' products.	-10%
<b>Total<sup>3</sup></b>	<b>7%</b>		<b>2%</b>

<sup>2</sup> HPB = hepato-pancreato-biliary <sup>3</sup> Considering the impact of the discontinuation of handling other companies' products, Other therapeutic areas grew by 3% YoY and declined by 2% after FX adjustment. TSD grew by 9% YoY and 4% after FX adjustment.

- Next, in the Therapeutic Solutions Division, revenue grew 7% YoY. Adjusted operating profit, excluding other income and expenses, increased YoY to ¥49.9 billion, with an adjusted operating margin of 18.8%, an improvement similar to ESD.
- Moving on to the performance for each sub-segment, all three focus areas – GI EndoTherapy, Urology and Respiratory – grew, primarily in North America and Europe.
- In GI EndoTherapy, sales increased in hepato-pancreato-biliary (HPB)-related products, etc.
- In Urology, the growth was led by SOLTIVE SuperPulsed Laser System for urinary tract stone management and resection electrodes for benign prostatic hyperplasia (BPH) treatments.
- In Respiratory, we saw strong performance in the EBUS scopes and therapeutic devices mainly used for endobronchial ultrasound-guided transbronchial needle aspiration (EBUS-TBNA).

## Consolidated Statement of Financial Position

**1** Cash and cash equivalents decreased mainly due to share buyback and repayment of debts.

**2** Equity decreased due to share buyback and dividend payouts, while an increase in profit was posted as a positive factor.

(Billions of yen)	End of Mar. 2024	End of Dec. 2024	Change		End of Mar. 2024	End of Dec. 2024	Change
Current assets	800.3	647.4	-153.0	Current liabilities	431.7	414.6	-17.1
Cash and cash equivalents	340.9	220.3	<b>1</b> -120.7	Bonds/loans payable	70.0	95.0	+25.0
Inventories	190.0	197.1	+7.1				
Non-current assets	733.9	759.5	+25.7	Non current liabilities	345.3	257.7	-87.6
Property, plant and equipment	260.0	260.9	+0.9	Bonds/loans payable	229.6	138.4	-91.3
Intangible assets	92.0	93.3	+1.3	Equity	757.2	734.7	<b>2</b> -22.5
Goodwill	180.3	188.5	+8.2	(Equity ratio)	49.4%	52.2%	+2.8pt
<b>Total assets</b>	<b>1,534.2</b>	<b>1,406.9</b>	<b>-127.3</b>	<b>Total liabilities and equity</b>	<b>1,534.2</b>	<b>1,406.9</b>	<b>-127.3</b>

- This is our financial position as of the end of December 2024.
- Total assets decreased ¥127.3 billion from the end of the previous fiscal year.
- The main reason for this was a decrease in cash and cash equivalents due to share buyback and the repayment of debts.
- Equity decreased due to share buyback and dividend payouts, while an increase in profit was posted as a positive factor.
- The equity ratio rose to 52.2%, up 2.8 points from the end of the previous fiscal year.

## Consolidated Cash Flows

**1** FCF: Although FCF decreased significantly YoY due to the transfer of Evident in the previous fiscal year, Adjusted FCF<sup>1</sup> was ¥63.4 billion.

**2** Financing CF: Negative ¥206.6 billion due mainly to share buyback, repayment of debts, redemption of corporate bonds, and dividend payouts.

(Billions of yen)		FY2024 9 Mos	FY2025 9 Mos	Change
Continuing operations	Profit before tax	32.0	105.2	+73.2
	CF from operating activities (Operating CF)	-12.9	126.3	+139.2
	CF from investing activities (Investing CF)	391.4	-42.6	-434.0
	Free cash flow (FCF)	378.6	83.7	-294.8
	<b>Adjusted Free cash flow (Adjusted FCF)</b>	<b>31.0</b>	<b>63.4</b>	<b>+32.3</b>
	CF from financing activities (Financing CF)	-240.8	-206.6	+34.2
	Cash and cash equivalents at end of period	348.6	220.3	-128.3

Major adjusted items for FY2024 9 Mos (Apr. to Dec.)	
Operating CF: Corporate tax payment on gain on transfer of Evident	-¥87.3 billion
Investing CF: Mainly the receipt of consideration for transfer of Evident	+¥385.2 billion
Investing CF: Mainly the collection of loan from Evident	+¥52.0 billion

Major adjusted items for FY2025 9 Mos (Apr. to Dec.)	
Operating CF: Refund of corporation tax related to transfer of Evident	+¥29.0 billion
Operating CF: Outflow of reversal of provision for "Career support for external opportunity" program	-¥5.3 billion
Operating CF: Expenditures related to withdrawal from Veran Medical Technologies, Inc.	-¥1.7 billion
Operating CF: Payment of contingent consideration (Odin Medical, etc.)	-¥1.2 billion
Investing CF: Purchase of investment securities	-¥8.5 billion
Investing CF: Payment of contingent consideration (Odin Medical, Medi-tate, etc.)	-¥4.6 billion
Investing CF: Income from transfer of Orthopedic Business	+¥5.1 billion
Investing CF: Refund associated with rescission of acquisition	+¥7.6 billion

<sup>1</sup>"Cash inflows and outflows of other income and expenses", "M&A-related expenditure", and "Business restructuring-related expenditure" were adjusted.

- Next, the status of cash flows.
- At first glance, cash flow may appear to have decreased significantly because the impact of the transfer of Evident was included in the same period for the previous fiscal year. But adjusted free cash flow excluding extraordinary factors improved YoY. Let's take a look at each item.
- Cash flow from operating activities was positive ¥126.3 billion. It increased significantly YoY due mainly to an increase in profit before tax and a corporate income tax refund.
- Cash flow from investing activities was negative ¥42.6 billion due mainly to expenditures associated with the acquisition of tangible fixed assets and intangible assets.
- Free cash flow stood at positive ¥83.7 billion. Adjusted free cash flow was positive ¥63.4 billion, excluding extraordinary factors such as acquisitions, transfers, and reorganizations of businesses.
- Cash flow from financing activities was negative ¥206.6 billion due mainly to share buyback, the repayment of debts, the redemption of corporate bonds, and dividend payouts.
- As a result, cash and cash equivalents stood at ¥220.3 billion as of the end of December 2024.

## Fiscal Year 2025 Consolidated Forecasts

- 1** Revenue: Revised to ¥997.5 billion, taking into consideration progress in 9 months and external environment, particularly in China.
- 2** Adjusted operating profit: Revised to ¥174.5 billion, with an adjusted operating margin of 17.5% mainly due to a decrease in gross profit resulting from a decrease in revenue.
- 3** Profit: Revised to ¥105.0 billion. EPS: Expected to be ¥92.

(Billions of yen)	FY2025 Forecasts as of Nov 8	FY2025 Latest Forecasts	Change	vs Nov 8	After FX adjustment	FY2024	vs FY2024	After FX adjustment
Revenue	1,009.0	<b>1</b> 997.5	-11.5	-1%	-2%	925.8	+8%	+3%
Gross profit (% of revenue)	691.0 (68.5%)	673.0 (67.5%)	-18.0	-3%	-4%	618.4 (66.8%)	+9%	+2%
Selling, general and administrative expenses (% of revenue)	494.0 (49.0%)	499.0 (50.0%)	+5.0	+1%	0%	466.8 (50.4%)	+7%	+3%
Other income and expenses	-21.0	-23.0	-	-	-	-100.3	-	-
Operating profit (% of revenue)	176.0 (17.4%)	151.0 (15.1%)	-25.0	-14%	-15%	51.4 (5.6%)	+194%	+153%
<b>Adjusted operating profit (% of revenue)</b>	<b>197.5 (19.6%)</b>	<b>2</b> <b>174.5 (17.5%)</b>	<b>-23.0</b>	<b>-12%</b>	<b>-13%</b>	<b>151.3 (16.3%)</b>	<b>+15%</b>	<b>+1%</b>
Profit before tax (% of revenue)	170.0 (16.8%)	146.0 (14.6%)	<small><sup>1</sup> The figures from "Revenue" to "Profit before tax" represent continuing operations.</small>			43.6 (4.7%)		
Profit	121.0	105.0	<b>Dividend forecast for FY2025</b>			242.9		
Profit attributable to owners of parent	121.0	<b>3</b> 105.0	Year-end dividend of ¥20 per share			242.6		
EPS	¥106	¥92				¥200		

- Moving on to our full-year forecasts for fiscal year 2025, revenue has been revised to ¥997.5 billion, after taking into consideration the progress up to the third quarter and the external environment, particularly in China.
- In connection with this, due primarily to a decrease in gross profit, adjusted operating profit has been revised to ¥174.5 billion, with an adjusted operating margin of 17.5%.
- Profit is expected to be ¥105.0 billion, with EPS of ¥92.
- The FX assumptions that are the basis for these forecasts are ¥154 for the U.S. dollar and ¥164 for the euro.
- We plan to issue a year-end dividend of ¥20 per share for fiscal year 2025, unchanged from the forecast announced in May 2024.

## Fiscal Year 2025 Forecasts by Business Segment

**1** ESD : Revised revenue, operating profit and adjusted operating profit, taking into consideration progress in 9 months and external environment, particularly in China.

**2** TSD : Revised adjusted operating profit based on progress in 9 months.

(Billions of yen)		FY2025 Forecasts as of Nov 8	FY2025 Latest Forecasts	Change	vs Nov 8	After FX adjustment	FY2024	vs FY2024	After FX adjustment
ESD	Revenue	645.0	<b>1</b> 634.0	-11.0	-2%	-3%	586.6	+8%	+3%
	Operating profit (% of revenue)	162.0 (25.1%)	137.5 (21.7%)	-24.5	-15%	-16%	104.7 (17.8%)	+31%	+15%
	<b>Adjusted operating profit (% of revenue)</b>	<b>174.5 (27.1%)</b>	<b>151.5 (23.9%)</b>	<b>-23.0</b>	<b>-13%</b>	<b>-14%</b>	<b>133.1 (22.7%)</b>	<b>+14%</b>	<b>+1%</b>
TSD	Revenue	363.0	363.0	0	0%	-1%	337.3	+8%	+3%
	Operating profit (loss) (% of revenue)	54.5 (15.0%)	54.5 (15.0%)	0	0%	0%	-8.5 (-)	-	-
	<b>Adjusted operating profit (% of revenue)</b>	<b>62.0 (17.1%)</b>	<b>2</b> <b>63.0 (17.4%)</b>	<b>+1.0</b>	<b>+2%</b>	<b>+1%</b>	<b>57.0 (16.9%)</b>	<b>+10%</b>	<b>+1%</b>
Elimination and Corporate	Operating profit (loss)	-40.5	-40.0	+0.5	-	-	-44.5	-	-
Consolidated Total	Revenue	1,009.0	997.5	-11.5	-1%	-2%	925.8	+8%	+3%
	Operating profit (% of revenue)	176.0 (17.4%)	151.0 (15.1%)	-25.0	-14%	-15%	51.4 (5.6%)	+194%	+153%
	<b>Adjusted operating profit (% of revenue)</b>	<b>197.5 (19.6%)</b>	<b>174.5 (17.5%)</b>	<b>-23.0</b>	<b>-12%</b>	<b>-13%</b>	<b>151.3 (16.3%)</b>	<b>+15%</b>	<b>+1%</b>

- Next, the forecasts by business segment.
- In ESD, revenue, operating profit and adjusted operating profit have been revised to reflect the external environment in each region, including delays in the recovery of budget execution due to the anti-corruption campaign in China and the tight healthcare budget in the U.K.
- In TSD, adjusted operating profit has been revised based on progress in 9 months.

# **OLYMPUS**

- With less than two months left in the current fiscal year, the external environment and other factors remain unpredictable. By taking necessary measures in a timely manner, we will work to achieve the forecasts we presented today.
- This concludes my presentation. Thank you for your attention.

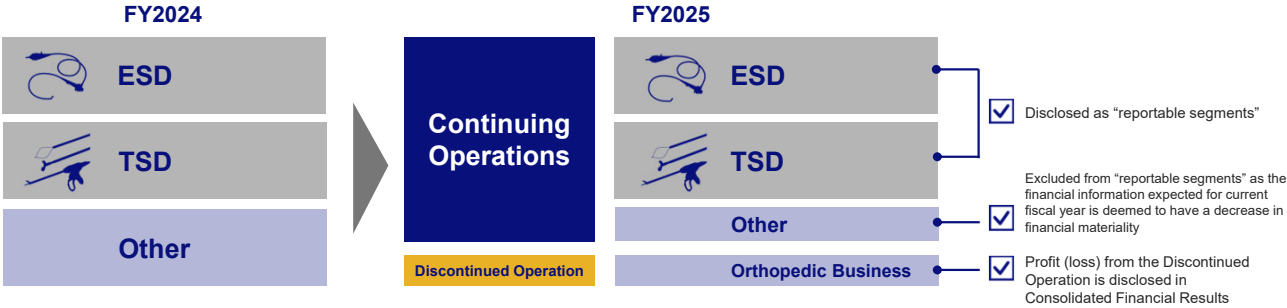


# Appendix

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# Changes in Reporting Structure

Due to transfer of the Orthopedic Business, which was included in Other, it is disclosed as the discontinued operation<sup>1</sup> from Fiscal Year 2025. Reportable segments<sup>2</sup> are now two: ESD and TSD (based on IFRS).



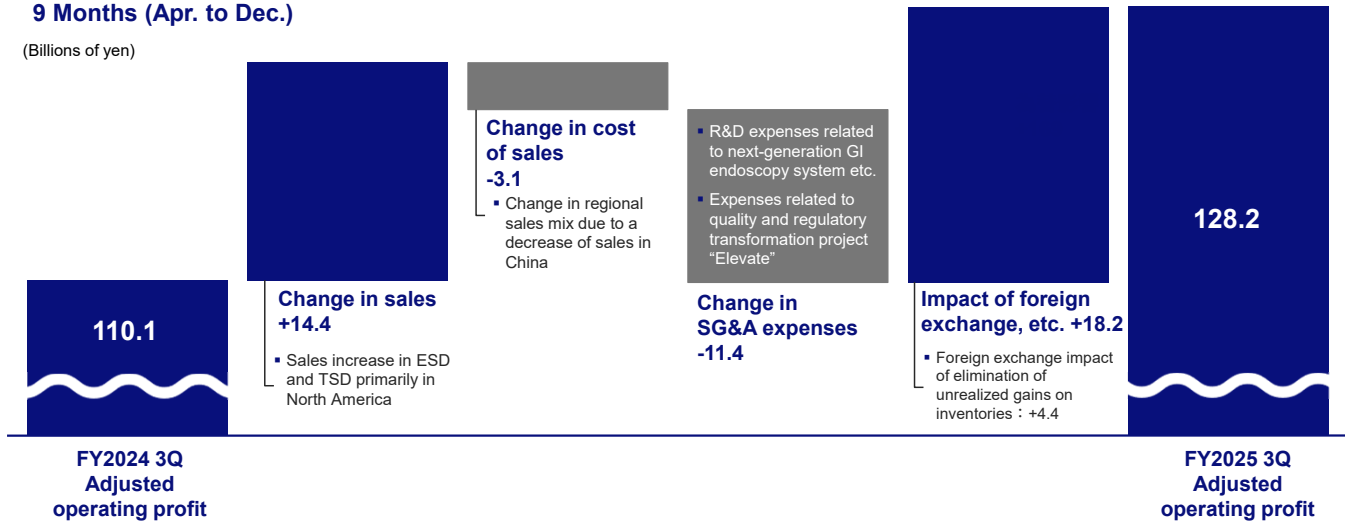
<sup>1</sup>In the nine months ended December 31, 2024, Olympus Corporation entered into a put option agreement with PTCJ-60 Holdings Inc. and PTCJ-6F Holdings Inc. (special purpose companies established by Polaris Capital Group Co., Ltd., collectively, the "Polaris Capital Group"), to transfer Olympus 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 the discontinued operation, and it has been presented in the same manner for the nine months ended December 31, 2023. 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 the discontinued operation.

<sup>2</sup>IFRS 8.5-10 Segments that meet the requirements of "operating segments", as determined by taking into account the aggregation criterion (IFRS 8.12) and the quantitative criterion (IFRS 8.13). Based on these standards, the Group previously had three reportable segments: "ESD," "TSD," and "Other", but from the first quarter ended June 30, 2024, the Group has changed the reportable segments to two segments, "ESD" and "TSD," and has presented the information in the same manner for the nine months ended December 31, 2023.

# 3Q of Fiscal Year 2025 Factors that Affected Consolidated Adjusted Operating Profit

9 Months (Apr. to Dec.)

(Billions of yen)



\* Amounts in this slide are related to continuing operations only.

## Key Product Catalysts: Endoscopic Solutions Division (As of Feb. 14, 2025)



### ✔ ESD Key priorities for FY2025

- Focus on further expanding sales of EVIS X1 gastrointestinal endoscopy system globally
- Collaborate with Canon Medical Systems to bring next-generation endoscopic ultrasound systems to the market. Expect to expand globally, starting with Europe, Japan, and Asia Pacific
- Maximize market potential in emerging countries
- Aim to introduce VISERA ELITE III surgical endoscopy system in the **US and China (FY2026 1Q)** to improve market competitiveness
- Plan to roll out the Intelligent Endoscopy Ecosystem concept and some related products in Europe

Expected Growth Rates  
in FY2025

**8%**

YoY

**3%**

After FX  
adjustment

Growth drivers now	Just launched / Coming soon	Beyond
<p><b>GI Endoscopy</b></p> <ul style="list-style-type: none"> <li>▪ EVIS X1</li> <li>▪ EVIS EXERA III (US, EU)</li> <li>▪ EVIS LUCERA ELITE (China)</li> <li>▪ EU-ME3 (EU, Japan, AP)</li> </ul> <p><b>Surgical Endoscopy</b></p> <ul style="list-style-type: none"> <li>▪ VISERA ELITE II 2D/3D/IR (US, China)</li> <li>▪ VISERA 4K UHD (US, China)</li> <li>▪ VISERA ELITE III (EU, Japan, AP)</li> </ul>	<p><b>GI Endoscopy</b></p> <ul style="list-style-type: none"> <li>▪ Aplio i800 EUS, diagnostic ultrasound system for EUS (US, EU, Japan, AP)</li> <li>▪ EU-ME3 (US)</li> </ul> <p><b>Surgical Endoscopy</b></p> <ul style="list-style-type: none"> <li>▪ VISERA ELITE III (US, China)</li> </ul> <p><b>Focus Area</b></p> <ul style="list-style-type: none"> <li>▪ First releases of Intelligent Endoscopy Ecosystem (<b>US, EU</b>)</li> </ul>	<p><b>GI Endoscopy</b></p> <ul style="list-style-type: none"> <li>▪ Single-use duodenoscope</li> <li>▪ EU-ME3 (China)</li> </ul> <p><b>Surgical Endoscopy</b></p> <ul style="list-style-type: none"> <li>▪ New generation surgical endoscopy system</li> </ul> <p><b>Focus Area</b></p> <ul style="list-style-type: none"> <li>▪ Intelligent Endoscopy Ecosystem</li> </ul>

# Key Product Catalysts: Therapeutic Solutions Division (As of Feb. 14, 2025)



## ☑ TSD Key priorities for FY2025

### GI EndoTherapy

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

### Urology

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

### Respiratory

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

## Expected Growth Rates in FY2025

**8%**

YoY

**3%**

After FX adjustment

Growth driver now	Just launched / Coming soon	Beyond
<p><b>GI EndoTherapy</b></p> <ul style="list-style-type: none"> <li>Visiglide series</li> <li>ESD Knife</li> <li>EndoJaw</li> </ul> <p><b>Urology</b></p> <ul style="list-style-type: none"> <li>Resection electrodes with ESG-410</li> <li>SOLTIVE SuperPulsed Laser System for stone + soft tissue (US, EU, AP)</li> </ul> <p><b>Respiratory</b></p> <ul style="list-style-type: none"> <li>Single-use bronchoscope (US)</li> <li>Bronchoscope, EBUS scope</li> <li>ViziShot series</li> <li>Spiration Valve System</li> <li>EVIS X1 bronchoscope (Japan, EU, AP)</li> </ul>	<p><b>GI EndoTherapy</b></p> <ul style="list-style-type: none"> <li>3 product (US)</li> <li>3 products (EU)</li> <li>1 products (Japan)</li> <li>2 product (China)</li> </ul> <p><b>Urology</b></p> <ul style="list-style-type: none"> <li>Single-use ureteroscope (US, AP, Japan)</li> <li>SOLTIVE SuperPulsed Laser System (Japan)</li> <li>iTind (US, EU, AP)</li> <li>4K Camera Head (US, EU, AP, Japan)</li> <li>VISERA S (US, EU, AP, Japan)</li> <li>Resection electrodes (China)</li> <li>OES ELITE Ureteroscope (China)</li> </ul> <p><b>Respiratory</b></p> <ul style="list-style-type: none"> <li>New EBUS scope (US, China)</li> <li>EVIS X1 bronchoscope (US)</li> <li>Endoscopic Ultrasound Processor (EU, Japan, AP)</li> </ul>	<p><b>GI EndoTherapy</b></p> <ul style="list-style-type: none"> <li>Single-use cholangioscope</li> <li>EUS Needle</li> <li>New Hemostasis Clip</li> </ul> <p><b>Urology</b></p> <ul style="list-style-type: none"> <li>Rigid Cystoscope</li> <li>Laser system</li> </ul> <p><b>Respiratory</b></p> <ul style="list-style-type: none"> <li>Slim EBUS scope</li> <li>EVIS X1 bronchoscope (China)</li> </ul>

# Fiscal Year 2025 Quarterly Consolidated Financial Results

		3 Months						
(Billions of yen)		FY2025 1Q	FY2025 2Q	FY2025 3Q	FY2024 3Q	FY2025 3Q	YoY	After FX adjustment
Continuing operations	Revenue	234.8	239.2	251.2	236.5	251.2	+6%	+4%
	Gross profit	156.2	166.8	168.0	161.4	168.0	+4%	+1%
	(% of revenue)	(66.5%)	(69.7%)	(66.9%)	(68.3%)	(66.9%)		
	Selling, general and administrative expenses	118.8	119.1	125.1	117.7	125.1	+6%	+4%
	(% of revenue)	(50.6%)	(49.8%)	(49.8%)	(49.8%)	(49.8%)		
	Other income and expenses	-9.9	-4.6	-4.6	-9.5	-4.6	-	-
	Operating profit	27.5	43.1	38.3	34.2	38.3	+12%	+7%
	(% of revenue)	(11.7%)	(18.0%)	(15.2%)	(14.5%)	(15.2%)		
	<b>Adjusted operating profit</b>	<b>37.2</b>	<b>47.8</b>	<b>43.1</b>	<b>43.6</b>	<b>43.1</b>	<b>-1%</b>	<b>-5%</b>
	(% of revenue)	<b>(15.9%)</b>	<b>(20.0%)</b>	<b>(17.2%)</b>	<b>(18.4%)</b>	<b>(17.2%)</b>		
Profit before tax	26.4	42.4	36.4	34.0	36.4	+7%	-	
(% of revenue)	(11.2%)	(17.7%)	(14.5%)	(14.4%)	(14.5%)			
Discontinued operations	Profit	14.6	34.4	27.4	18.9	27.4	+45%	-
	Profit attributable to owners of parent	14.6	34.4	27.4	18.9	27.4	+45%	-

<sup>1</sup> The figures from "Revenue" to "Profit before tax" represent continuing operations.

## 3Q of Fiscal Year 2025 Other Income and Expenses

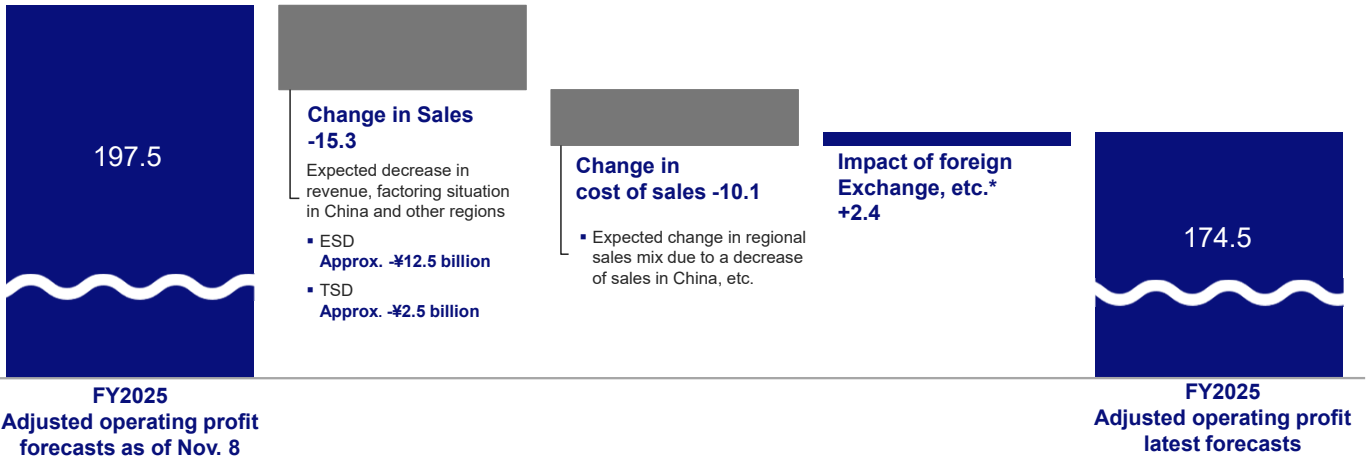
(Billions of yen)	FY2024 9 Mos	FY2025 9 Mos	Change
<b>Other income</b>	2.1	4.6	+2.5
Major items		<ul style="list-style-type: none"> <li>Compensation income in relation to the return of usage rights for land and buildings in Shenzhen City, China, by our Chinese subsidiary to the government of Shenzhen City 1.2 (Elimination and Corporate)</li> <li>Reversal of provision for lawsuits against our Chinese subsidiary as a result of settlements 1.1 (Elimination and Corporate)</li> </ul>	
<b>Other expenses</b>	74.3	24.0	-50.3
Major items	<ul style="list-style-type: none"> <li>Losses related to Veran Medical Technologies Inc. 50.8 (TSD)</li> <li>Expenses related to quality and regulatory transformation project "Elevate" 17.0 (ESD, TSD)</li> <li>Expenses related to "Career support for external opportunity" program 2.0 (ESD, TSD, Elimination and Corporate)</li> <li>Impairment of development assets 1.4 (TSD)</li> </ul>	<ul style="list-style-type: none"> <li>Expenses related to quality and regulatory transformation project "Elevate" 15.8 (ESD, TSD)</li> <li>Expenses related to "Career support for external opportunity" program 2.9 (ESD, TSD, Elimination and Corporate)</li> <li>Impairment of development assets 1.8 (ESD, TSD)</li> </ul>	

\* Amounts in this slide are related to continuing operations only.

# Factors that Affect Fiscal Year 2025 Forecasts (vs. Previous Forecasts)

## FY2025 Latest Forecasts vs Nov. 8 Forecasts

(Billions of yen)



\* Equity Method is included.



# Capital Allocation

## Policy

- Prioritize allocation to business investment
- Stable and gradual dividend increase
- Flexible buyback of company shares

## FY2025

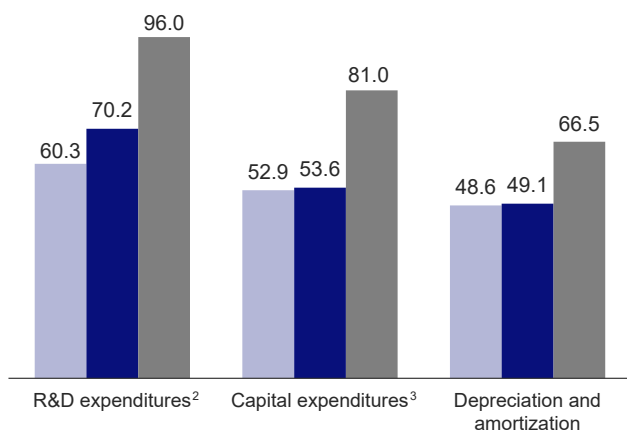
- Active investment in three focus areas
- Plan to increase annual dividend by ¥2/share YoY to ¥20/share
- Completed share buyback of ¥100 billion by Nov 2024



## Expenditures: 3Q of Fiscal 2025 Actuals and Full-year Forecasts

### 9 Months (Apr. to Dec.) and Forecasts<sup>1</sup>

(Billions of yen) ■ FY2024 3Q ■ FY2025 3Q ■ FY2025 (Forecasts)



(Billions of yen)	FY2024	FY2025
R&D expenditures <sup>2</sup> (a)	60.3	70.2
Capitalization of R&D expenditures (b)	9.9	10.2
R&D expenses in P/L (a-b)	50.4	60.0

(Billions of yen)	FY2024	FY2025
Amortization	6.2	6.0
	End of Sep. 2024	End of Dec. 2024
R&D assets	60.0	63.0

<sup>1</sup> Amounts in this slide are related to continuing operations only.

<sup>2</sup> Capitalization of R&D expenditures (b) is included in R&D expenditures.

<sup>3</sup> 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.

(FY2024 3Q: ¥8.6 billion, FY2025 3Q: ¥11.7 billion, FY2025 Forecast: ¥14.0 billion)

## Foreign Exchange and Sensitivity

Reflected the results for 9 months, the exchange rate forecast for the full year has been revised.

### Foreign exchange rate

(Yen)	FY2024 1Q	FY2024 2Q	FY2024 3Q	FY2025 1Q	FY2025 2Q	FY2025 3Q	FY2025 Forecasts
Yen/U.S.dollar	137.37	144.62	147.89	155.88	149.38	152.44	153.68
Yen/Euro	149.47	157.30	159.11	167.88	164.01	162.59	164.37
Yen/CNY	19.56	19.94	20.44	21.48	20.82	21.16	21.11

### Forex sensitivity (annualized impact)

(Billions of yen)	Revenue	Operating profit
U.S. dollar (per yen)	2.6	0.5
Euro (per yen)	1.6	0.5
CNY (per yen)	5.2	2.7

\* Amounts in the above table are related to continuing operations only. Forex sensitivity (annualized impact) is calculated based on the FY2024 Q4 results.

## Acronyms

Acronyms	Term
APAC	Asia Pacific
BPH	Benign Prostatic Hyperplasia
EBUS-TBNA	Endobronchial Ultrasound-guided Transbronchial Fine Needle Aspiration
ERCP	Endoscopic Retrograde Cholangio Pancreatography
ESD	Endoscopic Submucosal Dissection
HPB	Hepato-Pancreato-Biliary

## Web Links for 3Q of Fiscal 2025 Consolidated Financial Results (Oct. - Dec.)

Please refer to "Financial Data for the 3rd Quarter of FY2025" for 3Q results (Oct.-Dec.) of Fiscal 2025.

Item	URL
Consolidated Financial Summary	<a href="https://www.olympus-global.com/ir/data/brief/pdf/02_data_Q3FY2025_en.pdf#page=2">https://www.olympus-global.com/ir/data/brief/pdf/02_data_Q3FY2025_en.pdf#page=2</a>
Information by Business Segment- Medical Business・ESD・TSD	<a href="https://www.olympus-global.com/ir/data/brief/pdf/02_data_Q3FY2025_en.pdf#page=3">https://www.olympus-global.com/ir/data/brief/pdf/02_data_Q3FY2025_en.pdf#page=3</a>
Information by Business Segment- Corporate Expenses	
Expenditures etc.	<a href="https://www.olympus-global.com/ir/data/brief/pdf/02_data_Q3FY2025_en.pdf#page=6">https://www.olympus-global.com/ir/data/brief/pdf/02_data_Q3FY2025_en.pdf#page=6</a>
Consolidated Statement of Cash Flows	