

# 11-Year Financial and Non-Financial Highlights

OMRON Corporation and Subsidiaries (As of and for the years ended March 31)

	FY2005	FY2006	FY2007	FY2008
<b>Operating Results:</b>				
Net sales	¥616,002	¥723,866	¥762,985	¥627,190
Gross profit	248,642	278,241	293,342	218,522
Selling, general and administrative expenses (excl. R&D expenses)	149,274	164,167	176,569	164,284
R&D expenses	50,501	52,028	51,520	48,899
Operating income (Note 1)	60,782	62,046	65,253	5,339
EBITDA (Note 2)	91,607	95,968	101,596	38,835
Net income (loss) attributable to shareholders	35,763	38,280	42,383	(29,172)
<b>Cash Flows:</b>				
Net cash provided by operating activities	51,699	40,539	68,996	31,408
Net cash used in investing activities	(43,020)	(47,075)	(36,681)	(40,628)
Free cash flow (Note 3)	8,679	(6,536)	32,315	(9,220)
Net cash provided by (used in) financing activities	(38,320)	(4,697)	(34,481)	21,867
<b>Financial Position:</b>				
Total assets	589,061	630,337	617,367	538,280
Cash and cash equivalents	52,285	42,995	40,624	46,631
Total interest-bearing liabilities	2,468	19,988	18,179	52,970
Total shareholders' equity	362,937	382,822	368,502	298,411
<b>Per Share Data:</b>				
Net income (loss) attributable to shareholders (EPS)	151.1	165.0	185.9	(132.2)
Shareholders' equity	1,548.1	1,660.7	1,662.3	1,355.4
Cash dividends (Note 4)	30.0	34.0	42.0	25.0
Dividend payout ratio	19.9%	20.6%	22.6%	—
<b>Financial Indicators:</b>				
Gross profit margin	40.4%	38.4%	38.4%	34.8%
Operating income margin	9.9%	8.6%	8.6%	0.9%
EBITDA margin	14.9%	13.3%	13.3%	6.2%
Return on invested capital (ROIC)	10.1%	9.9%	10.4%	(7.6%)
Return on equity (ROE)	10.7%	10.3%	11.3%	(8.7%)
Ratio of shareholders' equity to total assets	61.6%	60.7%	59.7%	55.4%
Total return ratio (Note 5)	47.8%	49.7%	74.7%	—
Capital expenditures	40,560	44,447	37,072	36,844
Depreciation and amortization	30,825	33,922	36,343	33,496
Ratio of overseas sales	43.4%	47.3%	52.1%	49.7%
<b>Non-Financial Data</b>				
Number of employees	27,408	32,456	35,426	32,583
Ratio of overseas employees to total employees	61.1%	64.9%	65.7%	63.4%
Number of patents held (Note 6)	4,538	5,206	5,717	5,205
Environmental contribution (thousand ton-CO <sub>2</sub> ) (Note 7)				
CO <sub>2</sub> emissions of global production sites (thousand ton-CO <sub>2</sub> ) (Note 8)				

Notes: 1. Operating income for fiscal 2005 includes an ¥11,915 million gain recorded on the return of pension assets to the government.

2. EBITDA = Operating income + Depreciation and amortization

3. Free cash flow = Net cash provided by operating activities + Net cash used in investing activities

4. Cash dividends per share represent the amounts applicable to the respective year, including dividends to be paid after the end of the fiscal year.

5. Total return ratio = (Total dividends paid + Amount of shares repurchased) / Net income (loss) attributable to shareholders (does not include repurchases of less than one trading unit)

6. Patent information is as of March 15.

## Long-Term Management Strategy

### Grand Design 2010 (GD2010)

FY2001 – FY2003

#### 1st Stage Establish a Profit Structure

Concentrate on cost structure reform and restructure the Company as a profit-generating business

##### Achievements

- ROE of 10%
- Withdrew from unprofitable business, spun off Healthcare Business
- Raised the level of corporate governance to the global standard

FY2004 – FY2007

#### 2nd Stage Balance Growth and Earnings

Reinforce business foundations through aggressive investment in growth areas, including M&A, and cost reduction

##### Achievements

- Increased earnings per share from ¥110.7 (FY2003) to ¥185.9 (FY2007)

FY2008 – FY2010

#### 3rd Stage Achieve a Growth Structure

Fortify growth businesses (high profitability)

Revival Stage (February 2009 to March 2011)

Revised 3rd-stage targets due to an abrupt change in the business environment, implemented cost reductions, and spun off Automotive Electronic Components Business and Social Systems, Solutions and Service Business

(Millions of yen)

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
	¥524,694	¥617,825	¥619,461	¥650,461	¥772,966	¥847,252	¥833,604
	184,342	231,702	227,887	241,507	297,208	332,607	320,812
	133,426	142,365	145,662	152,676	181,225	198,103	205,735
	37,842	41,300	42,089	43,488	47,928	47,913	52,790
	13,074	48,037	40,136	45,343	68,055	86,591	62,287
	40,088	71,021	62,753	67,795	93,144	114,930	93,747
	3,518	26,782	16,389	30,203	46,185	62,170	47,290
	42,759	41,956	31,946	53,058	79,044	77,057	84,207
	(18,584)	(20,210)	(26,486)	(28,471)	(31,125)	(39,517)	(67,116)
	24,175	21,746	5,460	24,587	47,919	37,540	17,091
	(20,358)	3,333	(33,492)	(18,550)	(16,298)	(29,303)	(31,550)
	532,254	562,790	537,323	573,637	654,704	711,011	683,325
	51,726	74,735	45,257	55,708	90,251	102,622	82,910
	36,612	45,519	18,774	5,570	488	0	0
	306,327	312,753	320,840	366,962	430,509	489,769	444,718

(Yen)

	16.0	121.7	74.5	137.2	209.8	283.9	219.0
	1,391.4	1,421.0	1,457.5	1,667.0	1,956.1	2,254.4	2,080.0
	17.0	30.0	28.0	37.0	53.0	71.0	68.0
	106.4%	24.7%	37.6%	27.0%	25.3%	25.0%	31.1%
	35.1%	37.5%	36.8%	37.1%	38.5%	39.3%	38.5%
	2.5%	7.8%	6.5%	7.0%	8.8%	10.2%	7.5%
	7.6%	11.5%	10.1%	10.4%	12.1%	13.6%	11.2%
	1.0%	7.8%	4.8%	8.6%	11.3%	13.4%	9.7%
	1.2%	8.7%	5.2%	8.8%	11.6%	13.5%	10.1%
	57.6%	55.6%	59.7%	64.0%	65.8%	68.9%	65.1%
	106.7%	25.2%	37.7%	27.0%	25.3%	49.1%	62.7%
	19,524	23,192	28,341	28,285	33,653	38,143	36,859
	27,014	22,984	22,617	22,452	25,089	28,339	31,460
	50.7%	51.4%	52.2%	51.1%	55.4%	60.1%	60.3%
	36,299	35,684	35,992	35,411	36,842	37,572	37,709
	68.1%	67.8%	67.7%	67.4%	69.1%	69.7%	69.3%
	5,218	5,452	5,959	6,448	6,635	7,194	7,686
		193	189	313	661	851	508
		191	184	176	207	224	214

7. Environmental contribution = Volume of CO<sub>2</sub> emissions reduction contributed by society's use of the Omron Group's energy-generation or saving products and services.

The calculation method has been revised since fiscal 2016. Accordingly, the figures for fiscal 2015 and prior years have been restated.

8. CO<sub>2</sub> emissions volumes calculated based on fuel consumption and electricity purchase volumes by the Company.

#### Operating Income

Omron applies the single step presentation of income under U.S. GAAP (that is, the various levels of income are not presented) in its consolidated statements of income. For comparison with other companies, operating income is presented as gross profit less selling, general and administrative expenses and research and development expenses.

#### Discontinued Operations

Figures for FY2006 and prior years have been restated to account for businesses discontinued in FY2007.

### Value Generation 2020 (VG2020)

FY2011 – FY2013

#### GLOBE STAGE

Establishment of profit and growth structures on a global basis

	Initial Target <sup>*1</sup>	FY2013 Result
Net sales	¥750.0 billion	¥773.0 billion
Operating income	¥100.0 billion	¥68.1 billion
Gross profit margin	42.0%	38.5%
Operating income margin	13.3%	8.8%
ROE	over 15%	11.6%

\*1 Announced July 2011

FY2014 – FY2016

#### EARTH-1 STAGE

Establish self-driven growth structure

	Initial Target <sup>*2</sup>	FY2016 Plan <sup>*3</sup>
Net sales	over ¥900 billion	¥820 billion
Gross profit margin	over 40%	39.3%
Operating margin	over 10%	7.7%
ROIC	approx. 13%	10%
ROE	approx. 13%	10%
EPS	approx. ¥290	¥222.2

\*2 Announced April 2014

\*3 Announced April 2016

FY2017 – FY2020

#### EARTH-2 STAGE

FY2020 Targets<sup>\*4</sup>

- Net sales over ¥1 trillion
- Operating profit margin 15%

\*4 Announced July 2011