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## OMRON Announces Revision to Forecast for Fiscal 2006 Full-Year Financial Results

OMRON Corporation (TSE: 6645; ADR: OMRNY; 'the Company'), a global leader in automation, sensing and control technology, announced a revision to its forecast for consolidated and non-consolidated financial results for the full year ending March 31, 2007 (April 1, 2006 – March 31, 2007). The revised outlook amends the previous forecast that was announced on April 26, 2006. Details of the revision are outlined below.

## 1. Revision to Forecast for FY06 Full-year Financial Results (April 1, 2006 – March 31, 2007)

(1) Revision to Forecast for Consolidated Full-year Financial Results (U.S. GAAP)

	(Units. minions of yer)		
	Net Sales	Income before	Net income
		income taxes	
Previously announced forecast (A)	700,000	65,000	37,500
Revised forecast (B)	740,000	65,000	37,500
Difference (B-A)	40,000	_	_
Difference as percentage (%)	5.7%	— %	- %
(Reference) Figures for previous year (ended March 31, 2006)	626,782	64,352	35,763

(Units: millions of yen)

(2) Revision to Forecast for Non-Consolidated Full-year Financial Results

(Units: millions of yen)

	Net Sales	Ordinary	Net income
		Income	
Previously announced forecast (A)	342,000	25,000	26,000
Revised forecast (B)	342,000	28,000	33,000
Difference (B-A)	_	3,000	7,000
Difference as percentage (%)	- %	12.0%	26.9%
(Reference) Figures for previous year (ended March 31, 2006)	312,072	31,830	28,632

## 2. Reasons for the revision

(1) Reason for the revision to the forecast for consolidated financial results for the full-term

In markets related to the Omron Group, sales of factory automation control systems, the Omron Group's core business, are expected to remain strong in the second half of FY06, supported by robust capital investment. In light of this, and the contribution of sales from acquired subsidiaries, the Company expects sales to exceed initial projections and has revised its forecast to 740 billion yen accordingly.

With regard to consolidated profits, although cost increases are expected due to higher prices for raw materials such as silver and copper, Omron expects to meet its initial projections of 65 billion yen in income before income taxes and 37.5 billion yen in ordinary income due to the positive effect of the weaker yen as well as efficient management of SG&A expenses and an increased gain on establishment of a retirement benefit trust.

(2) Reason for the revision to the forecast for non-consolidated financial results for the full-term

As with consolidated financial results, markets related to the Omron Group are expected to remain strong in the second half of FY06, and the Company expects to meet its initial projections for sales of 342 billion yen.

Ordinary income is expected to exceed initial projections due to efficient management of SG&A expenses, and the Company has revised its forecast to 28 billion yen accordingly.

Net income is also expected to exceed initial projections as a result of the increase in ordinary income as well as factors such as the increased gain on establishment of a retirement benefit trust and the effects of the introduction of the consolidated tax system. Accordingly, the Company has revised its forecast for net income to 33 billion yen.

(N.B.) The figures in these financial results forecasts have been calculated based on the information available to management at the present time. As a result of changes in industry conditions such as trends in demand for equipment investment, fluctuations in currency exchange rates, and other factors that are difficult to predict due to changes in the internal and external environment, actual results may differ materially from these forecasts.