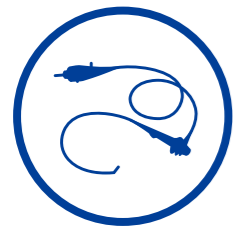


Endoscopic Solutions Division



Endoscopic Solutions Division



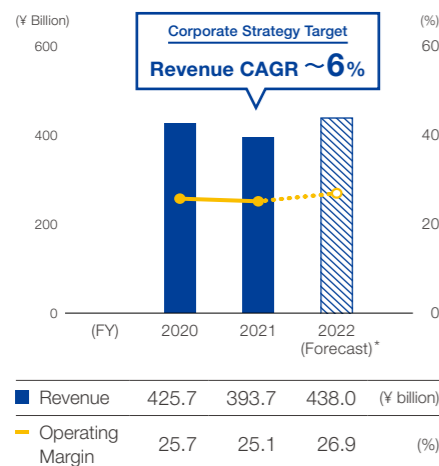
We aim at creating innovative ‘see and treat’ endoscopy solutions that support the quadruple aim and optimize health system performance.”

Hironobu Kawano (left), Frank Drewalowski (right)

Co-heads of Endoscopic Solutions Division



Results



FY2021 Sales Composition



Main Products



Note: From FY2022, bronchoscopes, which were classified in the gastrointestinal endoscope segment of ESD, have been transferred into the respiratory segment of TSD. Accordingly, we restated figures for FY2021. Figures of FY2020 are before restated.

Operating Environment

Gastrointestinal Endoscope

- Rising case numbers due to aging populations in developed countries and higher cancer prevention awareness
- Wider range of business opportunities accompanying economic growth and need for training to spread procedure usage in emerging countries
- Higher requirements for quality and efficiency
- Increased concern for cleaning, disinfection and sterilization processes

Surgical Endoscope

- Growing maturity of 3D system market over the medium term and normalization of imaging sensors and data transferring technology compatible with 4K systems driving acceleration of full 4K system introduction
- Distinctive R&D activities related to special light imaging technologies being advanced by various companies and permeating the market

Strategies, Progress, and Future Measures by Area

Business Foundations

- Approximately 70% share of global gastrointestinal endoscope market
- Technological capabilities that led to development of world's first practical gastrocamera and have continued to lead innovation, such as NBI/RDI/TXI/EDOF
- Network of approx. 200 repair and service sites worldwide
- 4K, 3D, and other products differentiated with high resolution and quality for surgical imaging
- Manufacturing techniques that realize high-mix, low-volume production
- Strong integrated system solution around all endoscopic needs
- Comprehensive training facilities and programs

Gastrointestinal Endoscope

Strategies

- Helping to improve the quality of endoscopy with imaging features like NBI/RDI/TXI/EDOF
- Reinforcing market position and grow into key new markets including CAD, and single-use endoscopy

Progress and Future Measures

- Launch of EVIS X1 GI endoscopy system in EMEA, Japan and Asia Pacific
- Launch of ENDO-AID, AI-powered platform for the endoscopy system in EMEA and Asia Pacific
- Launch of new endoscope reprocessor which plays an important role in our Infection Prevention portfolio by providing high-level disinfection for Olympus endoscopes, while enabling efficiencies to further automate reprocessing workflow and improving patient safety
- Continuing to expand sales of EVIS X1 through launch execution in current markets and preparation of launch into new markets
- Developing single-use duodenoscopes

Surgical Endoscope

Strategies

- Development of next generation surgical endoscope system
- Development and execution of long-term surgical endoscopy business strategy with considering core imaging product, laparoscopic robotics and smart assisted surgery concept
- Develop and commercialize new and expanded digital solutions that add value and complement the strategies of all business units

Progress and Future Measures

- Surgical endoscope system VISERA ELITE II launch in the United States and Chinese markets (United States: 3D and infrared (IR), China: 3D)
- Acquisition of Quest Photonic Devices, which has technology of fluorescence imaging for medical applications
- Expanding sales of VISERA ELITE II
- Launch preparation on going ORBEYE (surgical microscope) IR/BL
- Formed an Olympus Digital Unit with dedicated investment to develop an overarching Digital Strategy, build competence in digital solution development and deliver innovative digital solutions in support of business unit strategies
- Consolidated all digital solutions under a single, dedicated business unit called Customer Solutions

Medical Service

Strategies

- Expanding the provision of a comprehensive maintenance service program that prioritizes not stopping procedures in the medical field, while also minimizing risks such as infection
- Achieving stable revenue by increasing the service contract attachment rate and promoting new service contracts
- Improving customer satisfaction along with efficiency of field service activities

Progress and Future Measures

- Strengthen the product capabilities of service contract options in each region and develop measures to increase the contract attachment rate through promotions to customers
- Shifting to a new service model, such as strengthening service activities such as preventive maintenance activities, in addition to conventional repairs