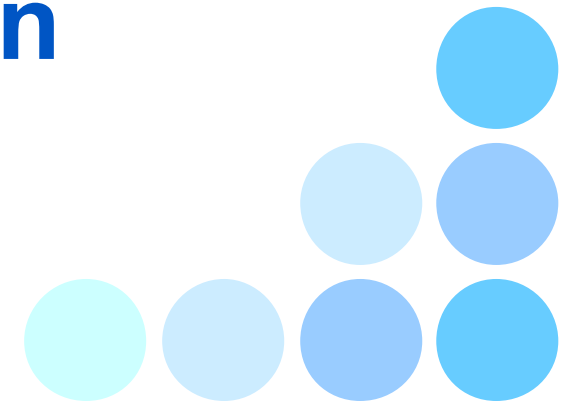




Financial Results for the First Quarter Ended June 30, 2008

August 1, 2008

OMRON Corporation



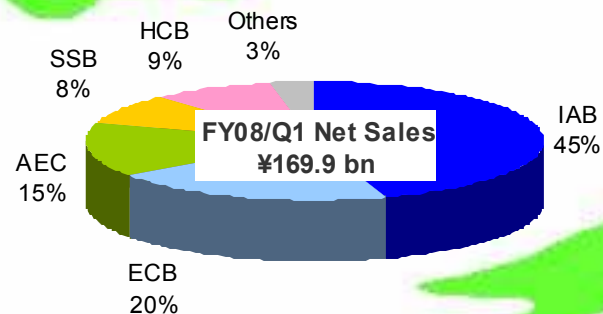
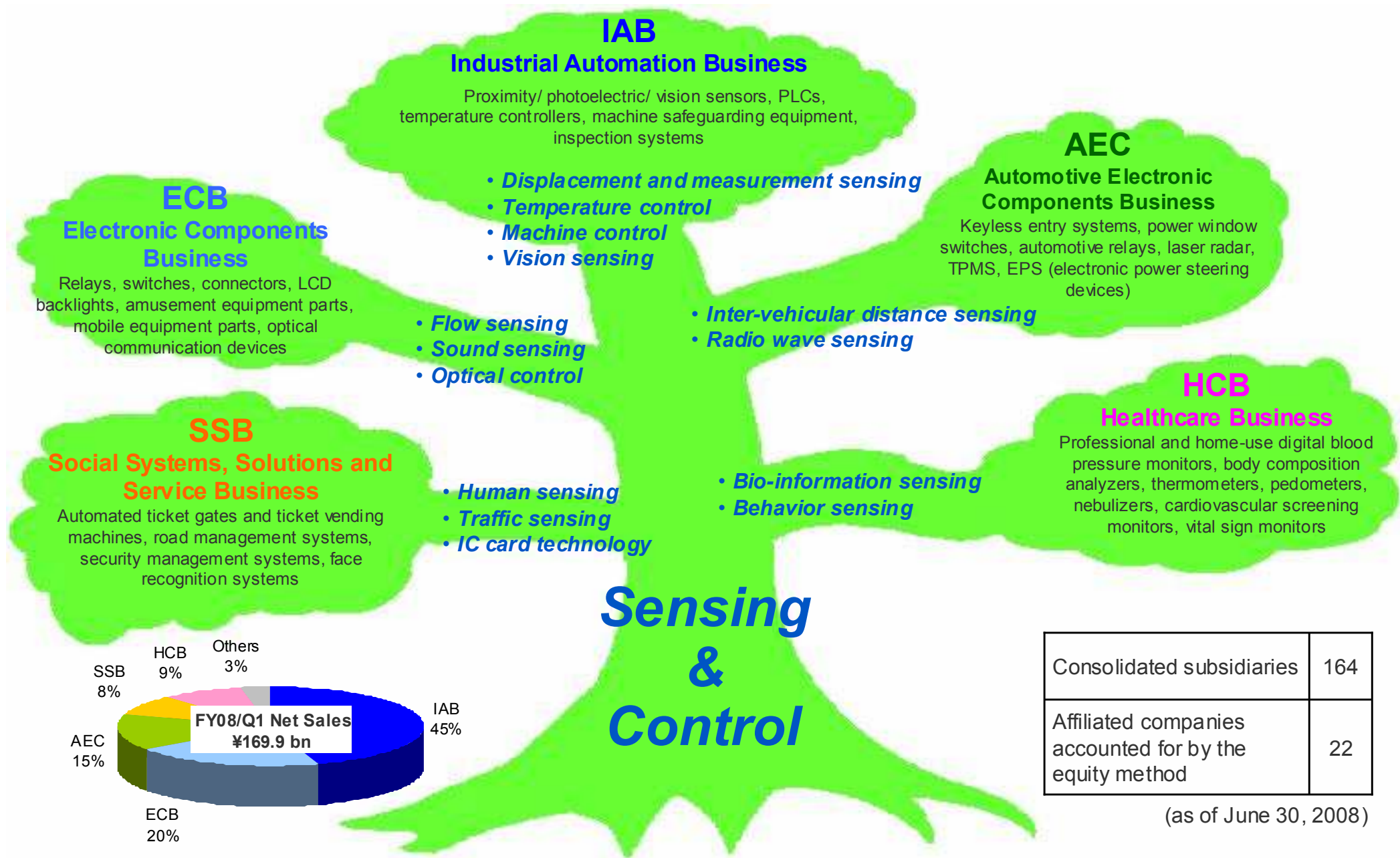
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Notes

1. The consolidated statements of Omron Corporation (the Company) are prepared in accordance with U.S. GAAP.
2. Projected results and future developments are based on information available to the Company at the current time, as well as certain assumptions judged by the Company to be reasonable. Various factors could cause actual results to differ materially from these projections. Major factors influencing Omron's actual results include, but are not limited to, (i) economic conditions affecting the Company's businesses in Japan and overseas, (ii) demand trends for the Company's products and services, (iii) the ability of the Omron Group to develop new technologies and new products, (iv) major changes in the fund-raising environment, (v) tie-ups or cooperative relationships with other companies, and (vi) movements in currency exchange rates and stock markets.

Businesses and Major Products



Consolidated subsidiaries	164
Affiliated companies accounted for by the equity method	22

(as of June 30, 2008)

1. Executive Summary

Executive Summary

FY08 Q1 Results

- **Sales & OP: Both down from the same term last year, due primarily to sluggish domestic economy and exchange loss**

*Year on year. FY07/Q1=100%

<u>Consolidated</u>	<u>Actual</u>	<u>YoY*</u>	<u>Margin (%)</u>
Net sales	¥169.9 bn	96.5%	--
Operating income	¥4.8 bn	49.7%	2.8%
NIBT	¥5.6 bn	46.4%	3.3%
Net income	¥3.5 bn	36.1%	2.1%

- Net sales: Down 3.5% year on year due primarily to sluggish domestic economy and exchange loss (1% net growth if ¥8 bn exchange loss is excluded).
- Operating income: Down 50.3% year on year due primarily to sales drop, soaring raw material prices, IT structure reform and increase in extraordinary expenses (see p.10).
- NIBT: Down 53.6% year on year due primarily to decrease in operating income.

FY08 Full-Year Forecast

- **No change to sales and operating income forecast**

<u>Consolidated</u>	<u>Full Year</u>	<u>YoY</u>	<u>Margin (%)</u>
Net sales	¥780.0 bn	102.2%	--
Operating income	¥60.0 bn	91.9%	7.7%
NIBT	¥59.0 bn	91.9%	7.6%
Net income	¥36.5 bn	86.1%	4.7%

2. Results for the First Quarter Ended June 30, 2008 (FY08/Q1)

Sales: ¥169.9 bn; OP margin: 2.8%
Both down year on year due primarily to sluggish domestic economy and exchange loss (1% net growth if ¥8 bn exchange loss is excluded).

(Units: JPY billions)

P/L	FY07 Q1 Actual (1)	FY08 Q1 Actual (2)	Year-on-Year (2)/(1) %
Net sales	176.1	169.9	96.5%
Gross profit	64.2	61.0	95.0%
SG&A	42.2	44.0	104.1%
R&D	12.3	12.2	99.0%
Operating income	9.7	4.8	49.7%
NIBT	12.0	5.6	46.4%
Net income	9.7	3.5	36.1%

<Exchange Rates>

USD	120.7	104.3	-16.4
EUR	162.3	163.5	1.2

* FY07 1Q NIBT: NIBT for continuing businesses

Year on year,

- Japan down 7%; little change abroad, with strong sales set off by exchange loss.
- ECB and AEC down; IAB, SSB and HCB same level as last year.

(Overall, ¥7 bn off in-house target.)

(Units: JPY billions)

Japan & Overseas	FY07 Q1 Actual (1)	FY08 Q1 Actual (2)	Year-on-Year (2)/(1) %
Japan	78.4	72.9	93.0%
Overseas*	97.7	97.0	99.3%
Total	176.1	169.9	96.5%

*Includes direct exports

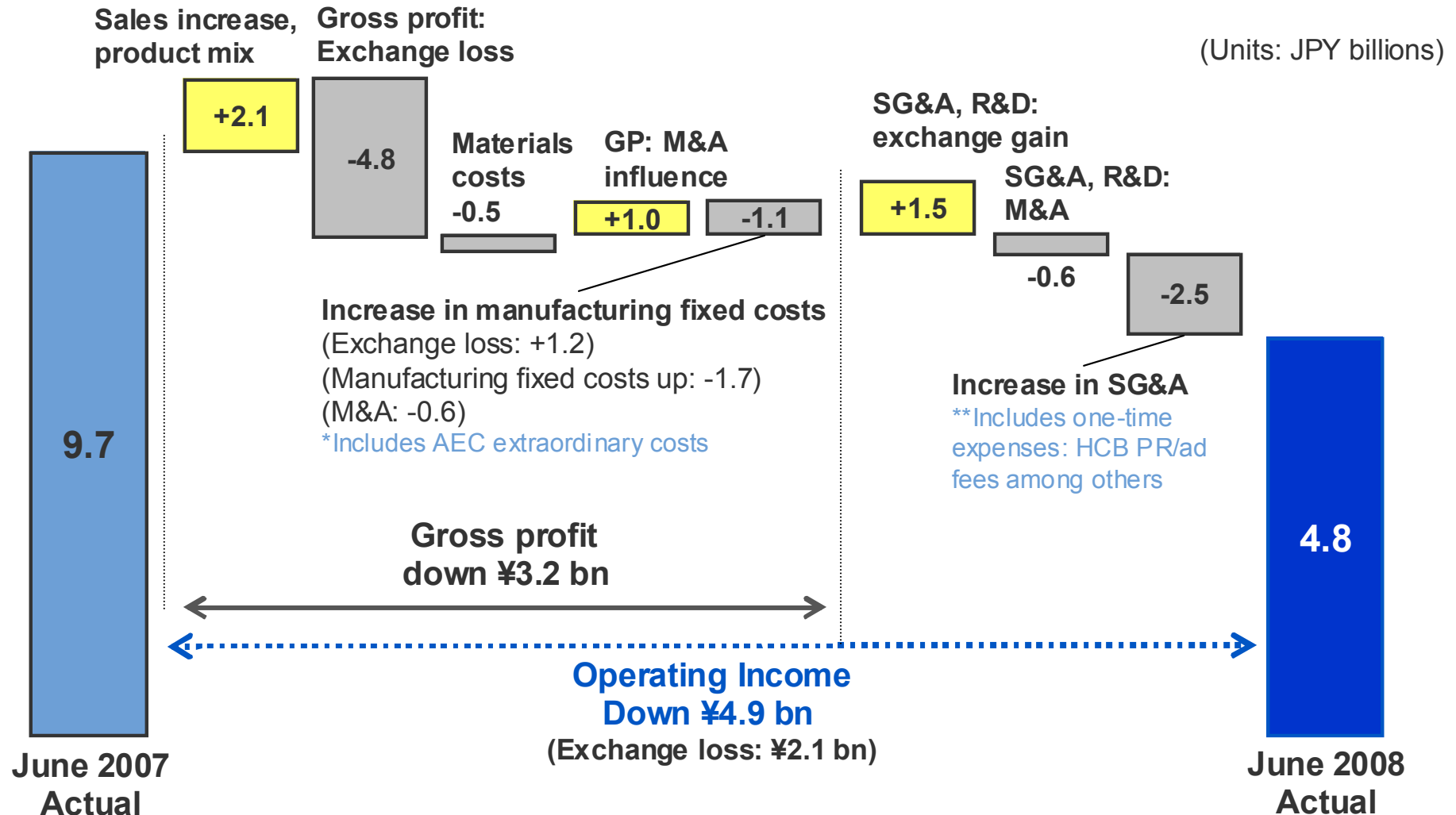
Segment	Actual	Actual	Year-on-Year
IAB	77.9	76.9	98.8%
ECB	38.2	34.5	90.3%
AEC	27.3	25.9	94.7%
SSB	13.8	14.2	102.6%
HCB	14.8	14.7	98.8%
Others	4.1	3.8	92.9%
Total	176.1	169.9	96.5%

- All segments posted year on year decrease, though factors were not the same. (Q1 operating income ¥1.2 bn below in-house target.)

(Units: JPY billions)

Segment	FY07 Q1 Actual (1)	FY08 Q1 Actual (2)	Year-on-Year (2)/(1) %
IAB	10.7	10.1	94.7%
ECB	2.5	0.7	27.0%
AEC	0.5	-0.8	—
SSB	-1.5	-1.6	—
HCB	1.4	0.3	20.7%
Others	0.1	0.0	—
HQ Cost/ Elimination	-4.0	-3.9	—
Total	9.7	4.8	49.7%

Nosedived due to sales decline (sluggish domestic economy and exchange loss) and raw material price hike, among other factors.

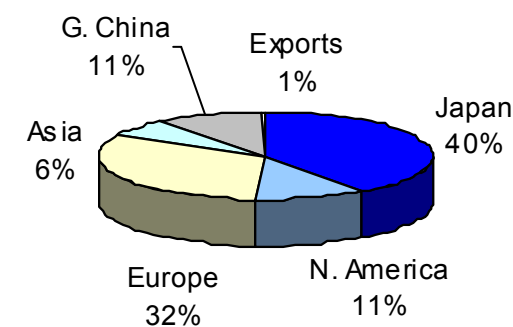


**Sales down slightly year on year to ¥76.9 bn with 13.1% OP margin;
steady abroad, but slow at home.**

(Units: JPY billions)

IAB	FY07 Q1 Actual (1)	FY08 Q1 Actual (2)	Year-on-Year (2)/(1) %
Japan	31.8	30.9	97.1%
Overseas	46.0	46.0	99.9%
North America	9.5	8.2	85.8%
Europe	22.9	24.5	106.9%
Asia	3.6	4.7	132.7%
Greater China	8.6	8.1	94.6%
Exports	1.5	0.5	34.0%
Total	77.9	76.9	98.8%
Operating income	10.7	10.1	94.7%
OP margin	13.7%	13.1%	-0.6pt

Sales by Area

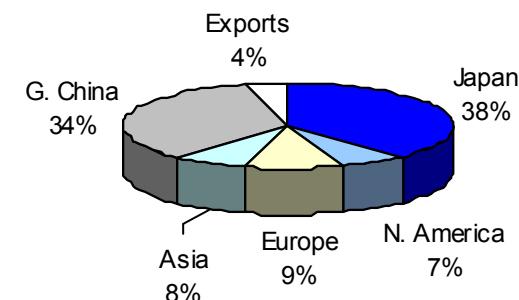


**Sales down nearly 10% year on year to ¥34.5 bn with 2.0% OP margin.
Small-size backlight business doing well, but OP dropped temporarily due to raw materials price hike, capital investment increase, and amusement business downturn.**

(Units: JPY billions)

ECB	FY07 Q1 Actual (1)	FY08 Q1 Actual (2)	Year-on-Year (2)/(1) %
Japan	15.3	13.1	86.0%
Overseas	22.9	21.4	93.2%
North America	2.9	2.4	82.6%
Europe	3.1	3.2	103.2%
Asia	2.3	2.6	113.5%
Greater China	12.0	11.9	99.2%
Exports	2.7	1.4	49.9%
Total	38.2	34.5	90.3%
Operating income	2.5	0.7	27.0%
OP margin	6.5%	2.0%	-4.5pt

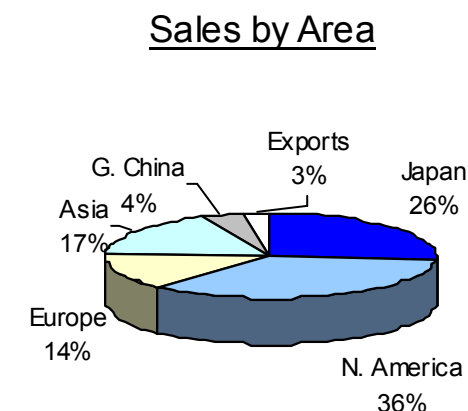
Sales by Area



**Sales down over 5% year on year to ¥25.9 bn.
Operating loss due primarily to weakening North American economy,
soaring price of raw materials and increased one-time expenses.**

(Units: JPY billions)

AEC	FY07 Q1 Actual (1)	FY08 Q1 Actual (2)	Year-on-Year (2)/(1) %
Japan	7.0	6.8	97.2%
Overseas	20.4	19.1	93.9%
North America	11.3	9.3	82.0%
Europe	3.4	3.6	104.9%
Asia	5.1	4.5	87.8%
Greater China	0.5	1.1	202.2%
Exports	0.0	0.7	-
Total	27.3	25.9	94.7%
Operating income	0.5	-0.8*	-
OP margin	1.9%	-	-



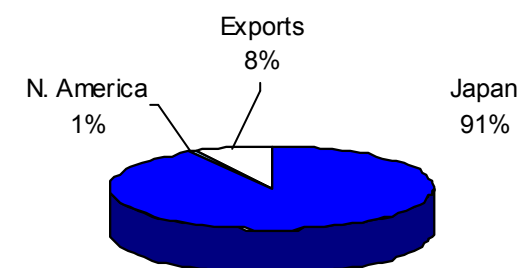
*Includes R&D expenses transferred from HQ account.

**Sales up nearly 3% year on year to ¥14.2 bn, operating loss.
Steady both in sales and operating profit (loss).**

(Units: JPY billions)

SSB	FY07 Q1 Actual (1)	FY08 Q1 Actual (2)	Year-on-Year (2)/(1) %
Japan	13.6	12.9	95.2%
Overseas	0.2	1.3	516.0%
North America	0.2	0.1	44.6%
Europe	0.0	0.0	-
Asia	0.0	0.0	-
Greater China	0.0	0.0	-
Exports	0.0	1.1	-
Total	13.8	14.2	102.6%
Operating income	-1.5	-1.6	-
OP margin	-	-	-

Sales by Area

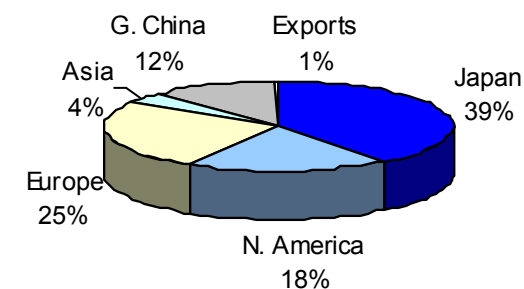


Sales close to the same term last year, ¥14.7 bn with 1.9% OP margin.
OP margin down mainly as a result of temporary sales drop at home
following inventory adjustment and increased PR/ad expenses.

(Units: JPY billions)

HCB	FY07 Q1 Actual (1)	FY08 Q1 Actual (2)	Year-on-Year (2)/(1) %
Japan	7.2	5.8	80.1%
Overseas	7.6	8.9	116.7%
North America	2.7	2.7	102.7%
Europe	3.1	3.7	119.9%
Asia	0.5	0.6	122.4%
Greater China	1.2	1.7	146.2%
Exports	0.2	0.1	55.8%
Total	14.8	14.7	98.8%
Operating income	1.4	0.3	20.7%
OP margin	9.3%	1.9%	-7.4pt

Sales by Area



Net worth ratio: 61.6%, up 1.9 pts from FY07 year-end, due mainly to foreign currency translation adjustments (shareholders' equity).

(Units: JPY billions)

Consolidated B/S	June 2007	March 2008	June 2008
Total Assets	631.8	617.4	622.9
Cash and cash equivalents	44.6	40.6	42.9
Notes and accounts receivable, trade	157.7	164.7	146.9
Inventories	101.6	95.1	105.9
Other current assets	31.7	29.7	33.8
Property, plant and equipment	160.6	152.7	156.3
Investments and other assets	135.6	134.6	137.1
Total Liabilities	225.3	246.9	237.1
Short-term debt	19.2	18.3	24.8
Long-term debt	1.4	1.5	1.7
Other liabilities	204.7	227.1	210.6
Minority equity	1.9	2.0	2.1
Shareholders' equity	404.6	368.5	383.7

¥10.6 bn used in investing activities, including increased capital investment.

(Units: JPY billions)

Consolidated C/F	June 2007	June 2008	(Ref.) Mar. 2008
Operating activities	14.1	12.8	69.0
Investing activities	-7.5	-10.6	-36.7
Free cash flow	6.6	2.2	32.3
Financing activities	-6.5	0.2	-34.5
Effect of exchange rate changes	1.6	0.0	-0.2
Net increase/decrease	1.6	2.3	-2.4
Cash and cash equivalents at end of period	44.6	42.9	40.6

3. FY08 Interim and Full Year Forecast

Initial forecast unchanged.

(Units: JPY billions)

	FY07/Interim Actual (1)	FY08/Interim Forecast, Initial (2)*	YoY: (2)/(1), %
Net sales	366.1	368.0	100.5%
Gross profit	138.9	136.7	98.4%
SG&A	87.5	89.2	101.9%
R&D	24.8	27.5	111.0%
Operating income	26.6	20.0	75.2%
NIBT	27.3	19.5	71.4%
NIAT	18.8	12.0	63.8%

*Initial forecast announced on April 28, 2008.

Initial forecast unchanged.

(Units: JPY billions)

	FY07/Full year Actual (1)	FY08/Full year Forecast, Initial (2)*	YoY: (2)/(1), %
Net sales	763.0	780.0	102.2%
Gross profit	293.3	300.5	102.4%
SG&A	176.6	183.5	103.9%
R&D	51.5	57.0	110.6%
Operating income	65.3	60.0	91.9%
NIBT	64.2	59.0	91.9%
NIAT	42.4	36.5	86.1%
EPS (JPY)	185.89	165.34	88.9%

*Initial forecast announced on April 28, 2008.

4. Stock Repurchase

Planning to repurchase treasury stock; up to 1.5 million shares or ¥5 bn.

Notice Regarding Repurchase of Omron Stock

(From July 31 disclosure)

OMRON Corporation today resolved at a meeting of its Board of Directors to repurchase the company's own shares.

- | | |
|---|--|
| (1) Type of shares to be repurchased: | Common stock of Omron Corp. |
| (2) Number of shares to be repurchased: | Up to 1.5 million (0.68% of total shares issued (excluding treasury stock))* |
| (3) Total cost of shares to be repurchased: | Up to JPY 5 billion |
| (4) Repurchase period: | From August 4, 2008 to September 3, 2008 |

*0.63% of total issued shares including treasury stock

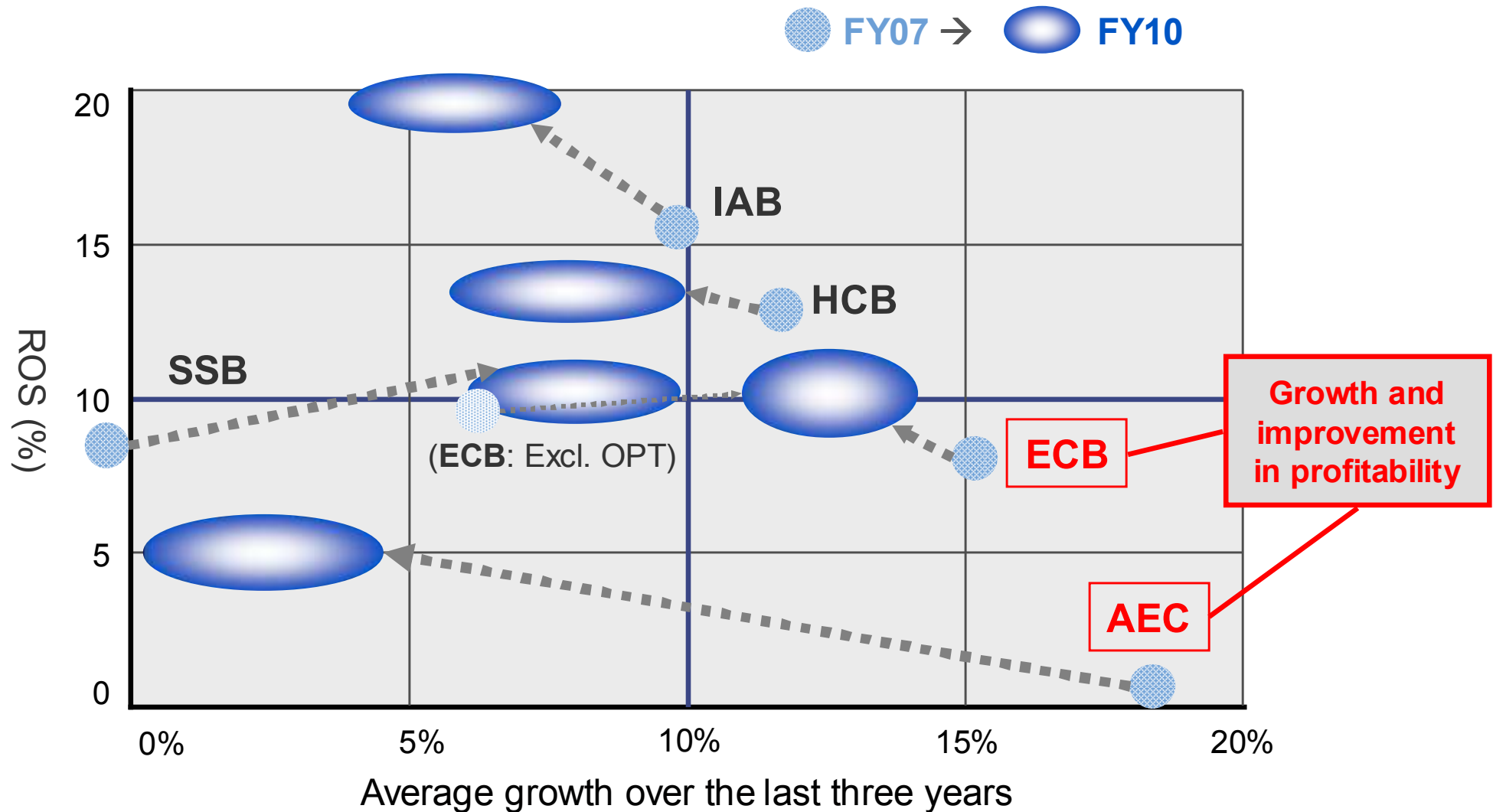
Estimated Treasury Stock

	June 30, 2008	After repurchase of 1.5 mil shares (As of June 30, 2008)
Shares issued (incl. treasury stock)	239,121,372	239,121,372
Treasury stock	17,444,986	18,944,986
% of treasury stock	7.3%	7.9%

Reference

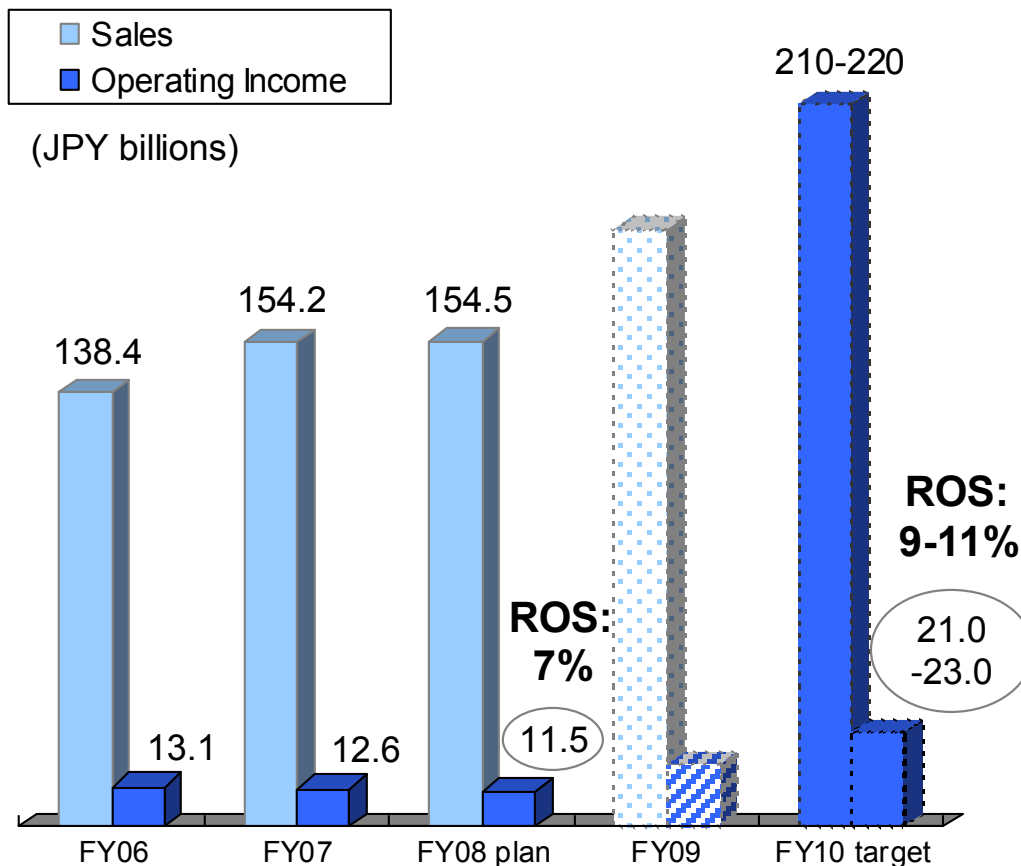
- **GD2010 3rd Stage Updates**
- **Exchange Rates**
- **Raw Material Prices**

Aiming for Growth and Improved Profitability of Five Businesses in FY10



Task: Achieve ROS of at least 10% in FY10

ECB Sales and Operating Income

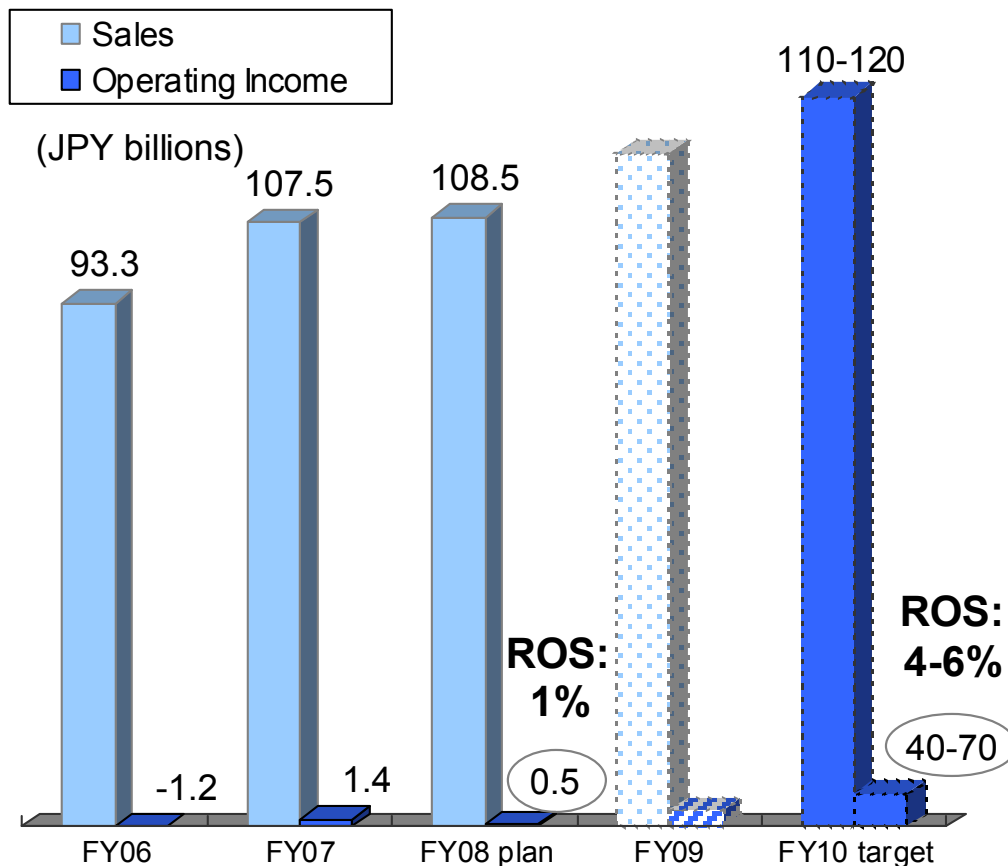


2010 ROS Improvement Measures

- (1) Maximize profitability of relay business and expand switch/connector business
- (2) Improve mid- and small-size backlight business
 - Expand sales
 - Improve profitability (ROS up 4%pt)
- (3) Expand micro device business
 - Expand sales of MEMS

Task: Achieve ROS of 5% in FY10

AEC Sales and Operating Income



2010 ROS Improvement Measures

(1) Expand EPS business and improve profitability

- Increase sales on a global level
- Achieve better profitability through product mix

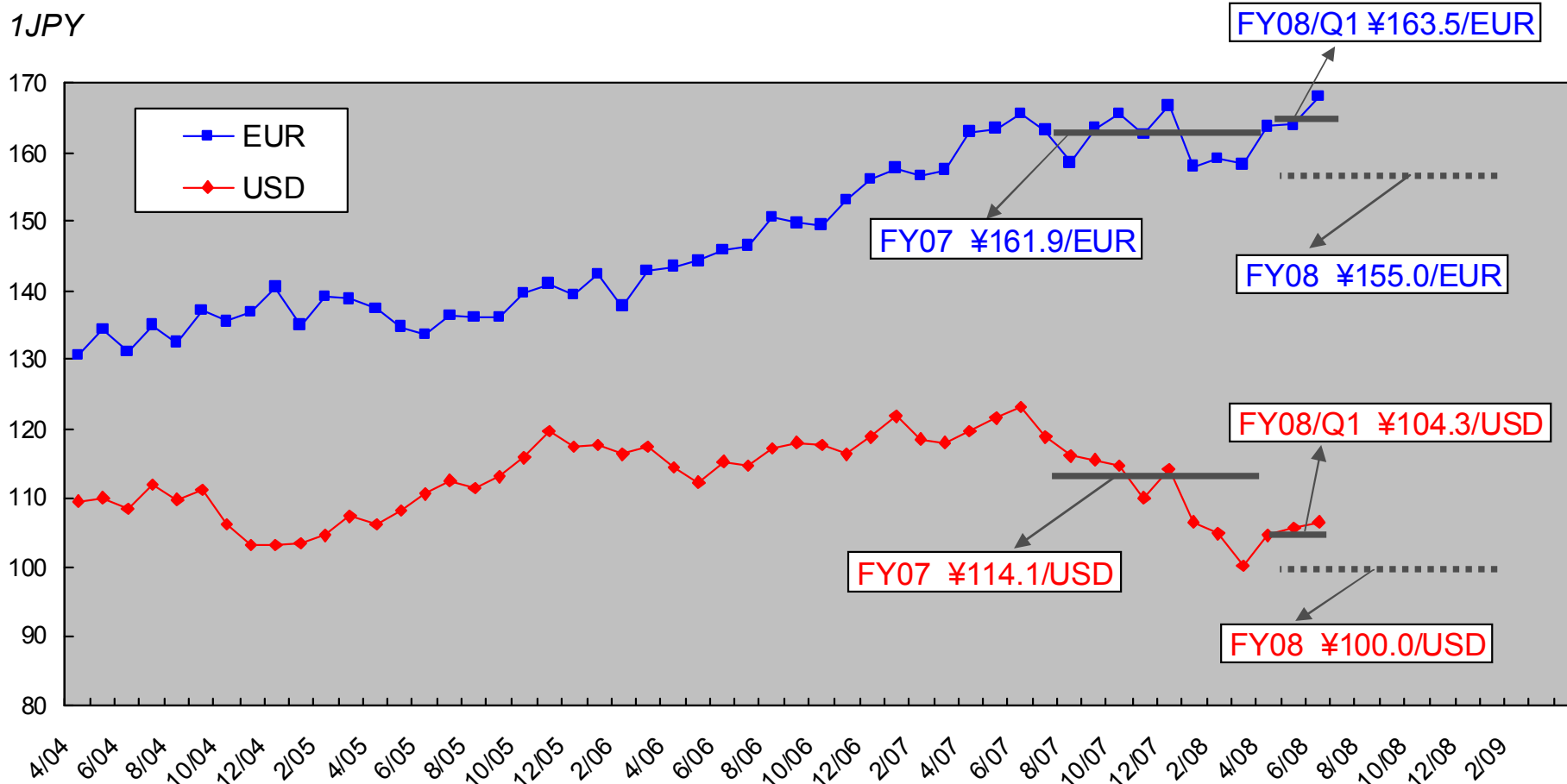
(2) Improve productivity

- Central purchasing
- Optimal site manufacturing

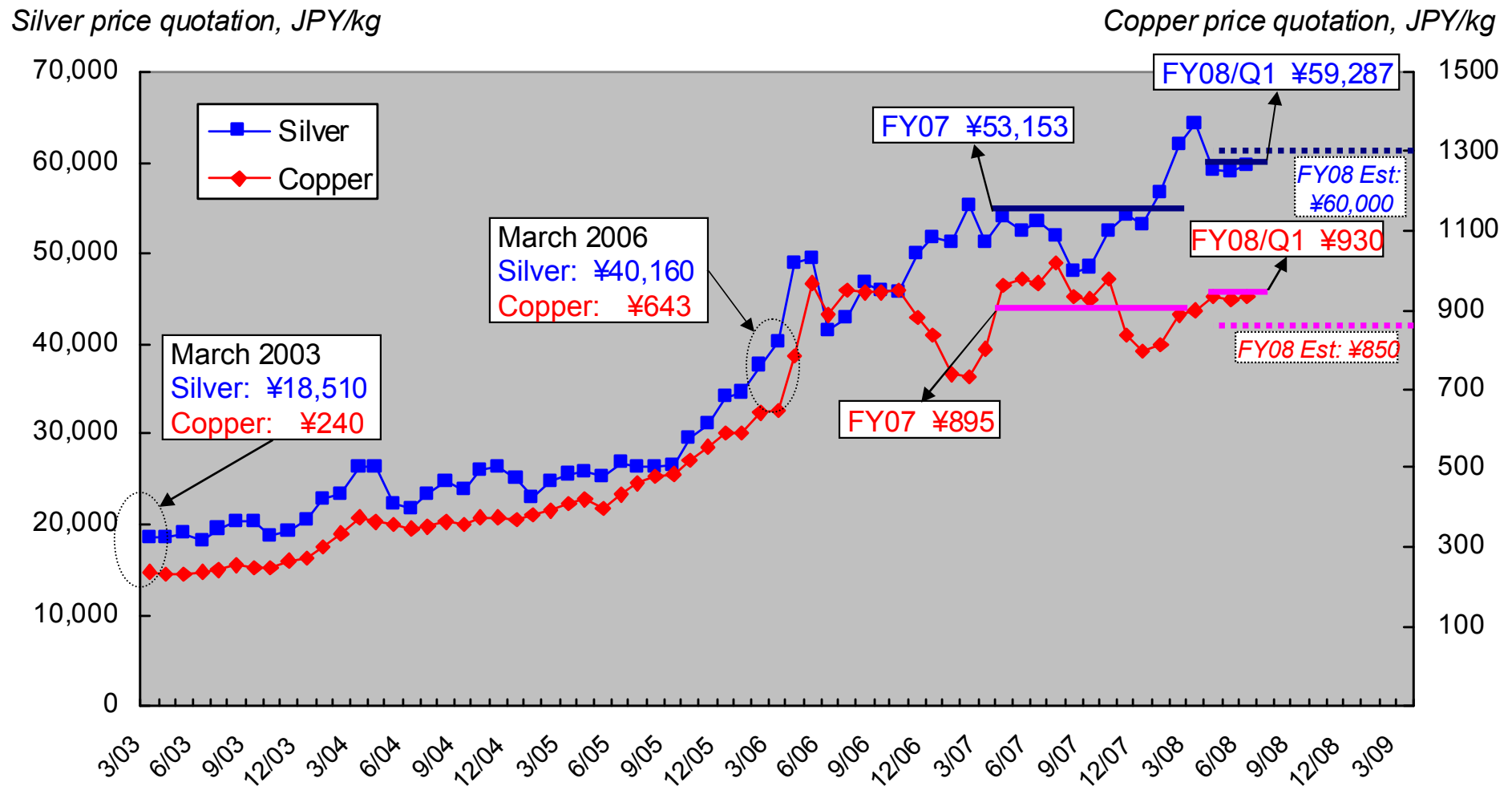
(3) Improve SG&A costs

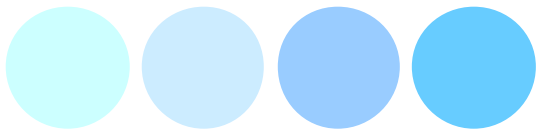
- SCM process innovation

USD: Weak since second half of 2007
EUR: Remaining strong



Silver: Soaring since second half of 2007
Copper: Has remained high for years





Bring Machines Closer to People
with Sensing and Control Technology

OMRON Corporation



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