

Establishment of Switch Business Company and Integration of Relay Business

—Strengthening the Mechanical Components Business—

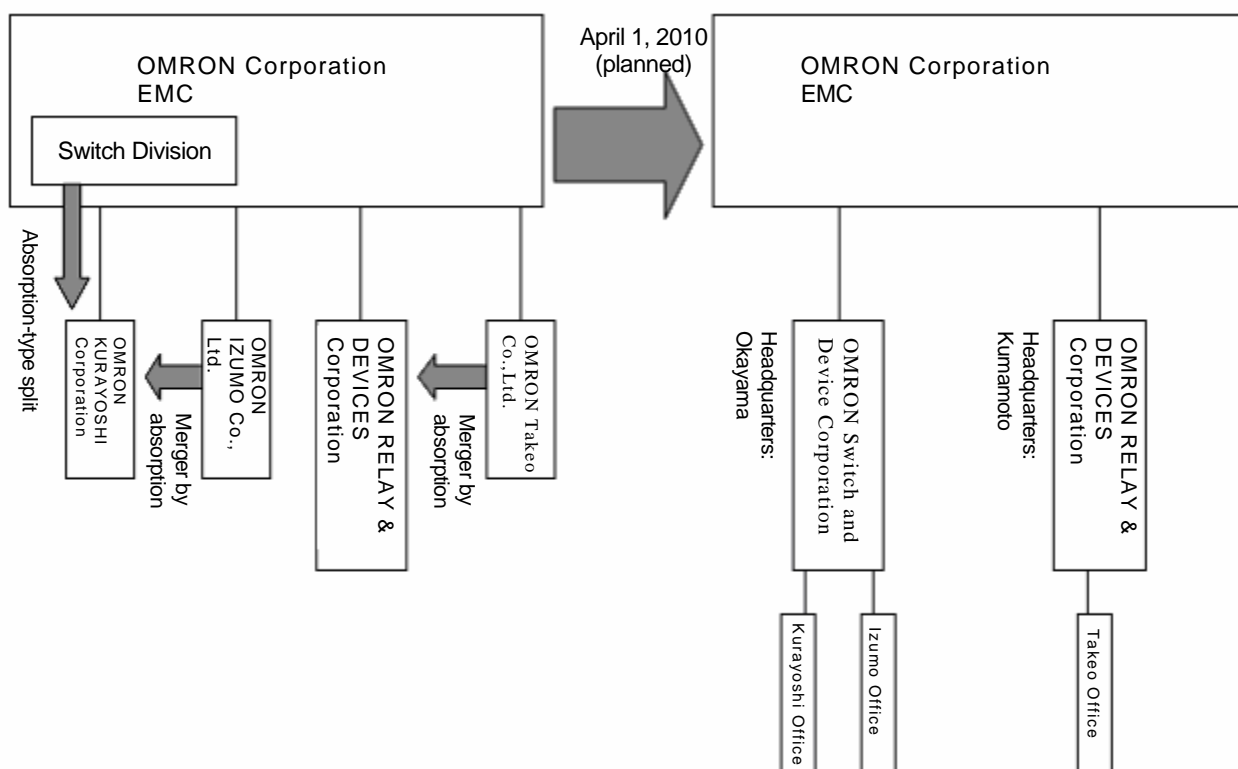
On April 1, 2010 (planned), OMRON Corporation will carry out the following management integration aimed at enhancing its switch and relay businesses.

1. Establishment of Switch Business Company

OMRON will integrate the switch division of the Electronic and Mechanical Components Business Company (EMC) and wholly-owned OMRON subsidiaries OMRON KURAYOSHI Corporation and OMRON IZUMO Co., Ltd. to form the new OMRON Switch and Device Corporation (OES), which will be headquartered at OMRON's Okayama Office. The production bases in Kurayoshi and Izumo will continue to operate under the umbrella of OES.

2. Integration of Relay Business

OMRON Takeo Co., Ltd., a wholly-owned subsidiary of OMRON Corporation, will be merged with OMRON RELAY & DEVICES Corporation (OER). The Takeo office will continue to operate under the umbrella of OER.



Objectives of Management Integration

On September 21, 2009, we reorganized the Electronic Components Company (ECB) as the Electronic and Mechanical Components Business Company (EMC) in an effort to enhance our mechanical components business (relays, switches, connectors, etc.), which represents the core of our control equipment business.

We are now enhancing EMC's operational system to ensure the continued creation of innovative products and high-level QCD based on OMRON's expertise in monozukuri (product creation).

Establishment of Switch Business Company

Our switch business covers a broad spectrum of products, from industrial applications to components for consumer products and automobiles. With predictions of steady future growth in the switch market, followed by increasing global competition, we are planning to establish OMRON Switch and Device Corporation (OES), a new Group company specializing in the switch business, to ensure our continued competitiveness in this promising field.

OES will endeavor to respond quickly to diversifying customer needs through a monozukuri strategy based on OMRON's unique business strategies and technological expertise. The three pillars of this strategy are the acceleration of global development, the creation of new products and the enhancement of monozukuri technology. Through management integration, we can centralize functions including strategy development, product planning, product development and production engineering in the Okayama Office, where OES will be headquartered.

By organically coordinating these functions, we will be able to pursue monozukuri on an even higher level. In addition, OMRON's Okayama Office is home to the "Monozukuri Innovation HQ," which provides technical support across the OMRON Group. OES will utilize the elemental technology possessed by the Monozukuri Innovation HQ to develop increasingly advanced products and improve production technology.

The Kurayoshi and Izumo offices will be responsible for manufacturing existing product lines using existing techniques. These offices are also charged with training and overseeing staff at overseas plants.

OES aims to become the world's largest switch business company, with sales of 50 billion yen by 2018.

Management Integration of Relay Business

Our relay business consists of OMRON RELAY & DEVICES Corporation (OER), which creates components for consumer products and automobiles, and OMRON Takeo, which manufactures relays for industrial equipment. Under EMC's policy, these companies will merge in order to enhance monozukuri technology capabilities and accelerate the optimization of global production.

Through the management integration, OMRON Takeo's business planning, marketing and relay design functions will be centralized at OER headquarters in the Kumamoto Office, allowing OER to concentrate on global business control and enhancing monozukuri capabilities for relay products. The Takeo Office will be dedicated to relay production, utilizing its know-how regarding low volume, high mix production.

Following management integration, OER will aim for 85 billion yen in sales in 2014.

Overview of OMRON Switch and Device Corporation

President and CEO: To be decided

Location: 2075 Miyoshi, Naka-ku, Okayama-shi, Okayama

Date of merger and name change: April 1, 2010 (planned)

Capital: To be decided

Employees: To be decided

Overview of OMRON KURAYOSHI Corporation

President and CEO: Yoshihiro Taniguchi

Location: 1005 Iwaki, Kurayoshi-shi, Tottori

Business: Production of micro switches, tactile switches, trigger switches, push-button switches, vehicle-mounted switches, pressure sensors and seismoscopes

Established: April 24, 1969

Start of operations: December 1, 1969

Capital: 300 million yen

Sales: 12.2 billion yen (fiscal 2008)

Employees: 472 (as of April 1, 2009)

Overview of OMRON IZUMO Co., Ltd.

President and CEO: Kazuo Sakata

Location: 626-1 Nishi-Hayashigi-cho, Izumo-shi, Shimane

Business: Production of safety switches, push-button switches, micro switches and limit switches

Established: August 23, 1971

Start of operations: April 13, 1972

Capital: 150 million yen

Sales: 8.6 billion yen (fiscal 2008)

Employees: 178 (as of April 1, 2009)

Overview of OMRON Takeo Co., Ltd.

President and CEO: Makoto Watanabe

Location: 11000 Koaza Kobaru, Oaza Nakano, Asahi-cho, Takeo-shi, Saga

Business: Production of solid-state relays for printed circuit boards, power relays, safety equipment, wiring-saving equipment and inverter/servo

Established: August 31, 1972

Start of operations: April 5, 1973

Capital: 200 million yen

Sales: 11.8 billion yen (fiscal 2008)

Employees: 285 (as of April 21, 2009)

Overview of OMRON RELAY & DEVICES Corporation

President and CEO: Koichi Tada

Location: 1110 Sugi, Yamaga-shi, Kumamoto

Business: Business planning, marketing, development, production and sales of electromagnetic relays and peripherals

Capital: 300 million yen

Established: August 24, 1971 (name change: April 1, 2003)

Start of operations: April 6, 1972

Sales: 28.9 billion yen (fiscal 2008)

Employees: 736 (as of April 1, 2009)