

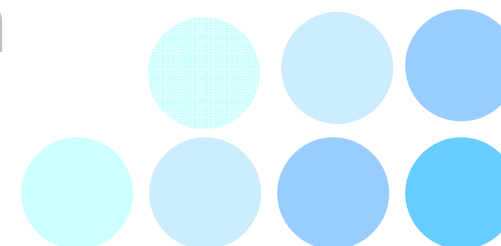


Financial Results for the Fiscal Year Ended March 31, 2007 (FY06)

Business Plan for the Fiscal Year Ending March 31, 2008 (FY07)

April 27, 2007

OMRON Corporation



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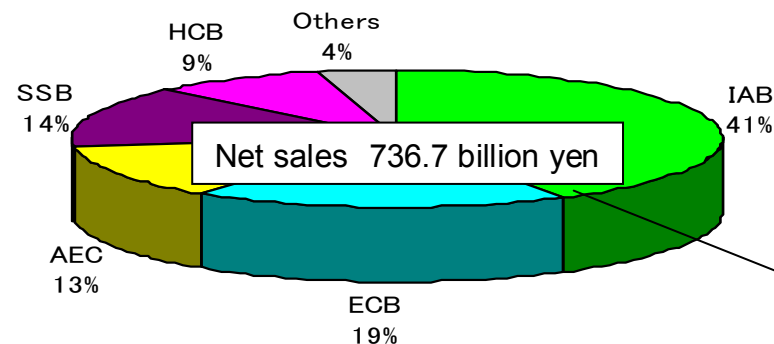
Notes:

1. The financial statements are prepared in accordance with U.S. GAAP.
2. Includes 160 consolidated subsidiaries and 21 affiliated companies accounted for by the equity method.
3. 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

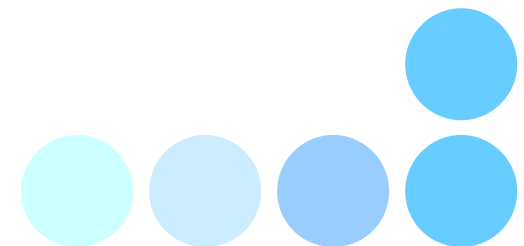
Industrial Automation	
IAB	: Sensing devices, control devices, safety devices, inspection systems, etc.
Electronic Components	
ECB	: Relays, switches, connectors, micro lens arrays, LCD backlights, optical communications devices, etc.
Automotive Electronics	
AEC	: Keyless entry systems, power window switches, automotive relays, components, laser radar, TPMS, etc.
Social Systems	
SSB	: Ticket gates, ticket vending machines, road management systems, security management systems, facial recognition systems, etc.
Health Care	
HCB	: Digital blood pressure monitors, body composition analyzers, nebulizers, etc.
Others	
Others	: PC peripherals, RFID systems, commercial game machines, energy management, etc.



Results for FY06



1. Executive Summary



Executive Summary

FY06 is final milestone toward achieving second-stage objectives of GD2010
‘Accelerating growth while securing profit increase advancing toward FY07 targets by front-loading growth’

FY06 Results

■ **Achieved record sales and profits (5th consecutive year of increase), absorbing *daikohenjo* in FY05**

Consolidated	Result	vs. prev. year	vs. original target	
Net sales	¥736.7 billion	117.5%	105.2%	(Operating margin 8.7%)
Operating income	¥64.0 billion	103.1%	101.6%	(NIBT margin 9.0%)
NIBT	¥66.3 billion	103.0%	102.0%	(NI margin 5.2%)
Net income	¥38.3 billion	107.0%	102.1%	

- (1) Net sales : 17.5% year-on-year increase, mainly due to sales increase from M&A and foreign exchange gains
- (2) Operating income : 3.1% year-on-year increase due to solid business, M&A and exchange rate gains, covering raw material price hike. But 28% increase excluding ¥11.9 billion gain on return of substitutional portion of employees' pension fund (*daikohenjyo*) in previous year.
- (3) NIBT: 1.6% increase over target mainly due to foreign exchange rate gains, reduction of R&D expenses. 2.0% 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, with double-digit growth in IAB and strong growth in SSB. In operating income, AEC moved into black in 3rd quarter although still showed loss in full fiscal year.

Plan for FY07 and Key Points

■ **We will aim for the 6th consecutive year of consolidated sales and income growth and prioritize profits to achieve GD 2nd stage goals.**

Consolidated	Year ending March 31, 2008	vs. prev. year	
Net sales	¥800.0 billion	108.6%	(Operating margin 9.4%)
Operating income	¥75.0 billion	117.1%	(NIBT margin 9.0%)
NIBT	¥72.0 billion	108.6%	(NI margin 5.8%)
Net income	¥46.0 billion	120.2%	

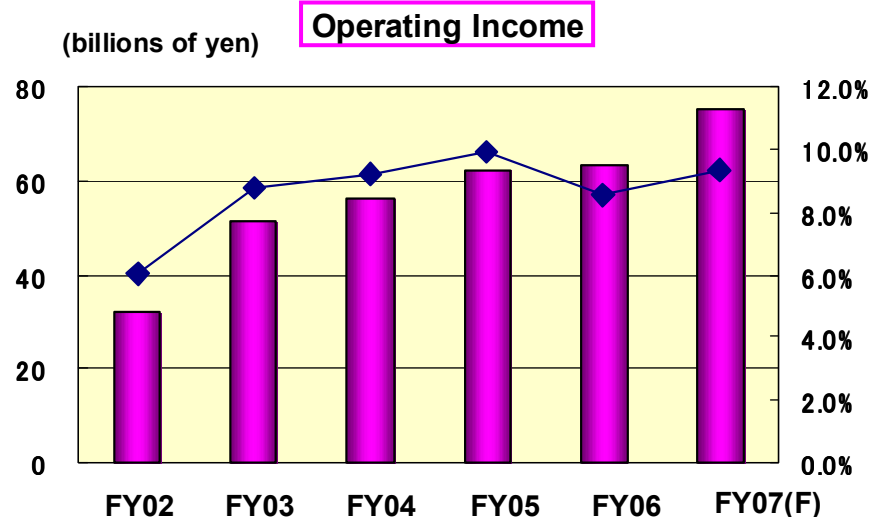
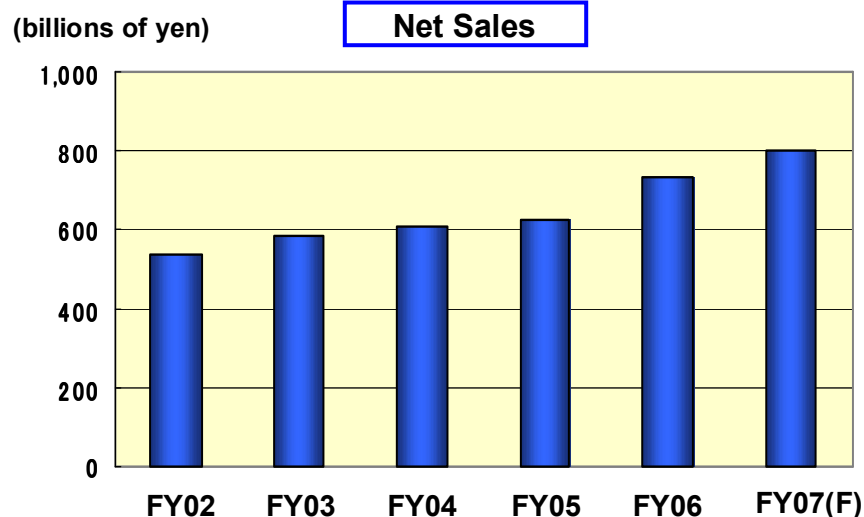
Summary of Consolidated Net Sales and Operating Income



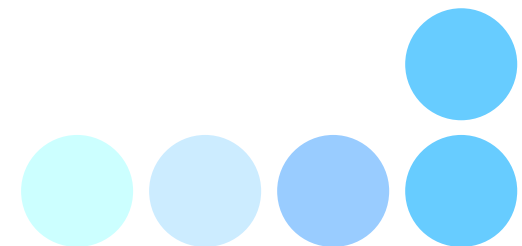
Expect to achieve growth in sales and income for the 6th consecutive year, record sales and profits

(billions of yen)

	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007
Net Sales	535.1	584.9	608.6	626.8	736.7	800.0
Gross Profit	207.7	240.1	249.8	253.4	284.2	309.5
Operating Income	32.3	51.4	56.1	62.1	64.0	75.0
Operating Income Margin	6.0%	8.8%	9.2%	9.9%	8.7%	9.4%
Net Income	0.5	26.8	30.2	35.8	38.3	46.0
EPS(Yen)	2.07	110.66	126.52	151.14	164.96	199.55
<Currency Rate>						
USD	122.1	113.4	107.3	113.4	117.0	115.0
EUR	121.1	132.4	135.0	138.2	150.3	150.0



2. Results for the Fiscal Year Ended March 31, 2007



Net sales ¥736.7 billion; Operating margin 8.7%
Reached operating income target set at start of year. Operating income was up 3.1% year-on-year, but up 28% excluding return of substitutional portion of pension fund (*daikohenjyo*).

(billions of yen)

P/L	FY05	FY06	YoY Change	FY06	Change from
	Actual (1)	Actual (2)	(2)/(1)	Original target (3)	Original target (2)/(3)
Net sales	626.8	736.7	117.5%	700.0	105.2%
Gross profit	253.4	284.2	112.2%	282.0	100.8%
SG&A expenses	152.7	168.1	110.1%	163.5	102.8%
R&D expenses	50.5	52.0	103.0%	55.5	93.7%
<i>Daikohenjyo</i>	11.9	-		-	
Operating income	62.1	64.0	103.1%	63.0	101.6%
NIBT	64.4	66.3	103.0%	65.0	102.0%
NIAT	35.8	38.3	107.0%	37.5	102.1%
					(yen)
USD	113.4	117.0	+3.6	110.0	+7.0
EUR	138.2	150.3	+12.1	135.0	+15.3

* *Daikohenjyo*: Return of substitutional portion of pension fund

Breakdown of Consolidated Sales by Region and Business

**Sales results cleared original targets in Japan and overseas.
By segment, IAB, ECB, AEC and SSB sales exceeded targets.**

(billions of yen)

	FY05	FY06	YoY Change	Change from	
	Actual (1)	Actual (2)	(2)/(1)	FY06 Original target (3)	Original target (2)/(3)
Japan/Overseas					
Japan	354.9	388.0	109.3%	376.5	103.1%
Overseas	271.9	348.7	128.2%	323.5	107.8%
Total	626.8	736.7	117.5%	700.0	105.2%

By Business Segment	(1)	(2)	(2)/(1)	Original target(3)	(2)/(3)
IAB	272.7	305.6	112.1%	298.0	102.5%
ECB	97.7	138.4	141.6%	121.5	113.9%
AEC	77.6	93.3	120.3%	91.0	102.6%
SSB	91.8	105.9	115.4%	99.0	107.0%
HCB	61.1	65.7	107.6%	66.5	98.8%
Others	25.9	27.8	106.9%	24.0	115.8%
Total	626.8	736.7	117.5%	700.0	105.2%

Breakdown of Operating Income By Business Segment

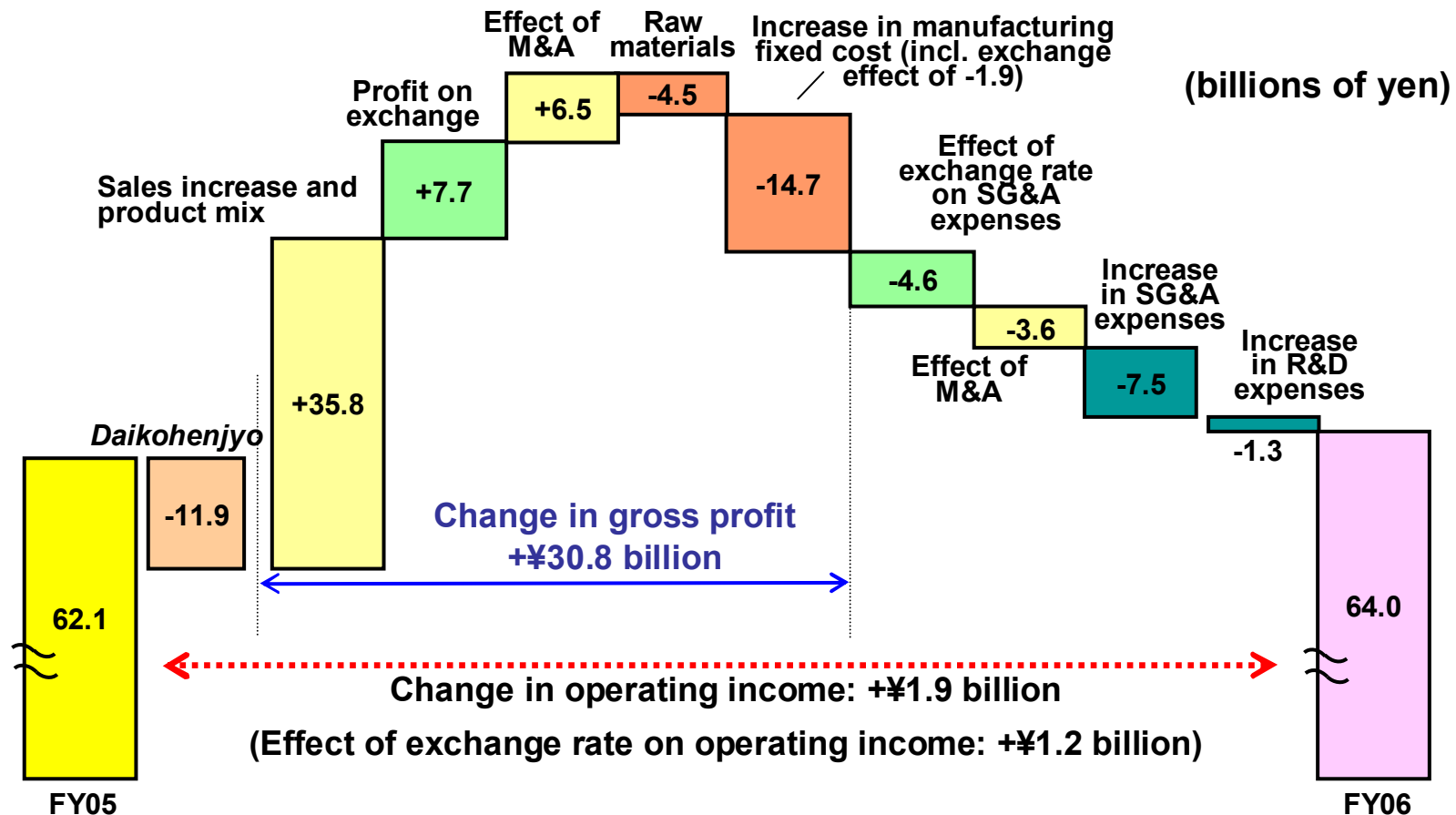
**ECB and AEC did not reach targets,
but the shortfall was covered by SSB and others.**

(billions of yen)

Business Segment	FY05	FY06	YoY Change	Change from	
	Actual (1)	Actual (2)	(2)/(1)	FY06 Original target (3)	Original target (2)/(3)
IAB	41.9	48.5	115.7%	48.0	101.0%
ECB	11.2	13.1	116.9%	14.5	90.2%
AEC	-2.0	-1.2	-	3.0	-
SSB	4.4	8.1	182.0%	6.0	134.5%
HCB	8.7	8.7	100.4%	8.5	102.2%
Others	1.7	2.4	144.8%	0.5	484.2%
HQ Cost/Elimination	-15.7	-15.6	-	-17.5	-
<i>Daikohenjyo</i>	11.9	-	-	-	-
Total	62.1	64.0	103.1%	63.0	101.6%

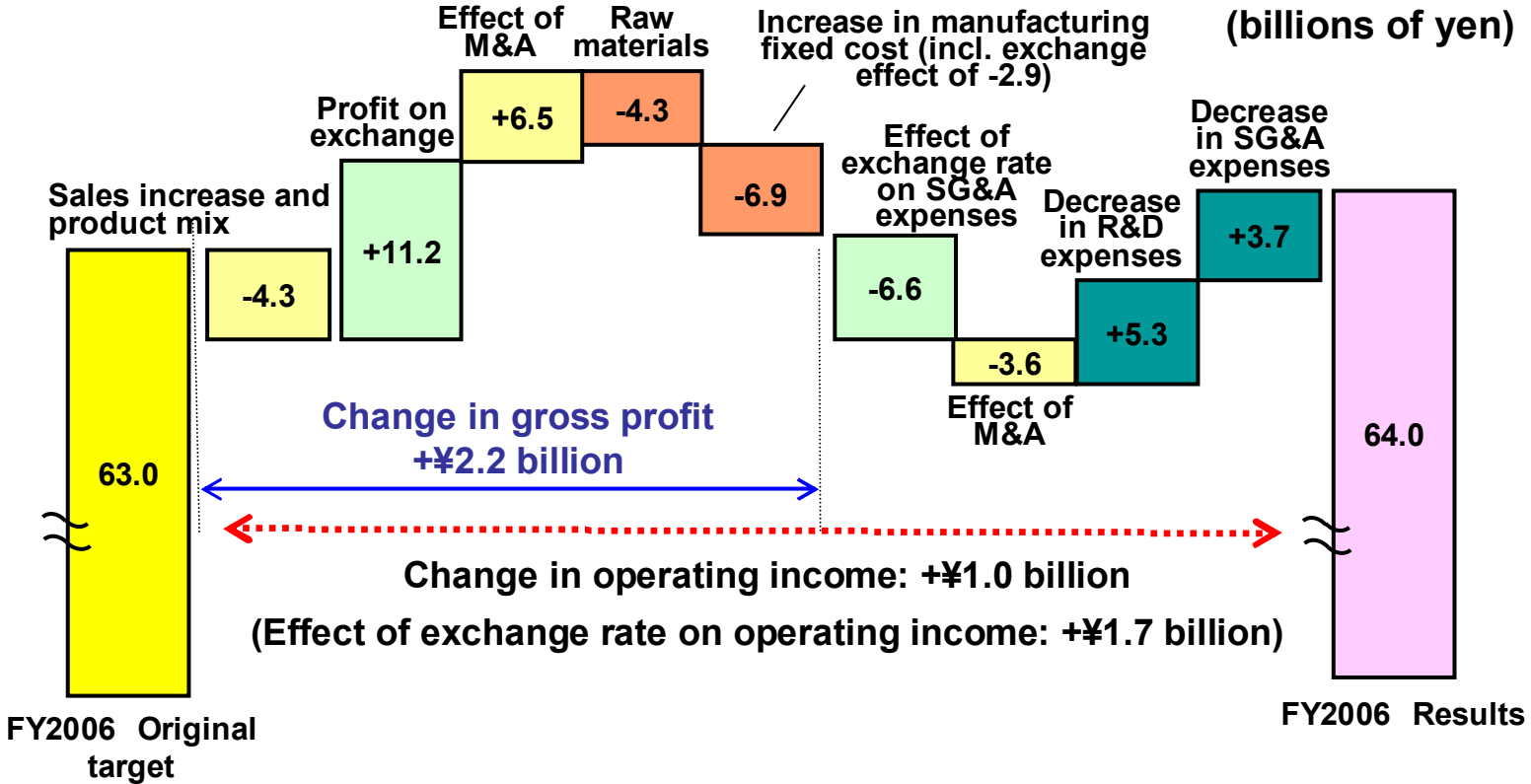
Breakdown of Changes in Operating Income (compared to previous year)

Increased profits offset absence of gain on return of substitutional portion of employees' pension fund in previous year.
In addition to net increase in sales, foreign exchange gains covered higher raw material costs



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

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

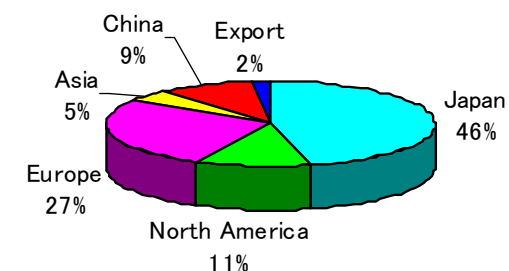


Sales: ¥305.6 billion; Operating margin: 15.9%
Achieved double-digit year-on-year growth, with sales and profits basically on target, as strength continued in North America and Europe.

(billions of yen)

IAB	FY05	FY06	YoY Change	FY06	Change from
	Actual (1)	Actual (2)	(2)/(1)	Original target (3)	Original target (2)/(3)
Japan	136.2	140.8	103.4%	142.0	99.2%
Overseas	136.5	164.8	120.7%	156.0	105.6%
North America	25.4	34.8	137.2%	29.5	118.1%
Europe	69.6	81.3	116.8%	72.5	112.2%
Asia	12.7	14.0	110.1%	14.5	96.4%
China	24.0	28.8	120.2%	33.0	87.3%
Export	4.8	5.8	120.3%	6.5	89.6%
Total	272.7	305.6	112.1%	298.0	102.5%
Operating income	41.9	48.5	115.7%	48.0	101.0%
Operating income ratio	15.4%	15.9%		16.1%	

Sales by region

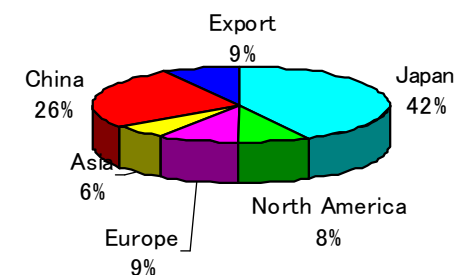


Sales: ¥138.4 billion; Operating margin: 9.5%
Sales growth mainly due to stronger sales of small-sized backlight business.
Operating income fell short of target due to factors including rising raw material costs and lower selling prices.

(billions of yen)

ECB	FY05	FY06	YoY Change	FY06	Change from Original target
	Actual (1)	Actual (2)	(2)/(1)	Original target (3)	(2)/(3)
Japan	45.0	58.8	130.5%	55.0	106.8%
Overseas	52.7	79.6	151.1%	66.5	119.7%
North America	9.9	11.0	110.9%	11.0	99.7%
Europe	12.5	12.0	96.2%	10.5	114.7%
Asia	6.3	8.6	136.5%	7.0	122.3%
China	14.5	35.7	245.4%	28.5	125.1%
Export	9.5	12.4	130.8%	9.5	130.3%
Total	97.7	138.4	141.6%	121.5	113.9%
Operating income	11.2	13.1	116.9%	14.5	90.2%
Operating income ratio	11.5%	9.5%		11.9%	

Sales by region



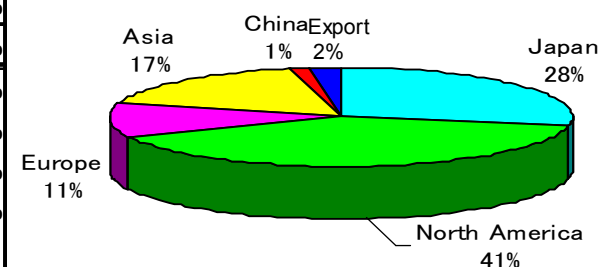
Sales: ¥93.3 billion; Operating income was negative.
AEC returned to consolidated profitability in second half, reflecting productivity improvements in North American operations.

(billions of yen)

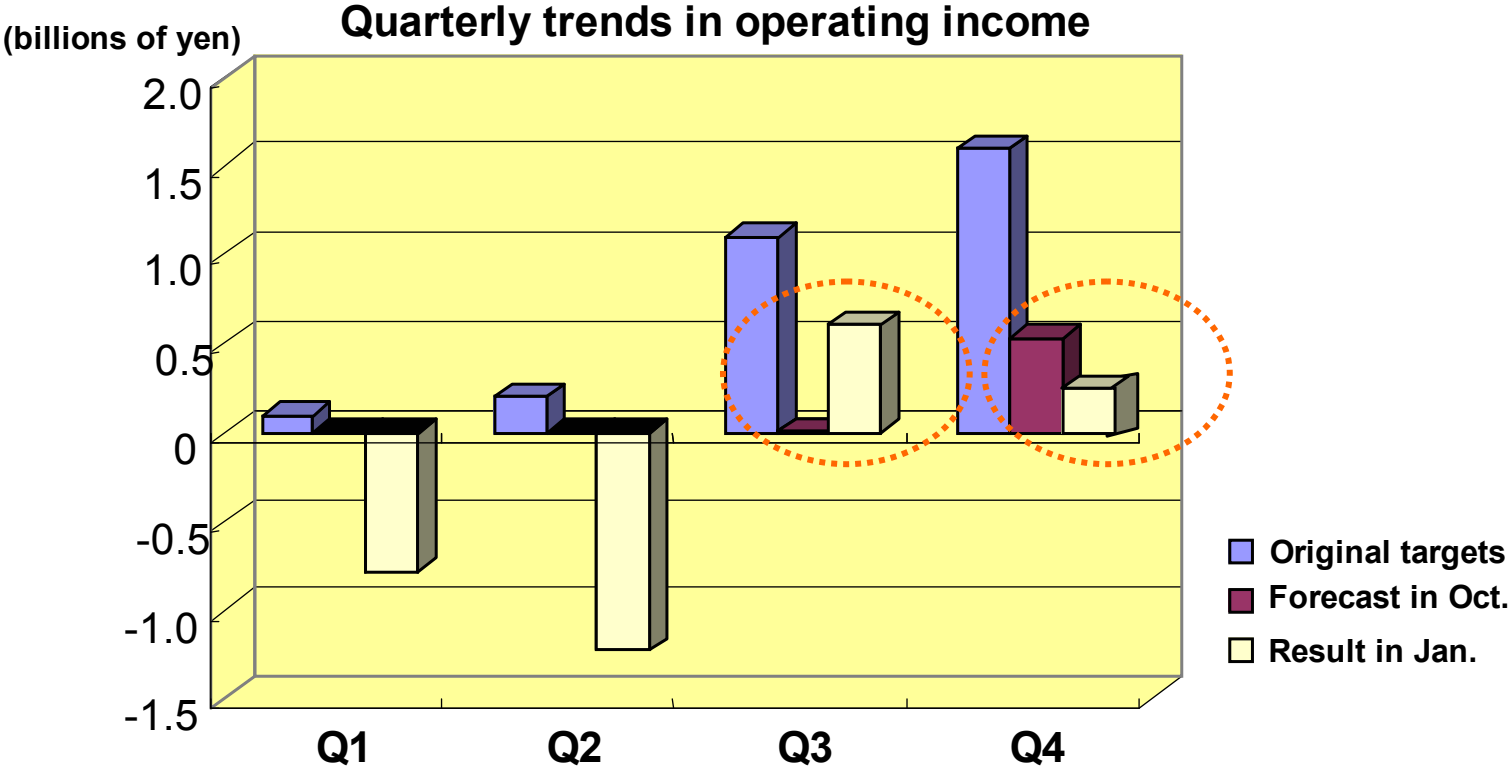
AEC	FY05	FY06	YoY Change	FY06	Change from
	Actual (1)	Actual (2)	(2)/(1)	Original target (3)	Original target (2)/(3)
Japan	27.2	26.1	95.7%	27.0	96.6%
Overseas	50.4	67.2	133.5%	64.0	105.1%
North America	28.8	37.9	131.5%	36.5	103.7%
Europe	6.2	9.8	157.9%	10.5	93.8%
Asia	15.1	16.2	106.8%	16.0	101.0%
China	0.1	1.4	1032.4%	1.0	136.3%
Export	0.0	2.0	-	0.0	-
Total	77.6	93.3	120.3%	91.0	102.6%

Operating income	-2.0	-1.2	-	3.0	-
Operating income ratio	-	-		3.3%	

Sales by region



Although well short of initial targets, AEC achieved profitability on an operating basis in 3rd and 4th quarters.



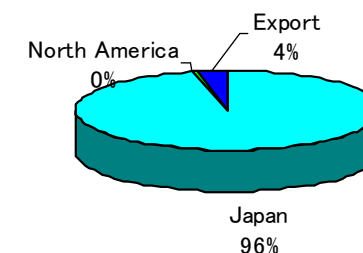
FY06 emergency actions contributed to profit in the second half
 Cost reduction by VAVE/Price hikes/ Production shift from North America to other regions/ Productivity improvement

Sales: ¥105.9 billion; Operating margin: 7.6%
 Shift to IC in Kanto public transportation systems
 contributed to substantial sales increase.
 Operating income well above target due to effect of structural reforms.

(billions of yen)

SSB	FY05	FY06	YoY Change	FY06	Change from Original target
	Actual (1)	Actual (2)	(2)/(1)	Original target (3)	(2)/(3)
Japan	90.5	101.8	112.6%	95.0	107.2%
Overseas	1.3	4.1	308.8%	4.0	103.0%
North America	0.2	0.5	262.1%	0.5	97.0%
Europe	0.0	0.0	-	0.0	-
Asia	0.0	0.0	-	0.0	-
China	0.0	0.0	-	0.0	-
Export	1.1	3.6	317.9%	3.5	103.8%
Total	91.8	105.9	115.4%	99.0	107.0%
Operating income	4.4	8.1	182.0%	6.0	134.5%
Operating income ratio	4.8%	7.6%		6.1%	

Sales by region

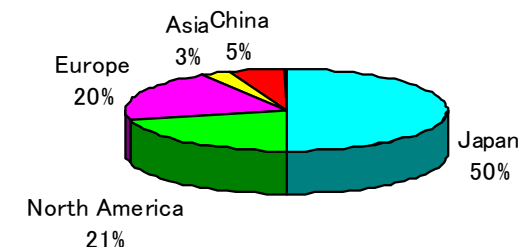


Sales: ¥65.7 billion; Operating margin: 13.2%
In line with original targets as Europe and Asia
covered sales drop in North America.

(billions of yen)

HCB	FY05	FY06	YoY Change	FY06	Change from
	Actual (1)	Actual (2)	(2)/(1)	Original target (3)	Original target (2)/(3)
Japan	30.3	32.8	108.2%	33.5	98.0%
Overseas	30.8	32.9	107.0%	33.0	99.7%
North America	15.4	13.8	89.8%	16.0	86.4%
Europe	10.6	13.1	124.3%	11.0	119.5%
Asia	1.6	2.1	127.0%	1.5	138.1%
China	2.9	3.6	123.8%	4.0	90.0%
Export	0.2	0.3	106.8%	0.5	50.2%
Total	61.1	65.7	107.6%	66.5	98.8%
Operating income	8.7	8.7	100.4%	8.5	102.2%
Operating income ratio	14.2%	13.2%		12.8%	

Sales by region



Increase in total assets due to increase in receivables, increase in inventories resulting from business acquisitions and currency translation, etc.
 Increase in short-term loans to fund M&A.
 Cash and cash equivalents are being reduced. Net worth ratio was 60.7%

(billions of yen)

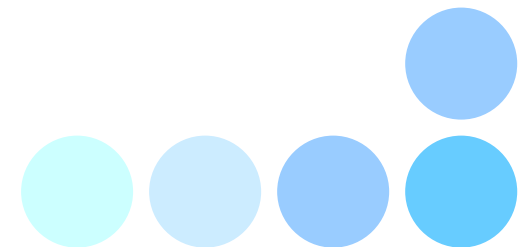
B/S	FY04	FY05	FY06
Total Assets	585.4	589.1	630.3
Cash and cash equivalents	80.6	52.3	43.0
Notes and accounts receivable - trade	121.7	136.3	173.4
Inventories	68.6	75.0	94.1
Other current assets	25.0	28.8	31.6
Net Property, Plant and Equipment	154.7	167.6	159.3
Investments and Other Assets	134.8	129.1	129.0
Total Liabilities	279.6	226.2	247.5
Bank Loans / Current portion of L/T debt	22.9	2.8	20.1
Long-term debt	1.8	1.0	1.7
Other liabilities	254.9	222.4	225.7
Shareholders' Equity	305.8	362.9	382.8

Net cash used in investing activities was ¥47.1 billion due to acquisitions for future growth, etc.

(billions of yen)

C/F	FY04	FY05	FY06
Net cash provided by operating activities	61.1	51.7	40.5
Net cash used in investing activities	-36.1	-43.0	-47.1
Free cash flow	25.0	8.7	-6.5
Net cash used in financing activities	-40.7	-38.3	-4.7
Effect of exchange rate changes	1.2	1.3	1.9
Net increase (decrease)	-14.4	-28.3	-9.3
Cash and cash equivalents at end of the period	80.6	52.3	43.0

3. Business Plan for the Fiscal Year Ending March 31, 2008



FY 2007 Policy

‘Prioritizing Profit to Achieve GD2010 Second-stage Goals’

Basic stance

- Set out profit-focused measures in our annual plan to ensure operating profit in excess of 75 billion yen.
- Lay the foundation for a growth structure that supports increased profits, in preparation for the third stage of GD2010

*Grand Design 2010 (GD2010) : Long-term management vision for the 10 years from April 2001 to March 2011

Operating Environment

IAB	<p>Capital investment in auto industry expected to pick up this summer. Investment in IT- related industries is less foreseeable.</p> <p>Quality, safety and environment related business expected to grow.</p>
ECB	<p>Outlook for industrial components market is generally bullish; growth is also expected for TV and other digital home appliances.</p> <p>Solid demand for communication relays in Europe and United States. High growth in mobile phone related demand in emerging countries continues.</p>
AEC	<p>Domestic auto production volume on the increase. But mini vehicles ratio is increasing.</p> <p>North American demand is anticipated less than the previous year. But module business is expected to grow due to greater need for safety and security.</p>
SSB	<p>Sales of public transportation equipment will decline as shift to common IC card systems in Kanto region has peaked.</p> <p>Expansion of new business areas such as security-related business is expected.</p>
HCB	<p>Domestic demand is expected to be solid, but demand for North American blood pressure monitors is weak.</p> <p>Blood pressure monitor demand in Europe and Asia is expected to grow substantially.</p>

**Aim for new sales and profit records with sixth consecutive year of growth.
Prioritize Profit to Achieve GD2010 Second-stage Goals.**

(billions of yen)

	FY2005	FY2006	FY2007 Forecast	YoY Change %
Net sales	626.8	736.7	800.0	108.6%
Gross profit	253.4	284.2	309.5	108.9%
SG&A expense	152.7	168.1	178.0	105.9%
R&D expense	50.5	52.0	56.5	108.6%
'Daiko-henjyo'	11.9	-	-	
Operating income	62.1	64.0	75.0	117.1%
Non-Operating profit and loss	2.2	2.3	-3.0	-
NIBT	64.4	66.3	72.0	108.6%
NIAT	35.8	38.3	46.0	120.2%
ROE	10.7%	10.3%	11.5%	+1.2
				(yen)
USD	113.4	117.0	115.0	-2.0
EUR	138.2	150.3	150.0	-0.3

Sales Forecast by Region and Business Segment

Expect sales growth of 9% (Japan 2%, Overseas 16%)
By segment, we expect sales growth of 10% or more in IAB, ECB and HCB

(billions of yen)

Japan/Overseas	FY2005	FY2006	FY2007 Forecast	YoY %
Japan	354.9	388.0	396.5	102.2%
Overseas*	271.9	348.7	403.5	115.7%
Total	626.8	736.7	800.0	108.6%

By business	FY2005	FY2006	FY2007	%
IAB	272.7	305.6	339.5	111.1%
ECB	97.7	138.4	180.5	130.5%
AEC	77.6	93.3	100.0	107.2%
SSB	91.8	105.9	90.0	85.0%
HCB	61.1	65.7	73.5	111.8%
Others	25.9	27.8	16.5	59.5%
Total	626.8	736.7	800.0	108.6%

Consolidated Operating Income Forecast (by Business Segment)

IAB will sharply increase profits through global productivity structure reforms
AEC will restore profits.
We aim for record-high profits

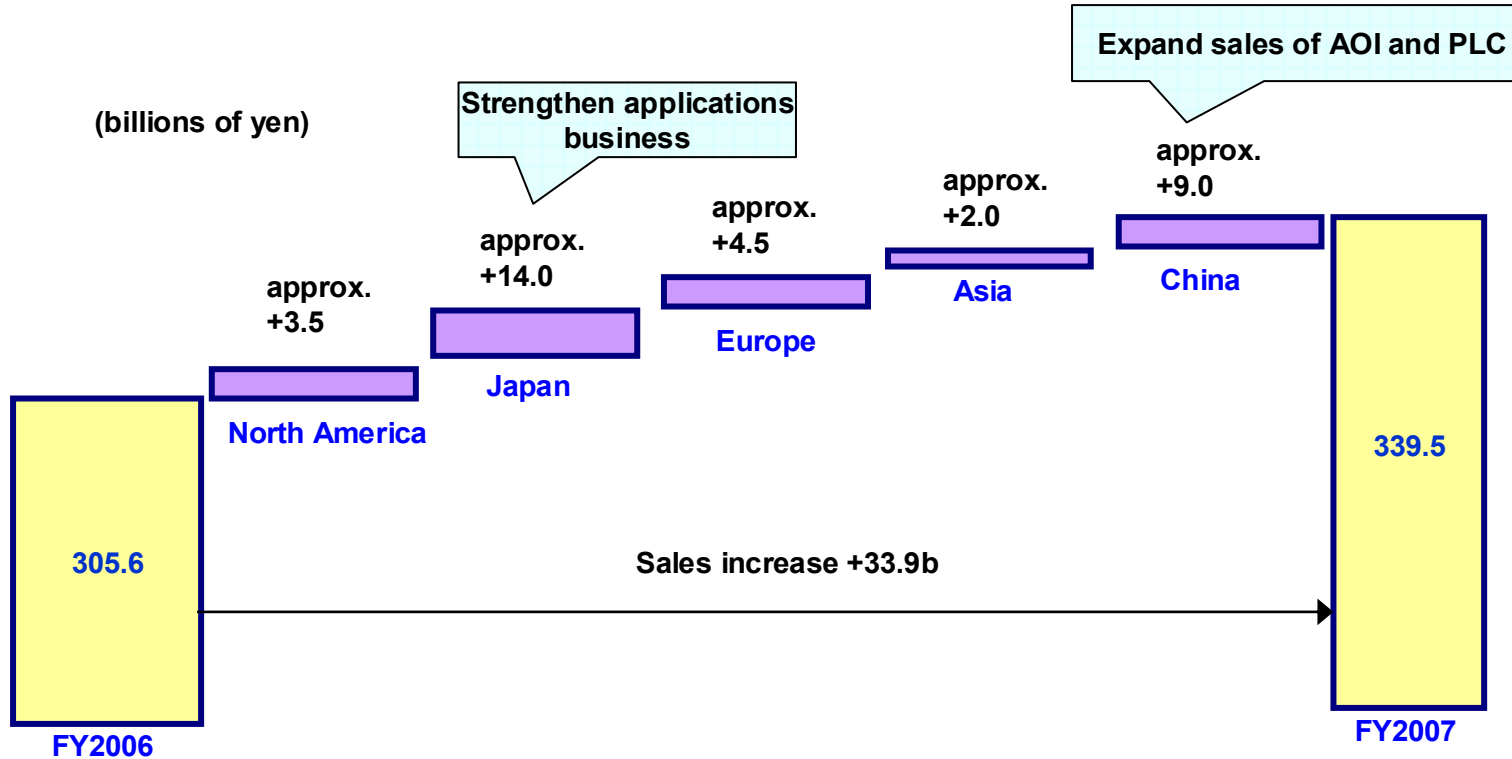
(billions of yen)

By Business	FY2005	FY2006	FY2007 Forecast	YoY %
IAB	41.9	48.5	64.6	133.1%
ECB	11.2	13.1	15.3	116.8%
AEC	-2.0	-1.2	1.4	-
SSB	4.4	8.1	7.3	90.5%
HCB	8.7	8.7	9.5	109.3%
Others	1.7	2.4	-0.6	-
HQ Cost/Elimination	-15.7	-15.5	-22.4	144.8%
'Daiko-henjyo'	11.9	-	-	-
Total	62.1	64.0	75.0	117.1%

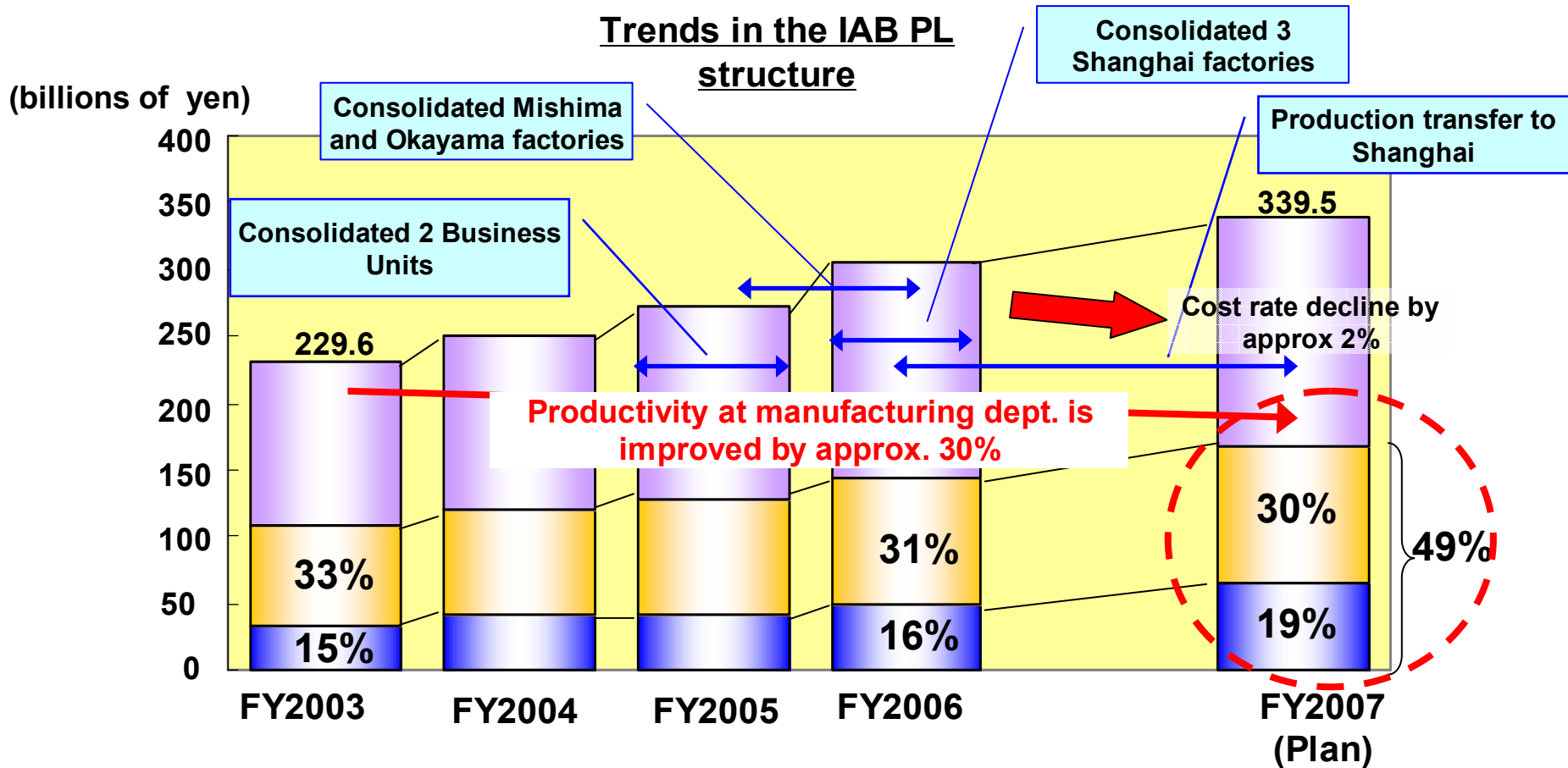
Sales	
IAB	<ul style="list-style-type: none"> Strengthen proposal-based sales. Focus on AOI (Automated Optical Inspection), safety components and application sensor businesses.
ECB	<ul style="list-style-type: none"> Focus on miniature backlight business. Generate synergy with OPT (Omron Precision Technology) Expansion projected for amusement components business.
AEC	<ul style="list-style-type: none"> Focus on products in new tech fields with emphasis on safety. Focus on sales growth in China, where we established a new production base.
SSB	<ul style="list-style-type: none"> IC conversion of public transportation systems in Kanto has peaked. Focus on security as a new business area.
HCB	<ul style="list-style-type: none"> Focus on hypertension and obesity prevention care business with mission of prevention and early detection of lifestyle diseases. Regional focus on China and Russia.
Operating Income	
IAB	<ul style="list-style-type: none"> Profit structure: Achieve internal target of 5:3:2 Improve profits in growth businesses (PLC, AOI, safety devices, etc.)
ECB	<ul style="list-style-type: none"> Improve profits with expansion of China business and relay business Full-scale launch of optical communication devices, synergy with OPT in miniature backlights expected.
AEC	<ul style="list-style-type: none"> Increase sales of growth products (laser radars, tire pressure monitoring systems, electronic power steering, etc.) Ongoing profit improvement at North American production base
SSB	<ul style="list-style-type: none"> Continued promotion of structural reforms and operational reform Focus on getting security business fully under way
HCB	<ul style="list-style-type: none"> Enter new category markets Strengthen marketing of growth categories

Forecast of IAB Sales Growth

**Strengthen domestic applications business and expand sales of AOI and PLC in Greater China area.
Aim for 111% growth year-on-year basis**



Having reduced fixed costs, achieve Profit and Loss structure of 5:3:2



PL structure of
5:3:2 will be completed.



4. Progress of Key Strategic Themes

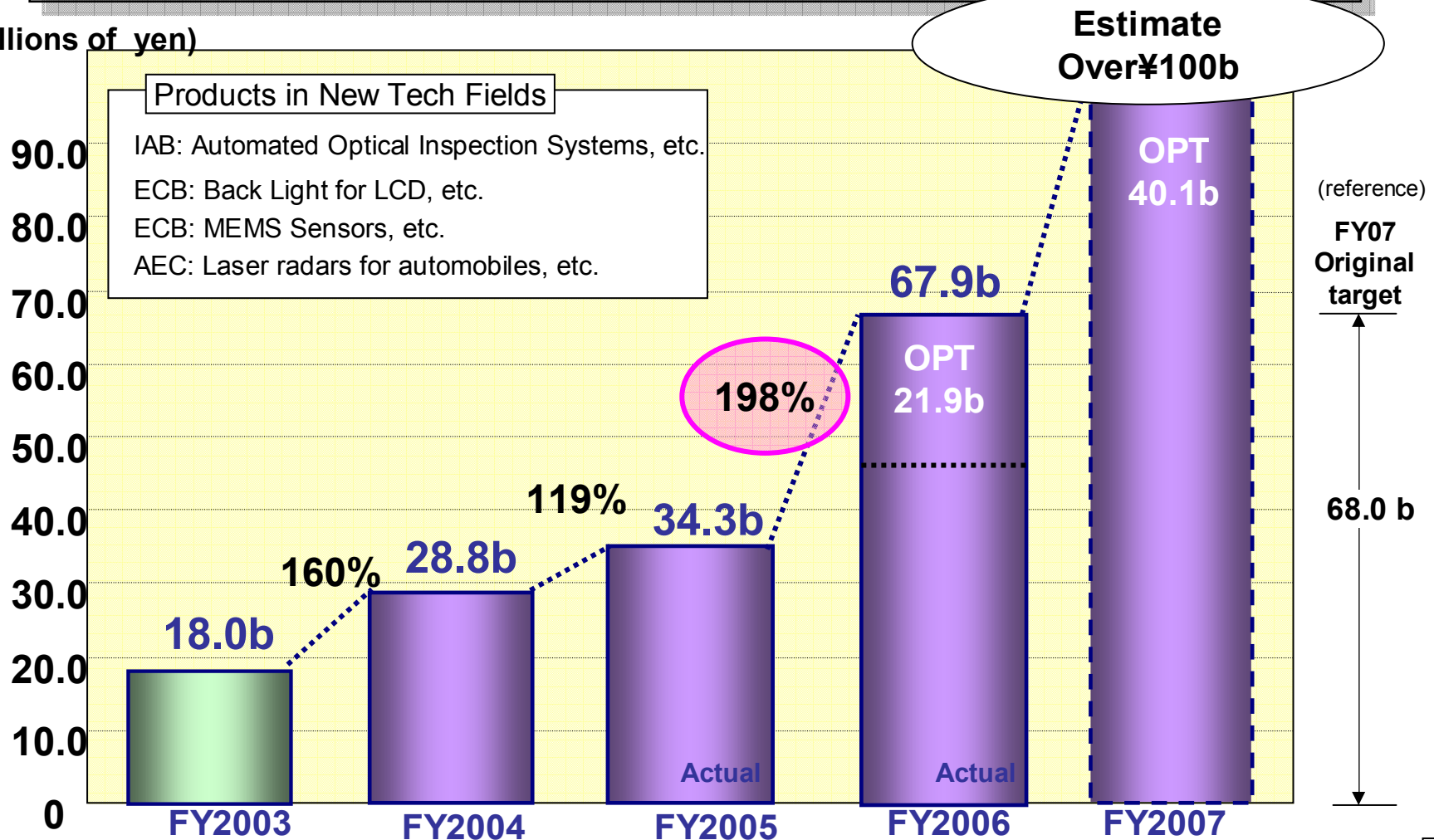


Progress of Key Strategic Themes

(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)

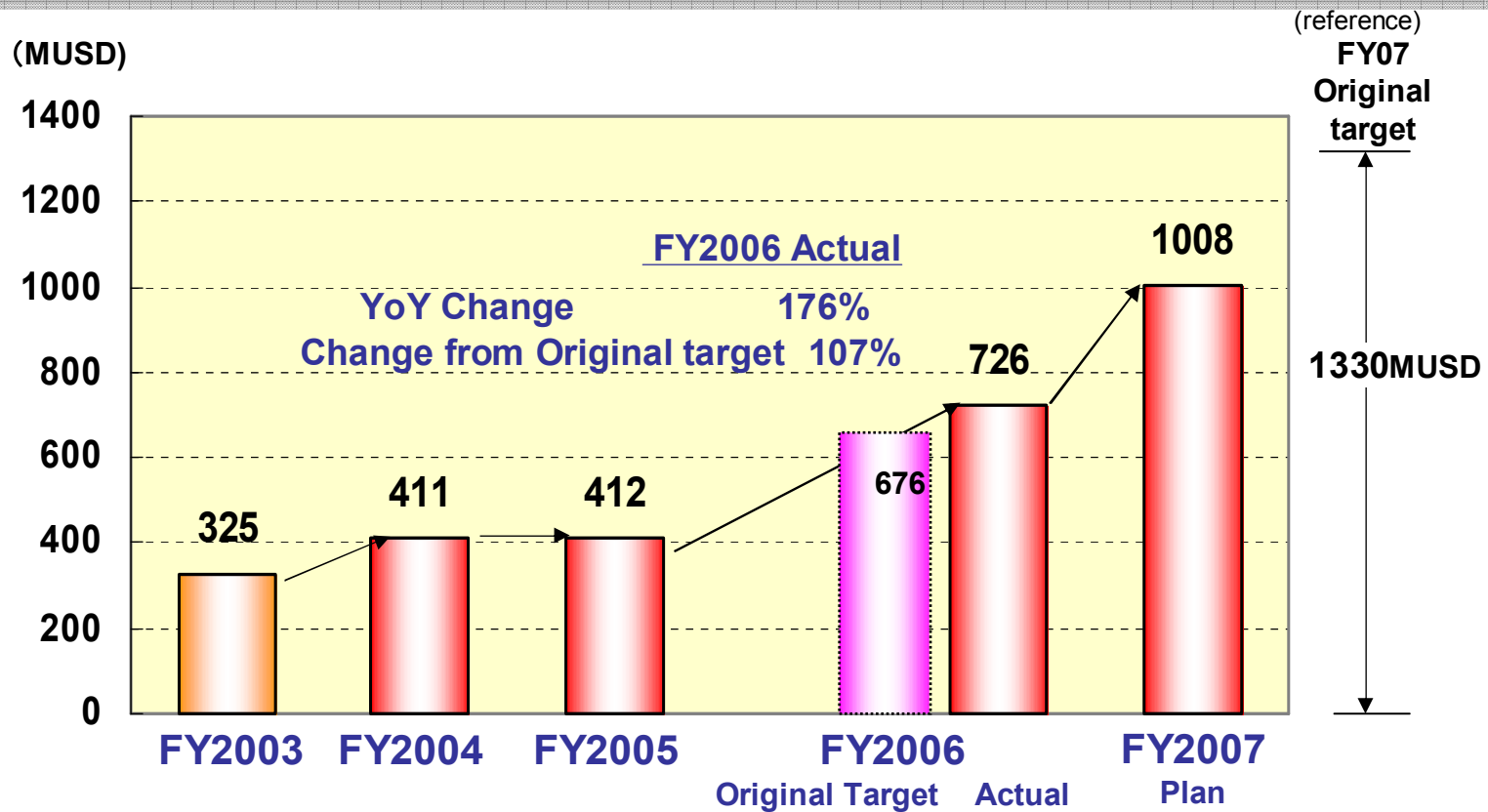
(billions of yen)



Progress of Key Strategic Themes

(2) Sales Growth in Greater China

Sales of OMRON PRECISION TECHNOLOGY Co., Ltd. made strong contribution
Sales up 176% year-on-year, 107% vs. start-of-year target
But difficult to achieve original target of FY2007

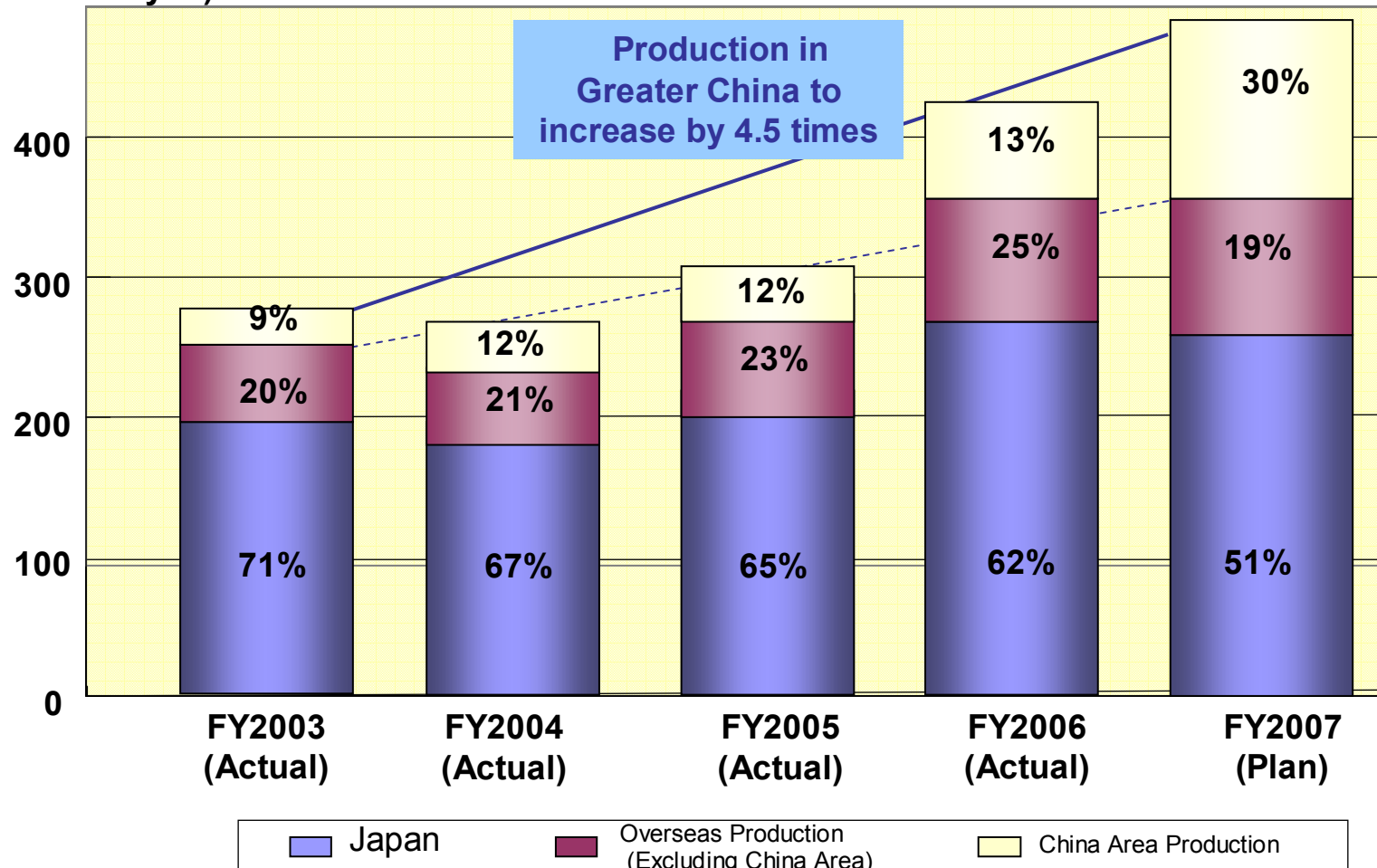


Progress of Key Strategic Themes

(3) Global Production Reform

Ongoing shift of production to Greater China
Greater China production ratio continued to increase in FY2006; will reach about 30% in FY2007

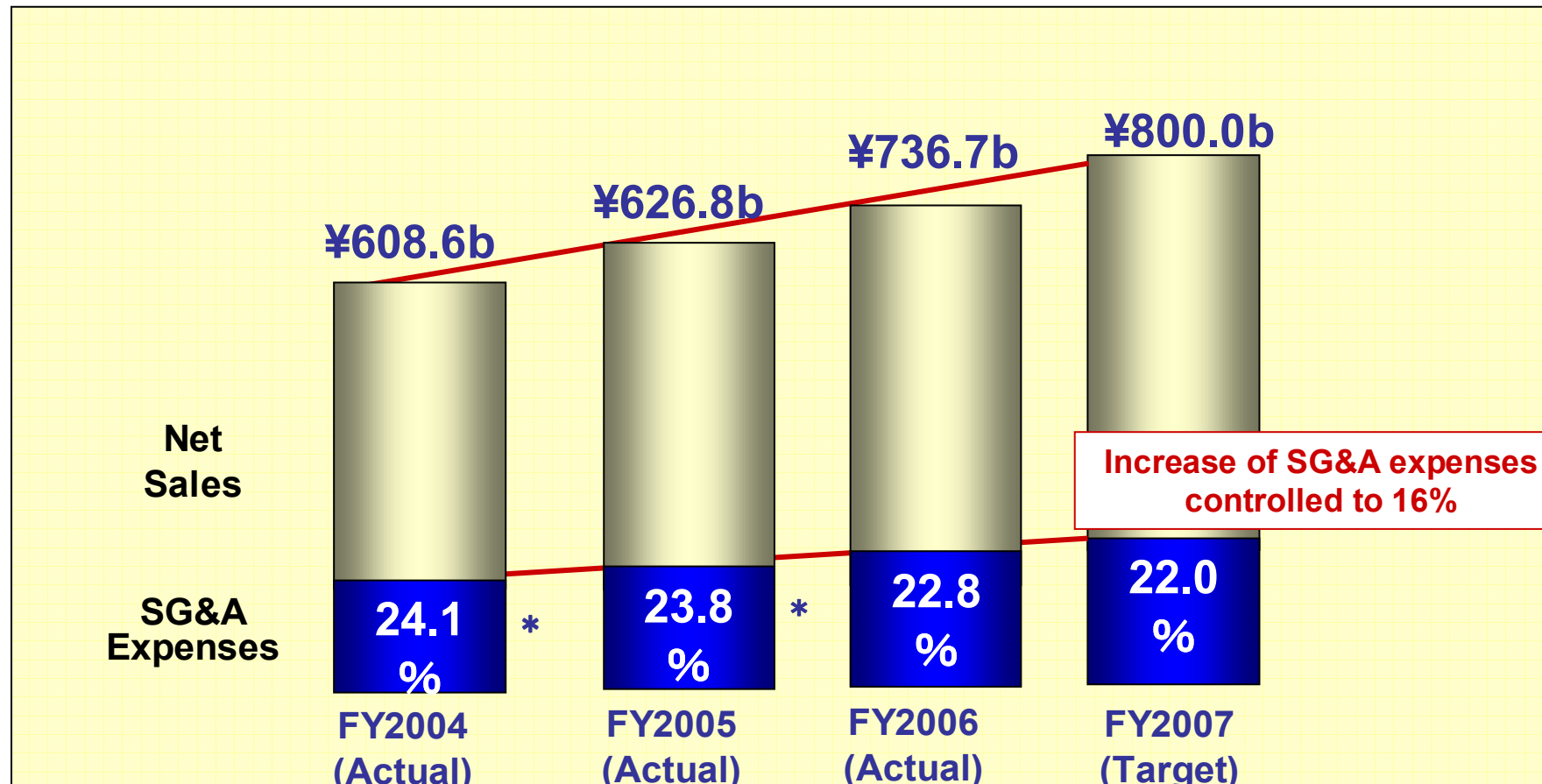
(billions of yen)



Progress of Key Strategic Themes

(4) SG&A Expenses Reform

Continuously control SG&A costs at offices and headquarters to achieve the target of 4:3:1 P/L structure



*Excluding extraordinary factors of ATM business and response to hazardous chemical substance regulations in FY2004

*Excluding extraordinary factor of response to hazardous chemical substance regulations in FY2005



5. Basic Policy on Distribution of Profits

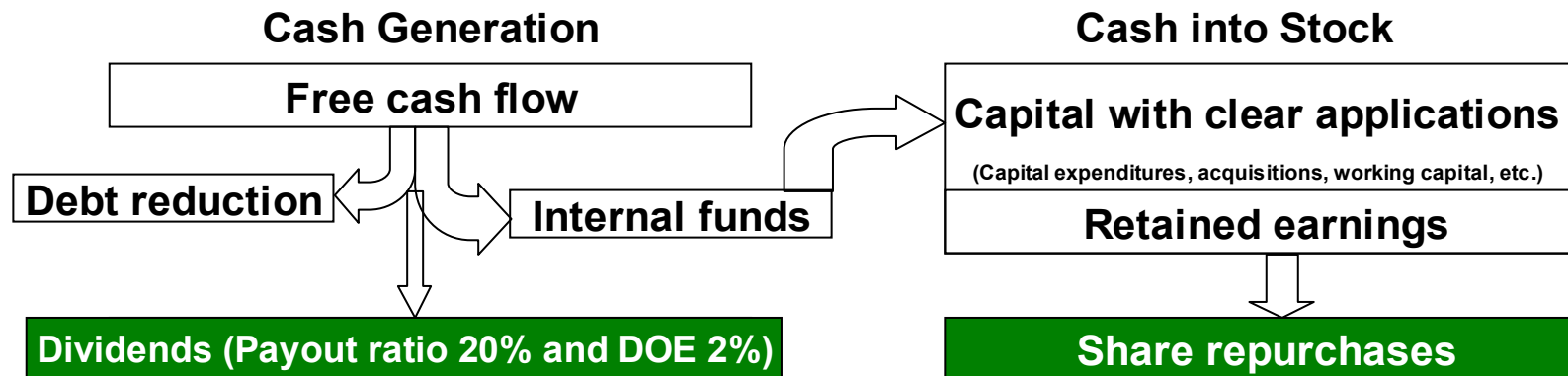


Basic Policy on Distribution of Profits

Omron will increase cash dividends for FY 2006 to 34 yen per share while aiming for DOE of 2% and maintaining a minimum payout ratio of 20% for FY2007.

<Basic Policy on Distribution of Profits>

1. Place top priority internal funds for growth investments to raise corporate value
2. Return surplus earnings to shareholders as much as possible after considering the free cash flow level
3. Enhance stable, uninterrupted shareholder returns by taking into account consolidated results as well as indicators including dividend on equity (DOE) in annual dividends
4. Aim for DOE of 2% and maintain a minimum payout ratio of 20%
5. Over the long-term, use retained earnings to flexibly provide returns to shareholders, including share repurchases

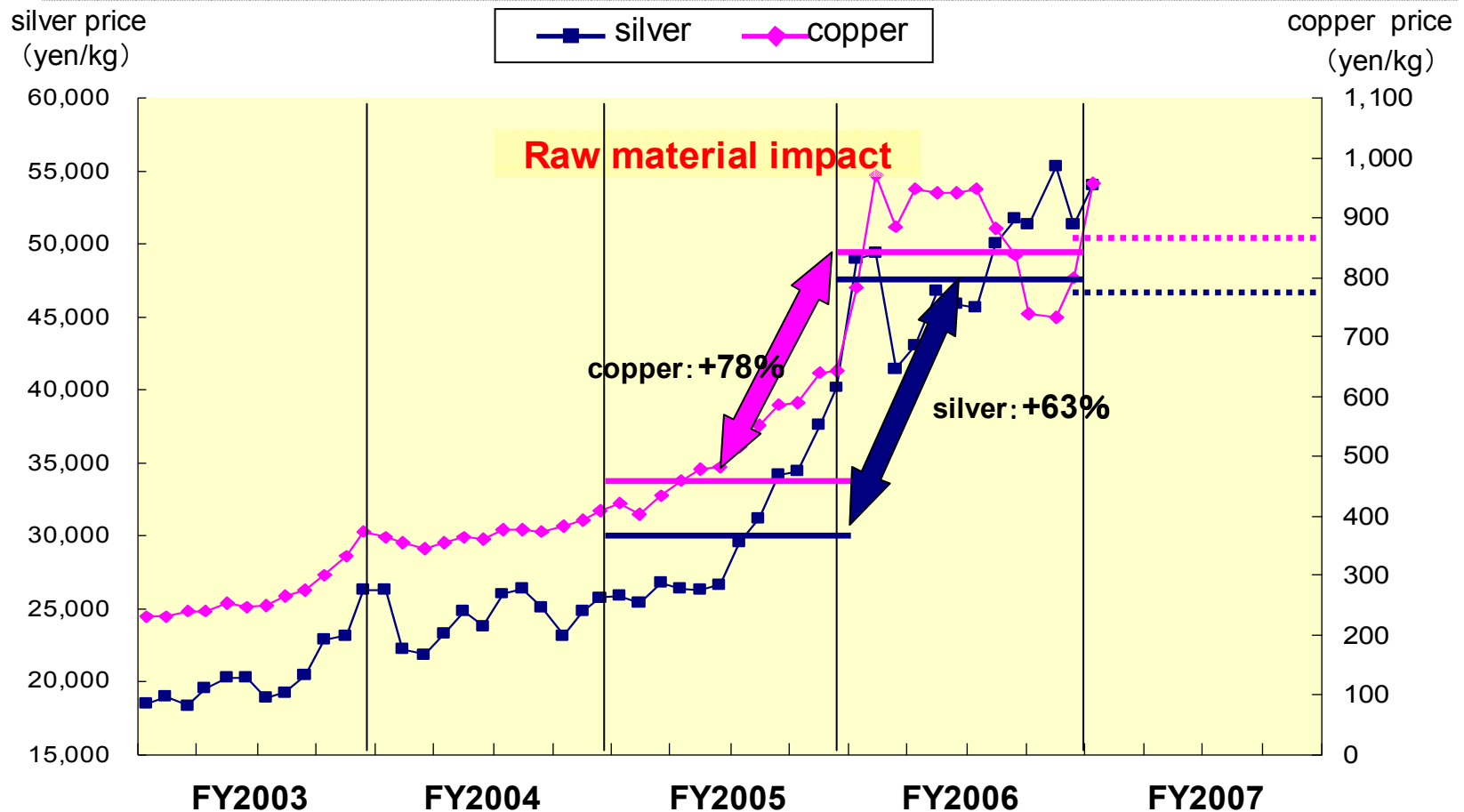


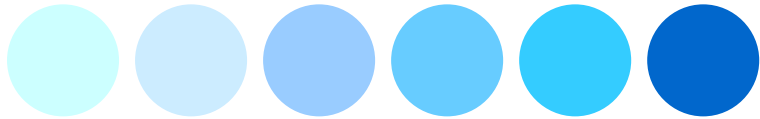


6. Reference



Copper prices rose sharply from second half of FY2005.
Prices showed temporary downward trend, but recently prices began rising again.
Silver prices continue to rise.





Aiming for the Best Matching of Machines to People

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