

**OMRON Corporation and subsidiaries**  
**SEMI ANNUAL RESULTS**  
**For the half year ended September 30, 1999.**

**DATE : November 15, 1999.**  
**OMRON CORPORATION**  
**CODE : 6645**

Annual closing date : March 31  
 Stock listed on : Tokyo, Osaka,  
 Nagoya, Kyoto

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**1. Results for the half year (From April 1, 1999 to September 30, 1999.)**

The Japanese Yen amounts are rounded at Million Japanese Yen.

**(1) Statements of Income summary (Millions of Yen)**

	Net sales	Increase ratio	Operating income	Increase ratio	Net income before tax	Increase ratio
Sep. 1999	256,653	-3.2%	11,342	627.5%	7,561	1030.2%
Sep. 1998	265,021	-9.2%	1,559	-91.6%	669	-96.2%

	Net income	Increase ratio	Earnings per share	Return on equity	Return on total assets	Income before tax per net sales
Sep. 1999	4,019	4175.5%	JPY 15.65	2.5%	2.6%	2.9%
Sep. 1998	94	-98.8%	JPY 0.36	0.1%	0.2%	0.3%

Equity in net income 1999 -83 million, 1998 -55 million.

**(2) Balance Sheets summary (Millions of Yen)**

	Total assets	Total shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
Sep. 1999	569,461	321,193	56.4%	JPY 1,250.79
Sep. 1998	572,543	335,740	58.6%	JPY 1,281.70

**(3) Information of consolidation**

- a. Number of subsidiaries consolidated ..... 128 companies
- b. Number of subsidiaries non consolidated ..... 0 companies
- c. Number of affiliated companies ..... 13 companies

**(4) Changes in accounting principle**

- a. Changes in subsidiaries consolidated
  - Added : OMRON Healthcare U.K. Ltd. and 5 other companies
  - Exclusion : Sanno Software
- b. Changes in affiliated companies
  - Added : Sanko Industrial Automation and 1 other company
  - Exclusion : OMRON Electronics Co., Ltd. (transfer to subsidiary) and 1 other company
- c. Changes in accounting policy  
none

**(5) Basis for financial statements**

The financial statements are prepared in accordance with U.S. GAAP.

**2. Estimated annual results**

**For the year ending March 31, 2000. (Millions of Yen)**

	Net sales	Net income before tax	Net income
Mar. 2000	560,000	21,000	11,000

**OMRON Corporation and subsidiaries**  
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3. Net sales categorized by business company  
**(Net sales to 3rd party only)**

(Millions of Yen)

Business Company	Sep. 1999		Sep. 1998		'99 / '98
	Amount	Ratio	Amount	Ratio	
Industrial Automation	117,860	45.9%	125,754	47.5%	93.7%
Electronic Components	33,118	12.9%	26,699	10.1%	124.0%
Social Systems Business	48,900	19.1%	54,220	20.5%	90.2%
Healthcare	20,565	8.0%	21,071	8.0%	97.6%
Others	36,210	14.0%	37,277	14.1%	97.1%
Total	256,653	99.9%	265,021	100.2%	96.8%

Note : The Japanese Yen amounts are rounded at Million Japanese Yen.

4. Net sales categorized by business company  
**(including internal sales to other business company)**

(Millions of Yen)

Business Company	Sep. 1999		Sep. 1998		'99 / '98
	Amount	Ratio	Amount	Ratio	
Industrial Automation	118,561	46.2%	126,364	47.7%	93.8%
Electronic Components	57,672	22.5%	54,290	20.5%	106.2%
Social Systems Business	51,139	19.9%	57,583	21.7%	88.8%
Healthcare	20,652	8.0%	21,181	8.0%	97.5%
Others	55,477	21.6%	62,467	23.6%	88.8%
(Elimination)	(46,848)	-18.3%	(56,864)	-21.5%	82.4%
Total	256,653	99.9%	265,021	100.0%	96.8%

Note : The Japanese Yen amounts are rounded at Million Japanese Yen.

5. Net sales estimation categorized by business company  
**(Net sales to 3rd party only)**

(Millions of Yen)

Business Company	Mar. 2000		Mar. 1999		'00 / '99
	Amount	Ratio	Amount	Ratio	
Industrial Automation	229,600	41.0%	245,785	44.3%	93.4%
Electronic Components	69,000	12.3%	56,673	10.2%	121.8%
Social Systems Business	132,900	23.7%	135,872	24.5%	97.8%
Healthcare	46,600	8.3%	43,729	7.9%	106.6%
Others	81,900	14.6%	73,221	13.2%	111.9%
Total	560,000	99.9%	555,280	100.1%	100.9%

Note : The Japanese Yen amounts are rounded at Million Japanese Yen.

**Consolidated Balance Sheets**  
**September 30, 1999, 1998 and 1997.**

	Millions of Yen			Millions of U.S. dollars	U.S. dollars
	1999	1998	1997	1999	107.00 1999
<b>ASSETS</b>					
<b>CURRENT ASSETS :</b>					
Cash and cash equivalents .....	95,008	63,798	72,750	888	887,925.23
Short-term investments .....	809	14,782	15,781	8	7,560.75
Notes and accounts receivable, trade .....	110,553	114,234	121,555	1,033	1,033,205.61
Allowance for doubtful receivables .....	(1,959)	(2,329)	(2,703)	(18)	(18,308.41)
Inventories .....	86,272	107,743	96,233	806	806,280.37
Deferred income taxes .....	9,779	16,172	11,363	91	91,392.52
Other current assets .....	8,860	12,135	7,153	83	82,803.74
<b>Total current assets</b> .....	<b>309,322</b>	<b>326,535</b>	<b>322,132</b>	<b>2,891</b>	<b>2,890,859.81</b>
<b>PROPERTY, PLANT AND EQUIPMENT :</b>					
Land .....	51,097	51,075	50,693	477	477,542.06
Buildings .....	110,600	102,664	105,938	1,034	1,033,644.86
Machinery and equipment .....	133,470	146,477	141,684	1,247	1,247,383.18
Construction in progress .....	2,961	7,309	3,760	28	27,672.90
<b>Total</b> .....	<b>298,128</b>	<b>307,525</b>	<b>302,075</b>	<b>2,786</b>	<b>2,786,242.99</b>
Accumulated depreciation .....	(140,145)	(138,520)	(135,019)	(1,310)	(1,309,766.36)
<b>Net property, plant and equipment</b> .....	<b>157,983</b>	<b>169,005</b>	<b>167,056</b>	<b>1,476</b>	<b>1,476,476.64</b>
<b>OTHER ASSETS :</b>					
Investments in and advances to associates .....	1,763	1,774	2,056	16	16,476.64
Investment securities .....	64,063	42,698	66,159	599	598,719.63
Leasehold deposits .....	10,570	11,609	11,673	99	98,785.05
Deferred income taxes .....	7,251	4,893	5,705	68	67,766.36
Other .....	18,509	16,029	17,031	173	172,981.31
<b>Total other assets</b> .....	<b>102,156</b>	<b>77,003</b>	<b>102,624</b>	<b>955</b>	<b>954,728.97</b>
<b>TOTAL</b> .....	<b>569,461</b>	<b>572,543</b>	<b>591,812</b>	<b>5,322</b>	<b>5,322,065.42</b>

Note : 1. The Japanese Yen amounts are rounded at Million Japanese Yen.

2. The U.S. dollar amounts represent translations of Japanese Yen at the approximate exchange rate at September 30, 1999 of JPY 107.00 = US\$ 1.

**Consolidated Balance Sheets**  
**September 30, 1999, 1998 and 1997.**

	Millions of Yen			Millions of	Thousands of
	1999	1998	1997	U.S. dollars	U.S. dollars
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				1999	1999
<b>CURRENT LIABILITIES :</b>					
Bank loans .....	25,197	16,194	12,473	235	235,485.98
Notes and accounts payable, trade .....	64,915	67,369	85,997	607	606,682.24
Accrued expenses .....	21,010	23,020	22,329	196	196,355.14
Income taxes .....	7,200	6,228	11,089	67	67,289.72
Deferred income taxes .....	352	1,108	2,061	3	3,289.72
Other current liabilities .....	24,258	26,015	24,973	227	226,710.28
Current portion of long-term debt .....	1,498	3,117	14,473	14	14,000.00
<b>Total current liabilities</b> .....	<b>144,430</b>	<b>143,051</b>	<b>173,395</b>	<b>1,349</b>	<b>1,349,813.08</b>
<b>LONG-TERM DEBT</b> .....	<b>57,012</b>	<b>57,590</b>	<b>35,341</b>	<b>533</b>	<b>532,822.43</b>
<b>DEFERRED INCOME TAXES</b> .....	<b>56</b>	<b>4,318</b>	<b>14,772</b>	<b>1</b>	<b>523.36</b>
<b>TERMINATION AND RETIREMENT BENEFIT</b>	<b>42,955</b>	<b>27,471</b>	<b>25,052</b>	<b>401</b>	<b>401,448.60</b>
<b>OTHER LONG-TERM LIABILITIES</b> .....	<b>1,398</b>	<b>812</b>	<b>96</b>	<b>13</b>	<b>13,065.42</b>
<b>MINORITY INTERESTS IN SUBSIDIARIES</b> .....	<b>2,417</b>	<b>3,561</b>	<b>5,571</b>	<b>23</b>	<b>22,588.79</b>
<b>SHAREHOLDERS' EQUITY</b>					
Common stock: .....	64,079	64,079	64,079	599	598,869.16
Additional paid in capital .....	98,702	98,702	98,702	923	922,448.60
Legal reserve .....	7,076	6,637	6,229	66	66,130.84
Retained earnings .....	168,105	172,754	165,449	1,571	1,571,074.77
Accumulated other comprehensive income.....	(16,138)	(6,090)	3,126	(151)	(150,822.43)
Cumulative translation adjustments .....	(19,288)	(3,943)	(7,436)	(180)	(180,261.68)
Minimum pension liability adjustments .....	(7,138)	(1,401)	(2,146)	(67)	(66,710.28)
Net Unrealized Gain on Securities .....	10,288	(746)	12,708	96	96,149.53
Treasury stock .....	(631)	(342)	0	(6)	(5,897.20)
<b>Total shareholders' equity</b> .....	<b>321,193</b>	<b>335,740</b>	<b>337,585</b>	<b>3,002</b>	<b>3,001,804</b>
<b>TOTAL</b> .....	<b>569,461</b>	<b>572,543</b>	<b>591,812</b>	<b>5,322</b>	<b>5,322,065.42</b>

Note : 1. The Japanese Yen amounts are rounded at Million Japanese Yen.

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## Consolidated Statements of Income and Retained Earnings

For the half year ended September 30, 1999, 1998 and 1997.

	Millions of Yen			Millions of U.S. dollars	Thousands of U.S. dollars
	1999	1998	1997	1999	1999
<b>NET SALES</b> .....	256,653	265,021	291,898	2,399	2,398,626.17
<b>COSTS AND EXPENSES :</b>					
Cost of sales .....	165,128	170,227	188,370	1,543	1,543,252.34
Selling general and administrative .....	62,388	71,595	66,977	583	583,065.42
Research and development .....	17,795	21,640	17,990	166	166,308.41
Interest expense (income) net .....	448	264	294	4	4,186.92
Foreign exchange loss (gain) .....	2,409	1,234	1,419	23	22,514.02
Other, net .....	924	(608)	(935)	9	8,635.51
<b>Total</b> .....	<u>249,092</u>	<u>264,352</u>	<u>274,115</u>	<u>2,328</u>	<u>2,327,962.62</u>
<b>INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS</b> .....	7,561	669	17,783	71	70,663.55
<b>INCOME TAXES :</b>					
Current .....	5,146	2,535	11,150	48	48,093.46
Deferred .....	(1,864)	(1,995)	(1,276)	(17)	(17,420.56)
<b>Total</b> .....	<u>3,282</u>	<u>540</u>	<u>9,874</u>	<u>31</u>	<u>30,672.90</u>
<b>INCOME BEFORE MINORITY INTERESTS</b> .....	4,279	129	7,909	40	39,990.65
<b>MINORITY INTERESTS</b> .....	260	35	231	2	2,429.91
<b>NET INCOME</b> .....	4,019	94	7,678	38	37,561
<b>RETAINED EARNINGS :</b>					
Balance at beginning of period .....	166,020	174,686	159,741	1,552	1,551,588.79
Cash dividends .....	(1,669)	(1,703)	(1,704)	(16)	(15,598.13)
Transfer to legal reserve .....	(265)	(323)	(266)	(3)	(2,476.64)
Balance at end of period .....	<u>168,105</u>	<u>172,754</u>	<u>165,449</u>	<u>1,571</u>	<u>1,571,074.77</u>

Note : 1. The Japanese Yen amounts are rounded at Million Japanese Yen.

2. The U.S. dollar amounts represent translations of Japanese Yen at the approximate exchange rate at September 30, 1999 of JPY 107.00 = US\$ 1.