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(First Sections)
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Notice Regarding OMRON's Transfer of its Small-size Backlight Business by Corporate Demerger

Tokyo, Japan – OMRON Corporation (TOKYO: 6645; ADR: OMRNY; 'Omron') has resolved at a Board of Directors meeting held on August 30, 2007 to transfer its small-size backlight business to its wholly-owned subsidiary Omron Precision Technology, Co., Ltd. (OPT) by means of a corporate demerger, effective of November 1, 2007, and has concluded a demerger contract with OPT to this effect. This announcement updates Omron's disclosure of its plans for the aforementioned demerger on July 30, 2007 and provides additional details that were undecided at that time.

1. Objective of Demerger

Omron has applied its expertise in optical control and microfabrication technology to develop a successful and highly competitive business in proprietary point light source backlights. In August 2006, Omron acquired Pioneer Corporation's small- and medium-size multi-light source backlight business and established it as a new subsidiary, OPT. As a result, Omron seized top share of the global market for small-size backlights along with world-class, productivity-enhancing manufacturing technology.

To ensure future growth amidst heightening competition, Omron has now decided to integrate its small-size backlight business with that of OPT, thus taking full advantage of the two companies' powerful synergies.

2. Outline of Demerger

(1) Schedule

Approval by Board of Directors	August 30, 2007
Execution of demerger agreement	August 30, 2007
Effective date of demerger	November 1, 2007 (planned)

(Note) This demerger is pursuant to the provisions of Article 784-3 of the Corporate Law of Japan, and thus is not subject to approval by a resolution at an ordinary general meeting of Omron shareholders.

Furthermore, as it is also pursuant to Article 796-1 of the Corporate Law of Japan, this demerger is not subject to approval by a resolution at an ordinary general meeting of OPT shareholders.

(2) Procedure

Omron will conduct a corporate demerger in order for OPT to succeed its small-size backlight business.

(3) Allocation of shares

As this demerger is to be conducted between Omron and a wholly-owned subsidiary, no shares will be allocated and issued to Omron by OPT as a result of this demerger.

(4) Calculation method for share allocation

As this demerger is to be conducted between Omron and a wholly-owned subsidiary, no shares will be allocated and issued to Omron by OPT as a result of this demerger.

(5) Change in paid-in capital

There will be no decrease in Omron's paid-in capital as a result of this demerger.

(6) Stock acquisition rights and bonds with stock acquisition rights

Omron has issued stock acquisition rights; however there will be no change in any of these stock acquisition rights as a result of this demerger. Furthermore, Omron has not issued any bonds with stock acquisition rights.

(7) Rights and obligations to be succeeded by OPT

OPT shall assume and succeed the major contractual status, including but not limited to any accounts receivable, inventories, assets/properties such as machinery and equipment, liabilities/debts such as deposits received and payments in advance, developments and transactions related to the demerged business as well as any and all rights and obligations arising under the said status. (However, any intellectual property rights, accounts payable and any rights or obligations related to any business other than the demerged business, and any rights or obligations which are not expected to relate to or arise out of the demerged business in the future shall be excluded.)

In addition, any employment contracts with the employees who are involved in the demerged business and any and all rights and obligations related or incidental to such contracts are not subject to transfer.

(8) Fulfillment of obligations:

Omron and OPT expect to perform or fulfill all liabilities and debts incurred after the effective date of this demerger.

3. Outline of OMRON and OPT (as of March 31, 2007)

(1) Trading name	OMRON Corporation (demerging company)	Omron Precision Technology, Co., Ltd. (succeeding company)
(2) Main business	Manufacture and sales of electrical machinery and equipment	Manufacture and sales of high-precision machinery parts
(3) Date of incorporation	May 19, 1948	April 18, 1977
(4) Location of headquarters	Shiokoji Horikawa, Shimogyo-ku, Kyoto 600-8530, Japan	6-1-1 Fujimi City, Tsurugashima-shi, Saitama, Japan
(5) Representative	Hisao Sakuta, President & CEO	Isamu Horimoto, President
(6) Paid-in capital	64,100 million yen	448 million yen
(7) No. of shares outstanding	249,121,372	884,022
(8) Net assets	241,733 million yen (non-consolidated)	4,359 million yen (non-consolidated)
(9) Total assets	389,247 million yen (non-consolidated)	13,433 million yen (non-consolidated)
(10) Fiscal year end	March 31	March 31
(11) Principal shareholders & holdings (percentage of total)	State Street Bank and Trust Company 5.81% Japan Trustee Services Bank, Ltd. 4.00% The Master Trust Bank of Japan, Ltd. 3.82%	Omron Corporation 100%

4. Outline of division to be demerged

- (1) Main business line: Development, manufacture and sales of small-size backlights
- (2) Operation results: 7,292 million yen (FY06 net sales)
- (3) Demerged assets and liabilities (as of July 31, 2007)

Assets		Liabilities	
Item	Book value	Item	Book value
Current assets	1,511 million yen	Current liabilities	0 yen
Fixed assets	117 million yen	Fixed assets	0 yen
Total	1,628 million yen	Total	0 yen

(N.B. The above figures will be confirmed depending on increases/decreases during the period up to the day before the effective date of the demerger).

5. Impact on OPT

There will be no change to OPT's trading name, business lines, address of head office, company representative, paid-in capital or fiscal year as a result of this demerger.

6. Impact on Omron Corporation

There will be no change in Omron's trading name, business lines, address of head office, company representative, paid-in capital or fiscal year as a result of this demerger.

The demerger will not affect Omron's consolidated financial results for the current term as OPT is a wholly-owned subsidiary. Furthermore, the demerger is not expected to have a significant material effect on Omron's non-consolidated financial outlook for the fiscal year ending March 2007.

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