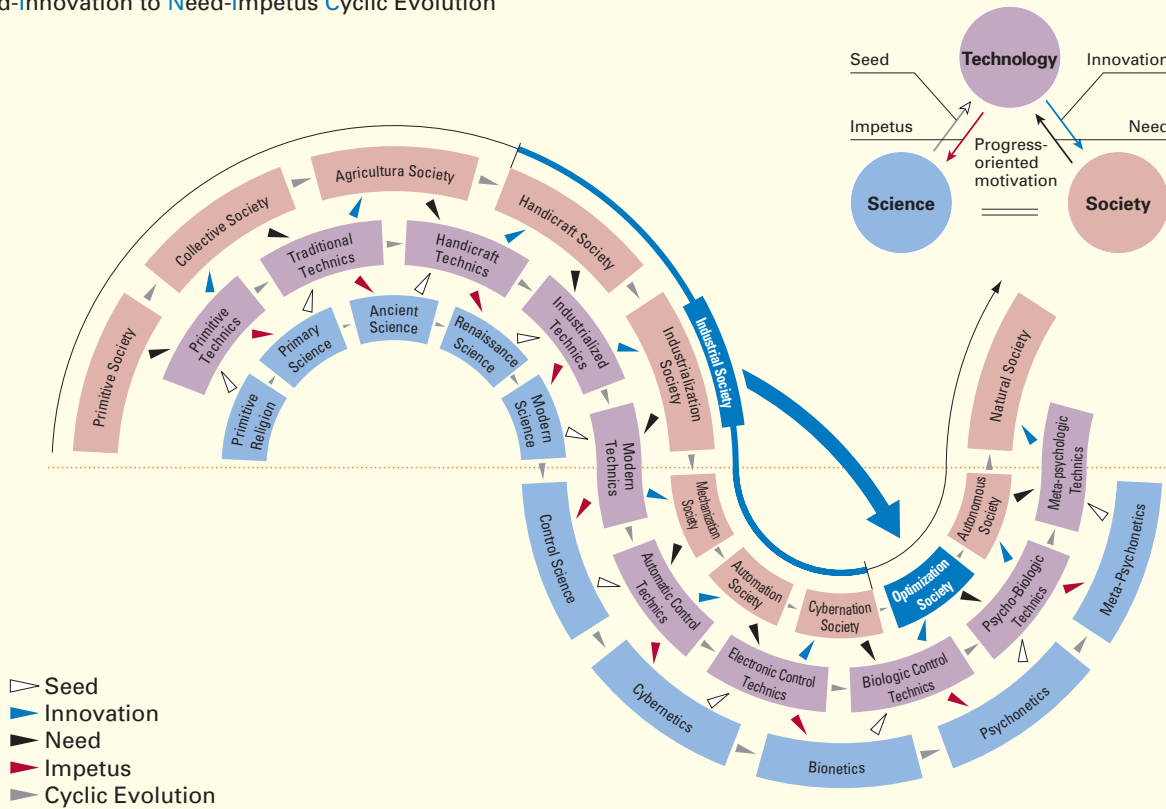


# COMPASS DETERMINING THE DIRECTION OF OMRON'S MANAGEMENT— SINIC THEORY

According to Omron's SINIC theory, science, technology and society have a cyclical relationship, in which each area impacts and influences the others in two directions. In one direction, scientific breakthroughs yield new technologies that stimulate society to advance. In the other direction, the needs of society motivate technological developments and expectations for new scientific advancement. Both of these directions affect each other in a cyclical manner, encouraging society to evolve.

## SINIC DIAGRAM

Seed-Innovation to Need-Impetus Cyclic Evolution



### The future envisioned by Omron's founder

In 1970, Omron founder Kazuma Tateisi developed a unique future prediction method called "SINIC (Seed-Innovation to Need-Impetus Cyclic Evolution) Theory" and presented it at the International Future Research Conference. Since then, this theory has served as a compass determining the direction of Omron's management.

The SINIC Theory predicted that the traditional agricultural society would be followed by an industrialized society, which in turn would be broken down into five phases (handicraft society, industrialization society, mechanization society, automation society and information society). According to the SINIC Theory, a new society, called the "Optimization Society," should follow the information society, the final phase of the industrialized society, around 2005.

While our industrialized society has brought about great material wealth, it has also left many issues unsolved. Such issues include energy and resource depletion, growing industrial waste, food shortages and human rights concerns. In the Optimization Society we envision, these issues will be redressed and psychological fulfillment and quality of life will grow in importance as fundamental desires of human beings. At the same time, the pursuit of efficiency and material affluence emphasized by the industrialized society will become relatively less important. This will in turn create a complete balance and harmonious relationship between individuals and society, between humans and the environment, and between people and machines.

### Omron in the Optimization Society

Omron has successfully anticipated and met the potential needs of society based on its SINIC Theory, and has contributed to society through its business operations by drawing on its proprietary Sensing & Control technology, and combining this with its sophisticated device technology. The most representative developments that correctly addressed the issues of each era include automation control devices as well as public information and traffic control systems. The Optimization Society began around 2005, and Omron is striving to create the "best matching of machines to people" to ensure greater safety, security and environmental conservation.

For machines that involve complicated procedures and require expert knowledge to operate, for example, our goal is to create machines that can adapt to the needs of each operator. Such machines will be able to choose functions tailored to each operator's needs or detect various conditions, make expert judgments, and provide the operator with appropriate information necessary to deal with the current situation. Other examples include an automotive sensor that can detect the surrounding conditions, anticipate a potential crash, and alert the driver or automatically activate the brakes to assure driving safety.

Instead of people trying to adapt themselves to the needs of machines, as they do today, machines capable of adapting to the needs of people are soon to be realized. Through the implementation of its corporate philosophy, Omron strives to continue its role as a pioneer in contributing to society in the soon-to-be-realized Optimization Society.