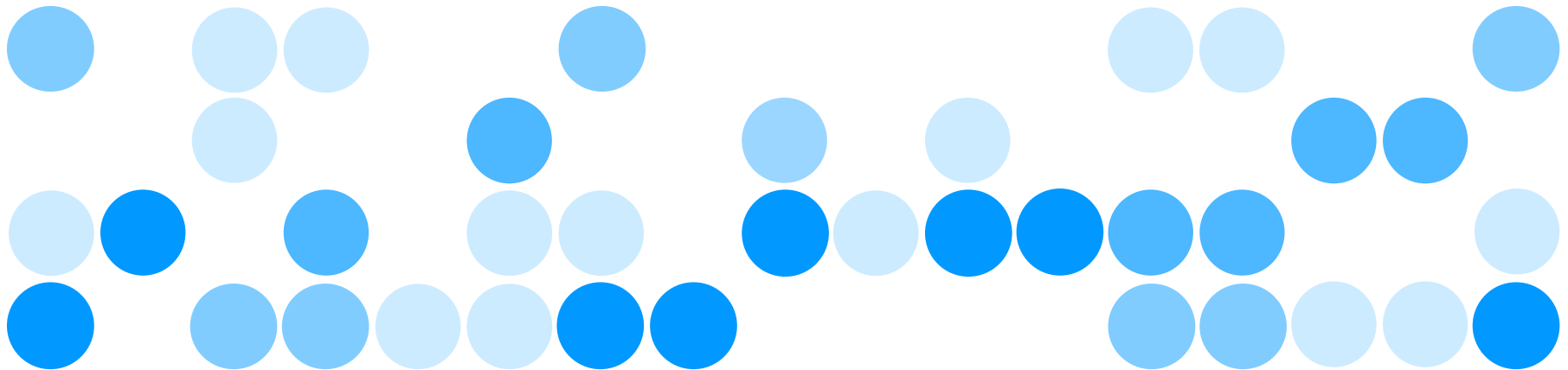




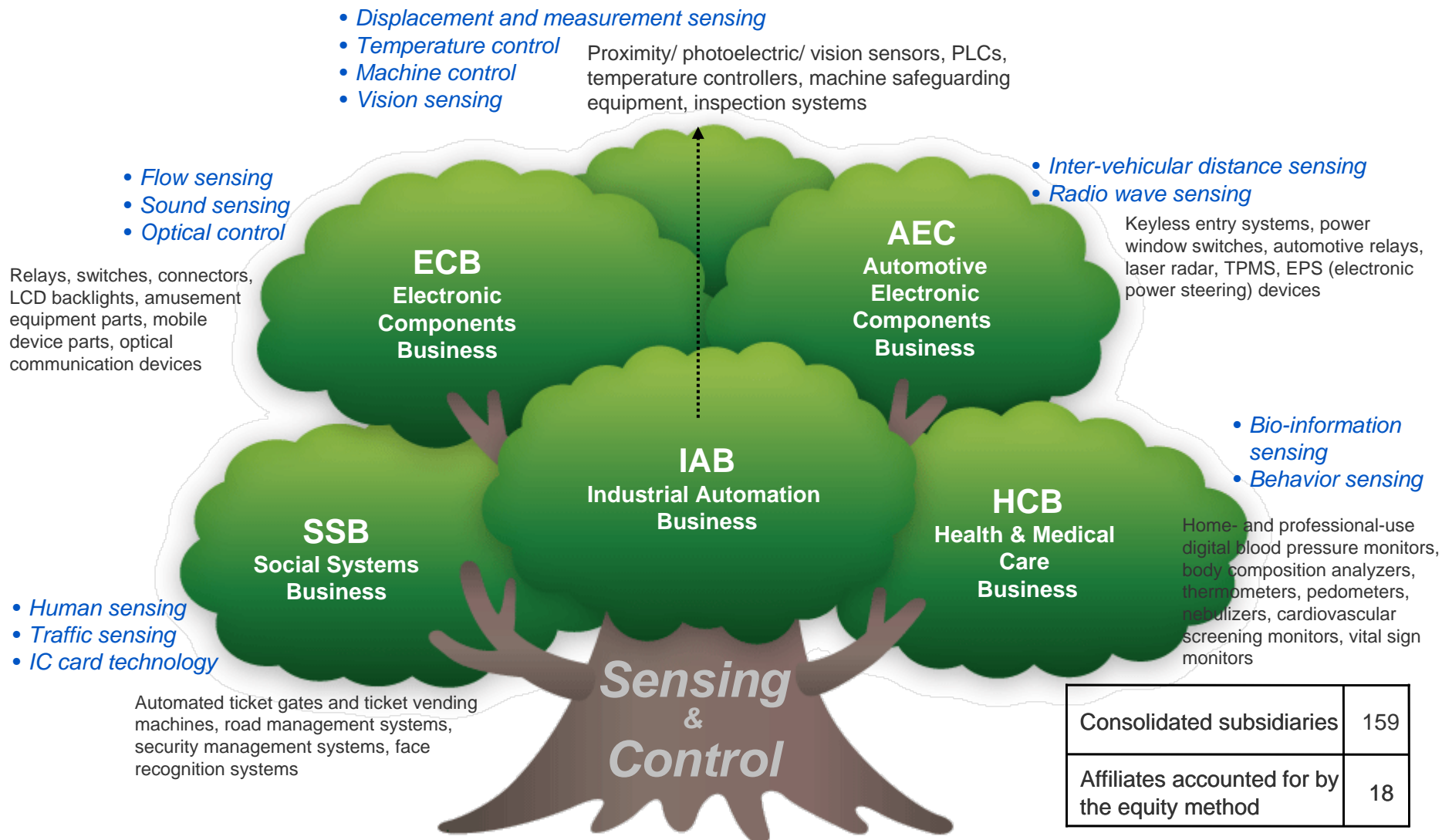
Sensing tomorrow™

Financial Results for the First Quarter Ended June 30, 2009



July 31, 2009

OMRON Corporation



(as of June 30, 2009)

Executive Summary	P. 4
Results for the First Quarter Ended June 30, 2009 (FY09/Q1)	P. 5
FY09 Interim (Q1, Q2) and Full Year Forecast	P. 17
Emergency Measures and Structural Reform	P. 25
Reference	P. 41

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 Company to develop new technologies and 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.
3. Omron has adopted FASB Statement No. 131, "Disclosures about Segments of an Enterprise and Related Information," from fiscal 2009. Prior year amounts in the consolidated financial statements (sales of SSB and operating income of each segment) have been reclassified or adjusted following adoption of the statement.

FY09 Q1 Results

- Sharp YoY drop in sales and operating income due to continuing global economic downturn beginning in FY08 2nd half.
- In spite of the global recession, Omron achieved Q1 internal plans as a result of BEP improvement of approx. 20% YoY.
- YoY sales for all segments except HCB plunged dramatically.
- Emergency measures and structural reform introduced in February 2009 are being carried out as planned.

<u>Consolidated</u>	<u>FY09 Q1 Actual</u>	<u>YoY</u>	<u>Margin (%)</u>
Net sales	¥106.9 bn	62.9%	
Operating income	-¥10.2 bn	--	--
NIBT	-¥10.9 bn	--	--
Net income	-¥7.7 bn	--	--
(attributable to shareholders)			

FY09 Forecast

- Business environment remains severe, but gradual recovery is projected in the 2nd half.
- Sales and operating income expected to be in line with initial plans.

<u>Consolidated</u>	<u>FY09 Forecast</u>	<u>YoY</u>	<u>Margin (%)</u>
Net sales	¥510.0 bn	81.3%	
Operating income	¥0 bn	0.0%	0.0%
NIBT	-¥3.5 bn	--	--
Net income	-¥2.0 bn	--	--
(attributable to shareholders)			

* Assumed exchange rates for FY09 Q2-Q4: 1 USD = ¥95; 1 EUR = ¥125

Executive Summary	P. 4
Results for the First Quarter Ended June 30, 2009 (FY09/Q1)	P. 5
FY09 Interim (Q1, Q2) and Full Year Forecast	P. 17
Emergency Measures and Structural Reform	P. 25
Reference	P. 41

➤ Sales: ¥106.9 bn, operating loss: ¥10.2 bn – large drop from FY08/Q1.

P/L	FY09 Q1 Actual	FY08 Q1 Actual	(Billions of yen)
			YoY
Net sales	106.9	169.9	62.9%
Gross profit	32.2	61.0	52.8%
SG&A	33.3	44.0	75.7%
R&D	9.1	12.2	74.9%
Operating income (loss)	-10.2	4.8	—
Non-operating income (loss), net	0.7	-0.8	—
NIBT	-10.9	5.6	—
Net income (loss) attributable to shareholders	-7.7	3.5	—
<Exchange Rates>			
USD	¥96.8	¥104.3	-¥7.5
EUR	¥131.5	¥163.5	-¥32.0

Consolidated Sales by Area/Segment

- Large YoY drop both in Japan and overseas due to global recession.
- All segments except HCB were hit hard.

(Billions of yen)

Area	FY09 Q1 Actual	FY08 Q1 Actual	YoY
Japan	49.3	72.9	67.6%
Overseas*	57.6	97.0	59.4%
Total	106.9	169.9	62.9%

* Includes direct exports

Business	FY09 Q1 Actual	FY08 Q1 Actual	YoY
IAB	41.0	76.9	53.4%
ECB	26.0	34.5	75.3%
AEC	13.9	25.9	53.6%
SSB	8.0	12.0	66.5%
HCB	14.2	14.7	97.1%
Elimination & Corporate	3.8	6.0	63.6%
Total	106.9	169.9	62.9%

Consolidated Operating Income by Segment

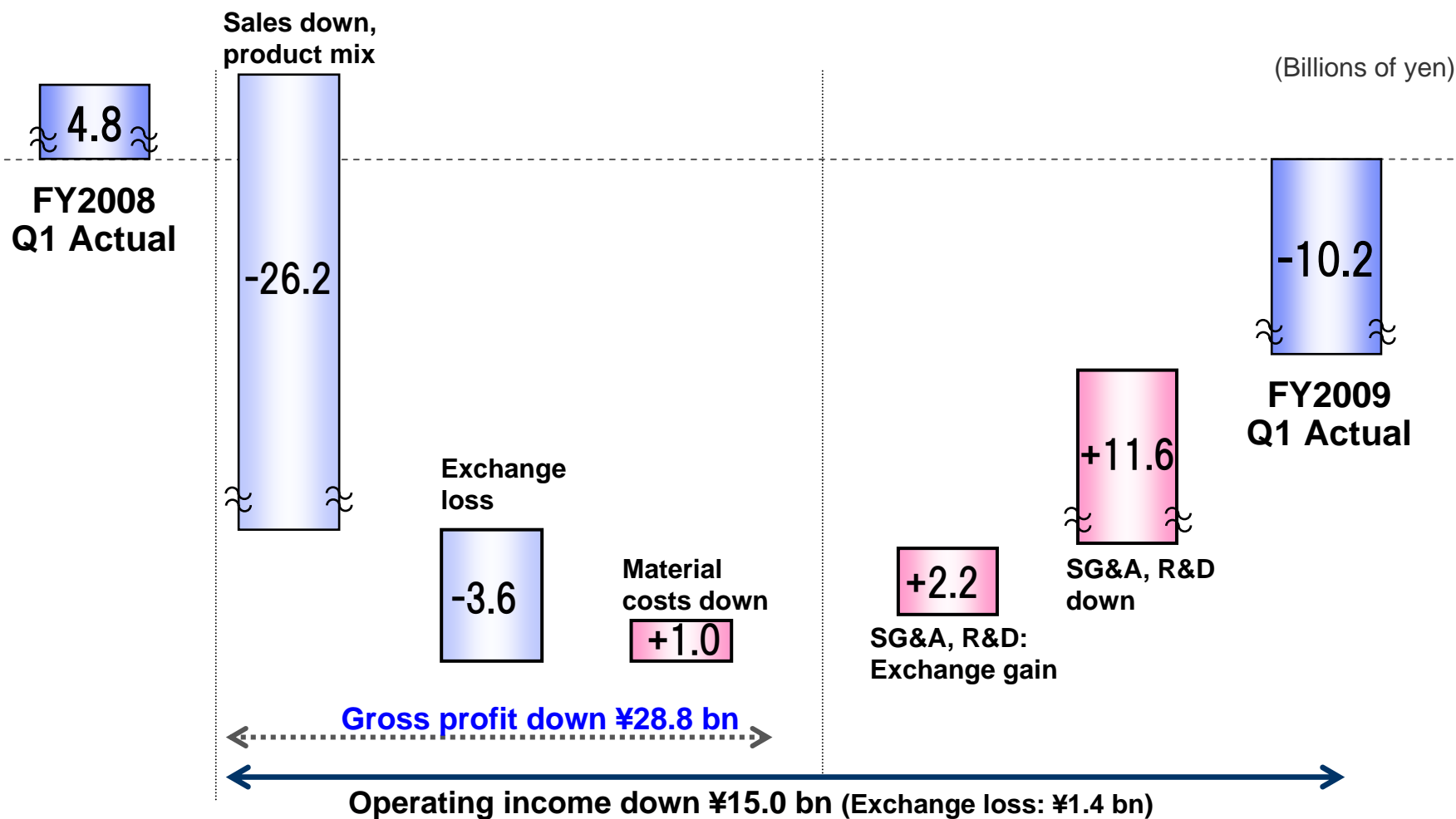
- All segments except HCB posted losses due to sluggish sales.
- HCB improved dramatically YoY, after temporary decline in FY08/Q1.

(Billions of yen)

Business	FY09 Q1 Actual	FY08 Q1 Actual	YoY
IAB	-3.1	10.0	—
ECB	-2.2	0.6	—
AEC	-1.0	-0.8	—
SSB	-2.6	-1.5	—
HCB	1.6	0.3	643.0%
Elimination & Corporate	-3.0	-3.7	—
Total	-10.2	4.8	—

Consolidated Operating Income Analysis (YoY)

➤ Weak sales and exchange loss offset by reduction in SG&A and R&D expenses.

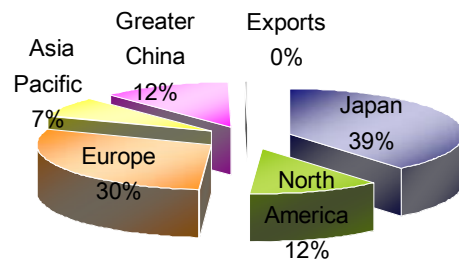


- Some progress in inventory adjustments among manufacturers apparent; production beginning to recover.
- However, IAB faces tough overall environment due to restrictions on capital investment.

(Billions of yen)

IAB	FY09 Q1 Actual	FY08 Q1 Actual	YoY
Japan	16.0	30.9	51.8%
Overseas	25.0	46.0	54.4%
North America	5.0	8.2	61.4%
Europe	12.1	24.5	49.2%
Asia Pacific	3.0	4.7	62.4%
Greater China	4.9	8.1	60.4%
Exports	0.1	0.5	16.8%
Total	41.0	76.9	53.4%
Operating income	-3.1	10.0	—
OP margin	—	13.0%	—

Sales by Area



Safety components

Programmable controllers



Vision sensors

ECB (Electronic Components Business)

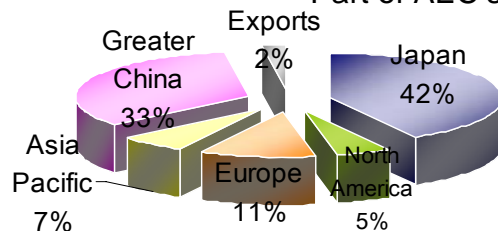
- In Japan, slowdown in demand for electric components for industrial equipment resulting from wide-scale cutbacks in capital investment by the semiconductor and auto industries.
- Overseas, conditions are sluggish overall, but in China sales of small-size LCD backlights and relays for consumer electronics are recovering.

ECB	FY09 Q1 Actual	FY08 Q1 Actual	YoY
Japan	10.8	13.1	82.3%
Overseas	15.2	21.4	71.1%
North America	1.4	2.4	60.5%
Europe	2.8*	3.2	87.1%
Asia Pacific	1.7	2.6	64.3%
Greater China	8.7	11.9	73.6%
Exports	0.6	1.4	43.2%
Total	26.0	34.5	75.3%
Operating income	-2.2	0.6	—
OP margin	—	1.8%	—

(Billions of yen)

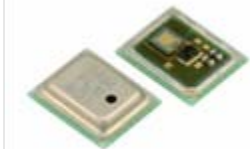
* Part of AEC's European relay business was transferred to ECB.

Sales by Area



Small-size LCD backlights

MEMS microphones



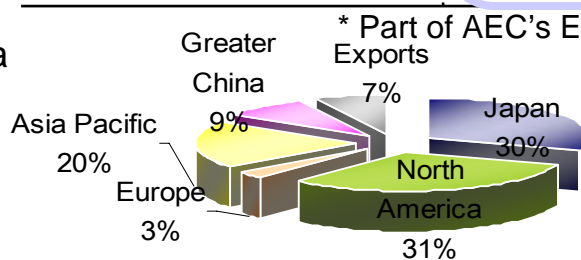
FPC connectors

- Automobile manufacturers continued to adjust inventory and cut back production.
- In Japan and North America demand decreased, but the decline in sales was relatively small in China and other developing countries with the effect of govt. stimulus measures to promote automobile purchases.

(Billions of yen)

AEC	FY09 Q1 Actual	FY08 Q1 Actual	YoY
Japan	4.2	6.8	61.8%
Overseas	9.7	19.1	50.7%
North America	4.3	9.3	46.2%
Europe	0.4*	3.6	11.5%
Asia Pacific	2.7	4.5	61.5%
Greater China	1.2	1.1	109.7%
Exports	1.0	0.7	154.1%
Total	13.9	25.9	53.6%
Operating income	-1.0	-0.8	—
OP margin	—	—	—

Sales by Area



* Part of AEC's European relay business was transferred to ECB.



Electric power steering (EPS) controllers



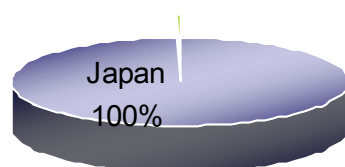
➤ In the public transportation system business, sales decreased due to the end of a stage of investment in new train lines and the adoption of IC cards by railway companies.

(Billions of yen)

SSB	FY09 Q1 Actual	FY08 Q1 Actual	YoY
Japan	8.0*	11.7	68.1%
Overseas	0	0.3	4.5%
North America	0	0	—
Europe	0	0	—
Asia Pacific	0	0	—
Greater China	0	0	—
Exports	0*	0.3	4.5%
Total	8.0	12.0	66.5%
Operating income	-2.6	-1.5	—
OP margin	—	—	—

* The electric equipment business is now classified under "Others."

Sales by Area



AFC (automatic fare collection) systems

Transportation management systems



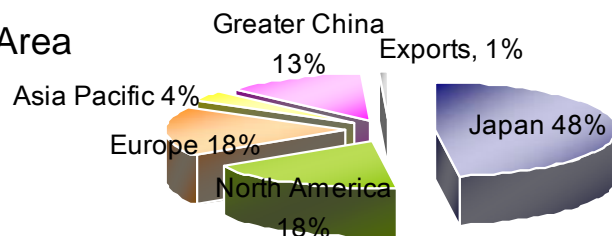
Security systems

- In Japan, HCB enjoyed favorable sales of new BPM and positive impact of completion of cycle of inventory adjustments by major retailers.
- Overseas, although sales in China were strong, driven by BPM and blood glucose monitors, sales in Europe declined substantially due to further worsening of business conditions.

(Billions of yen)

HCB	FY09 Q1 Actual	FY08 Q1 Actual	YoY
Japan	6.8	5.8	117.0%
Overseas	7.4	8.9	84.1%
North America	2.5	2.7	91.1%
Europe	2.5	3.7	67.9%
Asia Pacific	0.5	0.6	93.2%
Greater China	1.8	1.7	103.5%
Exports	0.1	0.1	113.3%
Total	14.2	14.7	97.1%
Operating income	1.6	0.3	643.0%
OP margin	11.6%	1.7%	9.9P

Sales by Area



Body composition monitors



Non-invasive vascular screening devices

Consolidated B/S

- Total assets decreased due to a decrease in notes and accounts receivable and inventory reduction measures.
- Total liabilities decreased due to a decrease notes and accounts payable, and a decrease in termination and retirement benefits following recovery in the market value of pension assets.
- Net worth ratio increased to 56.5% from 55.4% at the end of the previous fiscal year.

Consolidated B/S	(Billions of yen)		
	June 2009	March 2009	June 2008
Assets	529.3	538.3	622.9
Cash and cash equivalents	51.1	46.6	42.9
Notes and accounts receivable, trade	97.8	111.0	146.9
Inventories	79.3	84.7	105.9
Other current assets	29.2	33.7	33.8
Property, plant and equipment	132.6	132.5	156.3
Investments and other assets	139.3	129.8	137.1
Liabilities	228.8	238.3	237.1
Short-term debt	36.8	33.5	24.8
Long-term debt	21.2	21.4	1.7
Notes and accounts payable, trade	52.7	58.2	90.1
Termination and retirement benefits	74.7	80.4	61.2
Other liabilities	43.4	44.8	59.3
Net Assets	300.5	300.0	385.8
Common stock and retained earnings	395.9	403.6	441.7
Accumulated other comprehensive income	-52.5	-60.7	-16.5
Treasury stock	-44.5	-44.5	-41.5
Non controlling Interests	1.6	1.6	2.1
Total Liabilities and Net Assets	529.3	538.3	622.9

- Free cash flow was equivalent to previous year due to a decrease in notes and accounts receivable and a decrease in inventories, and highly selective capital investment.

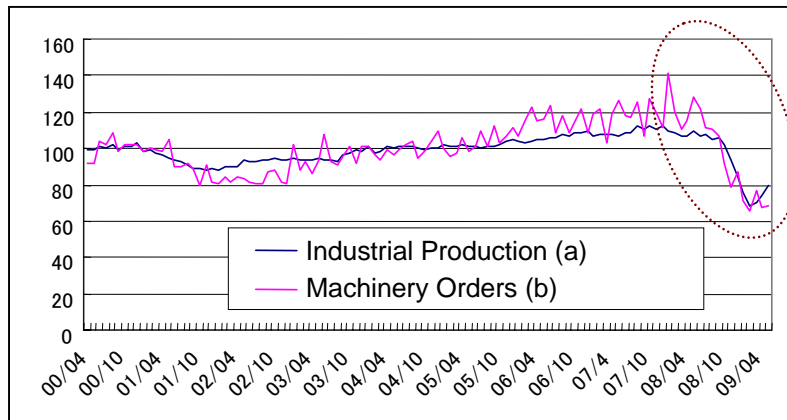
(Billions of yen)

Consolidated C/F	June 2009	June 2008	March 2009
Operating activities	9.0	12.8	31.4
Investing activities	-7.3	-10.6	-40.6
Free cash flow	1.7	2.2	-9.2
Financing activities	1.7	0.2	21.9
Effect of exchange rate changes	1.0	0	-6.6
Net increase/decrease	4.4	2.3	6.0
Cash and cash equivalents at end of period	51.1	42.9	46.6
Depreciation and amortization	7.4	9.3	33.5
Capital expenditures	6.8	9.9	36.8

Executive Summary	P. 4
Results for the First Quarter Ended June 30, 2009 (FY09/Q1)	P. 5
FY09 Interim (Q1, Q2) and Full Year Forecast	P. 17
Emergency Measures and Structural Reform	P. 25
Reference	P. 41

- Industrial production index and machinery orders recovering slightly.
- Shipment of electronic components remains in turmoil in developed countries, but is recovering in developing countries.

Industrial Production (a) and Machinery Orders (b)

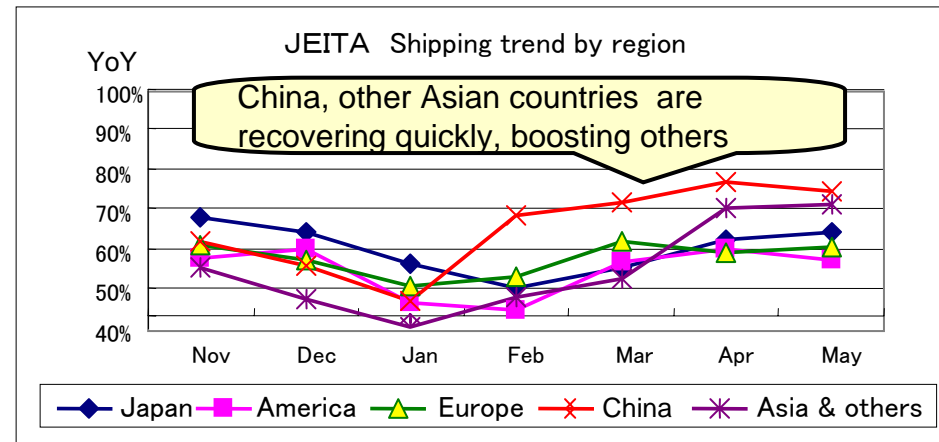


*Source:

(a) Ministry of Economy, Trade and Industry

(b) Economic and Social Research Institute Cabinet Office

Shipment of Electronic Components (Year on Year)



Source: Japan Electronics and Information Technology Industries Association

External Environment

- **Developed countries are still in a slump, but gradual recovery is projected in the 2nd half.**
 - **Economic recovery expected in developing countries such as Greater China, but still unstable in the 2nd half.**
 - **Electronic and automotive component industries seem to be recovering, but likely not enough to stimulate capital investment.**
-
- **JPY ⇔ USD/EUR: Appreciation of the yen ongoing** (see p. 42)
 - **Continued stabilization of raw material costs (silver and copper)** (see p. 43)

Basis for Forecast

- **Forex: 1USD = ¥95; 1EUR = ¥125 (no change)**
- **Raw material costs: Silver: ¥40,000/kg; Copper: ¥480/kg (no change)**
- **Objectives of Emergency Measures & Structural Reform will likely be achieved.**
 - Emergency measures aimed at P/L improvement (by Mar. 2010)
 - Reduce fixed/ variable costs (approx. ¥60 bn)
 - Generate cash flow (approx. ¥25 bn)
 - Structural reform comprising "business domain reform" and "operational structure reform" (by Mar. 2011)
 - Reorganization of 3 control business
 - (1) Elimination and consolidation of production bases, (2) variable cost structure reform, (3) IT structure reform (4) head office function reform

FY09 Q2-Q4 Forecast by Segment

IAB

Industry

- Gradual recovery expected in each industry.
- Electronic and automotive component industries seem to be recovering, but curtailment of capital investment continues.

Area

- Recovery expected from Q2 except in Europe.
- Sharp recovery is likely in China, but conditions will remain unstable in the 2nd half.

ECB

Industry

- Conditions remain severe for machine tools, semiconductors and industrial machinery.
- Recovery evident for some products (automotive components and home appliances).

Area

- Conditions in developing countries remain severe.
- Rapid recovery in China and Asia could lead recovery in other areas.

AEC

Industry

- Auto market may be bottoming out in some areas due to economic stimulus programs.
- Focusing on “green” vehicles such as hybrids and electric cars.

Area

- Continued unstable demand in North America.
- Demand in China increasing; growth trend.

SSB

Industry

- Curtailed investment due to stagnating conditions in railway industry.
- Seeing demand for traffic safety systems.
- Aiming for long-term growth by strengthening appeal of “social sensors.”

HCB

Industry

- Demand for lifestyle-related disease prevention remains high, but consumer spending still unstable, particularly in Japan.
- Medical equipment market in Japan still severe.

Area

- Continued severe conditions in developed countries (Japan, European countries, etc.).
- Sales increasing in developing countries, particularly China.

Others

- Environment-related needs increasing.
- Continuing to strengthen CO2 reduction solutions business.
- Plans to increase production of existing EMS devices.

Projected Results for FY09 Q1 – Q2

➤ Projected to go according to initial plan.

(Billions of yen)

	FY09 Q1 – Q2 Forecast	FY08 Q1 – Q2 Actual	YoY
Net sales	230.0	354.7	64.8%
Gross profit	73.0	130.5	56.0%
SG&A	66.5	86.8	76.6%
R&D	19.5	25.1	77.7%
Operating income	-13.0	18.6	—
Non-operating income (loss), net	1.5	-0.7	—
NIBT	-14.5	19.3	—
Net income (loss) attributable to shareholders	-8.5	12.4	—
EPS (yen)	-38.61	56.14	—

Projected Results for FY09 Full Year

➤ Projected to go according to initial plan.

	FY09 Forecast	FY08 Actual	(Billions of yen) YoY
Net sales	510.0	627.2	81.3%
Gross profit	175.0	218.5	80.1%
SG&A	135.0	164.3	82.2%
R&D	40.0	48.9	81.8%
Operating income	0	5.3	—
Non-operating income (loss), net	3.5	44.4	—
NIBT	-3.5	-39.1	—
Net income (loss) attributable to shareholders	-2.0	-29.2	—
EPS (yen)	-9.08	-132.15	—

FY09 Consolidated Sales Forecast by Area/Segment

➤ Projected to go according to initial plan both Japan and Overseas, and in each business segment.

(Billions of yen)

Area	FY09 Forecast	FY08 Actual	YoY
Japan	268.5	315.6	85.1%
Overseas*	241.5	311.6	77.5%
Total	510.0	627.2	81.3%

* Includes direct exports

Business	FY09 Forecast	FY08 Actual	YoY
IAB	193.0	262.9	73.4%
ECB	112.0	123.9	90.4%
AEC	60.0	82.1	73.1%
SSB	66.0	72.3	91.2%
HCB	61.5	63.8	96.4%
Elimination & Corporate	17.5	22.1	79.2%
Total	510.0	627.2	81.3%

FY09 Consolidated Operating Income Forecast by Segment

➤ Projected to go according to initial plan.

(Billions of yen)

Business	FY09 Forecast	FY08 Actual *	YoY
IAB	5.0	20.1	24.9%
ECB	3.0	-2.9	—
AEC	0	-7.1	—
SSB	4.0	5.2	77.0%
HCB	4.0	4.8	83.9%
Elimination & Corporate	-16.0	-14.7	—
Total	0	53	—

* Amounts in FY08 have been reclassified or adjusted.

Executive Summary	P. 4
Results for the First Quarter Ended June 30, 2009 (FY09/Q1)	P. 5
FY09 Interim (Q1, Q2) and Full Year Forecast	P. 17
Emergency Measures and Structural Reform	P. 25
Reference	P. 41

Emergency Measures and Structural Reform

Emergency Measures

(Generate profit in FY09 through cost cuts)

Profit Generation

(1) Cost cutting

Advertising, R&D, indirect costs, etc.

(2) Withdrawal from underperforming businesses

Four businesses in Japan/abroad (ECB, AEC)

(3) Reduction of other fixed costs

Return of part of directors', executive officers' and managers' compensation, ban on overtime work, etc.

Cash Flow Creation

- Freeze on large-scale investments
- Reduction in ordinary investments

Structural Reform

(Strengthen profit base over the medium term)

1. Business Domain Reform

Restructure 3 control businesses:

IAB: Strengthen front line and profit base

ECB: Re-strengthen Mechanical Components Business

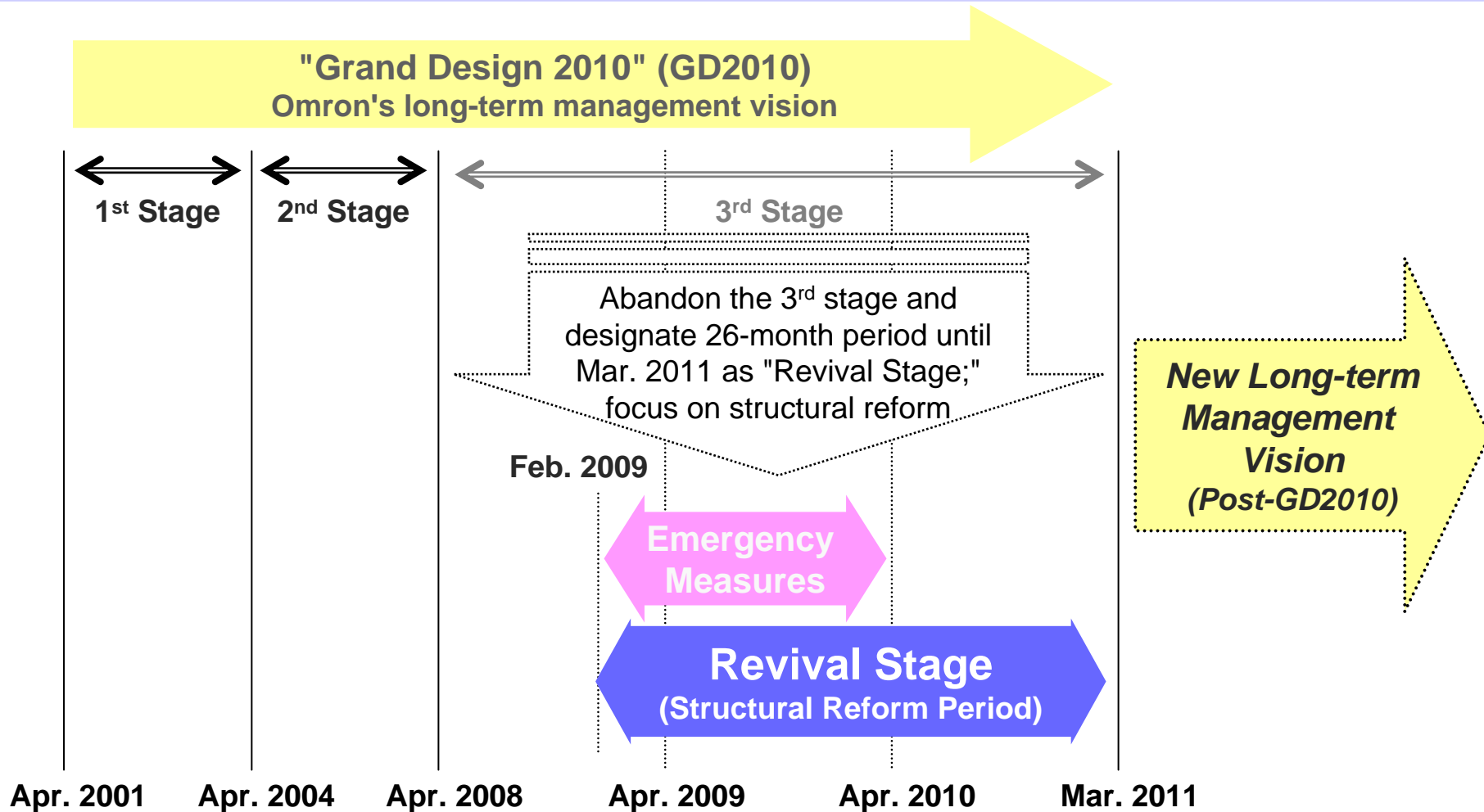
AEC: Implement thorough efforts to improve profitability

2. Operational Structure Reform

- (1) Elimination and consolidation of production bases
- (2) Variable cost structure reform
- (3) IT structure reform
- (4) Head office function reform

Emergency Measures and Structural Reform: Schedule

- Period from Feb. 2009 – Mar. 2011 designated “Revival Stage;” currently implementing emergency measures and structural reform.



Emergency Measures: Progress to Date

(1) Cut Costs, Restrain Investment and Reduce Inventories

- **Emergency measures being carried out according to plan**
- **Expect approx. ¥60 bn P/L improvement and generation of approx.¥25 bn cash flow**

Improving FY09 P/L through profit generation (part of “emergency measures”) and other measures		Target value (approx. annual)	Progress in Q1 (% compared to target)
Reduce fixed costs	<ul style="list-style-type: none"> • Labor costs, overhead costs • Depreciation (restraint on investments) • Depreciation (impairment of fixed assets) 	¥55 bn	<ul style="list-style-type: none"> ▪ Labor costs reduced according to target (100%) ▪ Administrative costs reduced 125% compared to target (some may be recorded in Q2 or later) including reduction of depreciation by ¥2bn (YoY)
Reduce variable costs	<ul style="list-style-type: none"> • Raw material costs and others 	¥5 bn	Approx. 80% compared to internal plan
		¥60 bn	

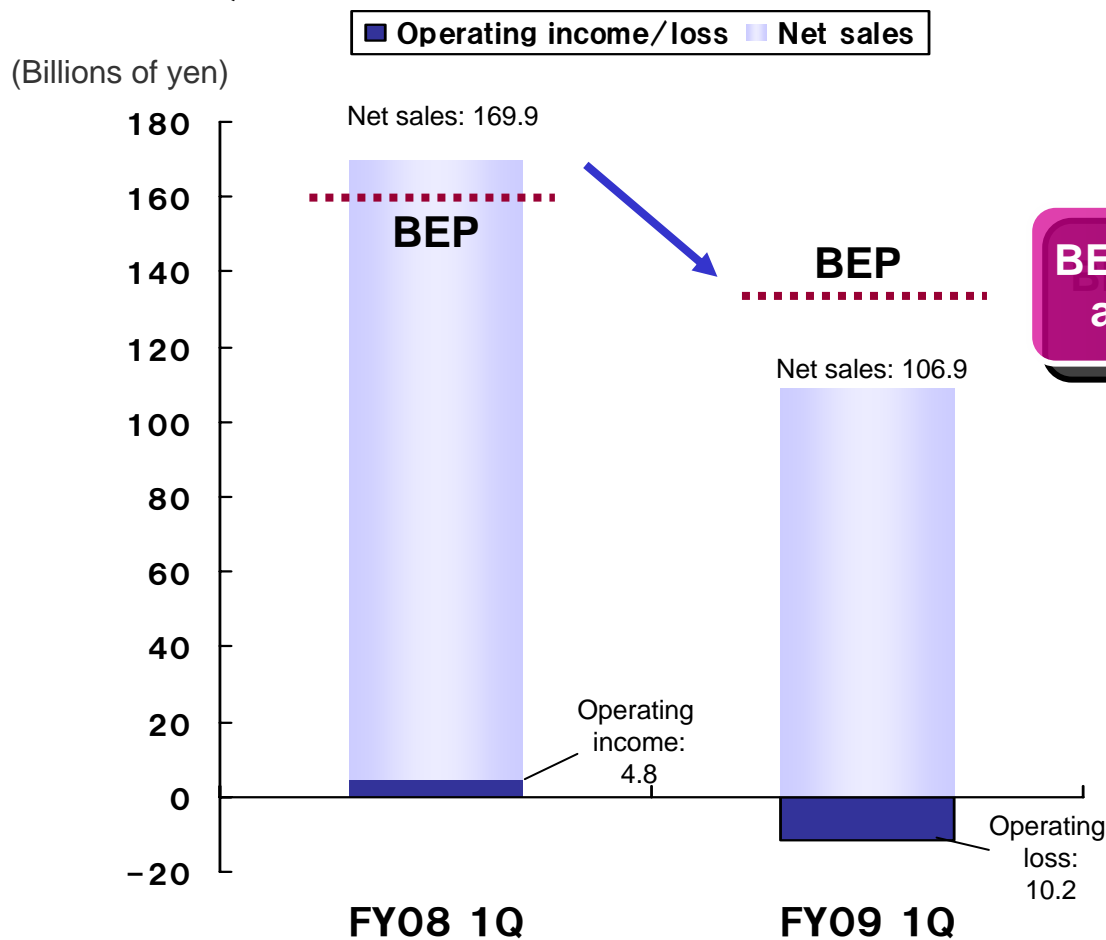
Cash flow creation (items for cash flow improvement in FY09)		Target value (approx. annual)	Progress in Q1
Reduce inventories	<ul style="list-style-type: none"> • Inventories 	¥15 bn	Reduced by approx. ¥5 bn compared to March 31
Restrain investments	<ul style="list-style-type: none"> • New capital investment 	¥10 bn	According to annual plan
		¥25 bn	

Emergency Measures: Progress to Date

(2) Impact on P/L Structure

- Significant improvement in BEP through reduction of fixed costs (overhead) and other measures.

Compared to FY08/Q1



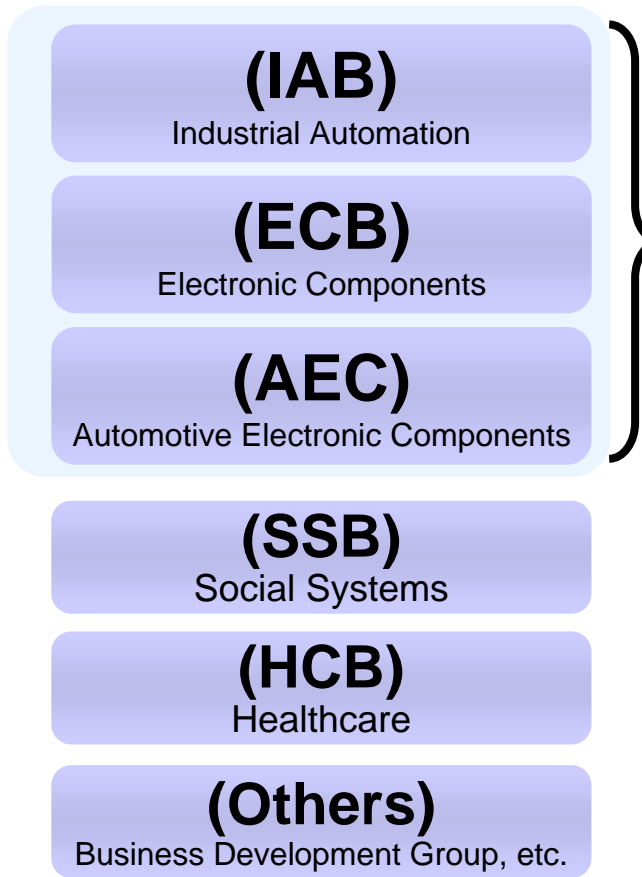
BEP improvement of approx. 20% YoY

Structural Reform: Progress to Date

(1) Business Domain Reform

- Omron's business domains to be reorganized as Industry, Society and Lifestyle.
- Omron will focus on its strengths and avoid dispersion of management resources when reorganizing its three control-based businesses (Industry).

From



Restructuring

Industry

Reorganization
based on
strengths

Domain expansion

Society

**Social Systems
Business**

Domain expansion

Lifestyle

Healthcare Business

Tackling environmental
issues

Society

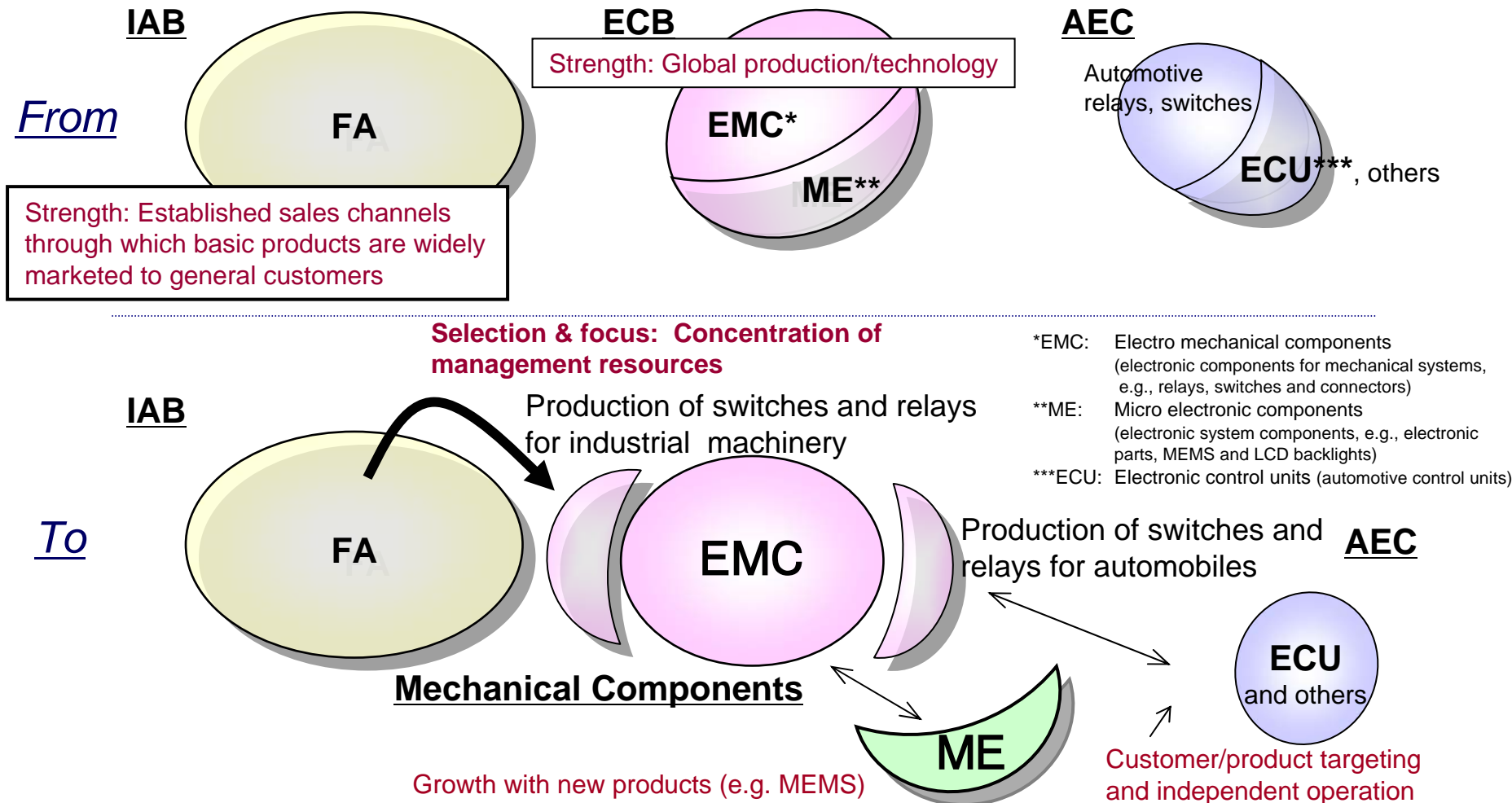
**Environmental
Solutions Business HQ**

To

Structural Reform: Progress to Date

(2) Concentrating Management Resources on 3 Control-based Businesses (IAB, ECB, and AEC)

➤ Concentrate on strengths: IAB's sales strength (sales channels for general-purpose products) and ECB's global production/technological strengths (mechanical components).



- **Increase market share in Japan by strengthening sales capabilities, using channels for general-purpose products.**

Strengthen sales force to increase market share in Japan by 5%

- **Increase competitiveness of general-purpose products by strengthening domestic frontline staff**
 - Shift resources to frontline (approx. 300 employees)
 - Strengthen collaborative relationships with domestic sales channels
 - Integrate ECB's channel sales function into IAB
- **Expanding cost-competitiveness on a global level by accelerating development/production in China**

Note: Market share based on NECA data.

- **Improve profitability through centralized production by EMC with global production strength of mechanical components.**

Strengthen production force to improve gross profit ratio by 5% points.

■ **Establishment of Electronic and Mechanical Components Business Company (EMC): ECB will become EMC as of Sep. 21, 2009**

- Strengthen business by concentrating on main strength of 3 control-based BCs, mechanical components (relays, switches and connectors), in one BC.

■ **Differentiate technologies and improve profitability**

- Share materials, molds and processing technologies among 3 control-based BCs
- Reassign some sites to EMC
 - Omron Izumo (from IAB to EMC)
 - Omron Takeo (from IAB to EMC)
 - Omron Iida (relay production will be transferred from AEC to EMC)

■ **Strengthen production capabilities by accelerating independent operation of various businesses (including P/L responsibility)**

- Operation of relay business, then switch business, will be handled more or less independently.

* EMC: Electronic and Mechanical Components Business Company

* Mechanical components: Relays, switches, connectors

- Rapid changes in environment for mechanical components business, competition becoming more severe with growth of emerging markets.
- Omron is working to improve profitability and ability to respond to markets.

Market environment: **Growth of emerging markets, increasingly severe competition**

Customer
(Manufacturers)

- **Customers in developing countries enjoying solid results.**
- Customers in developed countries shifting business model from “exporting” to “domestic demand” in developing countries.
- Increasing demand for low-cost products.

Competitor

- **Competitors in developing countries capturing market share for general-purpose products.**
- Competitors in developed countries shifting focus to higher value-added products.

Ability to respond to markets

+
Higher profitability

Omron

- ◆ Establishing elemental technology capable of responding to market changes.
- ◆ Improving efficiency through a focus on technology and human resources.
- ◆ Building **optimized production systems** around the world that are capable of responding to demand/forex fluctuation.

➤ Improving production capabilities and increasing productivity through a three-tiered factory system.

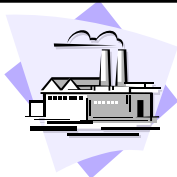
Tiered factory system

Mother factory (Japan)



- Establishing elemental technologies
- Supplying key parts and equipment for assembly and inspection.

Mass production factory (worldwide)



- High volume production of general-purpose products
- Supporting sub-contractors

Sub-contractors (worldwide)



- Low volume production of general-purpose products

Aims of factory reorganization

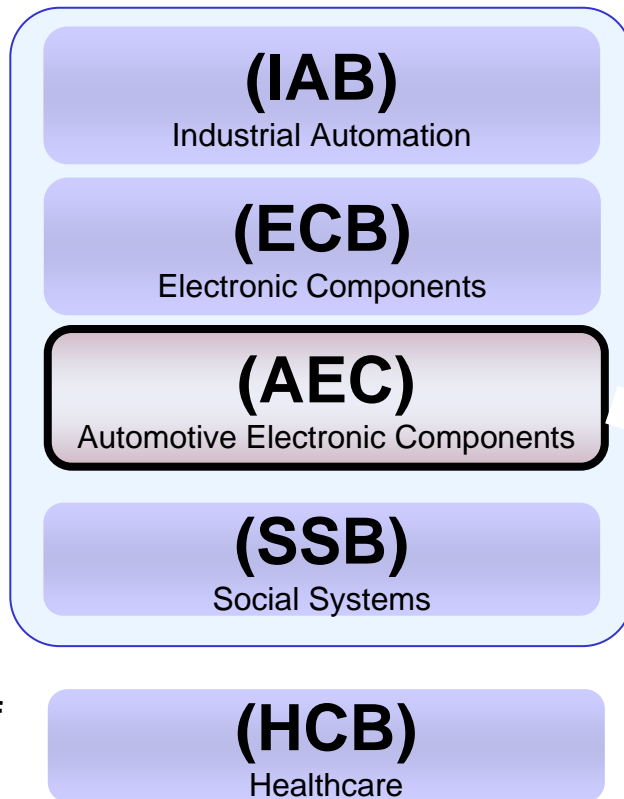
1. Responding to changing customers/competitors worldwide (BRICs, local production for local consumption)
2. Strengthening production at major sites
3. Enabling flexible response to fluctuations in demand
4. Minimizing the impact of forex fluctuations
5. Reducing logistics costs

AEC Structural Reform

(1) Spinning Off AEC into a New Company as part of Operational Structure Reform

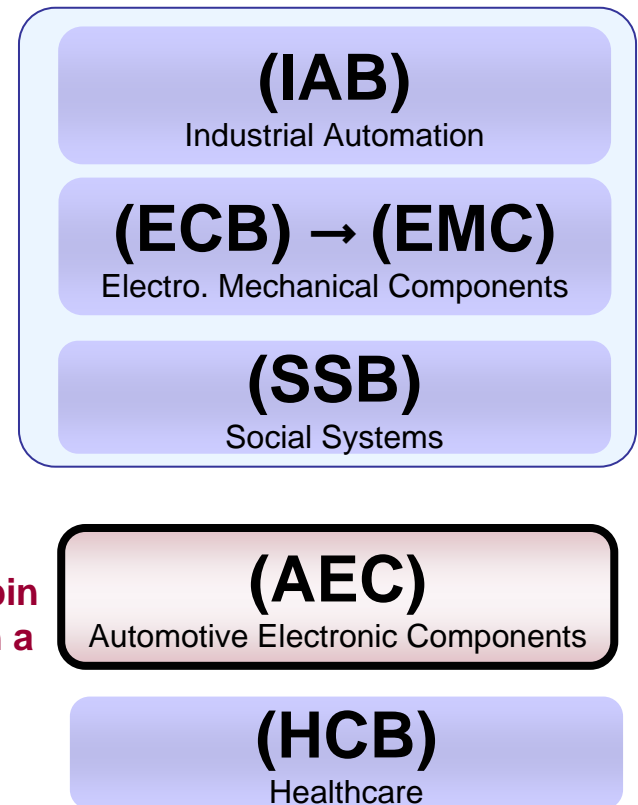
➤ Taking changes in external/internal environments as opportunities, Omron will carry out spin off as part of sweeping reform of operational structure.

From



Spun off
in FY03

To



April 2010
Plan to establish a spin
off company through a
corporate split.

- Taking changes in external/internal environments as opportunities, Omron will carry out **spin off** as part of sweeping reform of operational and profit structure.
- Independent management will allow AEC to meet unique needs of auto industry; will consider partnerships and collaboration.

1. Independent management to meet unique needs of auto industry

- Meeting auto manufacturers' needs for quality, cost and delivery
- Responding to market changes and understanding customer needs
- Building a well-balanced profit structure
- Optimum management for maximum performance

2. Acceleration of partnerships and collaboration

- Timely response to changes in business environment
- Utilizing partnerships to better respond to market changes
- Flexible management that considers M&A/collaboration

3. Focus and selection of customers/applications

- Focusing on auto body electronics and closer customer relationships

Purpose and intended effect of **spin off**

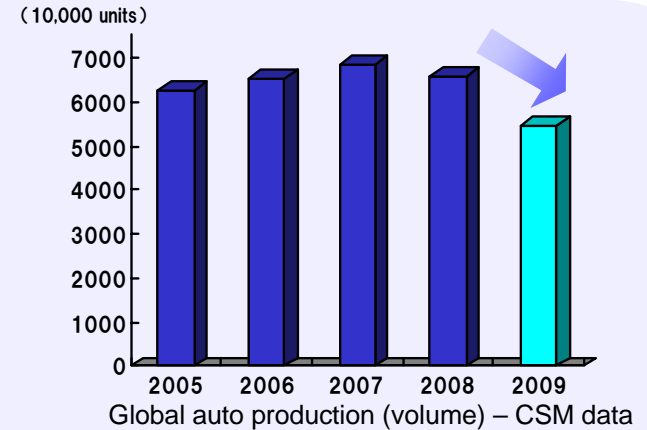
- Auto production is decreasing, but electronics adoption is increasing in “green” cars, others.
- Closer co-work between auto makers and system/component suppliers becomes important, and industry reorganization will be developing.

Market environment:

Auto production falls, “green” cars attract attention

Auto user needs

Auto industry conditions



- Demand for **small models/ eco cars** jumps due to increasing environmental consciousness, gas price hike.

- Worldwide auto production peaked in 2007.
- More investment in small models/ eco cars.
- **Increased adoption of electronics along with eco car development:**
 - Demand for more advanced and complex control is accelerated for growing HV (hybrid vehicle)/ HEV (hybrid electric vehicle)/ EV (electric vehicle)
- Industry reorganization in response to global recession.
- **Relationship between auto makers and system/component suppliers is changing:**
 - **Selection of/ focus on system/component suppliers is on-going with the effect of industry reorganization and increasing demand from manufacturers related to quality, cost and delivery (QCD)**

(4) Background of Spin Off/ Expectations for Sensing & Control and ECU

- Increased adoption of electronics in “green” vehicles to meet needs related to security, safety, comfort, convenience and the environment.
- More business opportunities for Omron utilizing sensing and control technology.

Security/Safety

- Predictive/ measurement functions
- Collision avoidance support
- Vehicle operation support
- Support for blind spots/ corners
- Theft prevention (security)



Auto body ECU
(immobilizer, etc.)

Safety control ECU
(Seat belt, air bag,
steering, braking, etc.)



Sensing & Control

Comfort/Convenience

- Driver condition detection
- Advanced HMI (improved operability/ recognition)
- Recognition of/ linkage with external info.
- Portable wireless operation
- Push start capability



Multi media ECU
(navigation,
GPS, etc.)

Environment

- Fuel saving
- Lightweight
- Power saving



Power train ECU
(engine)

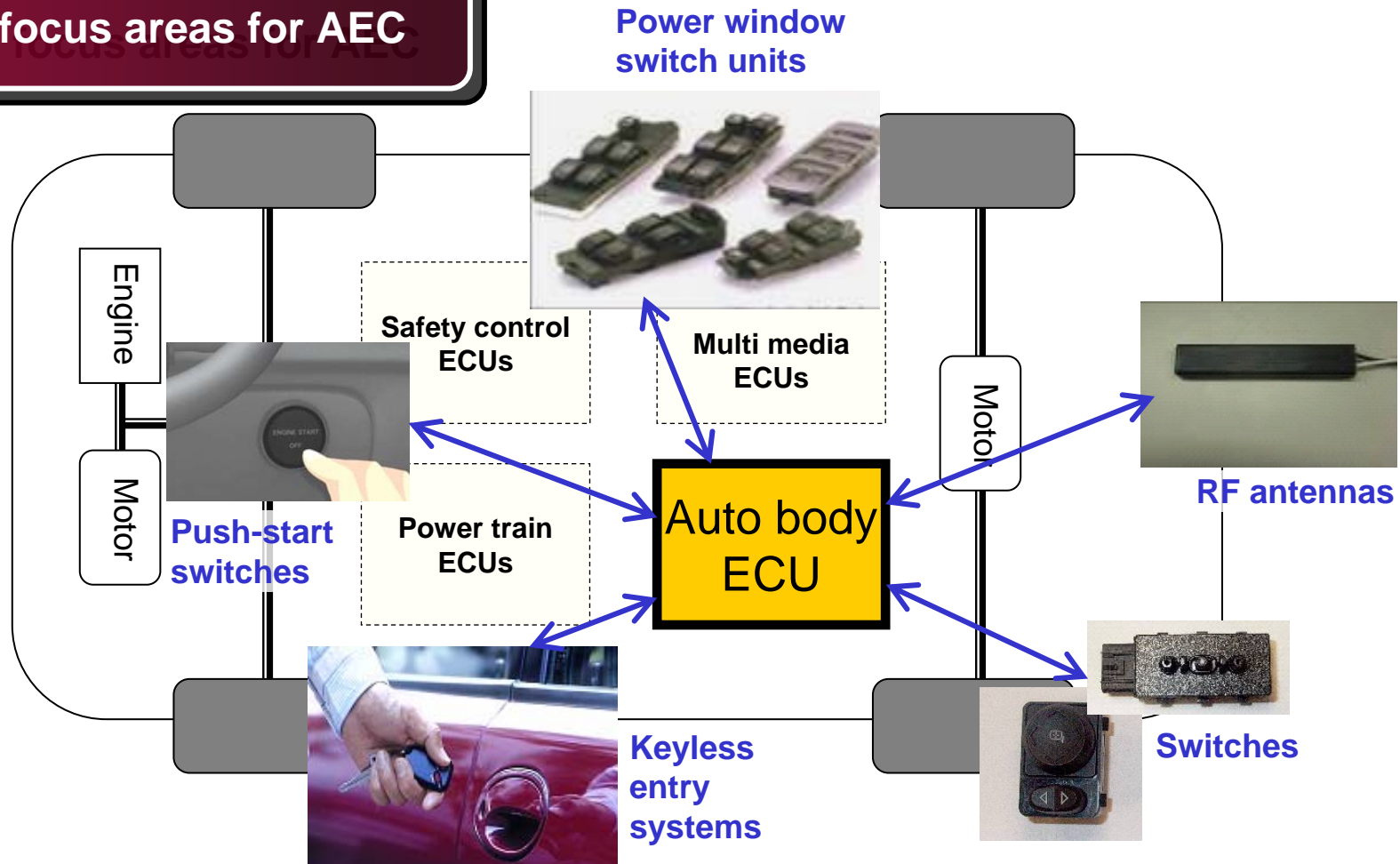


Safer cars through sensing and control technology.

* ECU: Electronic control unit

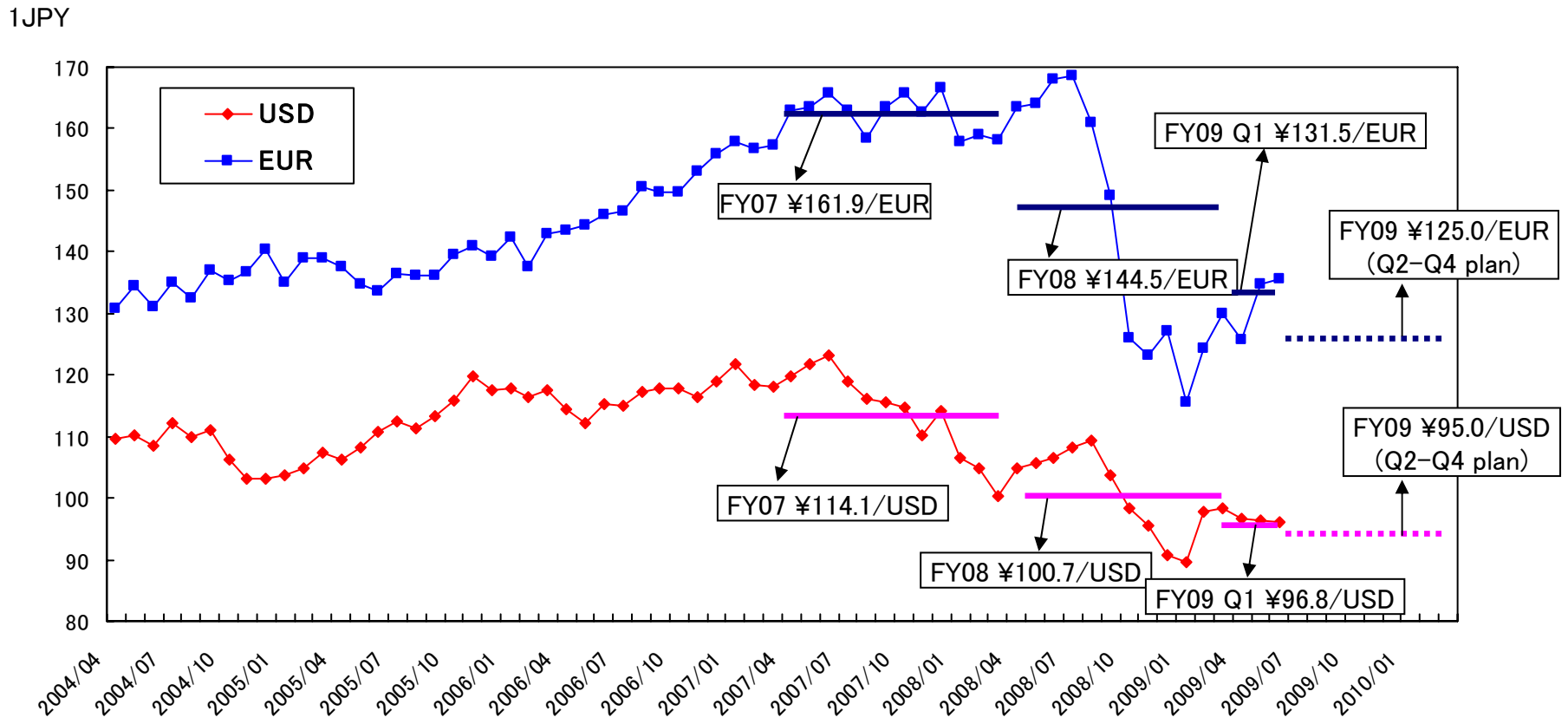
➤ Focus on auto body electronics with closer customer relationships.

Future focus areas for AEC

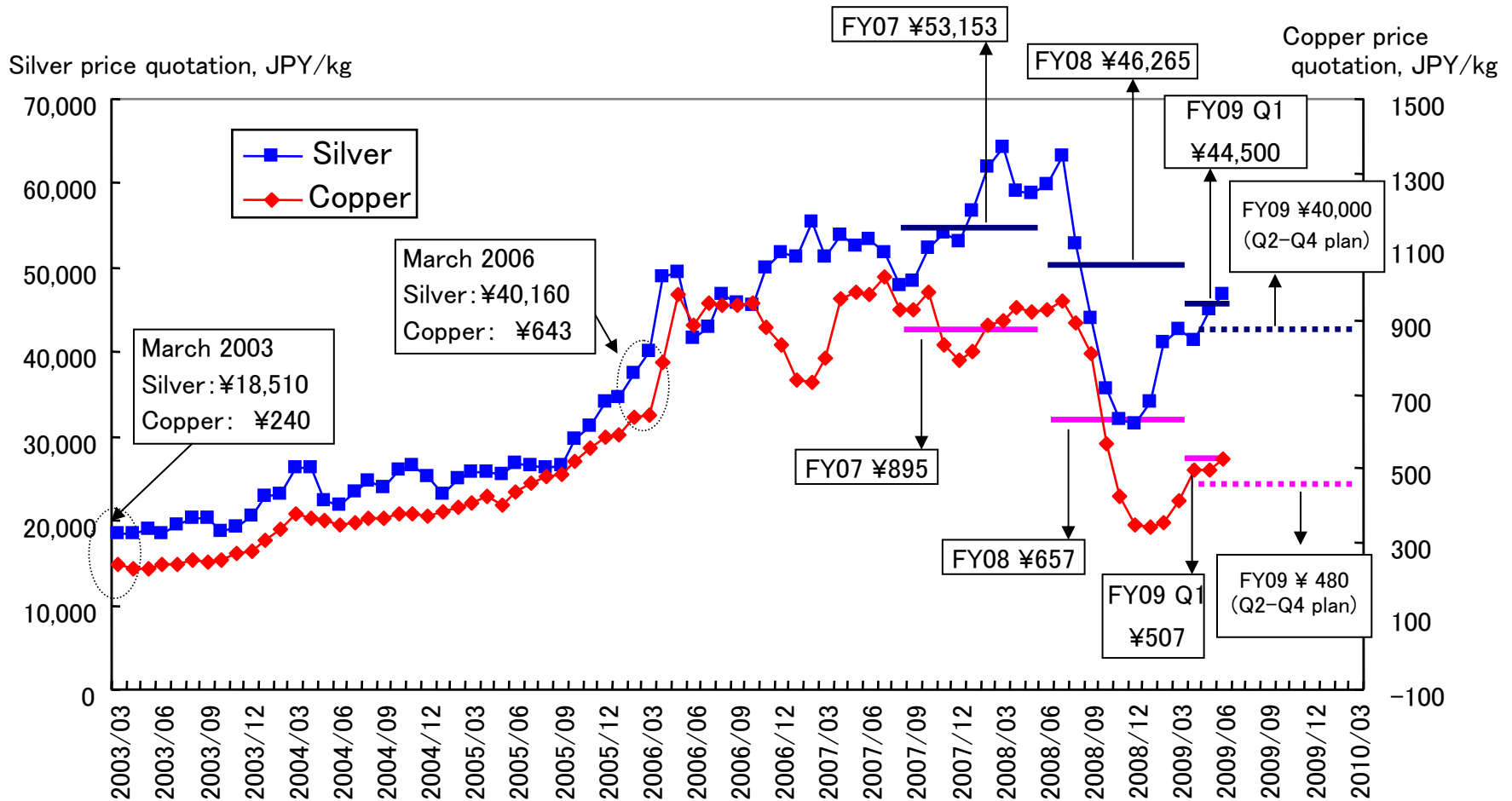


Executive Summary	P. 4
Results for the First Quarter Ended June 30, 2009 (FY09/Q1)	P. 5
FY09 Interim (Q1, Q2) and Full Year Forecast	P. 17
Emergency Measures and Structural Reform	P. 25
Reference	P. 41

**FY09/Q1: Yen depreciated against USD and EUR.
(Yen was weaker than anticipated in FY09 plan.)**



FY09/Q1: Silver and copper prices dropped YoY.



“Shaping Our Sense of Security” with Sensing and Control Technology



Contact

Omron Corporation
IR and M&A Planning HQ,
IR Department

Phone : +81-3-3436-7170
E-mail : omron_ir@omron.co.jp
Website (English) : www.omron.com