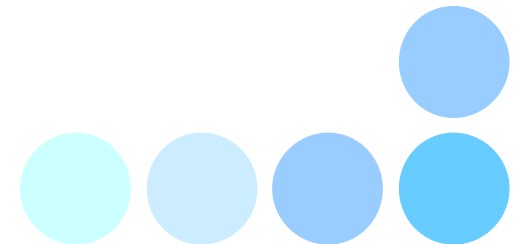




Financial Results for the Nine Months Ended December 31, 2006

January 31, 2007

OMRON Corporation



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- 1. Executive Summary**
- 2. Results for the Nine Months Ended December 31, 2006**
- 3. Forecast for the Full Year Ending March 31, 2007**
- 4. Progress of Key Strategic Themes**

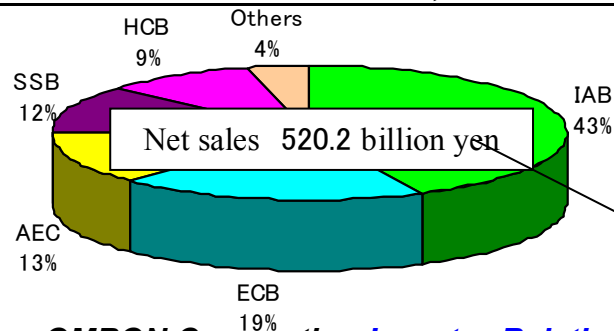
Notes:

- 1. Quarterly financial information is not audited or reviewed by an auditing corporation.**
- 2. The financial statements are prepared in accordance with U.S. GAAP.**
- 3. Includes 158 consolidated subsidiaries and 22 affiliated companies accounted for by the equity method.**
- 4. 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.**



Main Business Areas

Industrial Automation	
IAB	: Sensing Devices, Control Devices, Safety Devices, Inspection Systems, etc.
Electronic components	
ECB	: Relays, Switches, Connectors, Micro Lens Arrays, Backlights for LCD, Optical Communications Devices, etc.
Automotive Electronics	
AEC	: Keyless Entry System, Power Window Switches, Automotive relays Components, Laser Radars, TPMS etc.
Social Systems	
SSB	: Passenger Gates, Ticket Vending Machines, Road Management System, Security Management Systems, Face Recognition Systems, etc.
Healthcare Equipment	
HCB	: Digital Blood Pressure Monitors, Body Composition Analyzers Nebulizer, etc.
Others	
Others	: Personal Computer Peripherals, RFID Systems, Commercial Game Machines, etc.



Results for the Nine Months
FY2006



1. Executive Summary



Executive Summary

The Year ending March 2007 is the final milestone toward achieving 2nd phase objectives of Grand Design 2010
“Accelerating growth while securing profit increase advancing toward FY07 targets by front-loading growth”

9 months Results and Key Points

■ Net sales, operating income, NIBT, Net income all exceeded for 9 months original targets

Consolidated	Result	vs. same period in prev. year	vs. original target
Net sales	¥520.2 billion	117.5%	103.1%
Operating income	¥42.4 billion	96.4%	107.4% (Operating margin 8.2%)
NIBT	¥49.3 billion	104.7%	118.7% (NIBT margin 9.5%)
Net income	¥27.4 billion	104.6%	114.1% (NI margin 5.3%)

- (1) Net sales : 18% year-on-year increase, mainly due to foreign exchange gains and sales increase from M&A
- (2) Operating income : 4% year-on-year decrease; but 32% increase excluding ¥11.9 billion gain on return of substitutional portion of pension fund ‘Daikohenjyo’ in previous year.
 7% increase over target mainly due to foreign exchange gains, reduction of R&D expenses.
- (3) NIBT: 19% increase over target due to operating income plus non-operating income from factors including gain on establishment of retirement benefit trust
- (4) Business summary: Sales were solid. In Operating income, AEC showed recovery trend in 3rd quarter.

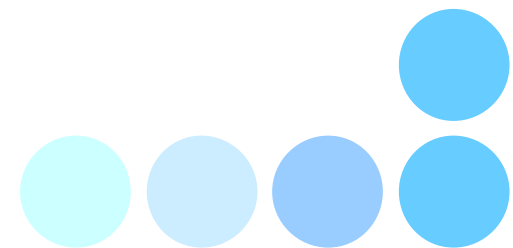
Full-Year Forecasts and Key Points

■ Unchanged from figures announced on October 30, 2006

Consolidated	Year ending March 31, 2007	vs. same period in prev. year
Net sales	¥740.0 billion	118.1%
Operating income	¥63.0 billion	101.4% (Operating margin 8.5%)
NIBT	¥65.0 billion	101.0% (NIBT margin 8.8%)
Net income	¥37.5 billion	104.9% (NI margin 5.1%)

*Assumption: The PL influence of the announced two M&A is included.

2. Results for the Nine Months Ended December 31, 2006



Consolidated Statements of Income

Sales: ¥520.2b ; Operating margin : 8.2%
**Operating income exceeded target due to foreign exchange gains
and decrease in R&D expenses.**

(billion yen)

P/L	9 months ended 12/2005 Actual(1)	9 months ended 12/2006 Actual(2)	Change from last year (2)/(1)	9 months ended 12/2006 Original target(3)	Change from Original target (2)/(3)
Net sales	442.8	520.2	117.5%	504.5	103.1%
Gross profit	179.4	201.9	112.5%	204.5	98.7%
SG&A expense	111.0	122.6	110.4%	123.0	99.6%
R&D expense	36.3	36.9	101.6%	42.0	87.9%
'Daiko-henjyo'	11.9	-		-	
Operating income	44.0	42.4	96.4%	39.5	107.4%
NIBT	47.1	49.3	104.7%	41.5	118.7%
NIAT	26.2	27.4	104.6%	24.0	114.1%

(yen)

USD	112.2	116.3	4.1	110.0	6.3
EUR	137.3	148.2	10.9	135.0	13.2

**Sales results were basically as planned in Japan and overseas.
By segment, sales of ECB and AEC exceeded original targets.**

(billion yen)

	9 months ended 12/2005	9 months ended 12/2006	Change from last year	9 months ended 12/2006 Original target(3)	Change from Original target
Japan/Overseas	Actual(1)	Actual(2)	(2)/(1)	target(3)	(2)/(3)
Japan	248.2	271.4	109.4%	270.4	100.4%
Overseas*	194.6	248.8	127.8%	234.1	106.3%
Total	442.8	520.2	117.5%	504.5	103.1%

* Overseas includes direct exports

By business	(1)	(2)	(2)/(1)	Original target(3)	(2)/(3)
IAB	199.0	222.3	111.7%	222.5	99.9%
ECB	72.0	101.2	140.5%	86.0	117.7%
AEC	55.6	67.3	121.1%	66.0	102.0%
SSB	52.2	60.6	116.1%	63.5	95.5%
HCB	44.9	48.3	107.6%	49.0	98.6%
Others	19.1	20.5	107.5%	17.5	117.1%
Total	442.8	520.2	117.5%	504.5	103.1%

Breakdown of Operating Income

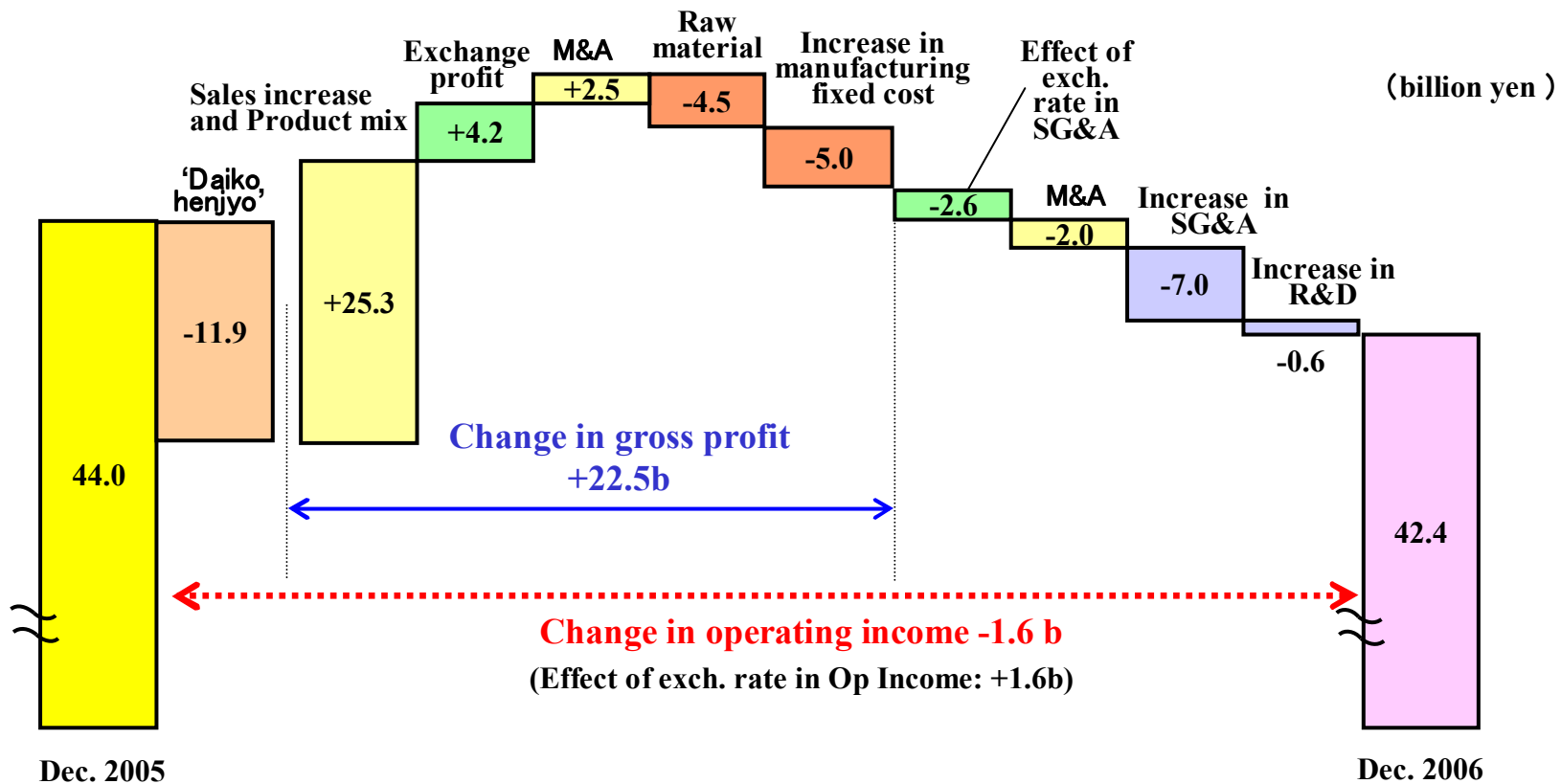
Generally exceeded original targets (except for AEC).

(billion yen)

By Business	9 months ended 12/2005 Actual(1)	9 months ended 12/2006 Actual(2)	Change from last year (2)/(1)	9 months ended 12/2006 Original target(3)	Change from Original target (2)/(3)
IAB	31.2	35.2	112.9%	35.2	100.0%
ECB	8.4	9.9	117.6%	9.4	105.0%
AEC	-1.1	-1.4	-	1.4	-
SSB	-2.6	2.4	-	0.7	-
HCB	6.4	5.9	92.4%	5.7	104.4%
Others/HQ Cost Elimination	-10.2	-9.6		-12.9	
'Daiko-henjyo'	11.9	-	-	-	-
Total	44.0	42.4	96.4%	39.5	107.4%

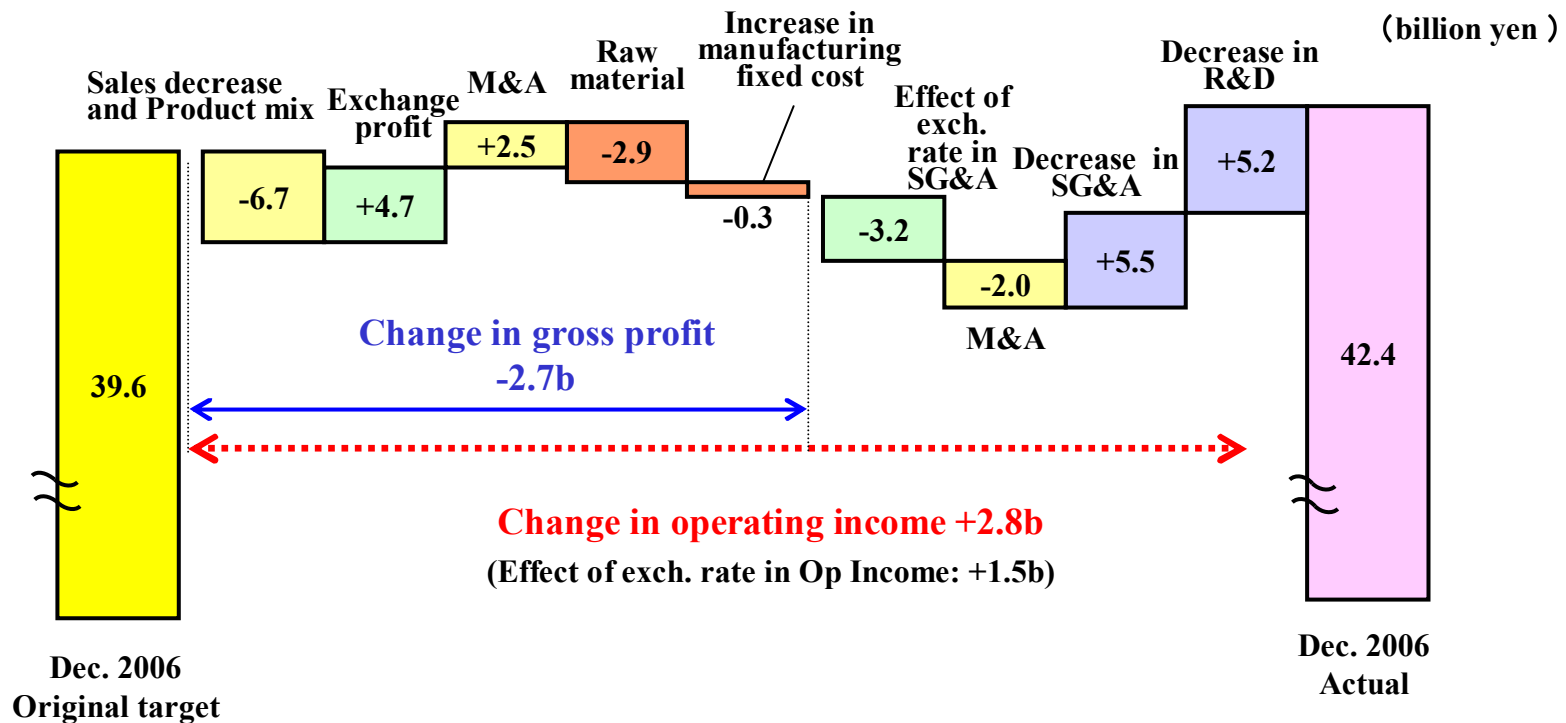
Breakdown of Changes in Operating Income (comparison to previous year)

Operating income increased from previous year substantially, 32% increased excluding return of substitutional portion of employees' pension fund 'Daiko henjyo'.



Breakdown of Changes in Operating Income (comparison to original target)

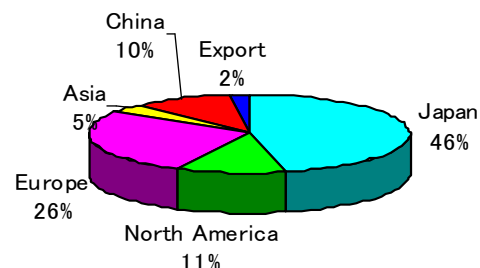
Operating income exceeded original target due to decreased R&D expenses and exchange gains that covered rising cost of raw materials.



Sales : ¥222.3b ; Operating margin : 15.8%
Sales basically in line with original target , with continued strength in North America and Europe

IAB	ended	ended	last year	ended	(billion yen)
	12/2005	12/2006		12/2006	Original
	Actual(1)	Actual(2)	(2)/(1)	Original target(3)	target (2)/(3)
Japan	99.6	103.1	103.5%	106.0	97.3%
Overseas	99.4	119.2	119.9%	116.5	102.3%
North America	18.1	24.8	137.2%	22.0	112.7%
Europe	50.4	58.6	116.3%	53.5	109.5%
Asia	9.1	10.1	110.7%	10.5	96.0%
China	18.2	21.3	116.8%	25.5	83.4%
Export	3.6	4.4	121.8%	5.0	88.3%
Total	199.0	222.3	111.7%	222.5	99.9%
Operating income	31.2	35.2	112.9%	35.2	100.0%
Operating income ratio	15.7%	15.8%		15.8%	

Sales by region



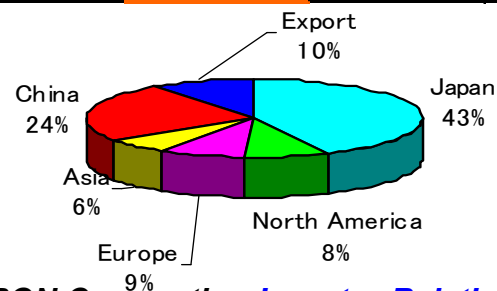
Sales : ¥101.2 b ; Operating margin : 9.7%
Sales of relays and switches were solid.
Growth in Greater China and exports mainly due to M&A.

(billion yen)

ECB	9 months ended 12/2005 Actual(1)	9 months ended 12/2006 Actual(2)	Change from last year (2)/(1)	9 months ended 12/2006 Original target(3)	Change from Original target (2)/(3)
Japan	34.9	43.3	124.1%	40.0	108.3%
Overseas	37.1	57.9	156.1%	46.0	125.8%
North America	7.2	8.3	116.0%	8.1	102.9%
Europe	9.1	8.7	94.5%	7.9	108.8%
Asia	4.5	6.2	137.8%	5.2	119.9%
China	10.2	24.2	237.9%	18.4	131.7%
Export	6.1	10.5	172.0%	6.4	164.0%
Total	72.0	101.2	140.5%	86.0	117.7%

Operating income	8.4	9.9	117.6%	9.4	105.0%
Operating income ratio	11.6%	9.7%		10.9%	

Sales by region



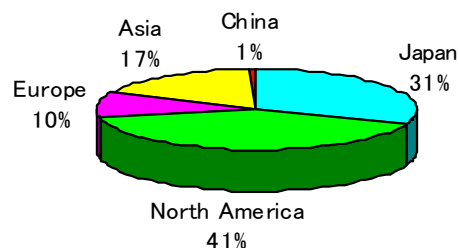
**Sales : ¥67.3b; Operating income was negative.
North American operations returned to profitability in 3Q (Oct.-Dec.),
reflecting productivity improvements.**

(billion yen)

AEC	9 months ended 12/2005	9 months ended 12/2006	Change from last year	9 months ended 12/2006 Original target(3)	Change from Original target
	Actual(1)	Actual(2)	(2)/(1)	(2)/(3)	(2)/(3)
Japan	20.1	20.8	103.7%	20.0	104.0%
Overseas	35.5	46.5	130.8%	46.0	101.0%
North America	20.2	27.3	135.2%	26.1	104.5%
Europe	4.5	7.0	156.3%	7.4	94.9%
Asia	10.9	11.6	106.4%	11.9	97.1%
China	0.0	0.6	-	0.6	103.5%
Export	0.0	0.0	-	0.0	-
Total	55.6	67.3	121.1%	66.0	102.0%

Operating income	-1.1	-1.4	-	1.4	-
Operating income ratio	-	-	-	2.1%	-

Sales by region



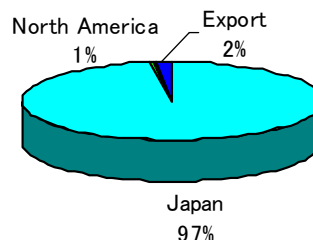
SSB (Social Systems Business)

**Sales totaled ¥60.6b, below target due to delays to the 4Q.
Operating income well above target due to effect of structural reforms.**

(billion yen)

SSB	9 months ended 12/2005 Actual(1)	9 months ended 12/2006 Actual(2)	Change from last year (2)/(1)	9 months ended 12/2006 Original target(3)	Change from Original target (2)/(3)
Japan	51.5	59.2	114.9%	61.2	96.7%
Overseas	0.7	1.4	201.8%	2.3	63.4%
North America	0.1	0.3	219.3%	0.3	102.3%
Europe	0.0	0.0	-	0.0	-
Asia	0.0	0.0	-	9.0	-
China	0.0	0.0	-	10.0	-
Export	0.6	1.1	198.3%	2.0	57.6%
Total	52.2	60.6	116.1%	63.5	95.5%
Operating income	-2.6	2.4	-	0.7	340.6%
Operating income ratio	-	3.9%	-	1.1%	-

Sales by region

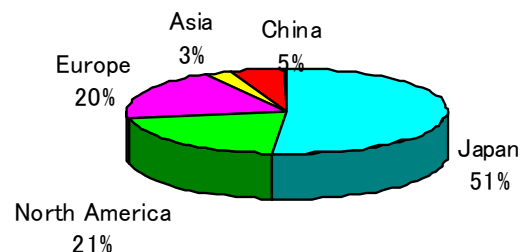


Sales : ¥48.3 b ; Operating margin : 12.3%
Overseas sales were solid due to sales growth in Europe and Asia.

(billion yen)

HCB	9 months ended 12/2005	9 months ended 12/2006	Change from last year	9 months ended 12/2006 Original target(3)	Change from Original target
	Actual(1)	Actual(2)	(2)/(1)		(2)/(3)
Japan	23.2	24.9	107.1%	25.7	96.8%
Overseas	21.6	23.4	108.3%	23.3	100.5%
North America	11.0	9.9	90.5%	11.4	87.1%
Europe	7.2	9.4	131.7%	7.7	122.6%
Asia	1.2	1.4	110.8%	1.0	137.5%
China	2.1	2.5	120.1%	2.9	86.8%
Export	0.1	0.2	103.4%	0.3	50.0%
Total	44.9	48.3	107.6%	49.0	98.6%
Operating income	6.4	5.9	92.4%	5.7	104.4%
Operating income ratio	14.3%	12.3%		11.6%	

Sales by region



Nine Months ended
Dec. 31, 2006

Consolidated Balance Sheet



**Increase in total assets due to increase in receivables, increase in inventories from business acquisitions and exchange rate effect, etc.
Increase in short-term loans to fund M&A.**

(billion yen)

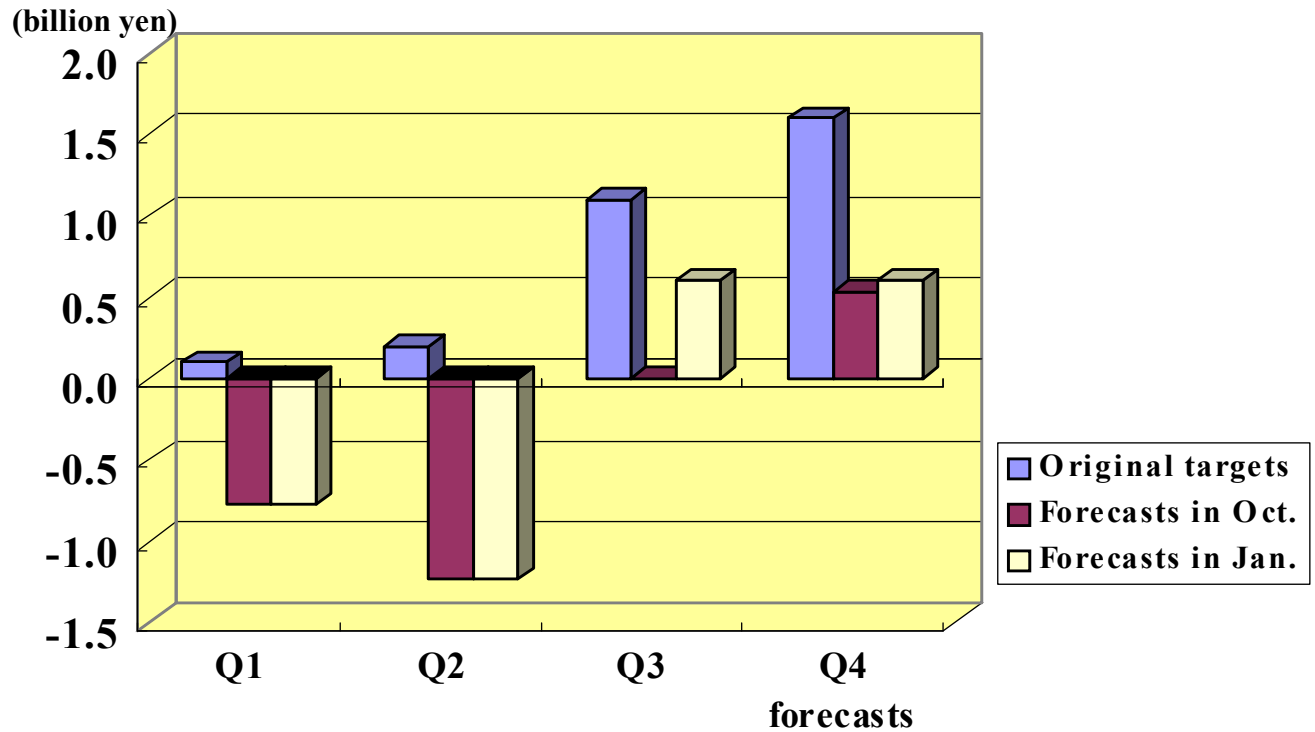
B/S	As of 12/31/2005	As of 3/31/2006	As of 12/31/2006
Total Assets	557.1	589.0	624.1
Cash and cash equivalents	49.7	52.3	51.0
Notes and accounts receivable - trade	112.8	136.3	147.5
Inventories	81.8	75.0	108.5
Other current assets	23.8	28.8	31.4
Net Property, Plant and Equipment	163.1	167.6	157.6
Investments and Other Assets	125.9	129.1	128.1
Total Liabilities	194.2	226.1	250.3
Bank Loans / Current portion of L/T debt	14.9	2.8	46.6
Long-term debt	1.3	1.0	0.5
Other liabilities	178.0	222.3	203.2
Shareholders' Equity	362.9	362.9	373.8

Investing activities used net cash of ¥34.1b due to the acquisition for future growth, etc.

C/F	(billion yen)		
	9 months ended 12/2005	9 months ended 12/2006	(reference) Year ended 3/2006
Net cash provided by operating activities	24.8	10.2	51.7
Net cash provided by (used in) investing activities	-31.3	-34.1	-43.0
Free cash flow	-6.5	-23.9	8.7
Net cash used in financing activities	-26.3	21.9	-38.3
Effect of exchange rate changes	1.9	0.7	1.3
Net increase (decrease)	-30.9	-1.3	-28.3
Cash and cash equivalents at end of the period	49.7	51.0	52.3

**Reached 4Q projections ahead of schedule in 3Q
with profits rebounding**

Quarterly trends in the Operating income



**Profit improvement program is progressing as scheduled.
We will continue measures to further improve profits.**

Progress of Emergency Action Plan in Fiscal 2006

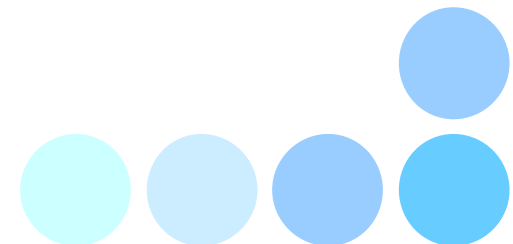
AEC

1. **Cost reduction in accordance with VA/VE**
 - > Expect to cut costs by as much as 2/3 this fiscal year
2. **Raise in price**
 - > Secured target price increase range for fiscal year projected at end of first half
3. **Production shift from North America to other regions**
 - > Shifted production of some products to Japan and started shipping
 - Accelerated local productivity improvements, and will implement personnel reductions
4. **Productivity improvement**
 - > Progressing toward improvements such as meeting our planned on-time delivery rate, and will continue making further improvements

OMRON Corp.

5. **Project to reestablish solid profitability base for relays**
 - > Launched companywide P/J, began activities across business companies
 - Making improvements for core relays
6. **Operational process restructuring from local to optimum production site**
 - > Progressing basically in line with
7. **Reform to product lifecycle management**
 - > Now implementing cost reduction program

3. Forecast for the Full Year Ending March 31, 2007



FY2006

Forecast of Consolidated Statements of Operations

Unchanged from figures announced on October 30th, 2006

(billion yen)

	FY2005 Actual	FY2006 Forecasts	YOY Change %	FY2006 Original target	Change from Original target %
Net sales	626.8	740.0	118.1%	700.0	105.7%
Gross profit	253.4	286.0	112.9%	282.0	101.4%
SG&A	152.7	171.0	112.0%	163.5	104.6%
R&D	50.5	52.0	103.0%	55.5	93.7%
'Daikohenjyo'	11.9	-	-	-	
Operating income	62.1	63.0	101.4%	63.0	100.0%
NIBT	64.4	65.0	101.0%	65.0	100.0%
NIAT	35.8	37.5	104.9%	37.5	100.0%

<Currency Rate>

(yen)

USD	113.4	116.0	2.6	110.0	6.0
EUR	138.2	148.6	10.4	135.0	13.6

*Assumption: The PL influence of the announced two M&A are t included.

Unchanged from figures announced on October 30th, 2006

(billion yen)

Japan/Overseas	FY2005 Actual(1)	FY2006 Estimate(2)	Change From last year (2)/(1)	FY2006 Original target(3)	Change From Original target (2)/(3)
Japan	354.9	388.0	109.3%	376.5	103.1%
Overseas*	271.9	352.0	129.5%	323.5	108.8%
Total	626.8	740.0	118.1%	700.0	105.7%

*Direct export is included in Overseas amount.

By business	(1)	(2)	(2)/(1)	Original target(3)	(2)/(3)
IAB	272.7	307.5	112.8%	298.0	103.2%
ECB	97.7	145.5	148.9%	121.5	119.8%
AEC	77.6	92.5	119.2%	91.0	101.6%
SSB	91.8	102.5	111.7%	99.0	103.5%
HCB	61.1	67.0	109.7%	66.5	100.8%
Others	25.9	25.0	96.4%	24.0	104.2%
Total	626.8	740.0	118.1%	700.0	105.7%



4. Progress of Key Strategic Themes



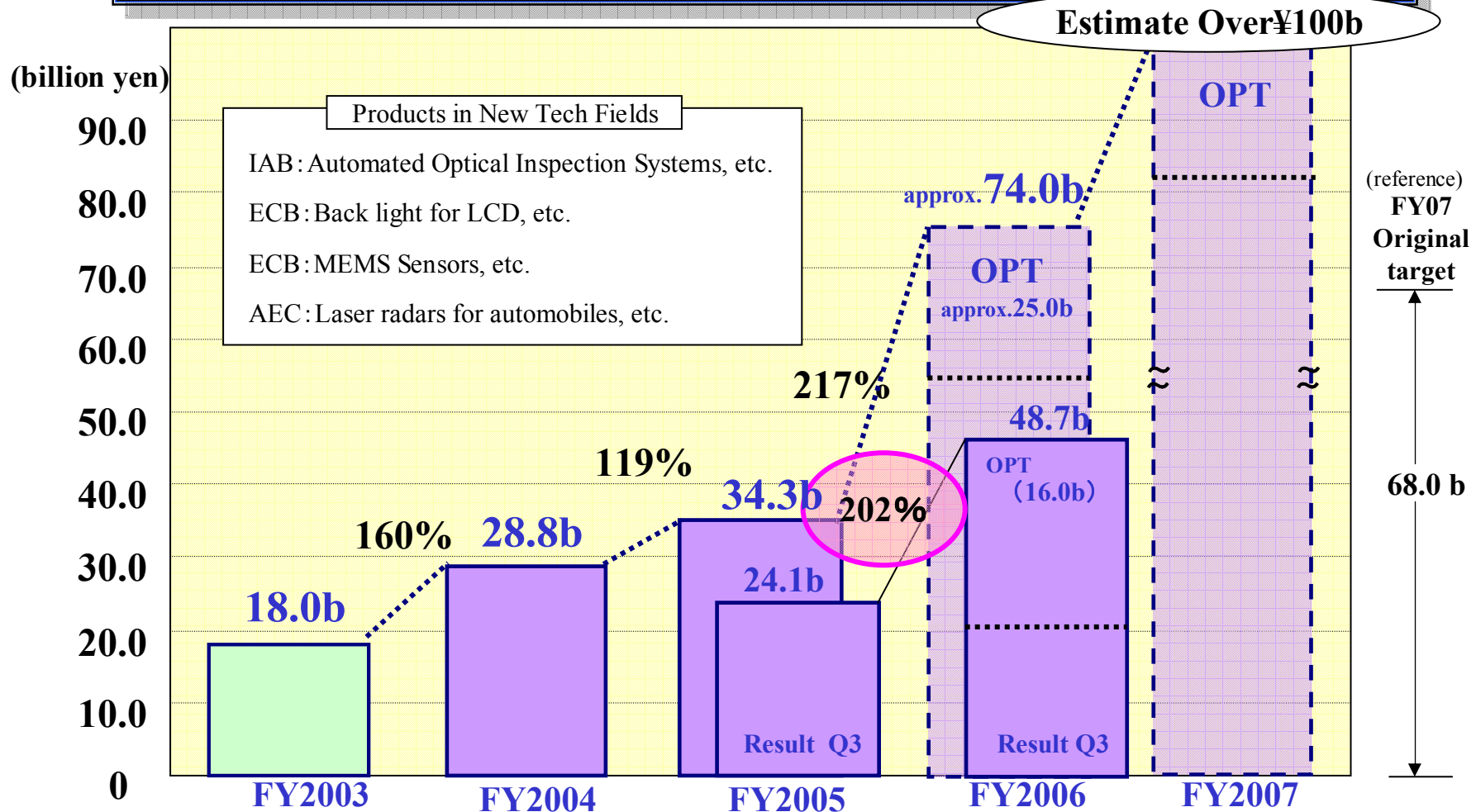
Nine Months ended
Dec. 31, 2006

Progress of Key Strategic Themes

(1) Sales Growth in New Tech Fields

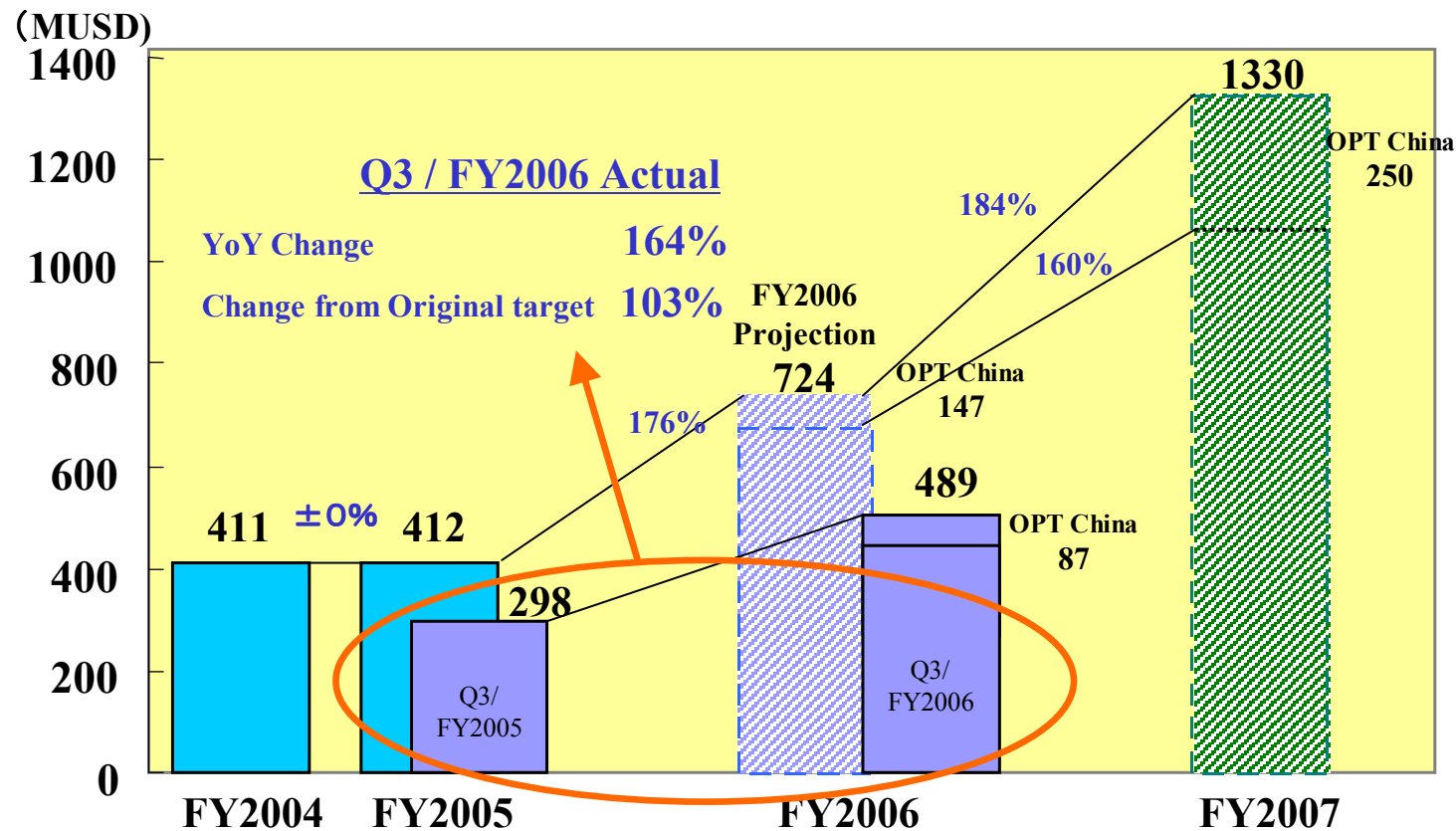


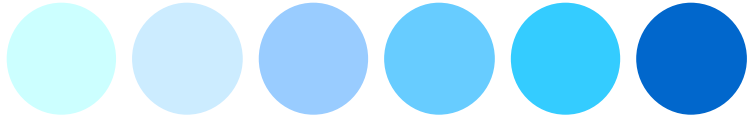
Sharp increase over previous period due to contribution of OMRON PRECISION TECHNOLOGY Co., Ltd. (formerly Pioneer Precision Machinery Corp.)
Expect to surpass ¥100b in final year of second stage of GD2010 (FY2007)



Progress of Key Strategic Themes (2) Sales Growth in Greater China

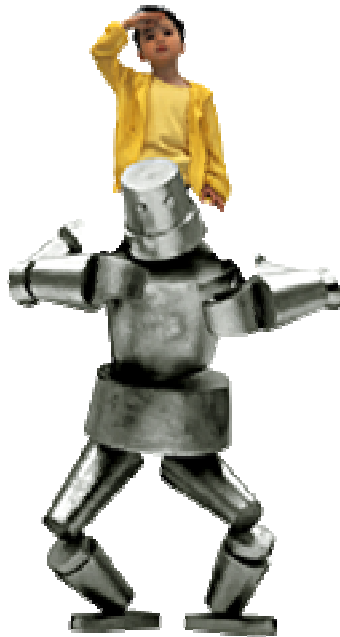
Sales of OMRON PRECISION TECHNOLOGY Co., Ltd. made strong contribution, 164% year-on-year and 103% against original target





Aiming for the Best Matching of Machines to Human Beings

OMRON Corporation



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