

FOR IMMEDIATE RELEASE
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(First Sections)
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OMRON Announces Preliminary Agreement to Form Joint Venture with The Sumitomo Warehouse Co., Ltd.

Tokyo, Japan -- OMRON Corporation (TSE: 6645; ADR: OMRNY; "OMRON") announced that it has reached a preliminary agreement with The Sumitomo Warehouse Co., Ltd. ("Sumitomo Warehouse") to form a joint venture company by transferring 882 shares (49% of the outstanding shares) of its holding in OMRON Logistics Creates Co., Ltd. (OLC), an OMRON subsidiary, to Sumitomo Warehouse.

1. Object of Joint Venture

In order to raise customer satisfaction and maintain its industry lead, the OMRON Group has continuously worked to optimize supply chain management in its global distribution system. As a part of these efforts, OLC has been equipped with specialized functions that increase its distribution capabilities for OMRON Group products. In addition to the high-mix, low-volume logistics expertise that OLC has accumulated, its merger with Sumitomo Warehouse will strengthen its global operations to further enhance logistical efficiency within the OMRON Group.

As a comprehensive, international logistics company with a high level of proficiency in supply chain inventory management, Sumitomo Warehouse possesses a powerful logistical infrastructure both domestically and internationally, and particular strengths in building and operating global logistics systems. Sumitomo Warehouse has recently established a local subsidiary and begun constructing a new warehouse to bolster its distribution center capabilities in China, where the OMRON Group is also actively strengthening its operations, and continues to expand its logistical capabilities both in China and Southeast Asia.

Through this joint venture, the OMRON Group aims to further improve customer satisfaction by providing even higher-quality global logistics services. Additionally, through this new partnership

between the OMRON Group and the Sumitomo Warehouse Group, both companies look forward to mutually enhancing their corporate value.

2. Outline of OLC

- (1) Name: OMRON Logistics Creates Co., Ltd. (following the joint venture, the name will be changed to OMRON & SUMISO LOGISTIC CORPORATION (tentative name).
- (2) Established: February 21, 1997
- (3) Business Lines: Domestic and international distribution of OMRON products, import/export, operation and management of logistical bases, representative inspection of imported products
- (4) Location: 1-6-20 Dojima, Kita-ku, Osaka, Japan
- (5) Capital: 90 million yen
- (6) Representative: Masafumi Kondo
- (7) Major shareholders and percentages of shares held:

	OMRON		Sumitomo Warehouse	
	Number of shares owned	Percentage of shares owned	Number of shares owned	Percentage of shares owned
Before transferring shares	1,800	100.0%	—	—
After transferring shares	918	51.0%	882	49.0%

- (8) Sales FY2006 forecast of approximately 13 billion yen

FY 2007 forecast of approximately 12 billion yen

3. Outline of Sumitomo Warehouse (as of March 31, 2006)

- (1) Name: The Sumitomo Warehouse Co., Ltd.
- (2) Business Lines: Warehousing; harbor transportation; real estate trade, leasing, and agent operations
- (3) Established: August 1, 1923

(4) Location: 2-1-5 Kawaguchi, Nishi-ku, Osaka, Japan

(5) Representative: Shoichi Abe, President

(6) Capital: 20.784 billion yen

(7) No. of employees: 744

(8) Major shareholders and percentages of shares held:

Shareholders	Number of shares owned	Percentage of shares owned
HSBC Fund Service J2	15,596,000	8.15%
The Master Trust Bank of Japan, Ltd.	12,556,000	6.56%
Daiwa House Industry Co., Ltd.	10,000,000	5.22%
Japan Trustee Service Bank, Ltd.	9,133,000	4.77%
Mitsui Sumitomo Insurance Co., Ltd.	8,292,000	4.33%

(9) Relationship with OMRON No capital ties

4. Future Schedule

The parties plan to conclude the share transfer contract and final joint venture contract by April 1, 2007.

5. Business Outlook

This preliminary agreement is not expected to have a significant material effect on OMRON's consolidated or non-consolidated outlook.

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