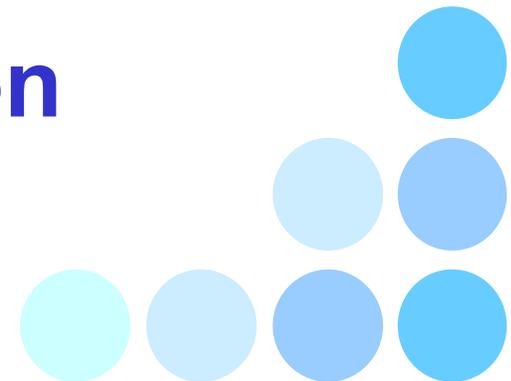


**Financial Results for the 3rd Quarter
Ended December 31, 2007
and
Management Plans for
the 3rd Stage of "GD2010"**

January 31, 2008

OMRON Corporation



Contents

1. Fiscal Year 2007:

3rd Quarter Financial Results & Full-Year Forecast

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| (4) Year-end Dividend & Additional Stock Repurchase | p.27 |

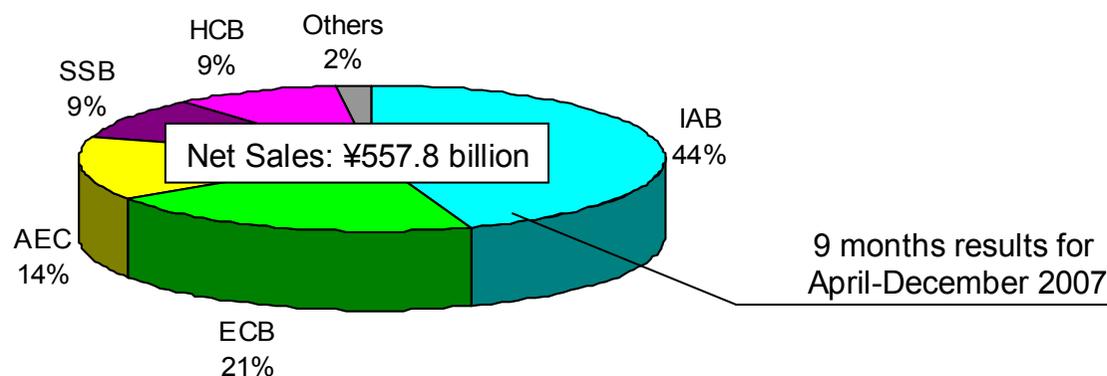
2. Management Plans for "GD2010" 3rd Stage p.31

Notes:

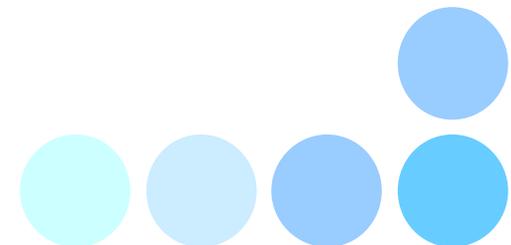
1. The quarterly figures herein have had no audit/ review by auditing firms.
2. The consolidated statements of Omron Corporation (the Company) are prepared in accordance with U.S. GAAP.
3. Include 164 consolidated subsidiaries and 23 affiliated companies accounted for by the equity method.
4. Projected results and future developments are based on information available to the Company at present, 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) economic conditions affecting 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.

Businesses & Major Products

Industrial Automation Business	
IAB	Sensing devices, control devices, safety devices, inspecting systems
Electronic Components Business	
ECB	Relays, switches, connectors, LCD backlights, amusement equipment parts mobile equipment parts, optical communication devices
Automotive Electronic Components Business	
AEC	Keyless entry systems, power window switches, automotive relays components, laser radars, TPMS
Social Systems, Solutions and Service Business	
SSB	Automatic ticket gates, auto ticket vending machines, road management systems, security management systems, face recognition systems
Healthcare Business	
HCB	Professional & home-use digital blood pressure monitors, body composition analyzers, thermometers, pedometers, nebulizers, healthcare services
Others	
PC peripherals, RFID systems, energy management systems	



**1. Fiscal Year 2007:
3rd Quarter Financial Results & Full-Year Forecast
(1) Executive Summary**



FY07 3Q Financial Results & Full-Year Outlook

Executive Summary



FY2007: Final year of the 2nd stage (FY04-07) of Omron's Grand Design 2010 (GD2010)

Task: Focus efforts in profit-earning toward 2nd stage goal, "Set basis to achieve profit-driven growth"

*Pursuant to Statement of Financial Accounting Standards (SFAS). Figures for the previous period/ fiscal year have been reclassified in relation to operations discontinued during this fiscal year.

3rd Quarter Performance

- Sales & profit increase over the same term last year, but fall short of the initial targets

Consolidated:	Result	3Q yr-on-yr	vs. initial target	Margin, %
Net Sales	¥557.8bn	109.2%	96.2%	
Operating Income	¥43.2bn	105.5%	89.1%	7.7%
NIBT	¥44.1bn	92.2%	94.8%	7.9%
Net Income	¥29.2bn	106.7%	95.8%	5.2%

- Consol Net Sales: Up 9% year-on-year due mostly to overseas sales growth, M&A and exchange gain 4% below target due to drop in domestic IAB sales and weak ECB sales
- Operating income: Up 5% yoy due to sales growth and improved production structure (see p.10 for more) 11% below target because of weak sales (see p.11 for more)
- NIBT: 5% off target due to Oper. Income not reaching the goal

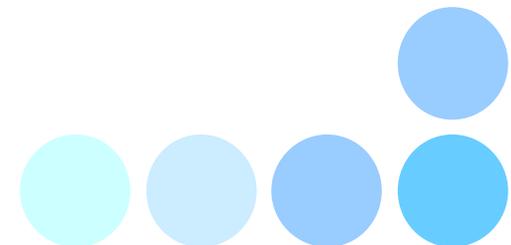
FY2007 Full-Year Forecast

- Forecasts announced on Oct 30, 2007 have been revised as follows:

Consolidated:	Full Year	FY07/FY06		Oct 30 Forecast
Net Sales	¥775.0bn	107.1%		¥785.0bn
Operating Income	¥65.0bn	104.8%	(margin: 8.4%)	¥71.0bn
NIBT	¥66.5bn	103.5%	(margin: 8.6%)	¥71.0bn
Net Income	¥42.0bn	109.7%	(margin: 5.4%)	¥46.0bn

**1. Fiscal Year 2007:
3rd Quarter Financial Results & Full-Year Forecast**

**(2) Results for the 3rd Quarter
Ended December 31, 2007**



Consolidated P/L Statement

Sales: ¥557.8bn; Operating income: 7.7%
→ Both sales and operating income up year-on-year
but did not reach targets

(billions of yen)

P/L (9 months total)	9 months ended 12/2006 Result (1)	9 months ended 12/2007 Result (2)	9 months YoY % (2)/(1)	9 months ended 12/2007 Initial Target (3)	Result/ Target (%) (2)/(3)
Net sales	510.8	557.8	109.2%	580.0	96.2%
Gross profit	197.7	212.5	107.5%	221.5	95.9%
SG&A	119.8	132.0	110.2%	130.0	101.5%
R&D	36.9	37.3	101.1%	43.0	86.9%
Operating income	41.0	43.2	105.5%	48.5	89.1%
NIBT	47.8	44.1	92.2%	46.5	94.8%
NI from continuing ops	26.5	26.1	98.7%	—	—
NI from discontinued ops	0.9	3.1	352.2%	—	—
NIAT	27.4	29.2	106.7%	30.5	95.8%
<Exchange Rates> (yen)					
USD	116.3	117.2	0.9	115.0	2.2
EUR	148.2	162.9	14.7	150.0	12.9

*Targets for 3Q (9 months total): Initial figures only, with revised targets made on Oct 30, 2007 not officially announced

- Overseas nearly as planned
- Domestic fell short while staying at FY06 level
- IAB, ECB, AEC, HCB up Y/Y; only AEC met target

(billions of yen)

Japan & Overseas (9 months total)	9 months ended 12/2006 Result (1)	9 months ended 12/2007 Result (2)	9 months YoY % (2)/(1)	9 months ended 12/2007 Initial Target (3)	Result/ Target (%) (2)/(3)
Japan	262.0	260.0	99.2%	281.7	92.3%
Overseas*	248.8	297.8	119.8%	298.3	99.8%
Total	510.8	557.8	109.2%	580.0	96.2%

*Includes direct exports

Business	Result	Result	%	Initial Target	%
IAB	222.3	243.0	109.3%	251.3	96.7%
ECB	101.2	117.8	116.4%	134.3	87.7%
AEC	67.3	80.5	119.7%	74.4	108.2%
SSB	60.7	52.4	86.4%	53.3	98.3%
HCB	48.3	52.5	108.7%	54.9	95.7%
Others	11.0	11.6	105.4%	11.8	98.4%
Total	510.8	557.8	109.2%	580.0	96.2%

*Targets for 3Q (9 months total): Initial figures only, with revised targets made on Oct 30, 2007 not officially announced

Operating Income by Business

AEC: Nearly as initially planned; SSB: Far better than planned
IAB, ECB, HCB: Below initial targets

(billions of yen)

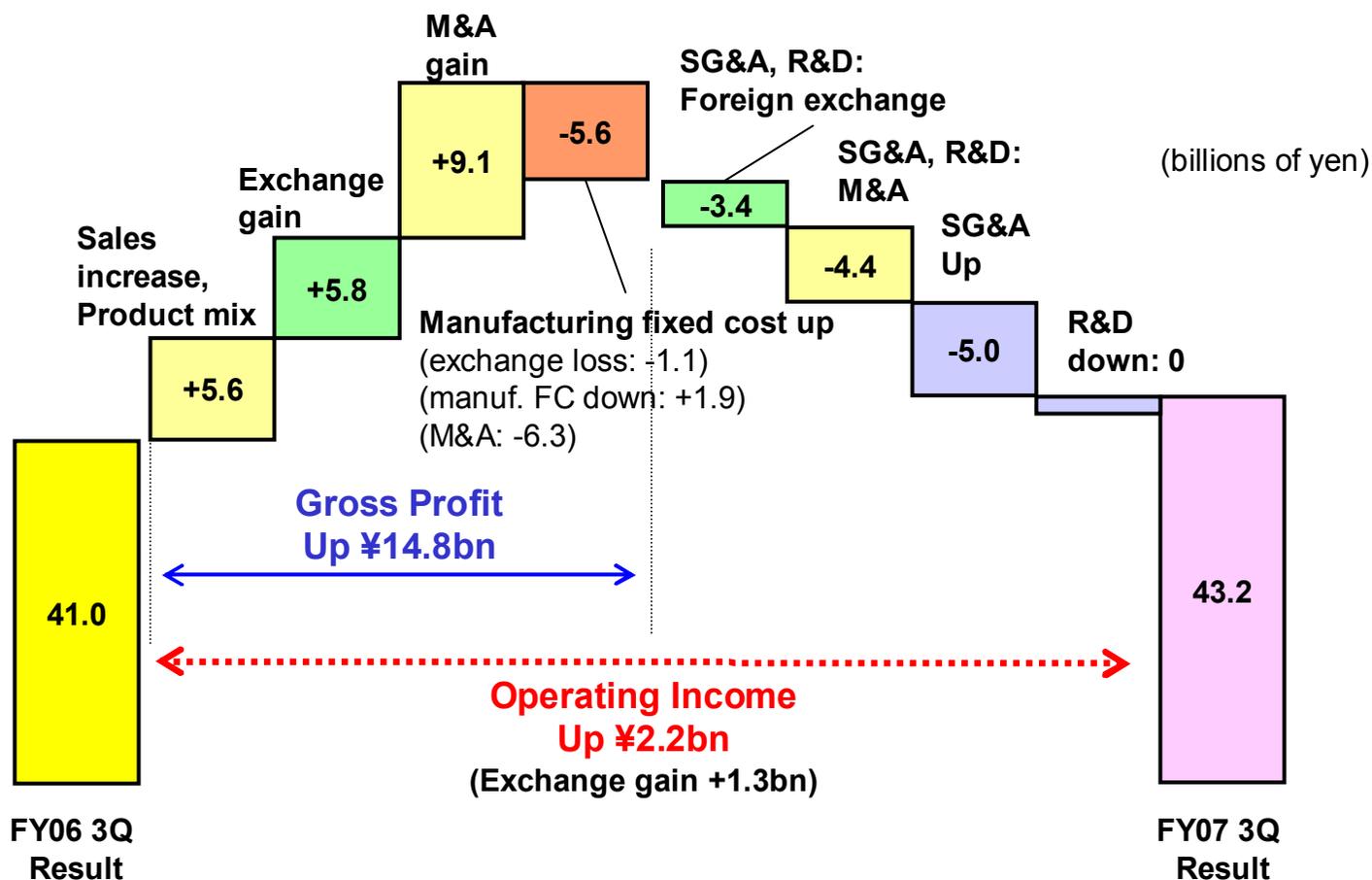
Business (9 months total)	9 months ended 12/2006 Result (1)	9 months ended 12/2007 Result (2)	9 months YoY % (2)/(1)	9 months ended 12/2007 Initial Target (3)	Result/ Target % (2)/(3)
IAB	35.2	37.7	107.0%	46.2	81.5%
ECB	9.9	9.8	98.8%	11.2	87.2%
AEC	-1.4	1.0	-	0.7	140.9%
SSB	2.4	0.2	10.2%	-1.2	-
HCB	5.9	6.2	104.7%	7.2	86.8%
Others	0.7	0.0	7.3%	-0.7	-
HQ Cost/ Elimination	-11.7	-11.7	-	-14.9	-
Total	41.0	43.2	105.5%	48.5	89.1%

*Targets for 3Q (9 months total): Initial figures only, with revised targets made on Oct 30, 2007 not officially announced

Operating Income Analysis

(FY06 3Q → FY07 3Q)

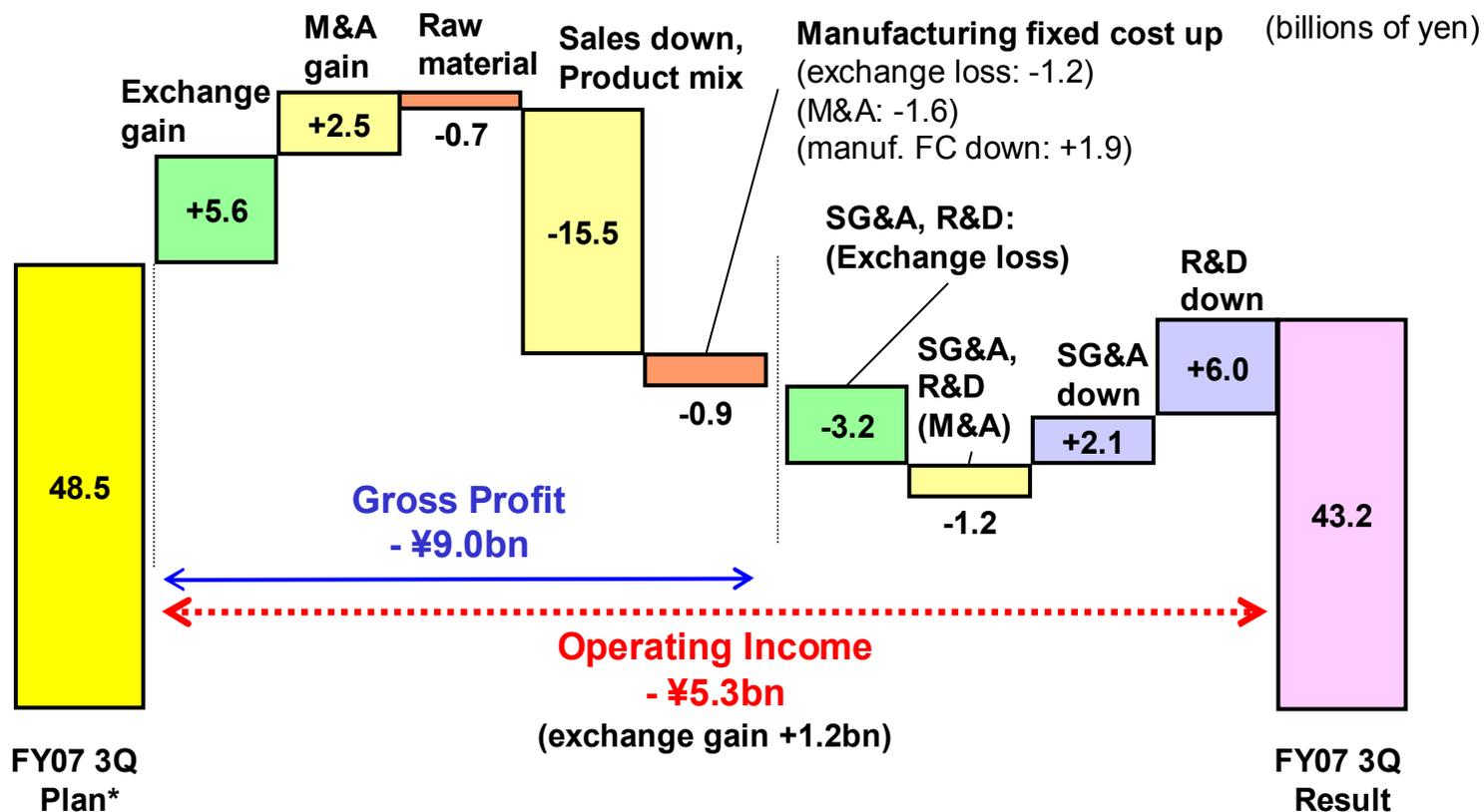
Positive impact of sales growth and manufacturing structure reforms were offset by increase in SG&A expenses, but up year-on-year due to exchange gains



Operating Income Analysis

(FY07 3Q Target vs. Result)

Operating income below target: Cost cutting efforts not enough to offset decline in gross profit due to poor sales



*Initial plan, with revised target made on Oct 30, 2007 not officially announced

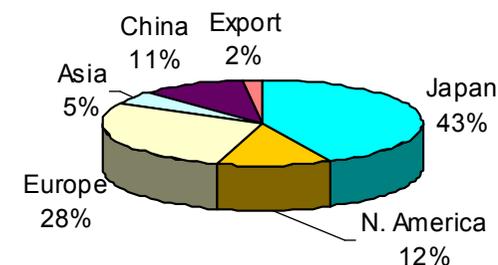
**Sales up 9% year-on-year to ¥243bn with 15.5% operating margin.
Domestic sales: 8% below target, though applications business showing signs of
improvement. Overseas saw steady growth.**

(billions of yen)

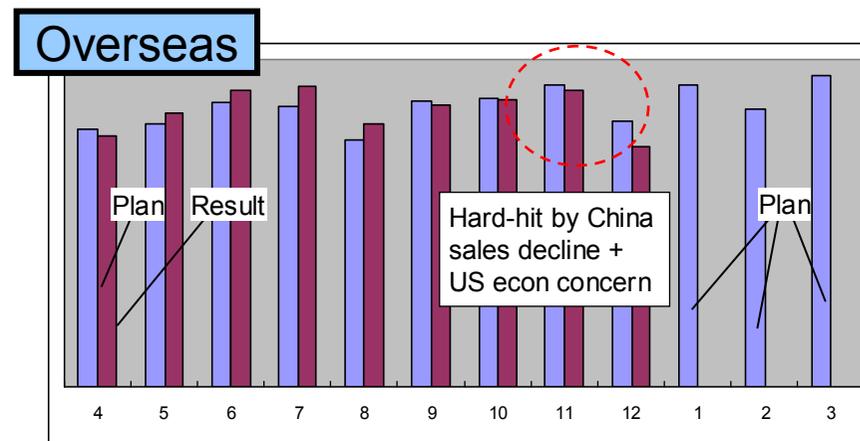
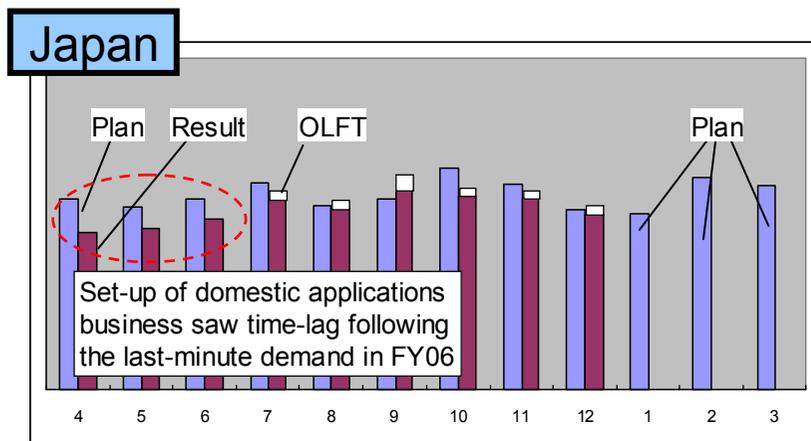
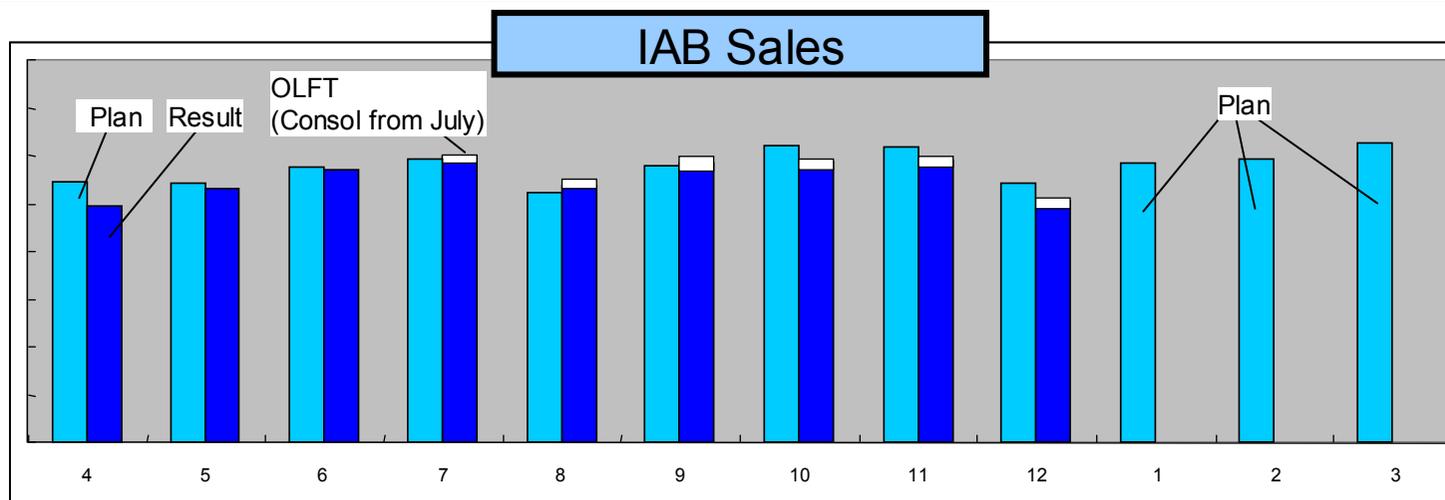
IAB (9 months total)	9 months ended 12/2006 Result (1)	9 months ended 12/2007 Result (2)	9 months YoY % (2)/(1)	9 months ended 12/2007 Initial Target (3)	Result/ Target (%) (2)/(3)
Japan	103.1	104.9	101.7%	114.6	91.5%
Overseas	119.2	138.1	115.9%	136.7	101.0%
N. America	24.8	28.2	113.7%	28.7	98.3%
Europe	58.6	67.6	115.4%	63.4	106.7%
Asia	10.1	11.7	115.6%	11.7	99.4%
China	21.3	26.0	122.1%	27.9	93.1%
Export	4.4	4.6	104.2%	5.0	91.8%
Total	222.3	243.0	109.3%	251.3	96.7%
Operating income	35.2	37.7	107.0%	46.2	81.5%
O.I. Margin	15.8%	15.5%	-0.3pt	18.4%	-2.9pt

*Targets for 3Q (9 months total): Initial figures only, with revised targets made on Oct 30, 2007 not officially announced

Sales by Region



- 1st half target unmet due to 1Q weak domestic sales
- 3Q (Oct – Dec): Struggling at home and abroad due to sales decline in China and US concern



*Plan: Initial plans at the beginning of FY07

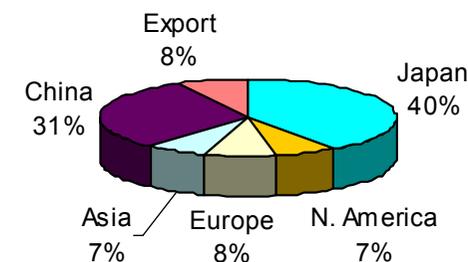
Year-on-year, sales up 16% to record ¥117.8bn, with 8.3% operating margin. 12% below initial target, due to weak sales of small-size backlight business and amusement business.

(billions of yen)

ECB (9 months total)	9 months ended 12/2006 Result (1)	9 months ended 12/2007 Result (2)	9 months YoY % (2)/(1)	9 months ended 12/2007 Initial Target (3)	Result/ Target (%) (2)/(3)
Japan	43.3	47.5	109.6%	56.7	83.7%
Overseas	57.9	70.3	121.4%	77.6	90.6%
N. America	8.3	8.0	95.7%	9.1	86.7%
Europe	8.6	9.0	105.2%	9.3	97.7%
Asia	6.2	8.0	128.4%	7.0	114.8%
China	24.2	36.2	149.6%	45.0	80.6%
Export	10.5	9.1	86.2%	7.2	125.7%
Total	101.2	117.8	116.4%	134.3	87.7%
Operating income	9.9	9.8	98.8%	11.2	87.2%
O.I. Margin	9.7%	8.3%	-1.4pt	8.3%	-

*Targets for 3Q (9 months total): Initial figures only, with revised targets made on Oct 30, 2007 not officially announced

Sales by Region



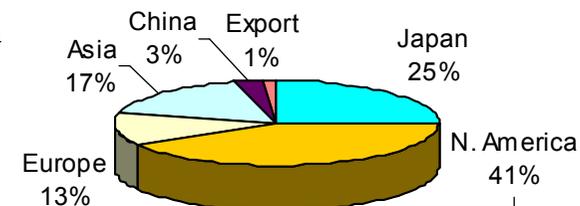
Sales up 19% year-on-year to ¥80.5bn, with 1.2% operating margin
Maintaining positive operating income thanks to solid domestic sales, overseas sales growth and manufacturing structure improvement

(billions of yen)

AEC (9 months total)	9 months ended 12/2006 Result (1)	9 months ended 12/2007 Result (2)	9 months YoY % (2)/(1)	9 months ended 12/2007 Initial Target (3)	Result/ Target (%) (2)/(3)
Japan	20.8	20.5	98.6%	19.0	108.1%
Overseas	46.5	60.0	129.1%	55.4	108.3%
N. America	27.3	32.8	120.4%	31.3	104.8%
Europe	7.0	10.1	143.8%	9.4	107.4%
Asia	11.6	13.8	119.2%	12.9	106.6%
China	0.6	2.1	342.8%	1.8	118.9%
Export	0.0	1.2	-	0.0	-
Total	67.3	80.5	119.7%	74.4	108.2%
Operating income	-1.4	1.0	-	0.7	140.9%
O.I. Margin	-	1.2%	-	1.0%	+0.2pt

*Targets for 3Q (9 months total): Initial figures only, with revised targets made on Oct 30, 2007 not officially announced

Sales by Region



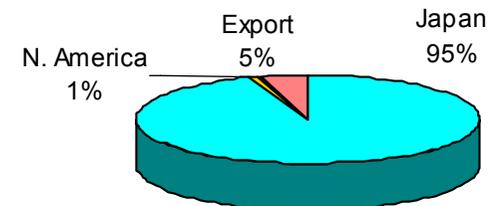
¥52.4 billion sales to nearly reach initial target
Major improvement in operating income

(billions of yen)

SSB (9 months total)	9 months ended 12/2006 Result (1)	9 months ended 12/2007 Result (2)	9 months YoY % (2)/(1)	9 months ended 12/2007 Initial Target (3)	Result/ Target (%) (2)/(3)
Japan	59.2	49.6	83.8%	51.4	96.5%
Overseas	1.5	2.8	184.5%	1.9	145.6%
N. America	0.3	0.4	145.2%	0.7	61.7%
Europe	0.0	0.0	-	0.0	-
Asia	0.0	0.0	-	0.0	-
China	0.0	0.0	-	0.0	-
Export	1.2	2.4	206.8%	1.2	195.0%
Total	60.7	52.4	86.4%	53.3	98.3%
Operating income	2.4	0.2	10.2%	-1.2	-
O.I. Margin	3.9%	0.5%	-3.4pt	-	-

*Targets for 3Q (9 months total): Initial figures only, with revised targets made on Oct 30, 2007 not officially announced

Sales by Region



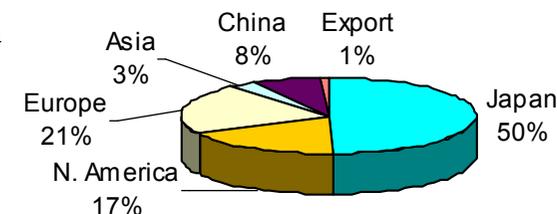
Sales up 8% year-on-year to ¥52.5bn with 11.9% operating margin
Domestic sales soft overall, while overseas saw steady growth
mainly in Europe and China

(billions of yen)

HCB (9 months total)	9 months ended 12/2006 Result (1)	9 months ended 12/2007 Result (2)	9 months YoY % (2)/(1)	9 months ended 12/2007 Initial Target (3)	Result/ Target (%) (2)/(3)
Japan	24.9	26.0	104.5%	28.8	90.4%
Overseas	23.4	26.5	113.1%	26.1	101.5%
N. America	9.9	9.1	91.5%	10.3	88.5%
Europe	9.4	11.2	118.8%	10.5	107.0%
Asia	1.4	1.6	116.1%	1.5	104.8%
China	2.5	4.2	165.0%	3.3	124.4%
Export	0.2	0.4	292.0%	0.5	89.8%
Total	48.3	52.5	108.7%	54.9	95.7%
Operating income	5.9	6.2	104.7%	7.2	86.8%
O.I. Margin	12.3%	11.9%	-0.4pt	13.1%	-1.2pt

*Targets for 3Q (9 months total): Initial figures only, with revised targets made on Oct 30, 2007 not officially announced

Sales by Region



**Net worth ratio: 63.0%, up 2.3 % points from Mar 31, 2007
with increase in retained earnings**

(billions of yen)

Consolidated B/S	Dec. 2006	Mar. 2007	Dec. 2007
Total Assets	624.1	630.3	634.6
Cash and cash equivalents	51.0	43.0	38.4
Notes and accounts receivable, trade	147.5	173.4	157.3
Inventories	108.5	94.1	110.3
Other current assets	31.4	31.5	29.9
Property, plant and equipment	157.6	159.3	159.7
Investments and other assets	128.1	129.0	139.0
Total Liabilities	250.3	247.5	234.9
Bank loans & current portions of long-term debt	46.6	20.1	20.3
Long-term debt	0.5	1.7	1.8
Other liabilities	203.2	225.7	212.7
Shareholders' Equity	373.8	382.8	399.7

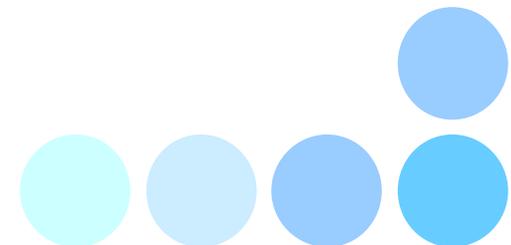
¥27.1 billion investments for the future, including business acquisitions

(billions of yen)

Consolidated C/F (9 months total)	Dec. 2006	Dec. 2007	(ref.) Mar. 2007
Operating activities	10.2	40.7	40.5
Investing activities	-34.1	-27.1	-47.1
Free cash flow	-23.9	13.6	-6.6
Financial activities	21.9	-19.1	-4.7
Effect of exchange rate changes	0.7	1.0	1.9
Net increase/decrease	-1.3	-4.6	-9.3
Cash and cash equivalents at end of the period	51.0	38.4	43.0

**1. Fiscal Year 2007:
3rd Quarter Financial Results & Full-Year Forecast**

**(3) Full-year Forecast for Fiscal Year
Ending March 31, 2008**



Outlook revised: Increase from exchange gain and M&A (OLFT), but concern over weak sales of IAB (domestic) and ECB (backlights)

(billions of yen)

Full-year Result & forecast	FY2006 Result	FY07 Forecast	Jan fcst/ FY06 %	FY07 Forecast (Oct 30)	Jan/ Oct Forecast %	FY07 Initial Target	FY07 Jan fcst/ Target %
Net sales	723.9	775.0	107.1%	785.0	98.7%	800.0	96.9%
Gross profit	278.2	297.3	106.8%	303.5	97.9%	309.5	96.0%
SG&A	164.2	178.8	108.9%	177.5	100.7%	178.0	100.4%
R&D	52.0	53.5	102.8%	55.0	97.3%	56.5	94.7%
Operating income	62.0	65.0	104.8%	71.0	91.5%	75.0	86.7%
NIBT	64.3	66.5	103.5%	71.0	93.7%	72.0	92.4%
NI from continuing oper.	37.1	38.9	105.0%	42.9	90.7%	43.0	99.9%
NI from discontinued oper.	1.2	3.1	257.6%	3.1	100.0%	3.0	101.8%
NIAT	38.3	42.0	109.7%	46.0	91.3%	46.0	91.3%
EPS	164.96	184.08	111.6%	201.01	91.6%	199.55	92.2%

[NOTES] *FY06 results (ended Mar 31, 2006): figures after reclassification of discontinued operations

*FY07 forecasts (ending Mar 31, 2007): officially announced on Oct 30, 2007

*FY07 NIAT forecast includes scheduled repurchase/ cancellation

Sales forecast revised as below

(billions of yen)

Full-year Result & forecast Japan & overseas	FY06 Result	FY07 Forecast (Jan)	Jan fcst/ FY06 %	FY07 Forecast (Oct 30)	Jan/ Oct Forecast %	FY07 Initial Target	FY07 Jan fcst/ Target %
Japan	375.2	375.0	100.0%	377.5	99.4%	396.5	94.6%
Overseas*	348.7	400.0	114.7%	407.5	98.1%	403.5	99.1%
Total	723.9	775.0	107.1%	785.0	98.7%	800.0	96.9%

*Includes direct exports

Business	FY06 result	FY07 fcst	Jan fcst/FY06	Oct fcst	Jan/Oct fcst	Initial target	Jan/Target
IAB	305.6	332.0	108.7%	339.0	97.9%	339.5	97.8%
ECB	138.4	158.0	114.2%	162.5	97.2%	180.5	87.5%
AEC	93.3	108.0	115.7%	105.0	102.9%	100.0	108.0%
SSB	105.9	87.0	82.1%	88.0	98.9%	90.0	96.7%
HCB	65.7	73.5	111.8%	73.5	100.0%	73.5	100.0%
Others	15.0	16.5	110.3%	17.0	97.1%	16.5	100.0%
Total	723.9	775.0	107.1%	785.0	98.7%	800.0	96.9%

[NOTES] *FY06 results: figures after reclassification of discontinued operations

*FY07 previous forecast officially announced on Oct 30, 2007

Operating income forecast revised as below

(billions of yen)

Full-year Result & forecast by Business	FY06 Result	FY07 Forecast (Jan)	Jan fcst/ FY06 %	FY07 Forecast (Oct 30)	Jan/ Oct Forecast %	FY07 Initial Target	FY07 Jan fcst/ Target %
IAB	48.5	54.0	111.3%	61.0	88.5%	64.6	83.6%
ECB	13.1	13.5	103.2%	14.0	96.4%	15.3	88.4%
AEC	-1.2	1.4	-	1.4	100.0%	1.4	100.0%
SSB	8.1	7.3	90.4%	7.3	100.0%	7.3	100.0%
HCB	8.7	9.5	109.4%	9.5	100.0%	9.5	100.0%
Others	0.4	0.1	22.0%	0.1	100.0%	-0.6	-
HQ cost/ Elimination	-15.6	-20.8	133.8%	-22.2	93.3%	-22.4	92.5%
Total	62.0	65.0	104.8%	71.0	91.5%	75.0	86.7%

*FY07 previous forecast officially announced on Oct 30, 2007

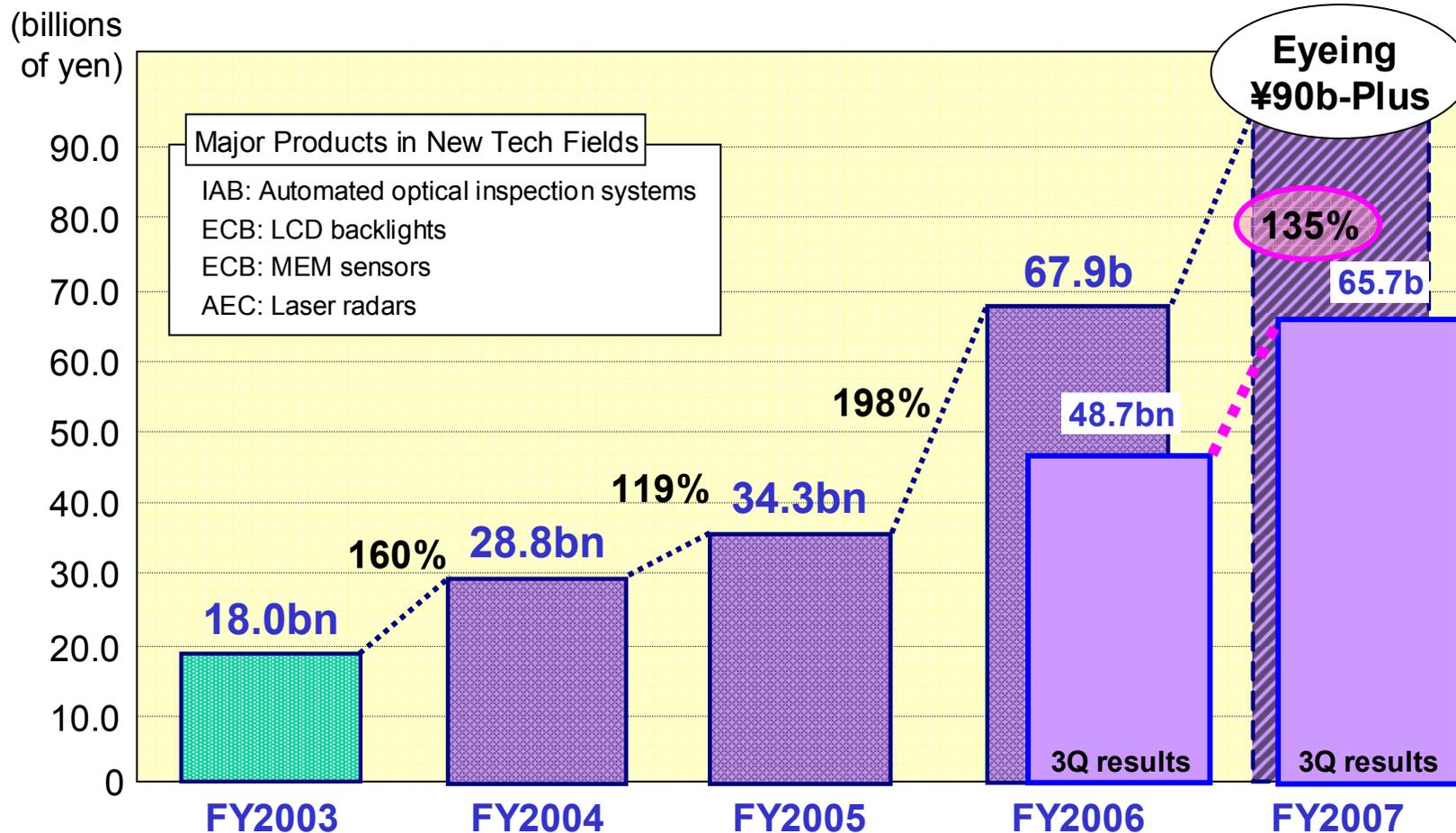
Reference

Progressing Key Strategies



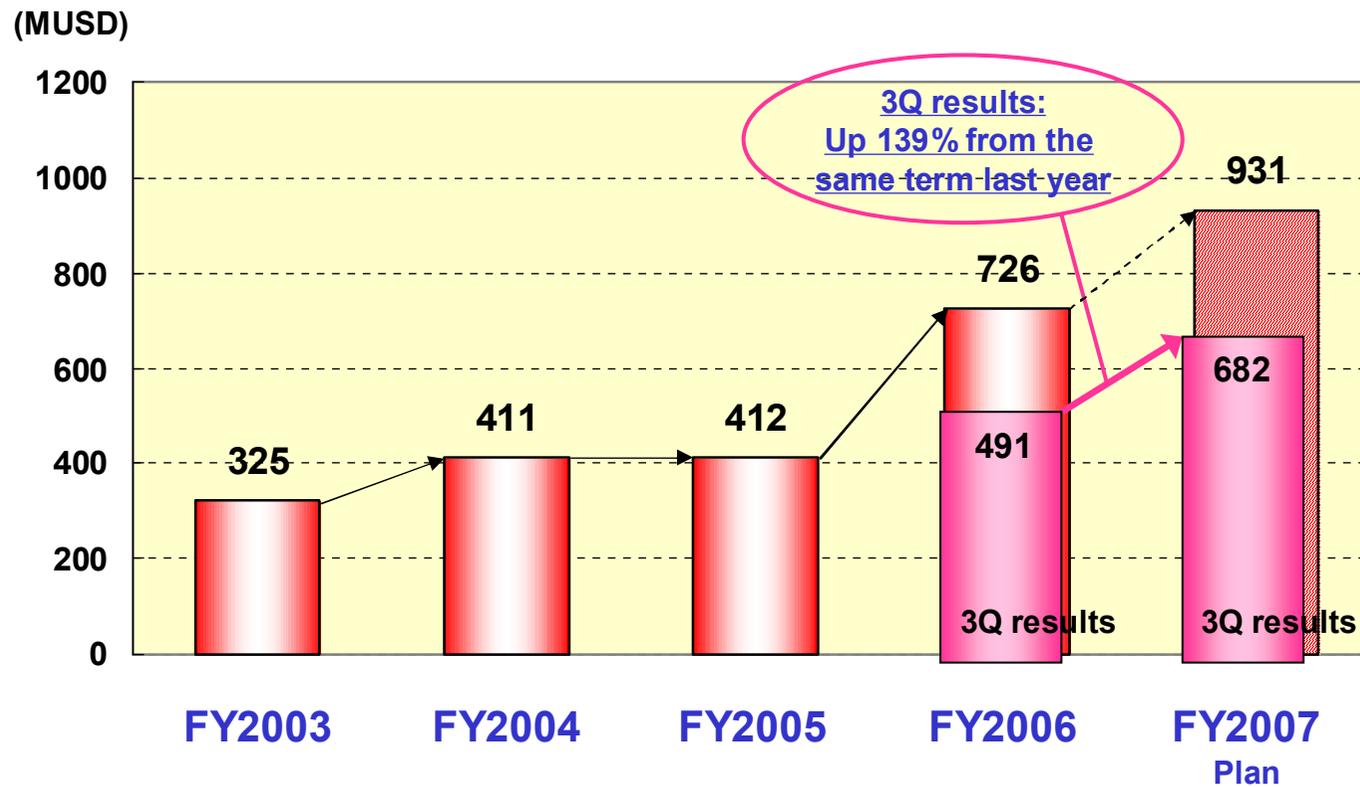
Progressing Key Strategies: (1) Sales Growth in New Businesses

**Sales growing sharply over the same term last year
due mainly to M&A (OPT, OLFT)**

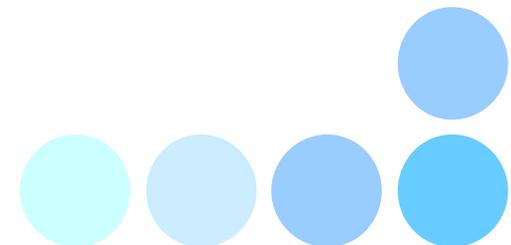


Progressing Key Strategies: (2) Sales Growth in Greater China

139% surge year on year, with OPT as a major contributor



**1. Fiscal Year 2007:
3rd Quarter Financial Results & Full-Year Forecast
(4) Year-end Dividend &
Additional Stock Repurchase**



FY07 year-end dividend plan: ¥20 ordinary + ¥5 commemorative to mark Omron's 75th anniversary → Total of ¥42 for FY07

OMRON Announces 75th Anniversary Commemorative Dividend

(From Jan 30 disclosure)

In line with its policy on the distribution of profits, which aims to maintain the payout ratio at a minimum of 20% and make profit distributions with a near-term DOE target of 2%, Omron plans to pay an ordinary year-end dividend of 20 yen per share in fiscal 2007. The Company wishes to pay the commemorative dividend of 5 yen per share in addition to the ordinary year-end dividend, for a year-end dividend of 25 yen per share.

Term	Dividend Per Share				Annual
	Interim	Year-end Total	Ordinary Dividend	Commemorative Dividend	
Dividend	¥17	¥25	¥20	¥5	¥42

	Value	Payout Ratio	DOE
Ordinary	¥37	Approx. 20%	Approx. 2.1%
Ordinary + Commemorative	¥42	Approx. 23%	Approx. 2.5%

Ref: Basic policy for distribution of profits (Apr. 26, 2007)

- Omron's policy will be to enhance stable, uninterrupted profit distributions by taking into account consolidated results as well as indicators including dividends on equity (DOE) ...
- Omron ... will aim to maintain the payout ratio at a minimum of 20% and make profit distributions with a near-term DOE target of 2%.

Planning to repurchase stock again this fiscal year; Up to 6 million shares or ¥18 billion

Notice regarding Decisions on Omron Stock Repurchase

(From Jan 30 disclosure)

OMRON Corporation announced that its Board of Directors resolved today to repurchase the Company's own shares:

- | | |
|---|--|
| (1) Type of shares to be repurchased: | Common stock of Omron Corp. |
| (2) Number of shares to be repurchased: | Up to 6 million (2.6% of total shares issued*
(excluding treasury stock)) |
| (3) Total cost of shares to be repurchased: | Up to JPY 18 billion |
| (4) Repurchase period: | From February 1, 2008 to March 18, 2008 |

*2.4% of total outstanding shares including treasury stock

Estimated Treasury Stock

	Mar 31, 2007	Sept 30, 2007	After 6-mil share repurchase
Shares issued	249,121,372	249,121,372	249,121,372
Treasury stock	18,599,842	21,439,780	27,439,780
% of treasury stock	7.5%	8.6%	11.0%

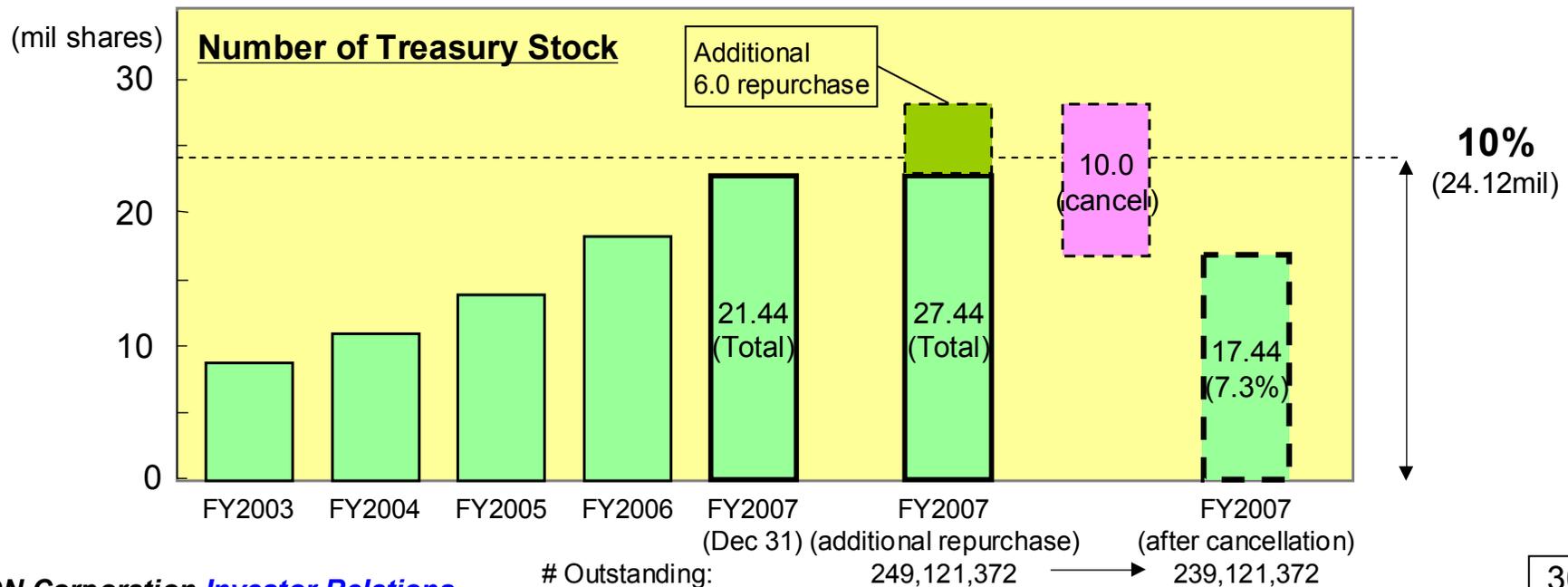
Planning to cancel 10 million shares during this fiscal year to cut self-owned ratio below 10% ceiling

Notice regarding Cancellation of Treasury Stock

(From Jan 30 disclosure)

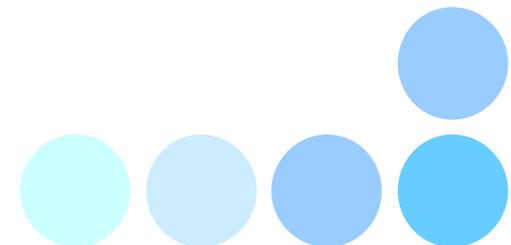
OMRON Corp. announced that its Board of Directors resolved today to cancel treasury stock

- | | |
|---------------------------------------|---|
| (1) Type of shares to be cancelled: | Common stock of the Company |
| (2) Number of shares to be cancelled: | 10,000,000 shares (4.01% of shares issued prior to cancellation (including treasury stock)) |
| (3) Scheduled date of cancellation: | March 21, 2008 |



2. Management Plans for "GD2010" 3rd Stage

- Strengthening Core Business
and Aiming for Global No. 1 -



Using sensing and control technology to anticipate social needs
**Omron sees itself as a group of business units
that are global leaders in their respective industries**

GD2010

**Management objective:
Long-term maximization of corporate value**

By 2010

Achieving profit-driven growth

GD2010 1st-stage (Apr. 2001 – Mar. 2004) goal

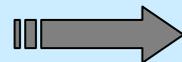
Establishing a profit structure, achieving ROE of 10%



Achieved ROE of 10.2% in March 2004

GD2010 2nd-stage (Apr. 2004 – Mar. 2008) goal

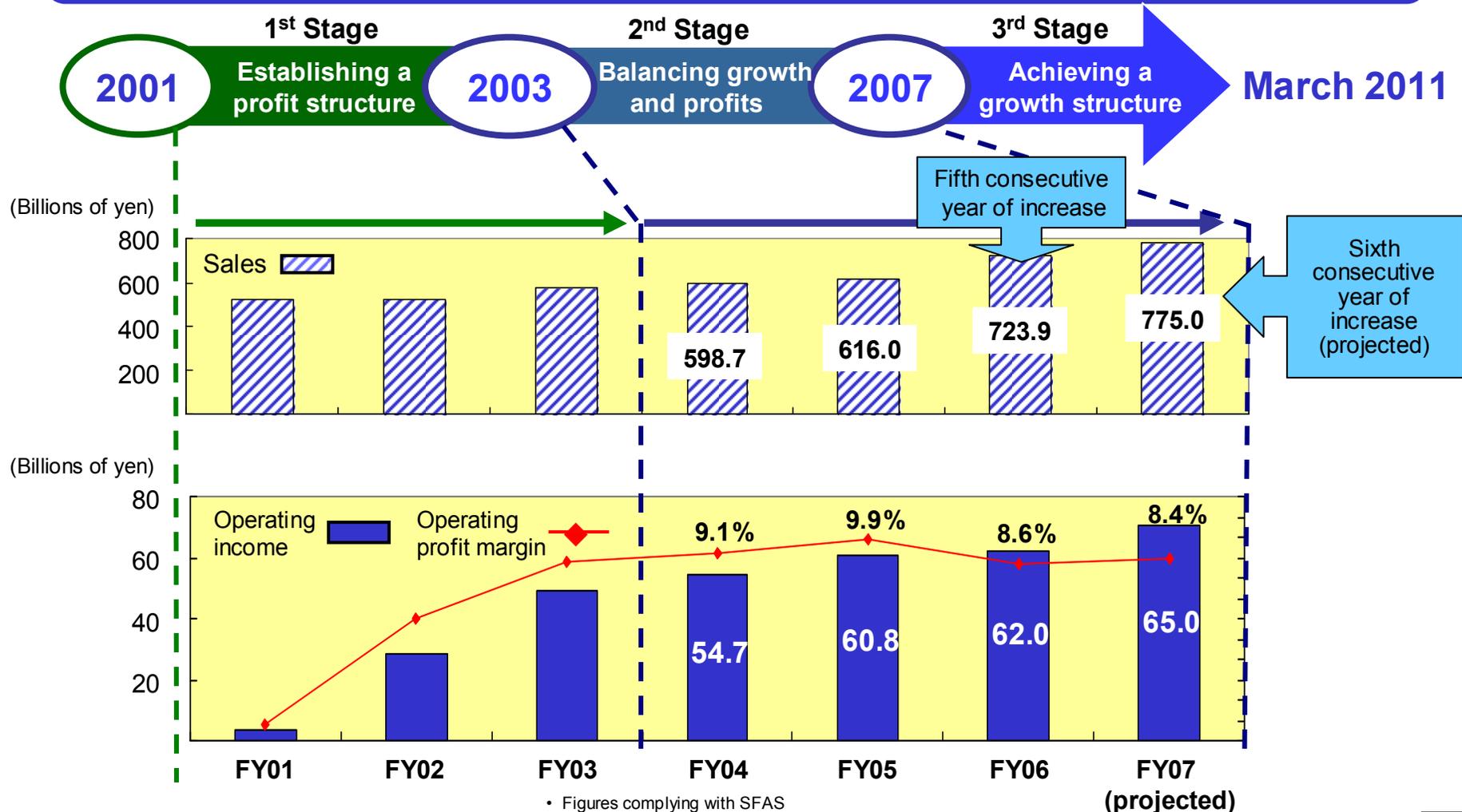
Balancing growth and profits, doubling business value



- Business value¹ projected to double
- Earnings per share (EPS) projected to increase from 108 yen (FY03) to 184 yen (FY07)²

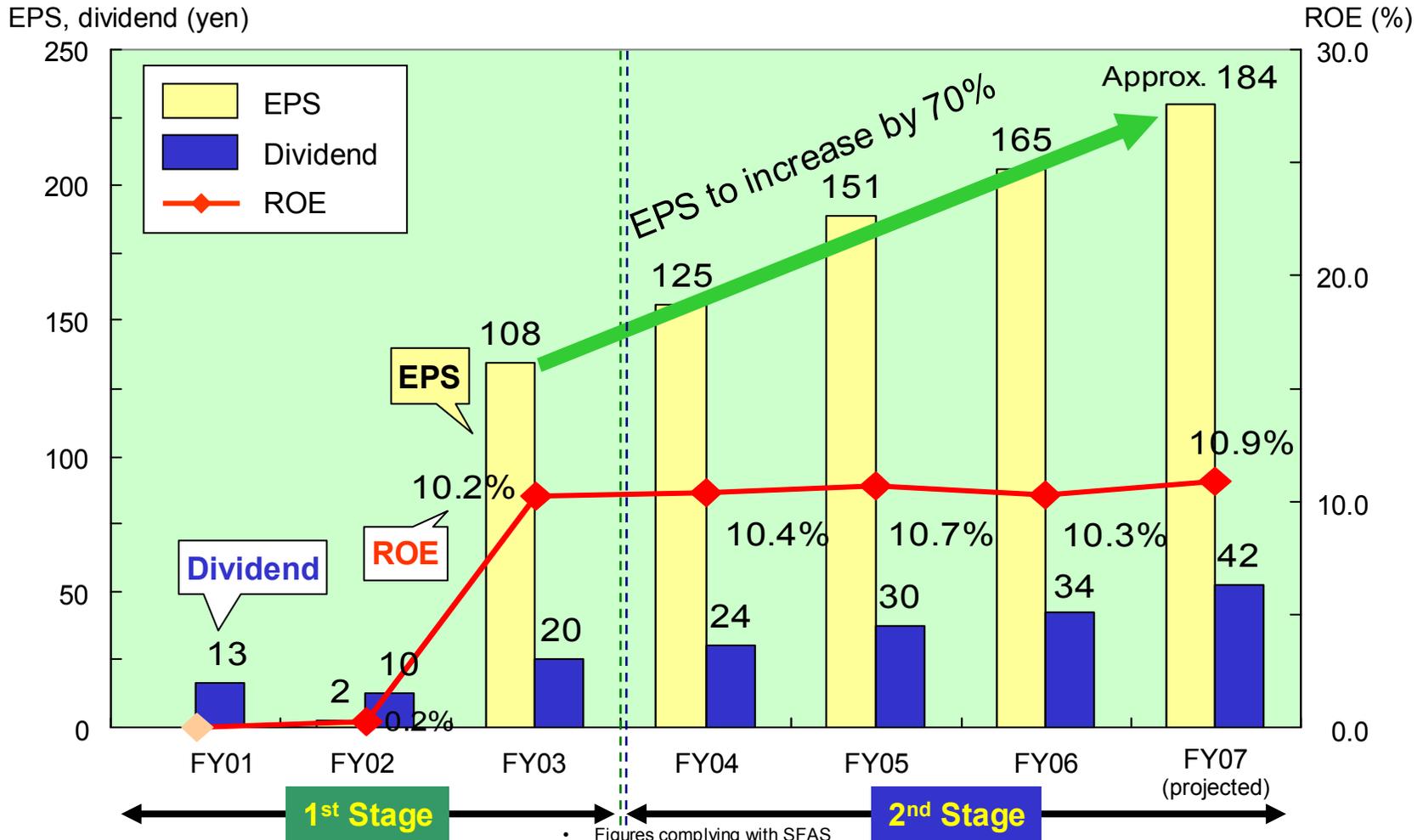
1. Based on internal calculations made during the 2nd stage
2. FY07 projection as of Jan 30, 2008

Sales, profit increased during 1st and 2nd stages
Sixth consecutive year of sales/profit growth projected for FY07



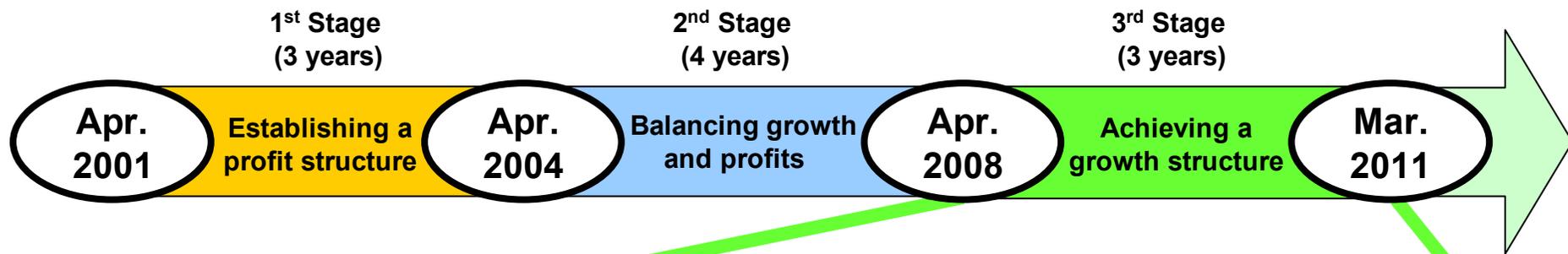
- Figures complying with SFAS
- Past figures including discontinued operations have been adjusted to meet FY07 classifications
- FY07 projections as of Jan 30, 2008

Maintained ROE of 10% in the 2nd stage
EPS expected to increase by 70%



- Figures complying with SFAS
- Past figures including discontinued operations have been adjusted to meet FY07 classifications
- FY07 projections as of Jan 30, 2008

Raise business value by an annual average of at least 10%



GD2010 3rd-stage Mid-term Goal

Raise business value by an annual average of at least 10%

Performance Indicators

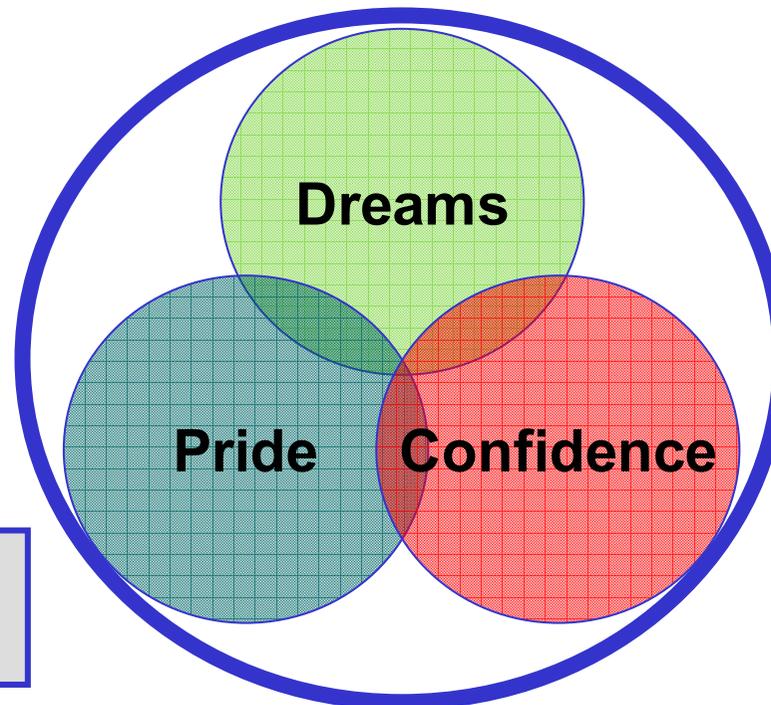
- ROIC (Return on Invested Capital): 12% or more
- ROS (Return on Sales): Approx. 10%
- Capital efficiency: 10% ROIC Improvement

"Ideal Image" for the Omron Group in the 3rd Stage

Dreams, Pride and Confidence

Omron will strive to be a company that is recognized around the world

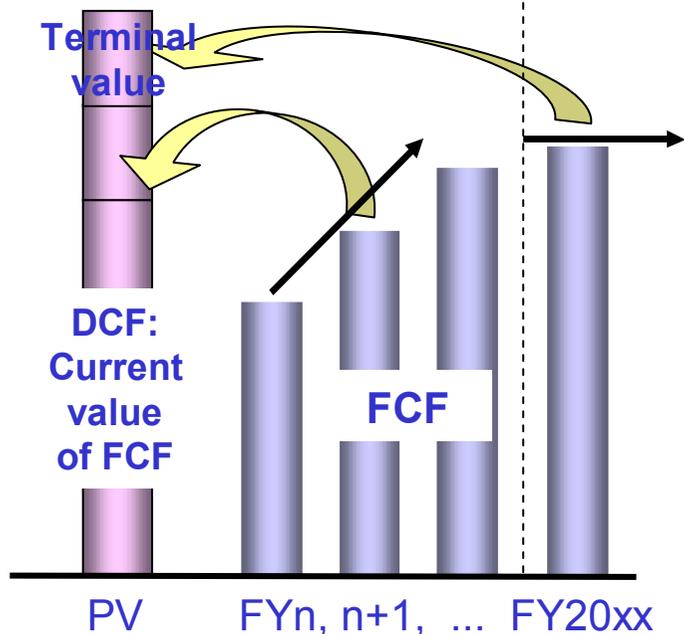
Innovation to create
social needs



Working for the
benefit of society

Continued profit
generation

Present business value (PV) = Total current value of future free cash flow (FCF) generated by each business



In order to increase business value...

$$PV = \sum \{ FCF / R^* \} \quad *R = \text{Reduction rate (capital cost)}$$

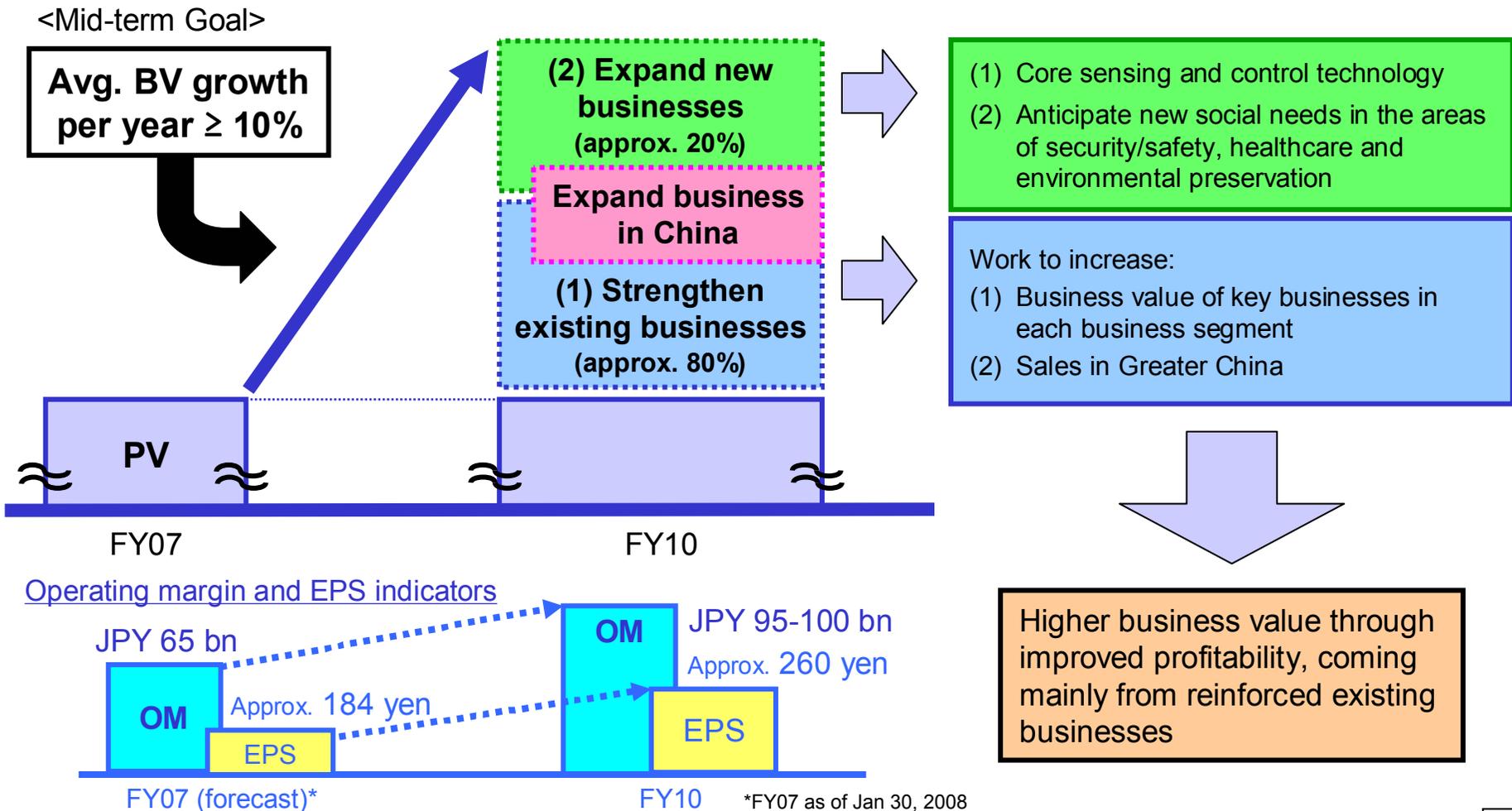
Increase in FCF

- Increase in profits
- Decrease in working capital

Decrease in reduction rate (capital cost)

- Increased capital efficiency

Strengthen existing businesses and expand new businesses to achieve sustainable growth



Boost business value of key businesses in each business segment

Industrial Automation Business (IAB)	Focus on the security/safety and environment-related applications domain in factory automation (FA). Prioritize high value-added businesses such as safety, QLM ¹ and micro PLC businesses
Electronic Components Business (ECB)	In Micro Electro Mechanical Systems (MEMS) business, focus on high value-added products that can translate various phenomena - such as pressure, acceleration, flow, temperature and sound – into valuable information with the use of "sensing & control" technologies
Automotive Electronic Components Business (AEC)	Seek high growth especially in the electric power steering (EPS) market
Social Systems, Solutions and Service Business (SSB)	Position social sensors systems ² business as another business pillar to realize security and safety at stores, stations, facilities, factories and more
Healthcare Business (HCB)	Realize "Healthcare at Home" with online healthcare service as a basis, to promote total healthcare solution packages for the lifestyle-disease prevention and treatment

¹ QLM business is a business centered around the provision of solutions that both equip machines with quality inspection capabilities comparable with those of human experts, and enable efficient and effective quality control/ improvement.

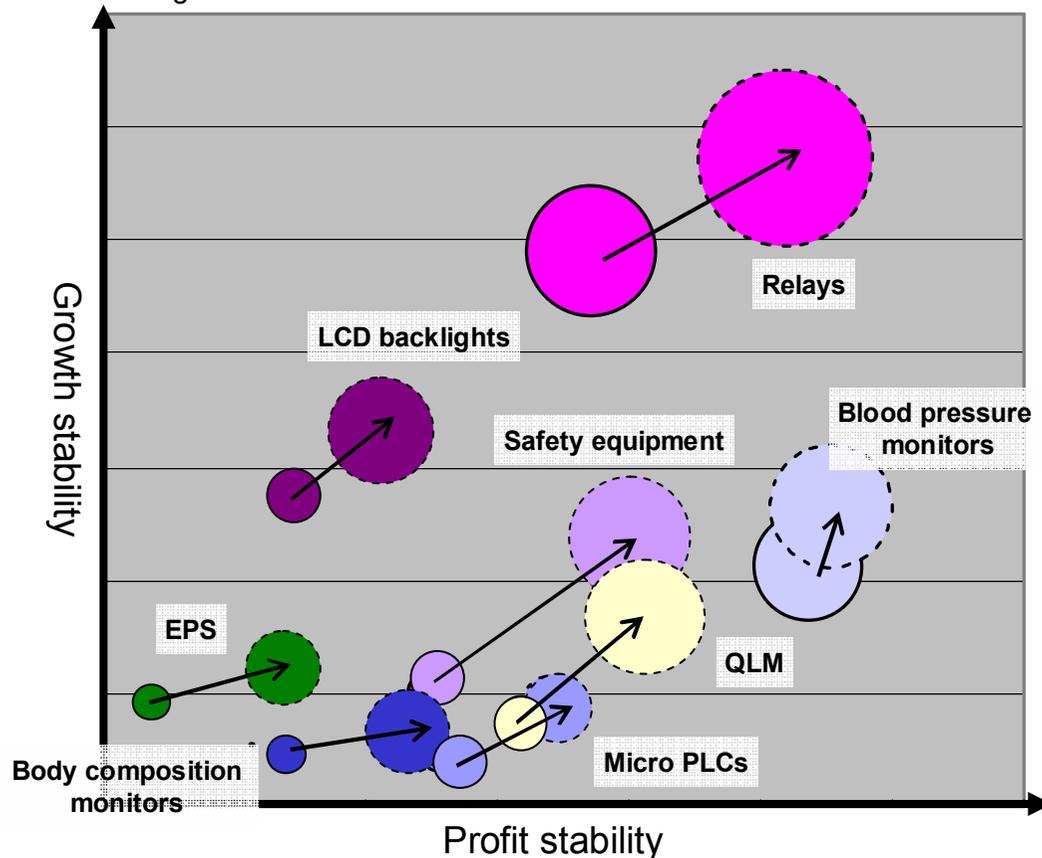
² Social sensors are expected to contribute to security/safety of society by accurately reading and analyzing the movement of people, cars and other objects on display, along with other tracking information.

Existing Businesses

Increasing business value by focusing on certain businesses
Company-wide efforts to strengthen business in eight areas

Strategy: Shift to global no. 1

Enhance the value of each business through portfolio management. Omron wants to be seen as a group of business units, each of which is a global leader in its market sector.



<p><u>Relays</u></p>	<p><u>QLM (automated optical inspection systems)</u></p>
<p><u>Safety equipment</u></p>	<p><u>Micro PLCs</u></p>
<p><u>LCD backlights</u></p>	<p><u>EPS</u></p>
<p><u>Blood pressure monitors</u></p>	<p><u>Body composition monitors</u></p>

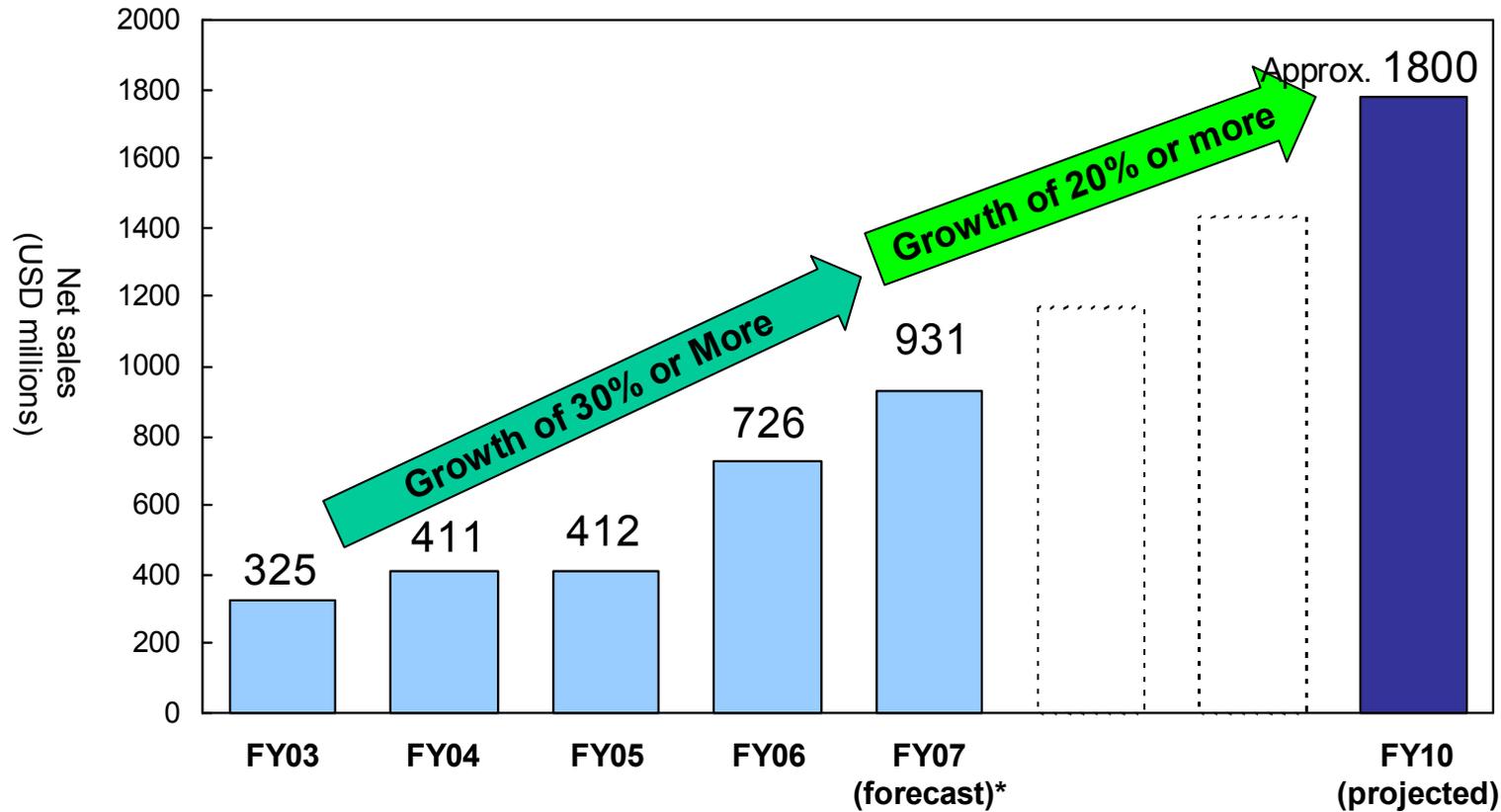
Note: We will also keep working to strengthen existing business units that are already global no. 1 (e.g. photoelectric/ proximity sensors)

Existing Businesses

Projecting average annual growth of 20% or more

In the 3rd stage, we must work to secure return on investments made in the 2nd stage

Sales in Greater China

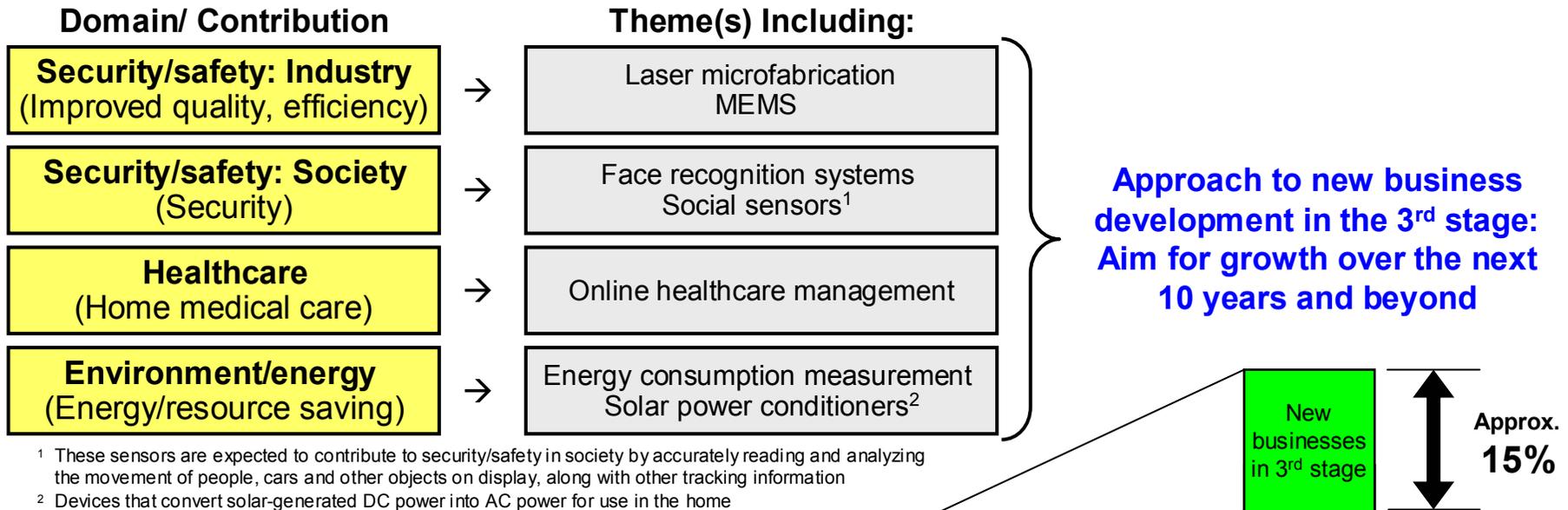


*FY07 forecast as of Jan 30, 2008

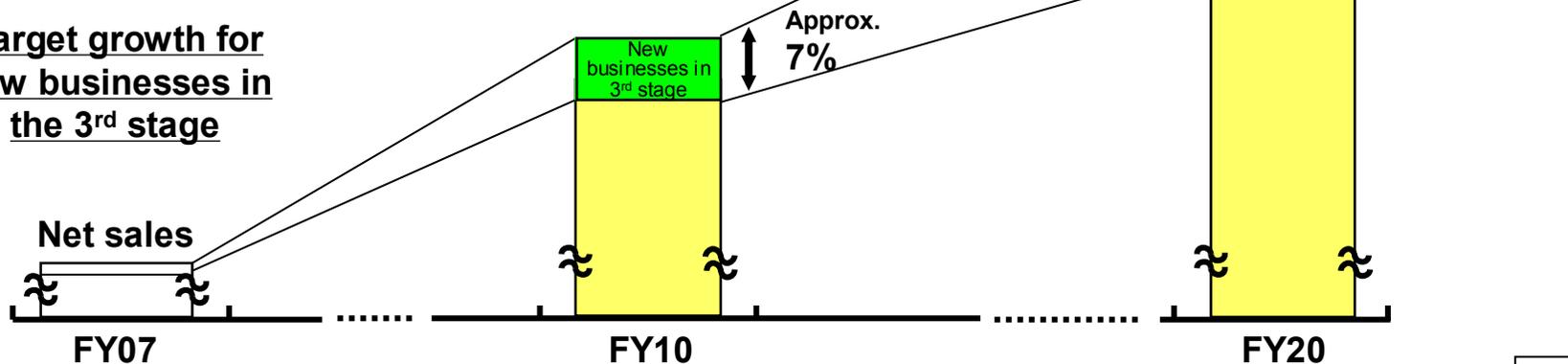
New Businesses

Anticipating social needs in the areas of security/safety, healthcare and environmental preservation

New businesses to account for 15% of consolidated sales in FY20



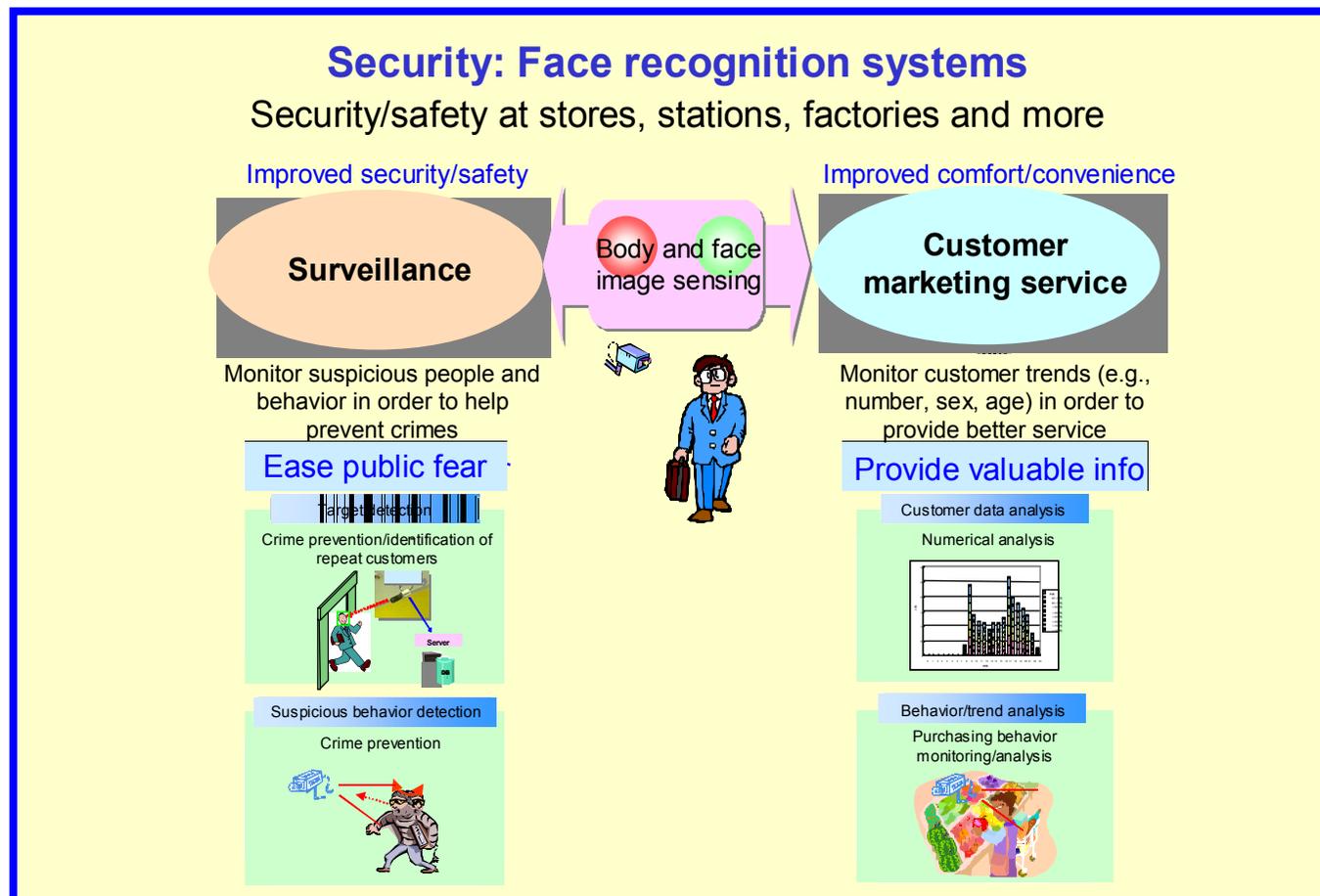
Target growth for new businesses in the 3rd stage



New Businesses

Using our core sensing and control technology, we will create new businesses with an eye to the future 10 or more years from now

- Example of new business application in the 3rd stage: Security/safety



New Businesses

Using our core sensing and control technology, we will create new businesses with an eye to the future 10 or more years from now

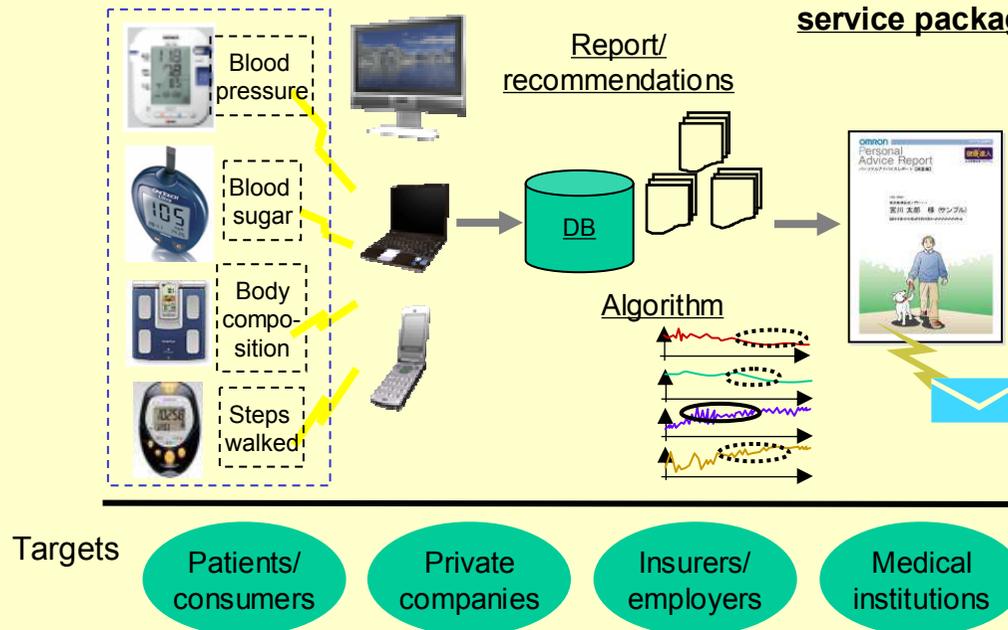
- Example of new business application in the 3rd stage: Healthcare

Home healthcare management: Online healthcare management

Total solutions for lifestyle-related disease prevention/treatment

Biology/behavior info. sensing

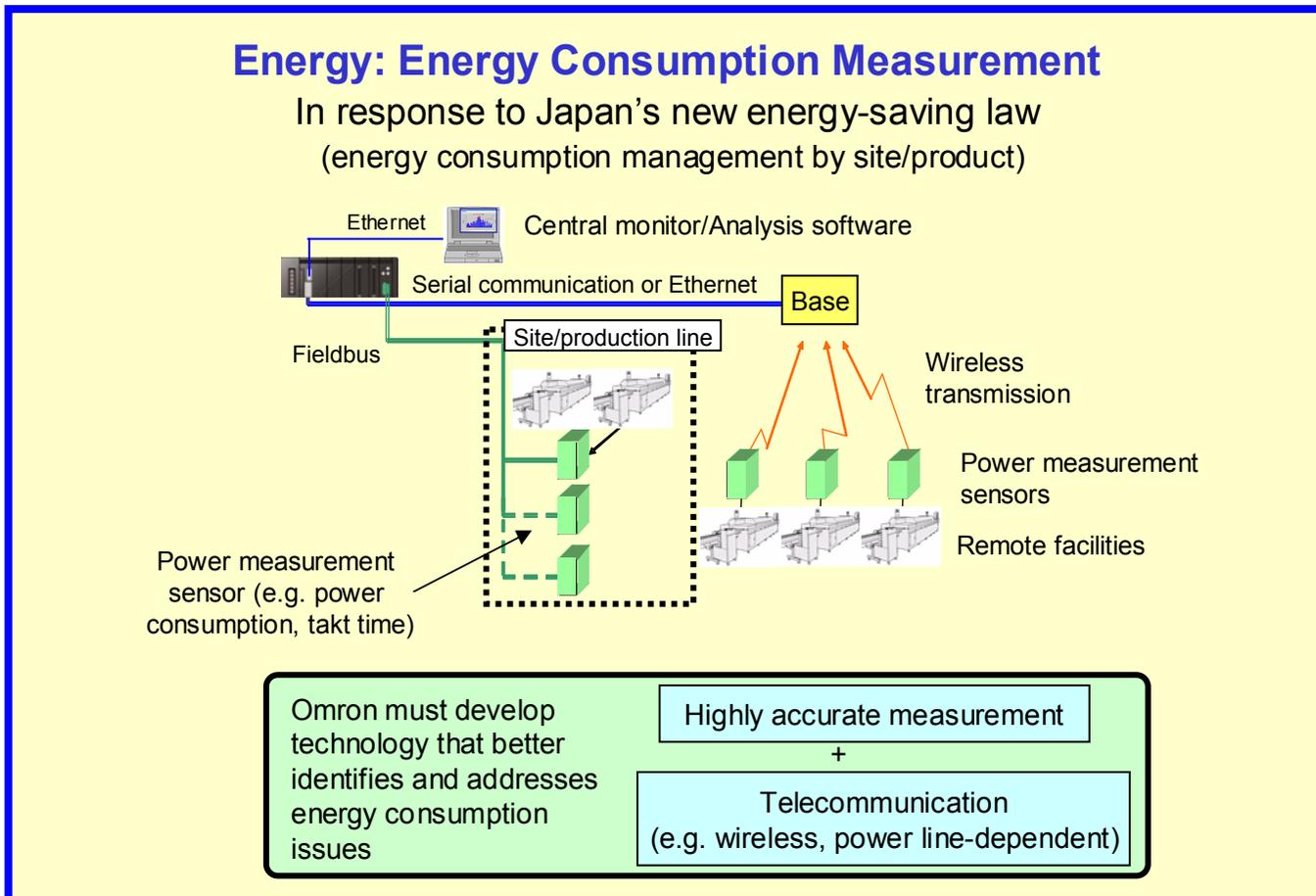
Lifestyle-related disease prevention/ treatment service package



New Businesses

Using our core sensing and control technology, we will create new businesses with an eye to the future 10 or more years from now

- Example of new business application in the 3rd stage: Environmental preservation



New Businesses

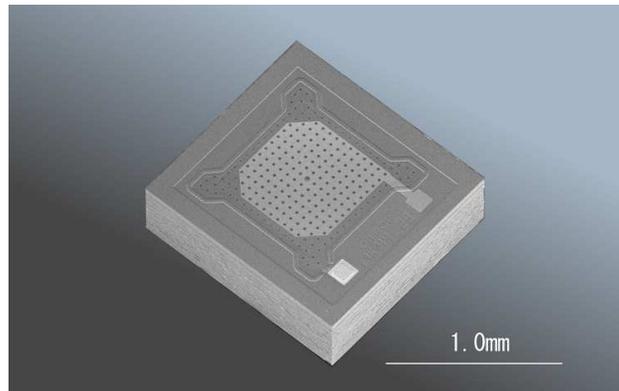
Existing Businesses

Use semiconductor technology to strengthen sensing and control technology

MEMS (Micro Electro Mechanical Systems)



← RF
(Radio Frequency)
MEMS switch
on a wafer



MEMS microphone chip

OMRON SEMICONDUCTORS Co., Ltd. (OSC) Shiga Prefecture, Japan

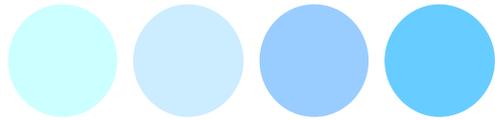


Site area: 42,000m²
Floor area: 39,900m²



Performance indicators for FY10

Net Sales	JPY 1 trillion
Operating Income	JPY 95-100 billion
Operating Margin	Approx. 10%
Earnings per Share (EPS)	Approx. JPY 260



"Best Matching of Machines to People"

OMRON Corporation



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