Consolidated Financial Statements for the Six Months Ended September 30, 2002

November 7, 2002

These financial statements have been prepared for reference only in accordance with accounting principles and practices generally accepted in the United States ("U.S. GAAP") except for Segment Information.

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Board of Directors meeting: November 7, 2002
U.S. accounting standards used: Yes

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Stock exchange listings: Tokyo, Osaka, Nagoya
Code number: 6645

1. Results for the six months from April 1, 2002 to September 30, 2002

(1) Sales and Income

Note: All amounts in these financial statements and the attachments thereto are rounded to the nearest million yen.

	Net sales (¥ million)	Year-on-year change (%)	Operating income (¥ million)	Year-on-year change (%)	Income (loss) before income taxes (¥ million)	Year-on-year change (%)
6 months ended 9/02	246,890	(3.6)	11,456	123.3	(12,728)	—
6 months ended 9/01	256,184	(5.7)	5,130	(74.2)	3,577	(76.1)
Year ended 3/02	533,964		4,221		(25,373)	

	Net income (loss) (¥ million)	Year-on-year change (%)	Earnings (loss) per share (basic) (¥)	Earnings per share (diluted) (¥)
6 months ended 9/02	(9,726)	—	(39.18)	—
6 months ended 9/01	2,154	(73.8)	8.67	8.67
Year ended 3/02	(15,773)		(63.50)	—

Notes:
1. Equity in earnings of affiliates: Six months ended Sept. 30, 2002: ¥111 million
   Six months ended Sept. 30, 2001: ¥80 million Year ended March 31, 2002: ¥75 million
2. Average number of shares outstanding (consolidated): Six months ended Sept. 30, 2002: 248,234,772 shares
   Six months ended Sept. 30, 2001: 248,490,379 shares Year ended March 31, 2002: 248,401,803 shares
3. Changes in accounting methods: No
4. Year-on-year change for net sales, operating income, income (loss) before income taxes and net income (loss) is based on the previous interim period.

(2) Financial Position

	Total assets (¥ million)	Total shareholders' equity (¥ million)	Shareholders' equity ratio (%)	Shareholders' equity per share (¥)
6 months ended 9/02	552,620	277,893	50.3	1,119.77
6 months ended 9/01	535,379	316,338	59.1	1,273.87
Year ended 3/02	549,366	298,234	54.3	1,201.23

Note: Number of shares outstanding at end of period (consolidated): Six months ended Sept. 30, 2002: 248,169,917 shares
Six months ended Sept. 30, 2001: 248,329,236 shares Year ended March 31, 2002: 248,272,947 shares

(3) Cash Flows

	Net cash provided by operating activities (¥ million)	Net cash used in investing activities (¥ million)	Net cash provided by (used in) financing activities (¥ million)	Cash and cash equivalents at end of period (¥ million)
6 months ended 9/02	15,046	(12,827)	10,712	83,240
6 months ended 9/01	4,679	(16,346)	(9,882)	63,500
Year ended 3/02	33,687	(40,121)	(12,056)	70,779

(4) Scope of consolidation and application of the equity method
   Consolidated subsidiaries: 137 companies
   Unconsolidated subsidiaries accounted for by the equity method: None
   Affiliated companies accounted for by the equity method: 11 companies

(5) Changes in scope of consolidation and application of the equity method
   Consolidation: (New) 5 companies (Eliminated) 1 company
   Equity method: (New) 1 company (Eliminated) 3 companies

2. Projected results for the year ending March 31, 2003

	Net sales (¥ million)	Income before income taxes (¥ million)	Net income (¥ million)
Year ending 3/03	535,000	4,000	1,000

Reference: Estimated earnings per share (full year) ¥4.03

Note: Please see pages 9-11 of the attached materials regarding the above projected results.

November 7, 2002
Omron Corporation

Summary of Results for the Six Months Ended September 30, 2002

1. Consolidated Results

(Millions of yen, %)

	Interim Period			Full Fiscal Year		
	Six months ended September 30, 2002	Six months ended September 30, 2001	Increase (decrease)	Year ending March 31, 2003 (est.)	Year ended March 31, 2002	Increase (decrease)
Net sales	246,890	256,184	(4)%	535,000	533,964	0%
Income (loss) before income taxes [% of net sales]	(12,728) [-5.2%]	3,577 [1.4%]	— [-6.6 pts.]	4,000 [0.7%]	(25,373) [-4.8%]	— [+5.5 pts.]
Net income (loss)	(9,726)	2,154	—	1,000	(15,773)	—
Earnings (loss) per share (basic) (¥) (Note 3)	(39.18)	7.13 8.67	(46.31) (47.85)	4.03	(65.04) (63.50)	69.07 67.53

Notes:
1. The financial statements are prepared in accordance with U.S. GAAP.
2. Includes 137 consolidated subsidiaries and 11 affiliated companies accounted for by the equity method.
3. The top-row figures in "Net income (loss) per share (basic)" were calculated using income or loss before cumulative effect of accounting changes.
4. In the interim period ended September 30, 2002, business structure reform expenses of ¥18,803 million are stated in "Other expenses."

2. Non-consolidated Results

(Millions of yen, %)

	Interim Period			Full Fiscal Year		
	Six months ended September 30, 2002	Six months ended September 30, 2001	Increase (decrease)	Year ending March 31, 2003 (est.)	Year ended March 31, 2002	Increase (decrease)
Net sales	156,176	169,244	(8)%	343,000	347,223	(1%)
Ordinary income (loss) [% of net sales]	2,817 [1.8%]	2,330 [1.4%]	21% [+0.4 pts.]	5,000 [1.5%]	(2,186) [-0.6%]	— [+2.1 pts.]
Net income (loss)	(7,807)	1,968	—	(7,500)	(8,840)	—
Earnings (loss) per share (¥)	(31.45)	7.90	(39.35)	(30.21)	(35.59)	5.38
Cash dividends per share (¥)	5.00	6.50	(1.50)	10.00	13.00	(3.00)

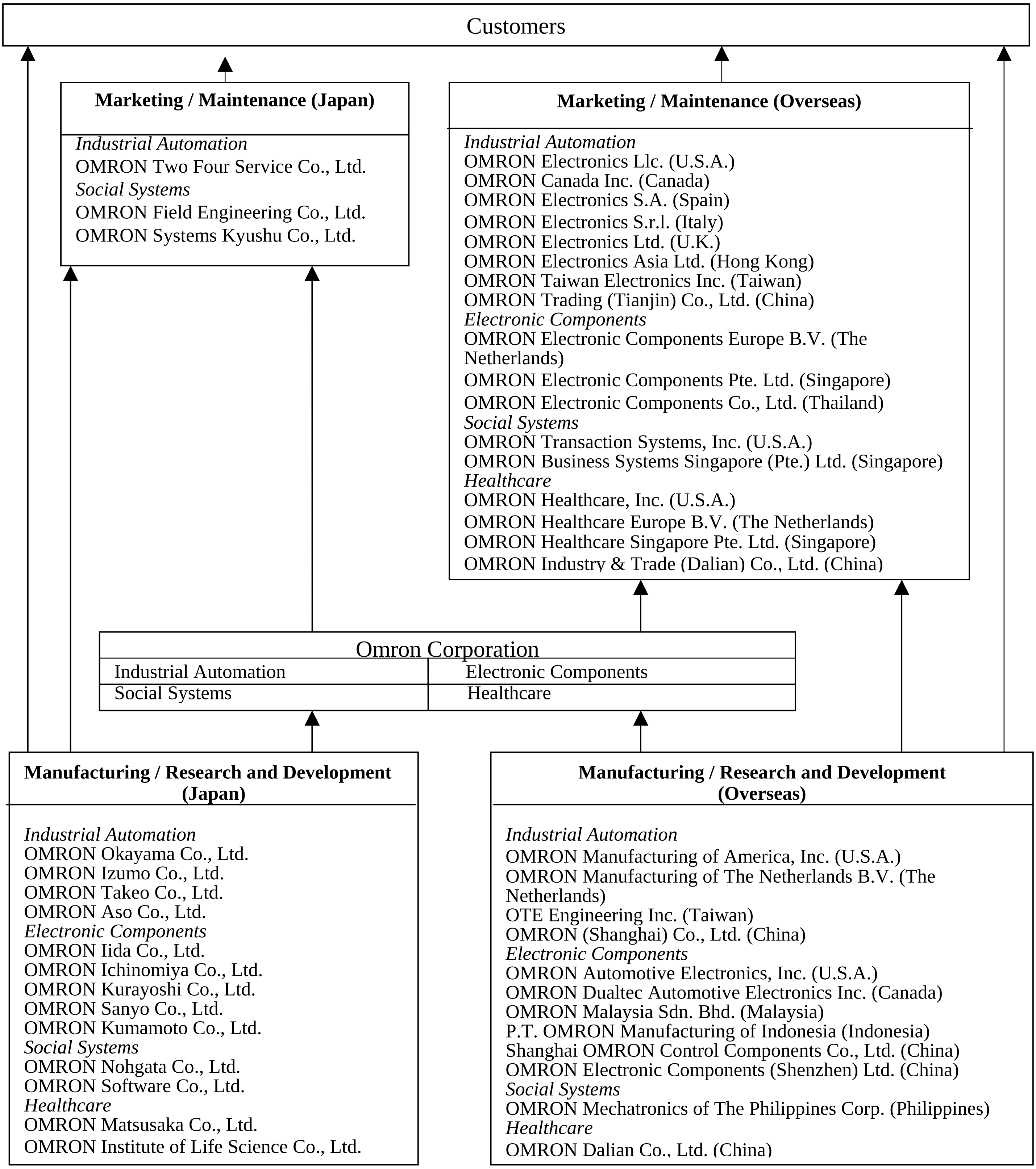
Note: In the interim period ended September 30, 2002, business structure reform expenses of ¥12,341 million are stated in "Extraordinary loss."

(Attachment)

1. The Omron Group

The Omron Group consists of Omron Corporation and 137 consolidated subsidiaries (53 in Japan, 84 overseas) and 11 affiliates (7 in Japan, 4 overseas). Under the internal company system used by Omron Corporation, business activities are carried out by the Industrial Automation Business, Electronic Components Business, Social Systems Business, Healthcare Business and Others (Creative Service Business, etc.).

The following chart shows the position of the main companies that make up the Omron Group.



Note: The Social Systems Solutions and Service Business Company and the Advanced Module Business Company are included in the Social Systems Business.

(Attachment)

2. Management Policies

(a) Basic Management Policy
In the year ended March 31, 2002, Omron began implementing “Grand Design 2010” (GD2010), a vision that sets the basic policies for management of the Omron Group for the 10 years ending in 2010. In accordance with these basic policies, Omron has set the management objective of maximizing corporate value over the long term, based on the Company’s mission of contributing to the advancement of society, with the aim of becoming a 21st century company.

In the first phase of GD2010, in order to meet the challenge of global competition, we have set the following three midterm targets, which we intend to achieve by March 2005: (1) achieve ROE of 10% as the baseline for becoming a company that creates corporate value on a global basis; (2) promote independent operation for each business, including spin-offs into separate companies, to maximize the strength of individual businesses; and (3) further raise our globally recognized management transparency with a view toward listing stock on overseas exchanges, including the New York Stock Exchange.

(b) Basic Policy for Distribution of Profits
For short-term distribution of profits, the Company plans to place greater weight on consolidated results in its basic dividend policy.

Additionally, we will seek to provide steady returns of profits to shareholders, after securing the retained earnings needed for future business expansion and to deal with future changes in the business environment.

To generate long-term returns for shareholders, we have been repurchasing and retiring Company stock, and will continue to work toward steady profit distribution through measures including the use of a new system for acquisition of treasury stock.

(c) Policies on Lowering Stock Trading Unit
In its financial policy, Omron places importance on increasing the liquidity of the Company’s stock and increasing the number of shareholders. Taking into account the present stock price level and the minimum investment amount, Omron is considering lowering the stock trading unit to make it easier for shareholders to invest in Omron stock. Specific measures and time frames have not yet been decided.

(d) Targets for Management Indicators
In the aforementioned GD2010, Omron has set return on equity (ROE) as a management indicator, and aims to achieve ROE of 10% by the year ending March 2005 through growth in earnings.

(e) Long-Term Management Strategies
To ensure achievement of the midterm targets established in GD2010, we have set “Maximization of Business Strength” as our policy for the next three fiscal years. Sub-divisions of this policy are “Accomplishing Group Productivity Structural Reforms” in the year ending March 2003, “From Structural Reform to Creation” in the year ending March 2004 and “Establishing a Structure for Growth” in the year ending March 2005. In particular, for the 18-month period from the beginning of April 2002 to the end of September 2003, we are implementing VIC21, a package of structural reform measures to improve productivity in all activities of the Omron Group. The broad goal of VIC21 is fortifying the measures of GD2010 in terms of both quality and speed, with three specific targets: (1) reducing group-wide fixed and variable costs by ¥30 billion; (2) increasing the overseas production and procurement ratios by 50%; and (3) eliminating unprofitable and low-profit businesses.

(f) Issues Facing the Company
The products and services of Omron’s main businesses are used in plant and equipment investment of IT and semiconductor industries and as electronic components in manufacturing electronic and electrical equipment.

To stabilize Omron’s results and maintain continuous growth in the future, we will increase production in China and other overseas countries, and strengthen our cost competitiveness to withstand changes in demand. At the same time, we will work to develop new products and new businesses in fields where sensing and control technologies, Omron’s core competencies, can be applied more broadly.

(g) Measures for Optimizing Our Management Organization
Omron is aware that in a rapidly changing business environment, establishing a management structure that responds swiftly to the speed of changes, global standardization of management, and ensuring management transparency and fairness are essential measures for strengthening corporate governance. As part of these measures, we have worked to provide prompt information disclosure, moved to separate management and executive functions, and introduced outside directors and auditors. We will continue to promote these measures and carry out the management reforms necessary to survive and prosper as a global company.

(Attachment)

3. Results of Operations and Financial Condition

(a) Results of Operations

(1) Overview of the Interim Period

① General Overview

Summarizing economic conditions for the interim period ended September 30, 2002, the U.S. economy, which had been the growth engine of the global economy, was buoyed by consumer spending, mainly on automobiles, and housing investment, but worries about a possible slowdown increased. The Japanese economy was impacted by ongoing inventory adjustments in global information technology (IT) industries, and although a rise in production supported by exports provided the basis for a moderate recovery, consumer spending and capital investment remained weak. Asian economies continued to grow as exports increased. The economies of Europe generally showed a trend toward a mild recovery, despite setbacks in some countries, but there were heightened concerns about the future outlook.

In this environment, sales of the Industrial Automation Business and the Electronic Components Business, Omron's core businesses, trended toward a moderate rebound in the domestic market, but remained at low levels. Overseas sales were firm, aided by the weakening of the yen against the euro compared with the interim period in the previous year. In the Social Systems Business (which includes the Social Systems Solutions and Service Business Company and the Advanced Module Business Company), the operating environment remained difficult amid restrained capital investment, which reflected a severe business environment in financial markets and decreasing passenger revenues at railway companies. Sales of the Healthcare Business were favorable, supported by firm consumption particularly in overseas markets. In the Others segment, tighter competition in the market for photo-sticker machines in the Business Development Group, coupled with the effect of the IT slump, resulted in challenging conditions. Overall, consolidated net sales for the interim period totaled ¥246,890 million, a decrease of 4 percent from ¥256,184 in net income for the same period in the previous year.

In income categories, although net sales declined from the previous interim period, the effect of the VIC 21 structural reform measures the Omron Group has been undertaking since the middle of 2001 to increase productivity, as well as a reduction of expenses in the first half of this fiscal year amid an uncertain outlook, resulted in reductions in cost of sales and selling expenses. Operating income therefore was ¥11,456 million, an increase of 123 percent over the ¥5,130 million recorded in the interim period in the previous fiscal year. Omron recorded non-operating expenses, including the additional retirement payments associated with the implementation of an early retirement program and a loss associated with the sale and disposal of idle assets. As a result, net loss before income taxes was ¥12,728 million (compared with net income before income taxes of ¥3,577 million in the previous interim period) and net loss was ¥9,726 million (compared with net income of ¥2,154 million in the previous interim period).

② Segment Information

Because of divisional restructuring among companies, prior-year results for net sales of internal companies were recalculated in order to show a more realistic comparison.

- Industrial Automation Business

During the period, the completion of inventory adjustments in semiconductor and IT-related industries and an increase in production worldwide owing to the strength of the automobile industry supported growth in machinery and equipment orders. Net sales in Japan, though higher than Omron's original projections, declined in comparison to the same period in the previous fiscal year. Overseas, capital investment among automakers and food manufacturers in North America was solid, and sales increased over the previous interim period. Conditions were generally favorable in Asia as well. However, in Europe, a downturn among export industries and other factors resulted in slower sales, but the favorable effect of exchange rates resulted in an increase in net sales when converted into yen.

As a result, net sales of this segment were ¥98,233 million, an increase of 5 percent over the same period in the previous fiscal year.

- Electronic Components Business

In the electronic components business, no strong points were visible in the operating environment due to the economic slowdown in the United States and the prolonged slump in the IT industry. However, the completion of inventory adjustments supported sales growth.

Solid sales of automotive electronic components in Japan and North America and the startup of new projects resulted in an increase in net sales compared with the same period in the previous fiscal year. In addition, amid the IT slump, Omron launched new products such as backlights for cellular phones.

As a result, net sales of this segment totaled ¥67,279 million, an increase of 4 percent over the previous interim period.

- Social Systems Business

In the banking systems sector, investment in automated systems continued to be restrained amid a severe operating environment in the domestic banking market. Although there was growth in demand in Asian markets, particularly in China, the reactionary decline due to large-scale business in the same period of the previous fiscal year for equipment for consumer finance customers and convenience stores resulted in a decrease in sales compared with the previous interim period.

In the public transportation systems sector, there was a trend toward restraint in capital investment, reflecting the decline in passenger revenues, resulting in a move toward extension of renewal periods and reduction of the number of units delivered. In addition, there was strong demand to lower prices against a background of common specifications and joint purchasing. These factors led to a decrease in sales compared with the same period in the previous fiscal year.

In the traffic-related systems sector, sales declined compared with the same period in the previous fiscal year, with a major influence from the dropoff in demand for ETC-related equipment and restrained public investment with the exception of certain areas such as environmental measures.

As a result, net sales of this segment totaled ¥41,803 million, a decline of 25 percent from the same period in the previous fiscal year.

- Healthcare Business

In the domestic market, consumer spending had been in a slump for more than two years, but this year began a gradual recovery trend with a steady tone in certain sectors. The electronic appliance retail channel, which had been continually shrinking, recovered to levels exceeding the previous interim period. Blood pressure monitors, a core product, particularly contributed to substantial sales growth.

Overseas, conditions were generally favorable, with firm consumer spending in the United States, which had been an area of concern, and rapidly expanding consumption in China.

As a result, net sales of this segment totaled ¥20,367 million, an increase of 9 percent from the same period in the previous fiscal year.

- Others

In the Creative Service Business, although corporate interest in raising the efficiency of administrative operations remained high, severe conditions continued in the management service sector as companies took measures to restrain investment and expenses.

The Business Development Group continued to develop new businesses in the machine-to-machine category, with products including a tank monitoring system and a vehicle anti-theft system that began sales in the previous fiscal year. However, sales of existing businesses dropped sharply. In the entertainment equipment sector, conditions remained severe as competition increased due the entry of other companies and the popularity of existing products reached a plateau. Sales of PC peripheral equipment decreased due to the worldwide slump in the PC market, and sales of speech recognition systems were also negatively affected by the reduction of corporate capital investment.

As a result of these factors, net sales of the Others segment totaled ¥19,208 million, a decrease of 20 percent from the same period in the previous fiscal year.

③ Implementation of Structural Reforms for Group Productivity (VIC21)

Omron is steadily carrying out the Group Productivity Improvement Reforms announced in November 2001, with the aim of completion by September 2003.

During the interim period, new business structure reforms were executed. The former SSB (Social Systems Business) Company was separated and restructured into the AMB (Advanced Module Business) Company and the SSB (Social Systems Solutions and Service Business) Company. In addition, Omron decided to transfer the operations of its parking systems business division and of consolidated subsidiary Omron Alphatech Corporation.

As for implementation of the early retirement program, the number of participants from Omron Corporation and its domestic subsidiaries combined is expected to increase to 1,460 employees from the original estimate of 1,000 employees.

Regarding the effect of the structural reforms, with the number of early retirees having exceeded the original estimate, in addition to the success of the consolidation of domestic operating bases and the Company’s withdrawal from or restructuring of unprofitable and low-profit businesses, we expect to be able to achieve the original target of a ¥30 billion reduction in group fixed costs and variable costs.

As for the progress of VIC21, we will continue to publicly announce the implementation of each measure.

④ Distribution of Profits

For the fiscal year ending March 31, 2003, Omron posted a substantial net loss in the first half, partly because of an extraordinary loss due to the structural reforms. For the full fiscal year, Omron expects to record a net profit, but this is projected to be limited to a low level. Following the basic policy for shareholder dividends described earlier, taking into account results for this period and last fiscal year, Omron will reduce the interim dividend to ¥5.00 per share.

(Attachment)

(2) Outlook for the Fiscal Year Ending March 31, 2003

① **General Outlook and Adjustments to Performance Forecasts**

Looking ahead at the economic environment during the second half of the fiscal year, it is expected that automobile sales and housing starts will continue to support the U.S. economy. However, stock price declines stemming from corporate accounting scandals will carry over, while corporate business results are expected to slow down, particularly in IT-related industries, where final demand remains severe with no sign of recovery, and consumer spending weakens because of a delay in improvement of the employment situation. In the Japanese economy, production is expected to decline, with increasingly severe conditions for exports. Together with fears of corporate insolvencies due to accelerated disposal of bad debt, these factors are likely to further delay any recovery in capital investment. In Asia, the recovery will weaken because of the slowdown in the U.S. economy. A downturn is expected in the economies of Europe, as external demand runs out of steam.

In this challenging environment, a significant rebound in sales cannot be expected for Omron, as our main businesses are control systems in fields where manufacturers are curtailing investment and consumer and commerce electronic components used in the manufacture of electronic and electrical equipment. We will continue working for a recovery in results by focusing on completion of structural reforms through VIC21.

Including the cost reductions from carrying out structural reforms, and a one-time charge due to implementation of the early retirement program, we project the following results for the full fiscal year.

Adjustments to Full-Year Consolidated Performance Forecast (Millions of yen, %)

	Net Sales	Income before Income Taxes	Net Income
Previous forecast (A) (Announced May 8, 2002)	550,000	2,000	1,000
Revised forecast (B)	535,000	4,000	1,000
Changes in figures (B-A)	(15,000)	2,000	—
Percentage change	-2.7	100.0	—
Results for prior fiscal year (ended March 2002)	533,964	(25,373)	(15,773)

Adjustments to Full-Year Non-Consolidated Performance Forecast (Millions of yen, %)

	Net Sales	Income before Income Taxes	Net Income
Previous forecast (A) (Announced May 8, 2002)	348,000	1,000	(5,000)
Revised forecast (B)	343,000	5,000	(7,500)
Changes in figures (B-A)	(5,000)	4,000	(2,500)
Percentage change	-1.4	400.0	—
Results for prior fiscal year (ended March 2002)	347,223	(2,186)	(8,840)

② **Outlook by Business Segment**

- Industrial Automation Business

In Japan, amid concern that customers will postpone capital investment, efforts will focus on strengthening sales in established fields, and on expanding businesses that meet new customer needs in areas such as safety, environment, on-site information and advanced sensors, and sales are expected to increase over the previous fiscal year. Despite concerns about an overall economic slowdown in North America and weak exports from Asia, year-on-year increases in sales are protected through strengthening sales and making use of business infrastructure. In Europe as well, the economic downturn is expected to continue, but investment in key products and securing major customer projects are expected to result in a year-on-year increase in sales.

As a result of these factors, net sales for the fiscal year are projected to be ¥197.5 billion, a year-on-year increase of 7 percent.

- Electronic Components Business

In the electronic components sector, difficult conditions are forecast for the second half of the fiscal year, due to factors such as the prolonged slump in the IT industry and intimations of a slowdown in the U.S. economy and its ripple effect on Asian economies. In the automotive electronic component sector, despite the effect of the slowdown in the U.S. economy, factors such as the trend toward electronics in electrical components and the startup of new projects should maintain favorable market conditions. In the amusement sector, the launch of new products for pachinko parlors can also be expected.

As a result, net sales for the fiscal year are projected to be ¥139.5 billion, a year-on-year increase of 6 percent.

- Social Systems Business

In the banking systems sector, market expansion is expected to continue in Asian countries, while certain major customers are expected to invest in systems integration. However, continued restrained capital investment will generally prevail, in part due to the effect of reluctance to buy because of the issue of new currency notes.

In the public transportation systems sector, there is a trend toward restrained investment along with curbs on the shift to IC cards for train tickets and passes in the Kansai region, while in the Kanto region, the introduction of common ticket machines for various companies is projected to expand.

In the traffic-related systems sector, curtailment of public works spending will continue, but a series of large-scale projects such as traffic control systems for urban expressways is expected to result in a substantial increase in sales over the previous year.

However, with the overall restraint in capital investment continuing, total net sales for the fiscal year are expected to be ¥119.5 billion, a year-on-year decrease of 7 percent.

- Healthcare Business

In Japan, against a background of weak consumer spending, increasingly selective consumption and a shift to service-based consumption, there will be further changes in the distribution structure, and restructuring among retailers and the advance of large-scale, diverse alliances is likely to accelerate. Amid these conditions, strategic integration with distributors will advance, and efficient retail support will be strengthened to revitalize sales sites. Overseas, consumption is trending downward, but the Company will work to boost sales in the Christmas shopping season through advertising and other sales promotion measures. In addition, the Company will strengthen sales channels to further improve recognition.

Total net sales for the fiscal year are projected to be ¥42.5 billion, a year-on-year increase of 5 percent.

- Others

The Creative Service Business will aim to increase revenues through outsourcing services in the management service sector. However, an operating environment as difficult as the first half is expected to continue in the second half of the fiscal year.

In the Business Development Group, the effects from restrained corporate capital investment are projected to continue. In addition, starting from the second half of the fiscal year, Omron Alphatech Corporation will be excluded from the scope of consolidation. As a result, sales are expected to decline sharply from the previous fiscal year.

Total net sales of the Others segment for the fiscal year are projected to be ¥36.0 billion, a year-on-year decrease of 27 percent.

③ Distribution of Profits

The fiscal year-end cash dividend is expected to be the same as the interim dividend at ¥5.00 per share, for a total of ¥10.00 per share for the year.

(Attachment)

(b) Financial Condition

(1) Financial Condition for the Interim Period Ended September 30, 2002

Although net loss for the interim period was ¥9,726 million, net cash provided by operating activities was ¥15,046 million. This is attributable to factors including collection of trade accounts receivable and notes receivable from the previous fiscal year, and a decrease in income tax payments for the period because of the small amount of taxable income in the previous fiscal year.

In investing activities, compared with the same period of the previous fiscal year, the Company's curtailment of purchases of investment securities and investment in equipment and other fixed assets limited net cash used in investing activities to ¥12,827 million.

Net cash provided by financing activities was ¥10,712 million, as repayment of long-term debt, which consists mainly of bank loans, was reduced in comparison with the interim period in the previous fiscal year.

As a result of operating activities, investing activities and financing activities, cash and cash equivalents at the end of the period increased ¥12,461 million from the end of March 2002.

(2) Outlook for the Full Fiscal Year

In the second half of the current fiscal year, an increase in accounts receivable is projected due to factors including deliveries related to public investments, which are concentrated at the end of the fiscal year. However, with efforts to maintain operating income at or above the level in the first half and a decrease in retirement benefit payments for the early retirement program, the Company expects to be able to maintain operating cash flow at the present level.

In investing activities, capital investment and other investments in the second half of the fiscal year are projected to be at about the same level as in the first half, with a payment for a portion of the funds for construction of the Keihanna R&D Laboratory.

In financing activities, while monitoring financial conditions, Omron flexibly borrows and repays loans from banks, life insurance companies and other financial institutions. In the interim period, long-term debt of ¥12,051 million that the Company plans to repay within one year consisted almost entirely of loans from banks and other financial institutions, and is scheduled to be repaid in the first half of the fiscal year ending March 2004.

Cash and cash equivalents at the end of the interim period totaled ¥83,240 million. The Company believes this to be a sufficient level for conducting its business activities in the present economic conditions.

However, in the event that financial conditions deteriorate due to factors such as financial system reforms in Japan, regional wars, global economic recession, or sudden changes in exchange rates, which impact all major companies in Japan, Omron, like other companies, would be affected by such events.

Projections of results and future developments are based on information available to the Company at the present 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) the economic conditions surrounding 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.

(Attachment)

4. Interim Consolidated Financial Statements

Interim Consolidated Statements of Income

(Millions of yen)

	Six months ended September 30, 2002		Six months ended September 30, 2001		Year ended March 31, 2002	
Net sales	246,890	100.0%	256,184	100.0%	533,964	100.0%
Cost of sales	151,978	61.6	165,037	64.4	353,429	66.2
Gross profit	94,912	38.4	91,147	35.6	180,535	33.8
Selling, general and administrative expenses	65,124	26.4	65,720	25.7	134,907	25.3
Research and development expenses	18,332	7.4	20,297	7.9	41,407	7.7
Operating income	11,456	4.6	5,130	2.0	4,221	0.8
Interest expenses, net	209	0.1	114	0.0	223	0.0
Foreign exchange loss, net	589	0.2	1,304	0.5	1,506	0.3
Other expenses, net	23,386	9.5	135	0.1	27,865	5.3
Income (loss) before income taxes, minority interests and cumulative effect of accounting change	(12,728)	-5.2	3,577	1.4	(25,373)	-4.8
Income taxes:	(3,051)	-1.3	1,771	0.7	(9,348)	-1.8
Current	[4,236]		[3,237]		[6,783]	
Deferred	[(7,287)]		[(1,466)]		[(16,131)]	
Minority interests	49	0.0	36	0.0	132	0.0
Income (loss) before cumulative effect of accounting change	(9,726)	-3.9	1,770	0.7	(16,157)	-3.0
Cumulative effect of accounting change (after consideration of tax effect)	—	—	384	0.1	384	0.0
Net income (loss)	(9,726)	-3.9%	2,154	0.8%	(15,773)	-3.0%

(Attachment)

Interim Consolidated Balance Sheets

(Millions of yen)

	As of September 30, 2002		As of September 30, 2001		As of March 31, 2002	
ASSETS						
Current Assets:	283,476	51.3%	279,572	52.2%	277,498	50.5%
Cash and cash equivalents	83,240		63,500		70,779	
Notes and accounts receivable − trade	97,506		102,476		114,906	
Allowance for doubtful receivables	(2,958)		(2,031)		(2,755)	
Inventories	82,152		94,526		74,617	
Deferred income taxes	14,091		11,661		13,001	
Other current assets	9,445		9,440		6,950	
Property, Plant and Equipment:	143,269	25.9	156,847	29.3	152,294	27.7
Land	46,512		50,499		46,979	
Buildings	98,699		113,225		108,547	
Machinery and equipment	130,974		133,723		133,672	
Construction in progress	7,386		5,605		8,642	
Accumulated depreciation	(140,302)		(146,205)		(145,546)	
Investments and Other Assets:	125,875	22.8	98,960	18.5	119,574	21.8
Investments in and advances to associates	566		977		785	
Investment securities	40,938		43,662		43,431	
Leasehold deposits	10,050		10,820		10,653	
Deferred income taxes	54,324		24,547		43,901	
Other	19,997		18,954		20,804	
Total Assets	552,620	100.0%	535,379	100.0%	549,366	100.0%

(Attachment)

(Millions of yen)

	As of September 30, 2002		As of September 30, 2001		As of March 31, 2002	
LIABILITIES						
Current Liabilities:	144,393	26.1%	124,383	23.2%	129,445	23.6%
Bank loans	19,963		14,050		14,723	
Notes and accounts payable －trade	58,172		58,972		60,000	
Accrued expenses	22,435		23,978		22,748	
Income taxes payable	3,387		3,400		3,832	
Deferred income taxes	352		572		315	
Other current liabilities	28,033		22,047		26,635	
Current portion of long-term debt	12,051		1,364		1,192	
Long-Term Debt	40,672	7.4	43,934	8.2	42,796	7.8
Deferred Income Taxes	538	0.1	88	0.0	436	0.1
Termination and Retirement Benefits	86,462	15.6	47,909	8.9	75,367	13.7
Other Long-Term Liabilities	288	0.1	302	0.1	291	0.0
Minority Interests in Subsidiaries	2,374	0.4	2,425	0.5	2,797	0.5
Total Liabilities	274,727	49.7	219,041	40.9	251,132	45.7
SHAREHOLDERS’ EQUITY						
Common stock	64,082	11.6	64,082	12.0	64,082	11.7
Additional paid-in capital	98,705	17.9	98,705	18.4	98,705	18.0
Legal reserve	7,639	1.4	7,728	1.4	7,660	1.4
Retained earnings	144,123	26.1	174,541	32.6	155,069	28.2
Accumulated other comprehensive loss	(34,558)	(6.3)	(26,895)	(5.0)	(25,363)	(4.6)
Foreign currency translation adjustments	(10,816)		(15,933)		(7,402)	
Minimum pension liability adjustments	(25,968)		(6,280)		(21,224)	
Unrealized gain on available-for-sale securities	2,367		(4,669)		3,331	
Unrealized loss on derivatives	(141)		(13)		(68)	
Treasury stock	(2,098)	(0.4)	(1,823)	(0.3)	(1,919)	(0.4)
Total Shareholders’ Equity	277,893	50.3	316,338	59.1	298,234	54.3
Total Liabilities and Shareholders’ Equity	552,620	100.0%	535,379	100.0%	549,366	100.0%

(Attachment)

Interim Consolidated Statements of Shareholders' Equity

Six months ended September 30, 2002 (Millions of yen)

	Common stock	Additional paid-in capital	Legal reserve	Retained earnings	Accumulated other compre-hensive income (loss)	Treasury stock
Balance, March 31, 2002	64,082	98,705	7,660	155,069	(25,363)	(1,919)
Net loss				(9,726)		
Cash dividends				(1,241)		
Drawdown on legal reserve			(21)	21		
Foreign currency translation adjustments					(3,414)	
Minimum pension liability adjustments					(4,744)	
Unrealized gain on available-for-sale securities					(964)	
Unrealized loss on derivatives					(73)	
Acquisition of treasury stock						(179)
Balance, September 30, 2002	64,082	98,705	7,639	144,123	(34,558)	(2,098)

Six months ended September 30, 2001 (Millions of yen)

	Common stock	Additional paid-in capital	Legal reserve	Retained earnings	Accumulated other compre-hensive income (loss)	Treasury stock
Balance, March 31, 2001	64,082	98,705	7,652	174,077	(17,346)	(1,212)
Income before cumulative effect of accounting change				1,770		
Cumulative effect of accounting change				384	(412)	
Cash dividends				(1,614)		
Transfer to legal reserve			76	(76)		
Foreign currency translation adjustments					(2,221)	
Minimum pension liability adjustments					971	
Unrealized gain on available-for-sale securities					(8,286)	
Unrealized loss on derivatives					399	
Acquisition of treasury stock						(629)
Exercise of stock options						18
Balance, September 30, 2001	64,082	98,705	7,728	174,541	(26,895)	(1,823)

(Attachment)

Year ended March 31, 2002 (Millions of yen)

	Common stock	Additional paid-in capital	Legal reserve	Retained earnings	Accumulated other compre-hensive income (loss)	Treasury stock
Balance, March 31, 2001	64,082	98,705	7,652	174,077	(17,346)	(1,212)
Loss before cumulative effect of accounting change				(16,157)		
Cumulative effect of accounting change				384	(412)	
Cash dividends				(3,227)		
Transfer to legal reserve			8	(8)		
Foreign currency translation adjustments					6,310	
Minimum pension liability adjustments					(13,973)	
Unrealized gain on available-for-sale securities					(286)	
Unrealized loss on derivatives					344	
Acquisition of treasury stock						(725)
Exercise of stock options						18
Balance, March 31, 2002	64,082	98,705	7,660	155,069	(25,363)	(1,919)

(Attachment)

Interim Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2002	Six months ended September 30, 2001	Year ended March 31, 2002
Operating Activities:			
Net income (loss)	(9,726)	2,154	(15,773)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	15,300	15,364	33,569
Net loss (gain) on sales and disposals of property, plant and equipment	(62)	75	1,314
Loss on impairment of property, plant and equipment	4,141	—	6,815
Net loss (gain) on sales of short-term investments and investment securities	51	(1,518)	(1,008)
Loss on impairment of investment securities and other assets	1,126	1,530	17,199
Bad debt expenses	400	189	520
Termination and retirement benefits	3,406	789	2,616
Deferred income taxes	(7,287)	(1,466)	(16,131)
Minority interests	49	36	132
Gain on sale of business	(240)	—	—
Cumulative effect of accounting change	—	(384)	(384)
Changes in assets and liabilities:			
Notes and accounts receivable — trade, net	18,766	30,885	19,402
Inventories	(8,054)	(3,336)	17,403
Other assets	(1,706)	(569)	2,279
Notes and accounts payable — trade	(2,165)	(23,188)	(22,291)
Income taxes payable	(433)	(11,372)	(10,992)
Accrued expenses and other	1,597	(3,806)	(1,082)
Other, net	(117)	(704)	99
Total adjustments	24,772	2,525	49,460
Net cash provided by operating activities	15,046	4,679	33,687
Investing Activities:			
Proceeds from sales or maturities of short-term investments and investment securities	59	2,687	3,111
Purchase of short-term investments and investment securities	(343)	(2,449)	(6,181)
Capital expenditures	(13,772)	(17,845)	(38,896)
Decrease in leasehold deposits	611	338	506
Proceeds from sales of property, plant and equipment	1,129	1,014	1,450
Acquisition of minority interests	(101)	(91)	(111)
Payment for acquisition of business	(410)	—	—
Net cash used in investing activities	(12,827)	(16,346)	(40,121)
Financing Activities:			
Net borrowings of short-term bank loans	3,939	5,151	5,786
Proceeds from issuance of long-term debt	10,203	12,765	13,102
Repayments of long-term debt	(1,415)	(25,534)	(26,970)
Dividends paid by parent company	(1,614)	(1,616)	(3,230)
Dividends paid to minority interests	(222)	(37)	(37)
Treasury stock	(179)	(629)	(725)
Exercise of stock options	—	18	18
Net cash provided by (used in) financing activities	10,712	(9,882)	(12,056)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(470)	(572)	3,648
Net Decrease in Cash and Cash Equivalents	12,461	(22,121)	(14,842)
Cash and Cash Equivalents at Beginning of the Period	70,779	85,621	85,621
Cash and Cash Equivalents at End of the Period	83,240	63,500	70,779
Notes to cash flows from operating activities:			
Interest paid	764	720	1,264
Taxes paid	4,681	14,634	17,748
Note to investing and financing activities not involving cash flow:			
Debt related to capital expenditures	1,548	1,535	1,516

(Attachment)

Preparation of the Interim Consolidated Financial Statements

1. Scope of Consolidation and Application of the Equity Method

① Number of consolidated subsidiaries and companies accounted for by the equity method

	Six months ended September 30, 2002	Year ended March 31, 2001	Increase (decrease)
Consolidated subsidiaries	137	133	4
Unconsolidated subsidiaries accounted for by the equity method	—	—	—
Affiliates accounted for by the equity method	11	13	(2)
Total	148	146	2

② Names of principal subsidiaries and affiliates

Consolidated subsidiaries: OMRON Kumamoto CO., LTD., OMRON Europe B.V.

Companies accounted for by the equity method: Ryudensha Co., Ltd.

③ Changes in scope of consolidation and application of the equity method:

Consolidated subsidiaries

(New) 5 companies (FA TECHNO Corporation and four others)

(Eliminated) 1 company

Affiliates accounted for by the equity method:

(New) 1 company

(Eliminated) 3 companies

2. Accounting Policies

Changes in accounting methods are as follows.

(Application of new accounting standards)

Effective from the year ending March 31, 2003, the Company has adopted the provisions of the Statement of Financial Accounting Standards ("SFAS") No. 142 ("Goodwill and Other Intangible Assets") and SFAS No. 144 ("Accounting for the Impairment or Disposal of Long-Lived Assets") issued by the Financial Accounting Standards Board ("FASB") of the United States.

The effect of the adoption of these standards on the interim consolidated financial statements is insignificant.

3. Comprehensive Income

Comprehensive income (loss) in addition to other comprehensive income (loss) in net income is as follows:

Six months ended September 30, 2002: (¥18,921 million)
Six months ended September 30, 2001: (¥7,395 million)
Year ended March 31, 2002: (¥23,790 million)

Other comprehensive income (loss) includes changes in foreign currency translation adjustments, minimum pension liability adjustments, unrealized gain on available-for-sale securities and unrealized loss on derivatives.

4. Major Components of Other Expenses, Net

The major components of "Other expenses (income), net" are as follows:

(Millions of yen)

Six months ended September 30, 2002	Business structure reform expenses	¥18,803
	Loss on impairment of property, plant and equipment	4,141
Six months ended September 30, 2001	Loss on impairment of investment securities and other assets	1,530
	Net gain on sales of short-term investments and marketable securities	(1,518)
Year ended March 31, 2002	Loss on impairment of investment securities and other assets	17,199
	Loss on impairment of property, plant and equipment	6,815

(Attachment)

5. Segment Information

1. Business Segment Information

Six months ended September 30, 2002 (Millions of yen)

	Industrial Automation Business	Electronic Components Business	Social Systems Business	Healthcare Business	Others	Total	Eliminations & Corporate	Consolidated
Net sales:								
(1) Sales to outside customers	98,233	67,279	41,803	20,367	19,208	246,890	—	246,890
(2) Intersegment sales and transfers	2,669	9,638	3,154	49	21,129	36,639	(36,639)	—
Total	100,902	76,917	44,957	20,416	40,337	283,529	(36,639)	246,890
Operating expenses	87,779	69,964	48,778	18,558	39,111	264,190	(28,756)	235,434
Operating income (loss)	13,123	6,953	(3,821)	1,858	1,226	19,339	(7,883)	11,456

Note: The Social Systems Solutions and Service Business Company and the Advanced Module Business Company are included in the Social Systems Business.

(Supplemental information) The revision of sales routes for certain products and regions effective from April 2002 had the following effects:

		(Millions of yen)
Industrial Automation Business:	Decrease in sales to outside customers	2,470
Electronic Components Business:	Increase in sales to outside customers	3,597
	Decrease in intersegment sales	2,032
Social Systems Business:	Increase in sales to outside customers	1,318
	Increase in intersegment sales	582
Others:	Decrease in sales to outside customers	2,445
	Decrease in intersegment sales	791

Six months ended September 30, 2001 (Millions of yen)

	Industrial Automation Business	Electronic Components Business	Social Systems Business	Healthcare Business	Others	Total	Eliminations & Corporate	Consolidated
Net sales:								
(1) Sales to outside customers	96,494	60,753	53,770	18,748	26,419	256,184	—	256,184
(2) Intersegment sales and transfers	2,742	11,430	4,134	108	23,304	41,718	(41,718)	—
Total	99,236	72,183	57,904	18,856	49,723	297,902	(41,718)	256,184
Operating expenses	90,654	67,851	60,735	18,410	47,612	285,262	(34,208)	251,054
Operating income (loss)	8,582	4,332	(2,831)	446	2,111	12,640	(7,510)	5,130

Year ended March 31, 2002 (Millions of yen)

	Industrial Automation Business	Electronic Components Business	Social Systems Business	Healthcare Business	Others	Total	Eliminations & Corporate	Consolidated
Net sales:								
(1) Sales to outside customers	186,984	128,193	124,627	40,617	53,543	533,964	—	533,964
(2) Intersegment sales and transfers	6,426	19,701	8,990	218	47,323	82,658	(82,658)	—
Total	193,410	147,894	133,617	40,835	100,866	616,622	(82,658)	533,964
Operating expenses	181,296	139,950	136,648	39,210	98,278	595,382	(65,639)	529,743
Operating income (loss)	12,114	7,944	(3,031)	1,625	2,588	21,240	(17,019)	4,221

Note: “Others” includes the Creative Service Business, the Business Development Group and other divisions.

(Attachment)

2. Area Segment Information

Six months ended September 30, 2002 (Millions of yen)

	Japan	North America	Europe	Asia	Total	Eliminations & Corporate	Consolidated
Net sales:							
(1) Sales to outside customers	152,230	34,621	34,339	25,700	246,890	—	246,890
(2) Intersegment sales and transfers	37,642	195	298	14,504	52,639	(52,639)	—
Total	189,872	34,816	34,637	40,204	299,529	(52,639)	246,890
Operating expenses	179,543	31,463	33,032	37,789	281,827	(46,393)	235,434
Operating income	10,329	3,353	1,605	2,415	17,702	(6,246)	11,456

Six months ended September 30, 2001 (Millions of yen)

	Japan	North America	Europe	Asia	Total	Eliminations & Corporate	Consolidated
Net sales:							
(1) Sales to outside customers	170,612	31,304	30,925	23,343	256,184	—	256,184
(2) Intersegment sales and transfers	36,976	266	254	13,113	50,609	(50,609)	—
Total	207,588	31,570	31,179	36,456	306,793	(50,609)	256,184
Operating expenses	197,574	30,501	30,245	35,302	293,622	(42,568)	251,054
Operating income	10,014	1,069	934	1,154	13,171	(8,041)	5,130

Year ended March 31, 2002 (Millions of yen)

	Japan	North America	Europe	Asia	Total	Eliminations & Corporate	Consolidated
Net sales:							
(1) Sales to outside customers	357,868	65,559	65,305	45,232	533,964	—	533,964
(2) Intersegment sales and transfers	67,774	512	478	26,002	94,766	(94,766)	—
Total	425,642	66,071	65,783	71,234	628,730	(94,766)	533,964
Operating expenses	409,664	63,092	63,868	69,802	606,426	(76,683)	529,743
Operating income	15,978	2,979	1,915	1,432	22,304	(18,083)	4,221

3. Overseas Sales

(Millions of yen)

	Six months ended September 30, 2002	Six months ended September 30, 2001	Year ended March 31, 2002
North America	35,154	31,805	67,068
(Percentage of total sales)	14.2%	12.4%	12.6%
Europe	34,936	31,658	67,026
(Percentage of total sales)	14.2%	12.3%	12.5%
Asia	32,450	29,099	55,016
(Percentage of total sales)	13.1%	11.4%	10.3%
Total	102,540	92,562	189,110
(Percentage of total sales)	41.5%	36.1%	35.4%

(Attachment)

6. Securities

In accordance with SFAS No. 115, “Accounting for Certain Investments in Debt and Equity Securities,” among marketable securities held by the Company and its subsidiaries, available-for-sale securities are stated at fair value reflecting unrealized gains and losses.

Short-term investments and investment securities include debt securities and equity securities. For marketable securities included among these, the acquisition cost or amortized cost, unrealized gain and loss, and fair value are as follows.

As of September 30, 2002
Available-for-sale securities (Millions of yen)

	Cost*	Gross unrealized gain	Gross unrealized loss	Fair value
Debt securities	40	—	—	40
Equity securities	30,563	7,328	(1,459)	36,432
Total investment securities	30,603	7,328	(1,459)	36,472

As of September 30, 2001
Available-for-sale securities (Millions of yen)

	Cost*	Gross unrealized gain	Gross unrealized loss	Fair value
Debt securities	21	—	—	21
Equity securities	42,807	5,750	(12,012)	36,545
Total investment securities	42,828	5,750	(12,012)	36,566

As of March 31, 2002
Available-for-sale securities (Millions of yen)

	Cost*	Gross unrealized gain	Gross unrealized loss	Fair value
Debt securities	33	—	—	33
Equity securities	31,185	8,346	(815)	38,716
Total investment securities	31,218	8,346	(815)	38,749

*Indicates amortized cost for debt securities and acquisition cost for equity securities.

(Attachment)

7. Breakdown of Sales

Net sales by consolidated business segment (Millions of yen)

	Six months ended September 30, 2002		Six months ended September 30, 2001		Increase (decrease)
Industrial Automation Business	98,233	39.8%	93,695	36.6%	4.8%
Electronic Components Business	67,279	27.3	64,422	25.2	4.4
Social Systems Business	41,803	16.9	55,431	21.6	(24.6)
Healthcare Business	20,367	8.2	18,748	7.3	8.6
Other	19,208	7.8	23,888	9.3	(19.6)
Total	246,890	100.0%	256,184	100.0%	(3.6)%

Notes:
1. The Social Systems Solutions and Service Business Company and the Advanced Module Business Company are included in the Social Systems Business.
2. Certain products and regions for the six months ended September 30, 2001 have been reclassified in accordance with the revision of sales routes effective from April 2002.

Projected net sales for the fiscal year ending March 31, 2003 by consolidated business segment

(Millions of yen)

	Year ending March 31, 2003 (est.)		Year ended March 31, 2002		Increase (decrease)
Industrial Automation Business	197,500	36.9%	184,185	34.5%	7.2%
Electronic Components Business	139,500	26.1	131,862	24.7	5.8
Social Systems Business	119,500	22.3	128,057	24.0	(6.7)
Healthcare Business	42,500	8.0	40,617	7.6	4.6
Other	36,000	6.7	49,243	9.2	(26.9)
Total	535,000	100.0%	533,964	100.0%	0.2%

Notes:
1. The Social Systems Solutions and Service Business Company and the Advanced Module Business Company are included in the Social Systems Business.
2. Certain products and regions for the year ended March 31, 2002 have been reclassified in accordance with the revision of sales routes effective from April 2002.

(Attachment)

(Attachment)

Results for the Six Months Ended September 30, 2002: Supplemental Materials

Consolidated Performance

Net sales by business segment (Billions of yen)

		Six months ended September 30, 2002	Six months ended September 30, 2001	Year-on-year change (%)
IAB	Domestic	49.1	49.7	(1.3)%
	Overseas	49.1	44.0	11.8
	Total	98.2	93.7	4.8
ECB	Domestic	31.9	32.2	(0.8)
	Overseas	35.4	32.3	9.7
	Total	67.3	64.5	4.4
SSB	Domestic	35.5	48.8	(27.3)
	Overseas	6.3	6.6	(4.8)
	Total	41.8	55.4	(24.6)
HCB	Domestic	9.6	9.3	2.4
	Overseas	10.8	9.4	14.9
	Total	20.4	18.7	8.6
Others	Domestic	18.3	23.6	(22.3)
	Overseas	0.9	0.3	192.9
	Total	19.2	23.9	(19.6)
Total	Domestic	144.4	163.6	(11.8)
	Overseas	102.5	92.6	10.8
	[% of total]	[41.5%]	[36.1%]	[+5.4 points]
	Total	246.9	256.2	(3.6)

Notes:

1. The following divisions are included in each business segment.
   - IAB: Industrial Automation Business Company
   - ECB: Electronic Components Business Company
   - SSB: Social Systems Solutions and Service Business Company and Advanced Module Business Company
   - HCB: Healthcare Business Company
   - Other Creative Service Business Company and Business Development Group
2. Figures for the six months ended September 30, 2001 have been restated in accordance with business restructuring.

Net sales by area segment

Domestic	Omron	106.5	127.2	(16.3)%
	Subsidiaries	37.9	36.4	3.8
Total domestic sales		144.4	163.6	(11.8)
Direct exports		7.9	7.0	12.7
Overseas subsidiaries	North America	34.6	31.3	10.6
	Europe	34.3	30.9	11.0
	Asia and Others	25.7	23.4	10.1
Total overseas sales		102.5	92.6	10.8

Average currency exchange rate (One unit of currency, in yen)

USD	123.6	122.3	1.3
EUR	117.2	108.1	9.1

(Attachment)

Projected Results for the Fiscal Year Ending March 31, 2003

Consolidated Performance

Net sales by business segment (Billions of yen)

		Year ending March 31, 2003 (est.)	Year ended March 31, 2002	Year-on-year change (%)
IAB	Domestic	99.5	95.5	4.1%
	Overseas	98.0	88.7	10.6
	Total	197.5	184.2	7.2
ECB	Domestic	68.0	65.7	3.5
	Overseas	71.5	66.2	8.0
	Total	139.5	131.9	5.8
SSB	Domestic	106.5	116.3	(8.4)
	Overseas	13.0	11.8	9.9
	Total	119.5	128.1	(6.7)
HCB	Domestic	19.5	19.0	2.9
	Overseas	23.0	21.6	6.1
	Total	42.5	40.6	4.6
Others	Domestic	34.5	48.4	(28.8)
	Overseas	1.5	0.8	93.1
	Total	36.0	49.2	(26.9)
Total	Domestic	328.0	344.9	(4.9)
	Overseas	207.0	189.1	9.5
	[% of total]	[38.7%]	[35.4%]	[+3.3 points]
	Total	535.0	534.0	0.2

Note: Figures for the year ended March 31, 2002 have been restated in accordance with business restructuring.

Net sales by overseas area segment

Direct exports		15.5	13.0	19.1%
Overseas subsidiaries	North America	69.0	65.6	5.2
	Europe	71.5	65.3	9.5
	Asia and Others	51.0	45.2	12.8
Total overseas sales		207.0	189.1	9.5

Income and loss

Net sales	535.0	534.0	0.2%
Operating income	30.0	4.2	610.8
Income before income taxes	4.0	(25.4)	—
Net income	1.0	(15.8)	—

Return on equity

	0.3%	(5.1)%	+5.4 points

Capital expenditures／Depreciation／R&D expenses

Capital expenditures	35.0	38.6	(9.4)%
Depreciation	31.0	33.6	(7.7)
R&D expenses	41.0	41.4	(1.0)

Average currency exchange rate (One unit of currency, in yen)

USD	122.0	125.7	(3.7)
EUR	118.0	110.9	7.1