

Therapeutic Solutions Business



# Therapeutic Solutions Business

“We aim to improve patient outcomes by elevating the standard of care through minimally invasive solutions in targeted disease states.”

Gabriela Kaynor (left), Seiji Kuramoto (right)  
Co-heads of Therapeutic Solutions Division



### Results

(Y Billion)

(FY)	2022	2023	2024 (Forecast)*1	(Y billion)
Revenue	275.6	318.2	329.0	(Y billion)
Operating Margin	22.1	20.0	17.0	(%)

Note: From FY2023, gynecology, which were classified in the others of Therapeutic Solutions Business, have been included in the urology segment of Therapeutic Solutions Business. Accordingly, we restated figures for FY2022.

\*1 Forecast as of August 9, 2023

### FY2023 Sales Composition

Category	Percentage
GI-Endotherapy	Approx. 30%
Urology	Approx. 35%
Respiratory	Approx. 15%
Others	Approx. 20%

### Main Products

Category	Product Examples
GI-Endotherapy	ERCP*2 and ultrasound products
Urology	Flexible cystoscopes
Respiratory	Bronchoscopes
Others	Energy devices
	EMR*4 and ESD*3 products
	Resection electrodes
	Single-use aspiration needles
	ENT products

### Operating Environment

- Increased procedures driven by aging population and the rise of chronic disease
- Intensifying cost pressures on health systems continues to drive focus on both clinical and economic value and require new care models focused on improved patient outcomes
- Ongoing shift from open surgeries to minimally invasive treatments that improve patient outcomes and optimize total cost of care
- Changes in demand for care with a shift to lower cost care settings (from inpatient to outpatient) enabled by less-invasive techniques

## Strategy, Progress, and Future Measures by Area

### Business Foundations

Strategy	Highlights
<ul style="list-style-type: none"> <li>Deliver above-market, profitable growth through clinically and economically differentiated solutions</li> <li>Focus on disease states in specialties where we can have a market-leading impact</li> <li>Operate efficiently from inception to sale while ensuring utmost quality and reliability</li> <li>Leverage business development to accelerate expansion of the product portfolio through external partnerships, licensing and M&amp;A</li> </ul>	<ul style="list-style-type: none"> <li>Exceeded growth and operating profit targets, delivering positive above market growth across overall TSD portfolio</li> <li>Key therapeutic areas strengthened through series of deals and partnerships</li> <li>Further strengthened our position as a global MedTech company by establishing Olympus Innovation Ventures to invest in pioneering startups with innovative technologies that improve clinical outcomes, reduce healthcare costs, and enhance the quality of life for patients</li> </ul>

### Focusing on Three Therapeutic Areas

To accelerate growth in Therapeutic Solutions Business and enhance our value in minimally invasive treatment, we will focus on category leadership across three therapeutic areas

Strategy	Highlights
<p><b>1 GI-Endotherapy</b></p> <p>Expanding clinically and economically differentiated product portfolio across all key categories, including ERCP*2, ESD*3, metal stents, and hemostasis devices</p>	<ul style="list-style-type: none"> <li>~20% global share*5 with double-digit growth in our ESD*3/EMR*4, ENDOCUFF VISION, EndoClot portfolios</li> <li>Acquisition*6 of broad metal stent portfolio will significantly accelerate our global position and options in biliary tract, esophagus, colon, and duodenum treatments</li> <li>Single-use cholangioscope will enhance clinician optionality</li> </ul>
<p><b>2 Urology</b></p> <p>Becoming the global leader in BPH, stone management, and bladder cancer through customer-focused innovation and compelling clinical differentiation</p>	<ul style="list-style-type: none"> <li>#1 in reusable ureteroscopes—launch of single-use ureteroscope will expand clinician options</li> <li>Portfolio of Laser and Ultrasonic lithotripsy systems enables share capture</li> <li>#1 in Thulium Fiber Laser lithotripsy systems (Soltive SuperPulsed Laser System) and fibers</li> <li>Existing market leading position in cystoscopes, resectoscopes, and resection electrodes</li> <li>PLASMA+ system designed to shorter procedure times</li> <li>Expanded reimbursement for differentiated MIS BPH device which provides better clinical outcomes and elevates the standard of care*7</li> </ul>
<p><b>3 Respiratory</b></p> <p>Delivering market-leading solutions designed to improve care and prognosis of lung cancer patients through accurate, early diagnosis and staging</p>	<ul style="list-style-type: none"> <li>Leading market position of &gt;70% share*5 in pulmonary bronchoscopes, endotherapy, EBUS scopes and EBUS TBNA needles</li> <li>Slim EBUS will enable access to suspicious lesions beyond the central / middle lung regions</li> </ul>

### Other Therapeutic Areas

Strategy	Progress and Future Measures
<ul style="list-style-type: none"> <li>Expand energy solutions portfolio</li> <li>Protect and grow laryngology and rhinology businesses through investing in solutions that follow market shifts toward minimally invasive procedures across the continuum of care</li> </ul>	<ul style="list-style-type: none"> <li>Expanding launch of POWERSEAL, an advanced bipolar surgical energy device with strong and efficient sealing of vessels. Further strengthening the energy device portfolio with THUNDERBEAT and SONICBEAT</li> <li>Launched CELERIS single-use microdebrider, which is designed for ENTs. CELERIS eliminates staff disruption and helps to improve patient outcomes by reducing infection risk</li> </ul>

\*2 Endoscopic Retrograde Cholangio Pancreatography

\*3 Endoscopic Submucosal Dissection

\*4 Endoscopic Mucosal Resection

\*5 Addressable market, growth and Olympus position based upon publicly available data and Olympus research, and pertains to data for the U.S., Germany, UK, Italy, France, Spain, Japan and China.

\*6 Acquisition of Taewoong medical Co., Ltd.; Closure pending

\*7 iTind procedure does not require a permanent implant and preserves sexual function and continence, while reducing the need for a post procedure catheter. Procedure can be done in the MD office setting.