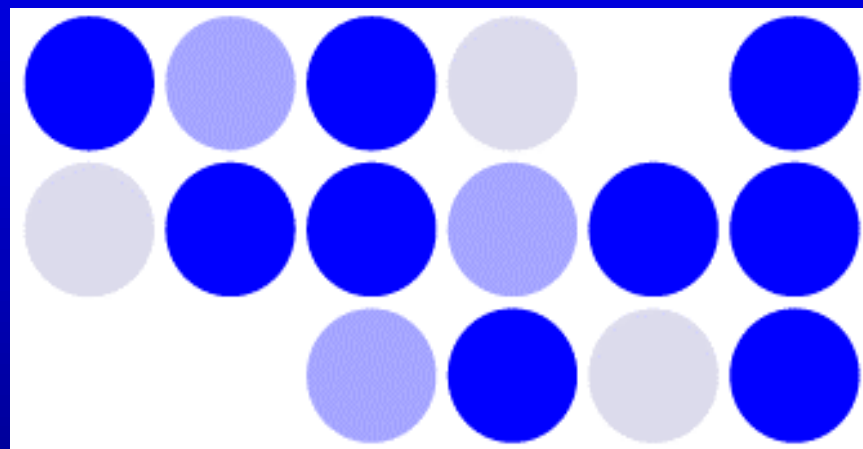


Results for year ended March 2003

Business plan for year ending March 2004



May 9, 2003

OMRON Corporation

Participants

Representative Director & CEO

Yoshio Tateisi

Director

Norio Hirai

Managing Officer

Fumio Tateisi

**General Manager,
Corporate Planning HQ. ,
Financial and Accounting Dept.**

Hitoshi Kondo

< Contents >

1 . Results for year ended March 31, 2003

Managing Officer Fumio Tateisi

2. Business plan for year ending March 31, 2004

Representative Director & CEO Yoshio Tateisi

3 . Question and Answer Session

OMRON Corporation

Results for year ended March 2003

~ Fiscal 2002 Statement of Accounts ~

May 9, 2003

< Contents >

- 1 . **Summary of consolidated P/L statement**
- 2 . **Consolidated sales results by region / segment**
- 3 . **Breakdown of changes in
consolidated operating income**
- 4 . **Consolidated non-operating expenses**
- 5 . **Segment information**
- 6 . **Consolidated balance sheets**
- 7 . **Consolidated cash flows statement**

Summary of consolidated P/L statements

(Years Ended March 31; Billions of Yen)

	2001	2002	2003
Net Sales	594.3	534.0	535.1
Gross Profit	218.1 36.7%	180.5 33.8%	+27.2 → 207.7 38.8%
SG&A Expenses	173.8 29.2%	176.3 33.0%	175.4 32.8%
Operating Income	44.3 7.5%	4.2 0.8%	+28.1 → 32.3 6.0%

Consolidated sales results by region / segment

Consolidated sales by region

(Years ended March 31; Billions of Yen)

	2001	2002	2003
Japan	412.0	344.9	325.4
Overseas	182.3	189.1	209.7
(Percent)	(30.7%)	(35.4%)	(39.2%)
Total	594.3	534.0	535.1

Note: Direct exports included in overseas sales

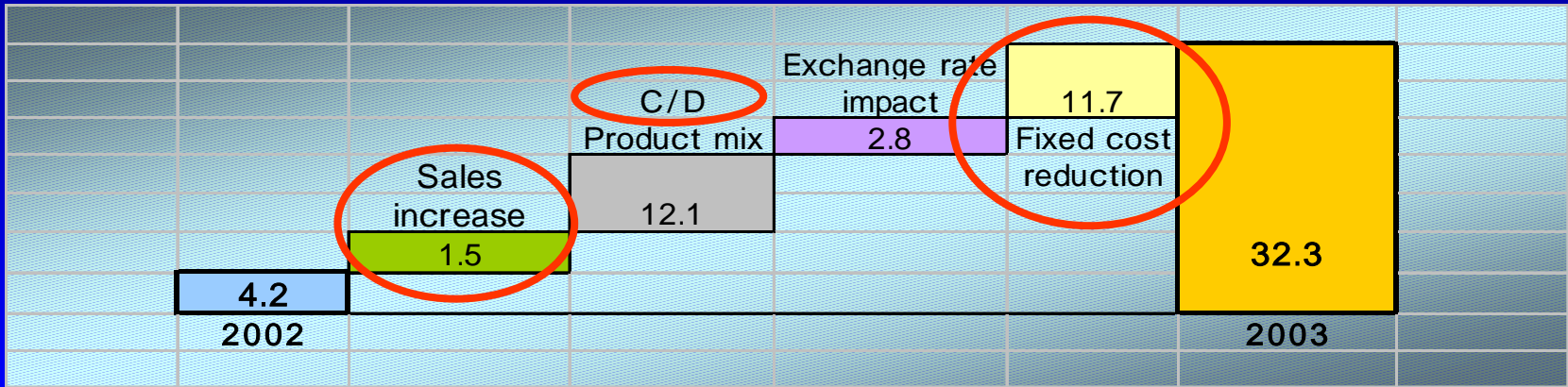
Consolidated sales by segment

	2001	2002	2003
IAB	227.7	184.2	202.5
ECB	129.4	131.9	138.9
SSB/AMB	141.9	128.1	116.7
HCB	39.3	40.6	42.3
Others	55.9	49.2	34.7
Total	594.3	534.0	535.1

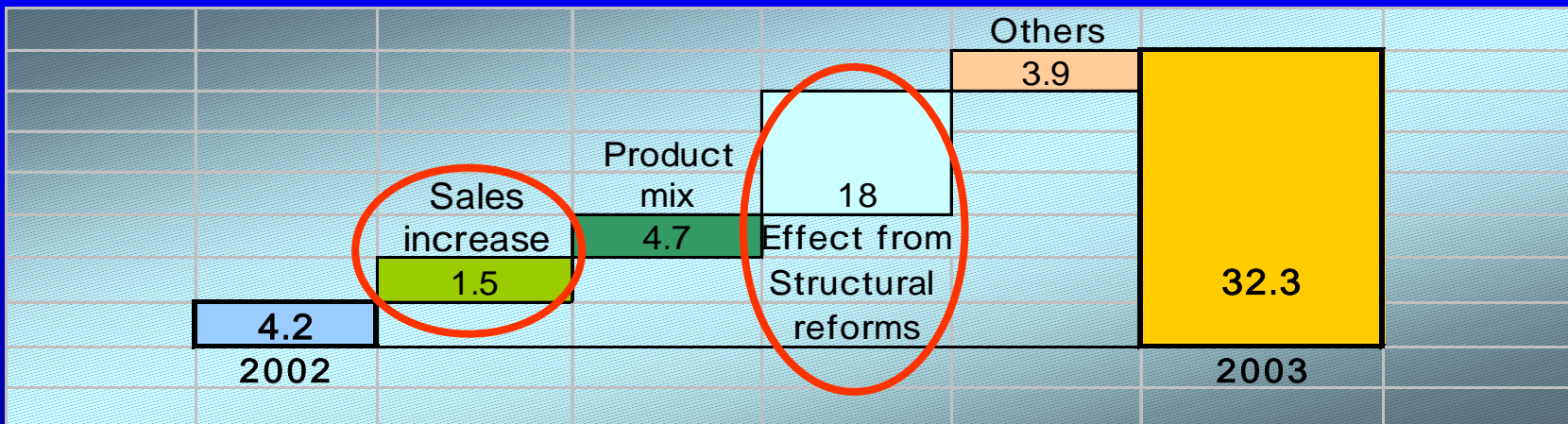
Breakdown of changes in consolidated operating income

Changes in operating income :
Breakdown of ordinary factors

(Years Ended March 31; Billions of Yen)



Changes in operating income :
Breakdown of structural reform factors



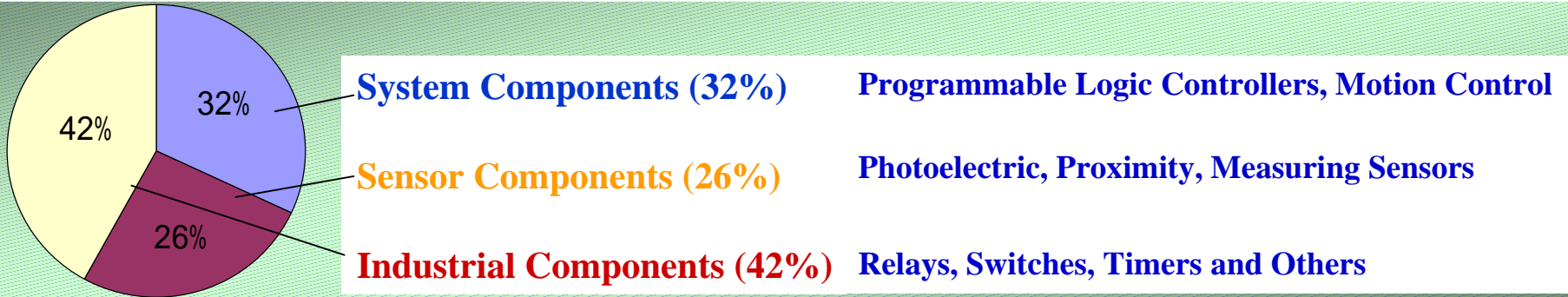
Consolidated non-operating expenses

(Years Ended March 31; Billions of Yen)

	2002	2003
Structural reform costs	9.6	23.3
Personnel costs	0.6	19.0
Office consolidations	6.9	3.8
Business consolidation, etc.	2.1	0.5
Other non-operating expenses	20.0	4.3
Valuation losses	17.6	3.2
Foreign exchange losses	1.5	0.6
Interest / Discount	2.0	2.0
Others	(1.1)	(1.5)
Total	29.6	27.6

Industrial Automation Company (IAB)

Manufacture and sale of factory automation, industrial control components



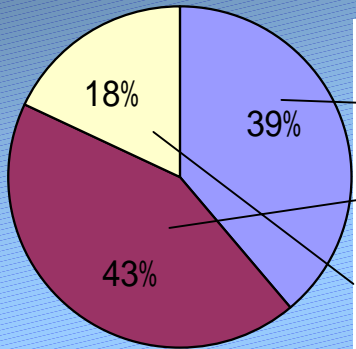
(Years Ended March 31; Billions of Yen)

	2001	2002	2003
Sales	227.7	184.2	202.5
Japan	130.8	95.5	102.2
Overseas	96.9	88.7	100.3
Operating Income	32.5	12.1	24.1
Operating Margin	14.3%	6.6%	11.9%

Note: Reflects reclassification in the year ended March 31, 2002.

Electronic Components Company (ECB)

Manufacture and sale of electronics components for home appliances, cars, etc.



EMC Group (39%)
(Electronic Mechanical Components)

For home appliances, telecommunications, industrial machinery, etc.

Automotive Components (43%)

Relays, switches, sensors, and other devices for automobiles

Other Components (18%)

For amusement, OA products, MLA, etc.

(Years Ended March 31; Billions of Yen)

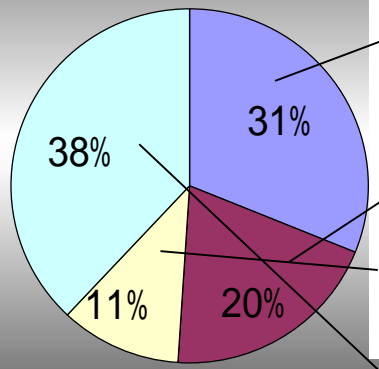
	2001	2002	2003
Sales	129.4	131.9	138.9
Japan	74.7	65.7	66.7
Overseas	54.7	66.2	72.2
Operating Income	18.1	7.9	14.6
Operating Margin	14.0%	6.0%	10.5%

Note: Reflects reclassification in the year ended March 31, 2002.

Social Systems Business Company (SSB)

incl. Advanced Module Business Company (AMB)

Provides devices, solutions and services to financial institutions, railway companies and traffic sector



To Financial Institutions (31%) ATM, BTR and solutions sales

To Railway Companies (20%) Ticket vending machines, pass gates and solution sales

To Traffic Sector (11%) Sales of road and signal management systems, etc.

To Service (38%) Device installation, maintenance and software development

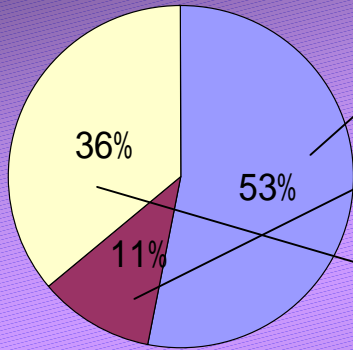
(Years Ended March 31; Billions of Yen)

	2001	2002	2003
Sales	141.9	128.1	116.7 91%
Japan	131.8	116.2	104.8
Overseas	10.2	11.8	11.9
Operating Income	6.4	-3.0	1.2 ¥4.2 billion increase
Operating Margin	4.5%	-2.3%	1.0%

Note: Reflects reclassification in the year ended March 31, 2002.

Healthcare Company (HCB)

Manufacture and sale of home and professional medical devices



Blood Pressure Monitors (53%) Wrist/upper-arm, type
for household use / and for professional use

Thermometers (11%)
Ear type and feminine use
for household use, and for professional use

Others (36%)
Nebulizers, massage chairs,
low-frequency medical devices, etc.

(Years Ended March 31; Billions of Yen)

	2001	2002	2003
Sales	39.3	40.6	42.3
Japan	20.8	18.9	18.9
Overseas	18.5	21.7	23.4
Operating Income	0.6	1.6	3.8
Operating Margin	1.5%	4.0%	9.1%

Note: Reflects reclassification in the year ended March 31, 2002

Others

Business Development Group and Creative Service Company

Business Development Group Entertainment devices, software, PC peripheral devices, voice recognition systems, machine-to-machine business, others

Creative Service Company Logistics, personnel, office services, advertising, etc.

(Years Ended March 31; Billions of Yen)

	2001	2002	2003
Sales	56.0	49.2	34.7
Business Development Group	---	37.0	24.5
CSB	---	12.2	10.3
Operating Income	-0.6	2.6	4.5
Operating Margin	-1.1%	5.3%	13.0%

Note: Reflects reclassification in the year ended March 31, 2002

Consolidated Balance Sheets

(Years Ended March 31; Billions of Yen)

	2001	2002	2003
Assets			
Investment securities	57.5	43.4	-12.6 → 30.9
Deferred income taxes	18.0	43.9	+20.4 → 64.3
Liabilities			
Termination and retirement benefits	48.9	75.4	+45.4 → 120.7
Shareholders' equity			
Minimum pension liability adjustment	(7.3)	(21.2)	-27.5 → (48.7)
Treasury stock	(1.2)	(1.9)	-10.1 → (12.0)

Consolidated Cash Flows Statement

(Years Ended March 31; Billions of Yen)

	2001	2002	2003
1. Net cash provided by operating activities	50.8	33.7	41.9
2. Net cash used in investing activities	(32.4)	(40.1)	(30.6)
3. Net cash used in financing activities	(24.6)	(12.1)	(2.0)
4. Effect of exchange rate changes on cash and cash equivalents	3.1	3.6	(0.1)
Net increase (decrease) in cash and cash equivalents	(3.0)	(14.8)	9.1
Cash and cash equivalents at end of the year	85.6	70.8	79.9

OMRON Corporation

OMRON Corporation

Business plan for the year ending March 2004 May 9, 2003

NOTE

The performance forecasts presented in these slides were calculated based on the best information and assumptions available to us.

Factors including, but not limited to, domestic and international economic conditions, relative demand for Omron's products and services, currency exchange rate fluctuations and stock market trends are unpredictable and subject to change. Consequently, actual performance may differ from the performance forecasts.

Contents

- 1 . Basic guidelines: Maximizing business strength
“From Reform to Creation”
- 2 . Reform: Structural reforms for group productivity
Progress and outlook
- 3 . Creation: Overview of group growth strategy
- 4 . Business plan for the year ending March 2004
- 5 . Becoming a Truly Global Company

1. Basic guidelines

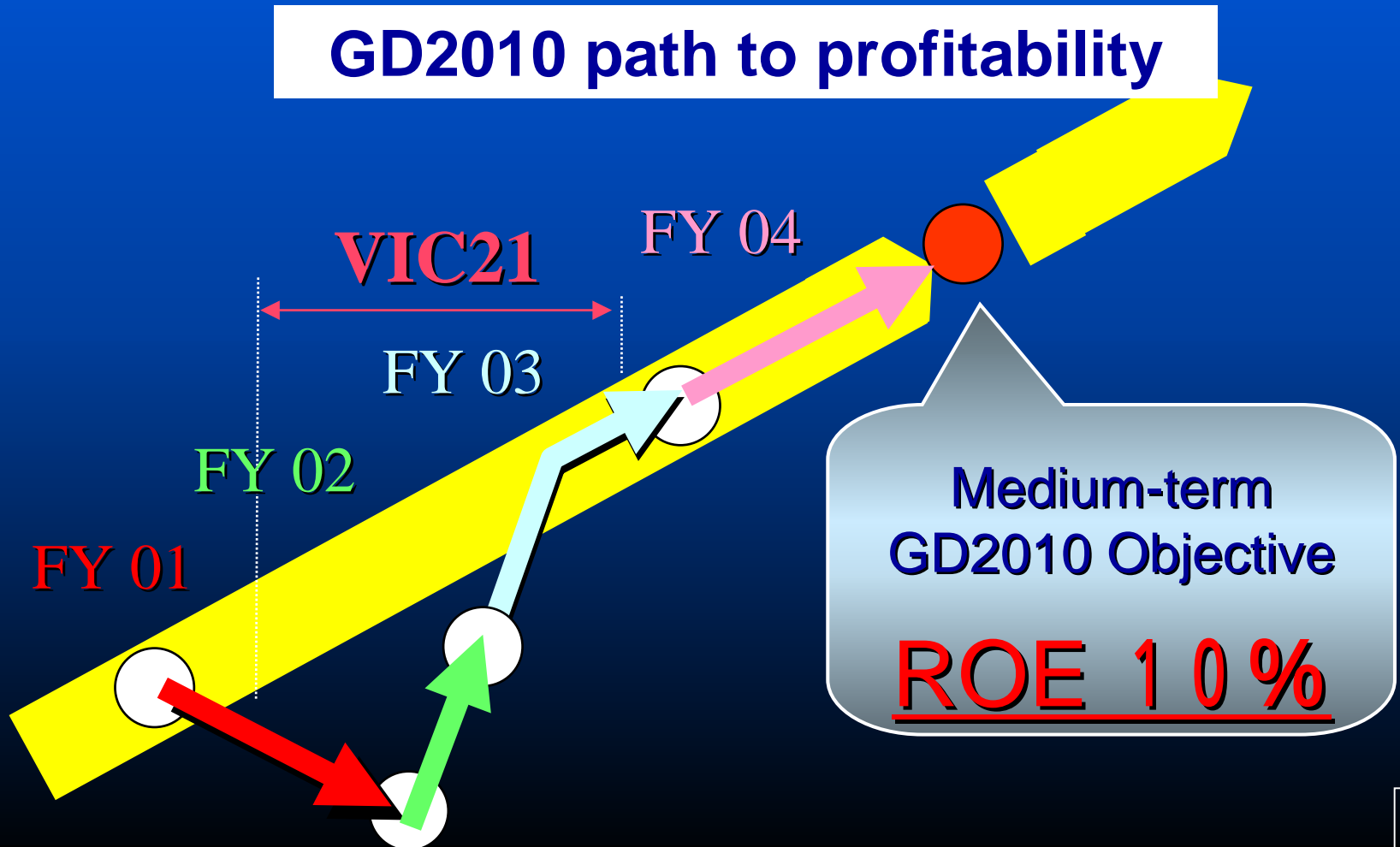
Maximizing business strength

“From Reform to Creation”

Positioning in FY 2003

Carry out structural reforms (VIC21)

Return to Grand Design 2010 (GD2010) path to profitability



Medium-term objectives

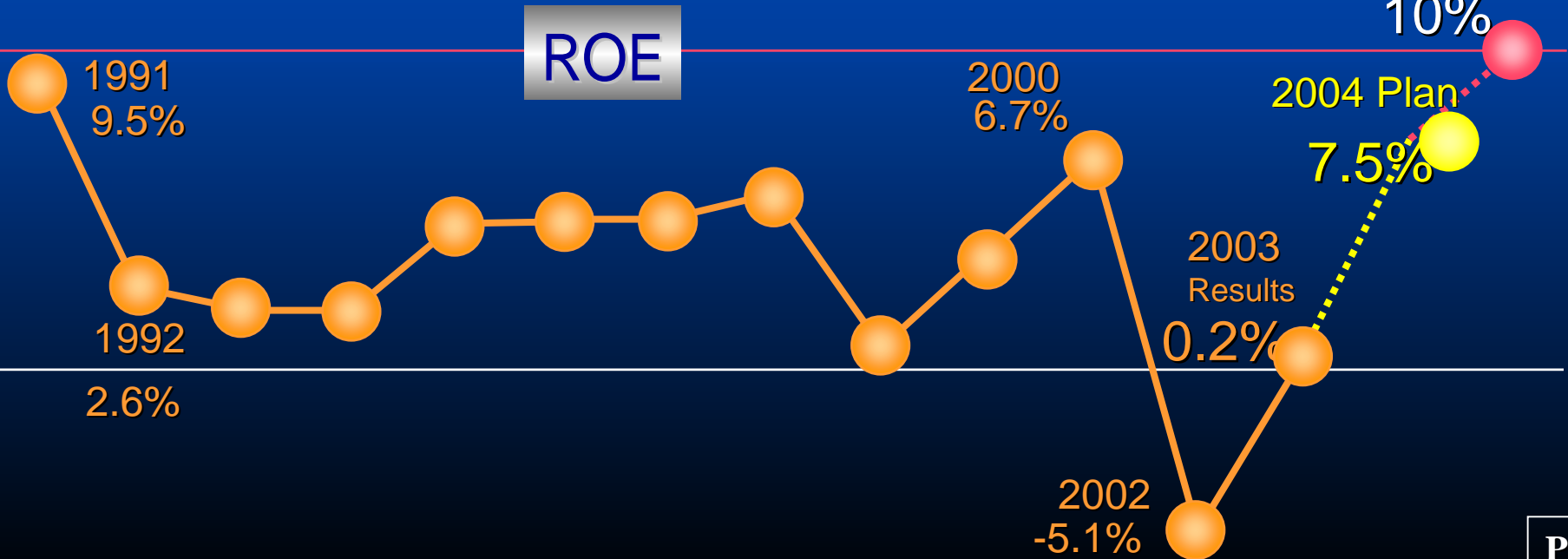
Basic guidelines

(Years ended/ending March 31;
Billions of Yen)

	2003	2004 Plan	2005 Targets
Sales	535.1	560.0	XXXX
Operating income	32.3	43.0	XXX
Income before income tax	4.7	38.0	XXX

ROE	0.2%	7.5%	10.0%
------------	-------------	-------------	--------------

Years Ended / Ending March 31



2. Reform

Structural reforms for group productivity

Progress and outlook

Outlook for achievement of original targets

Original Targets (Announced 11/01)	Outlook for FY2003
<p>Reduce group fixed and variable costs by ¥ 30 billion. (incl. ¥15 billion reduction in personnel expenses)</p>	<p>¥30.5 billion reduction since fiscal 2001 (incl. ¥15.5 billion reduction in personnel expenses)</p>
<p>Consolidate / integrate 5 or more domestic offices / locations</p>	<p>Closure of 3 production subsidiaries Consolidation of 3 research centers</p>
<p>Consolidate or eliminate 2 businesses</p>	<p>8 businesses (3 restructured, 4 consolidated, 1 sold)</p>
<p>Consolidate or eliminate 5 subsidiaries</p>	<p>10 subsidiaries (7 consolidated, 3 sold)</p>
<p>Increase overseas production/ procurement by 50%</p>	<p>45% increase compared w/ fiscal 2001 (20% in fiscal 2001 29% in fiscal 2002)</p>

Expected effects of VIC21 implementation

Projected achievement of original VIC21 target of reducing total fixed and variable costs by ¥30 billion
Expected ¥30.5 billion reduction in the year ending March 31, 2004

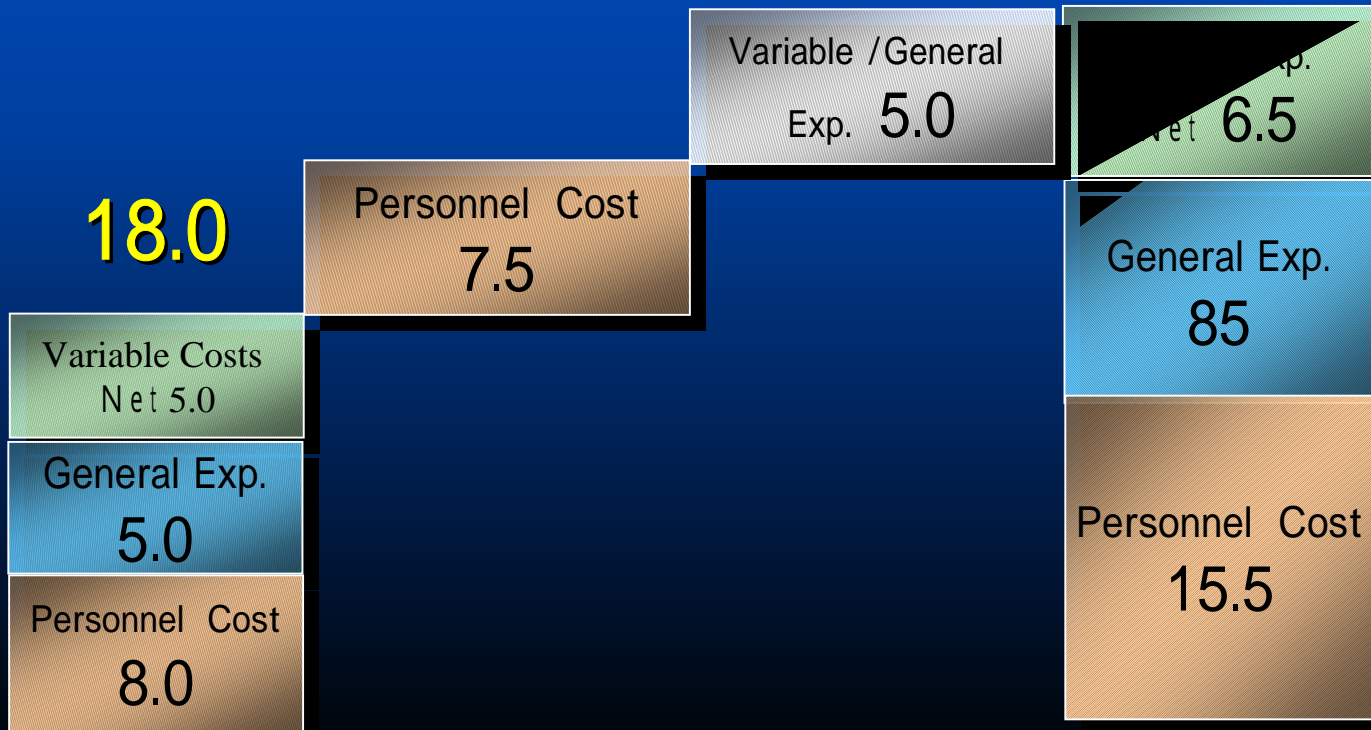
Year ended
March 2003



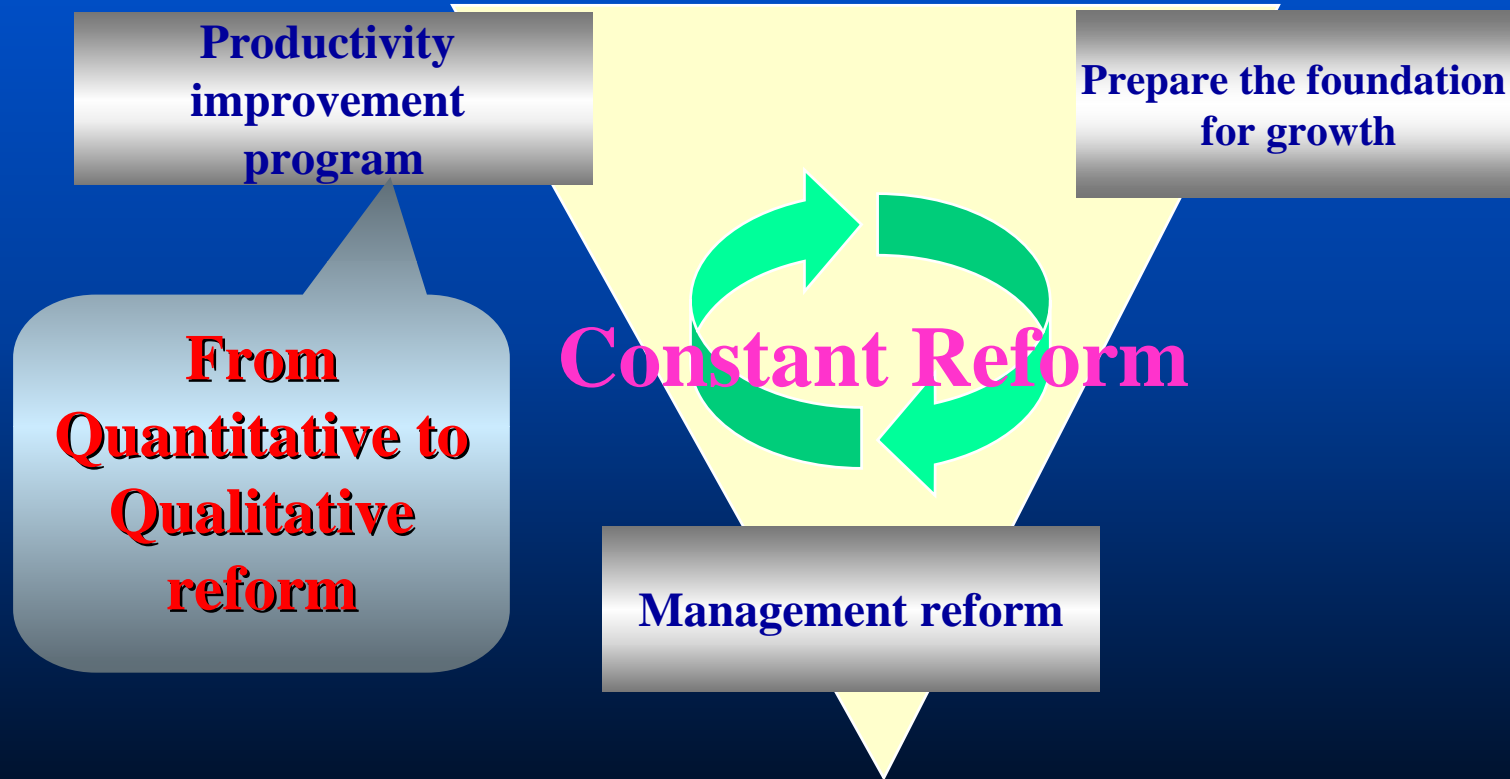
Year ending
March 2004

(Billions of Yen)

30.5



Year ending March 2005
Toward 10% ROE Growth



3. Creation :

Overview of group growth strategy

Growth strategy selection criteria

Strategic Areas: Device businesses and Solutions businesses

Marketability: Over JPY10 billion in growing market

Profitability: ROIC (Return on Invested Capital) = Over 20%

Competitiveness: Top or second market share



Device Business

Existing Businesses

Solutions Business

Structure for promoting group growth strategy themes

Creation

Corporate Incubation System

Corporate Planning HQ

Finance

Intellectual
Property

Technology

Business
Model

Personnel

Group growth
strategy
implementation
themes

Objectives

Transforming technological value into market value
Milestone management (risk minimization)
Theme selection and focus

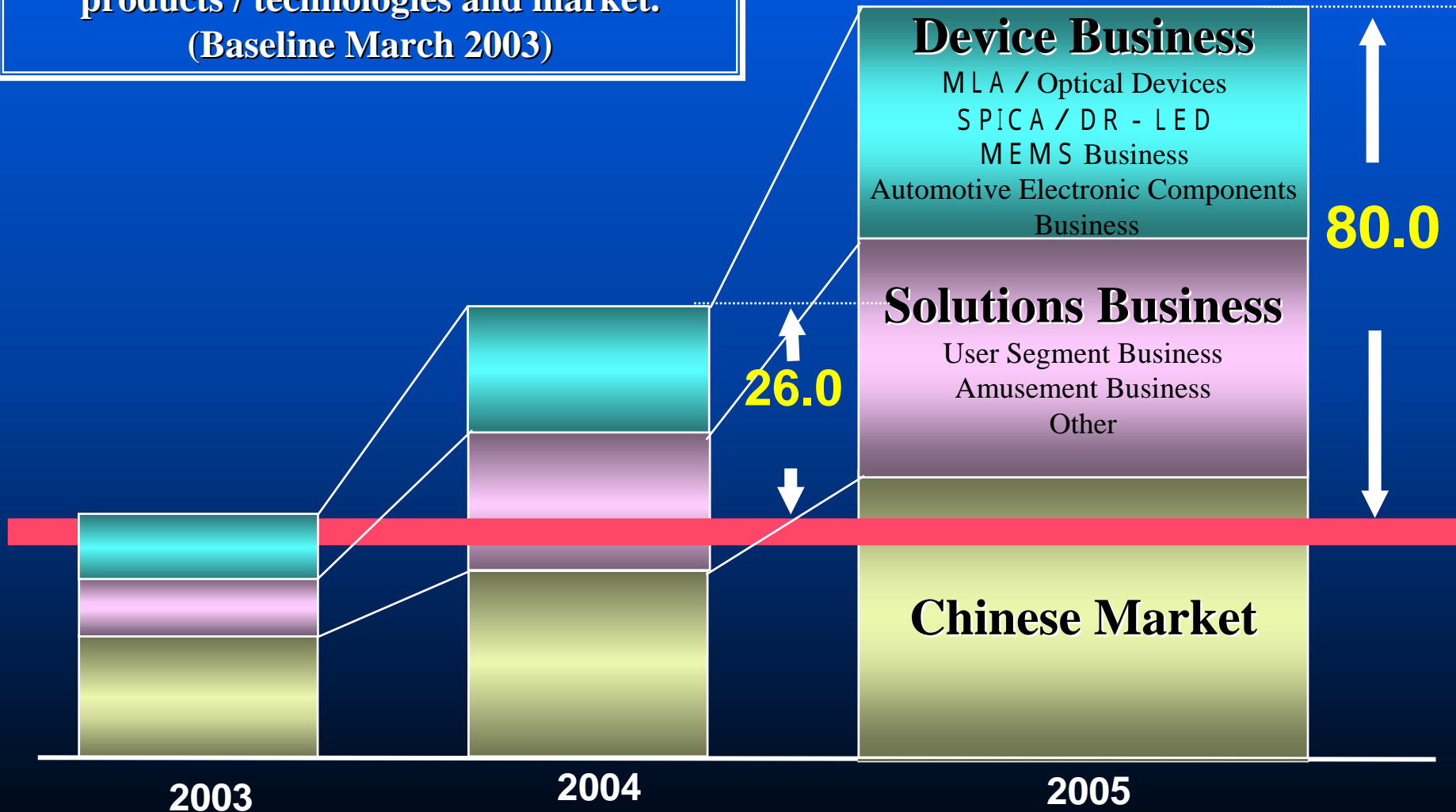
To accelerate theme evaluation and maximize expected ROI

Growth volume

Creation

Projected sales growth through strategic products / technologies and market.
(Baseline March 2003)

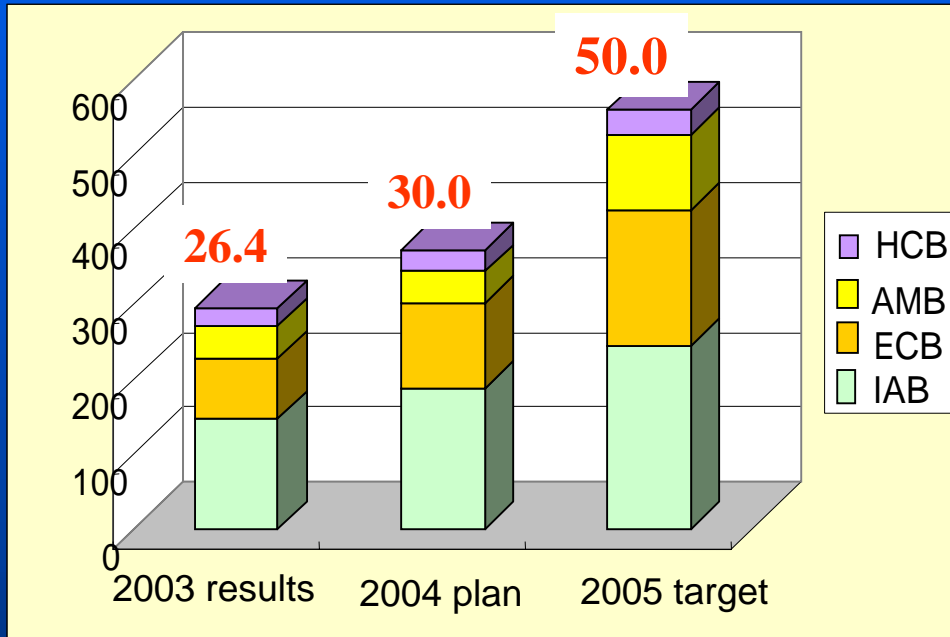
(Year ended /ending March 31; Billions of Yen)



Business in China

Creation

Sales (Years ended/ending March 31; Billions of Yen)



Main Measures

IAB

- Strengthen sales force
- Introducing area dedicated products
- Expand outsourcing production

ECB

- Introduction of new products
- Strengthen production

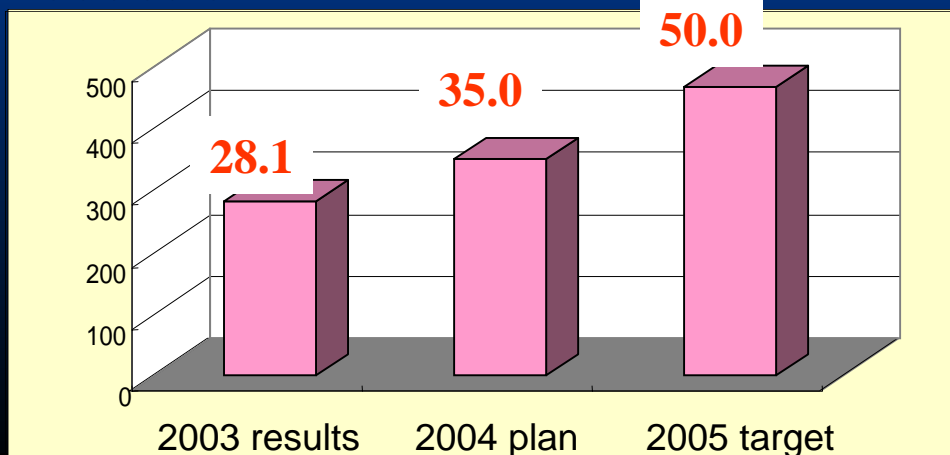
AMB

- Strengthen module introduction
- Strengthen service structure

HCB

- Strengthen sales force
- Introducing area dedicated products
- Strengthen production

Production



4. Business plan

for the year ending March 2004

Consolidated Income statements

(Years ended/ending March 31; Billions of Yen; %)

	2003 Results	2004 Plan	Change %
Sales	535.1	560.0	104.7%
Gross profit margin	38.8%	39.6%	0.8%
Operating income	32.3	43.0	133.1%
Income before income taxes	4.7	38.0	808.5%
ROE	0.2%	7.5%	7.3%

Consolidated sales outlook by region/segment

(Years ended/ending March 31; Billions of Yen; %)

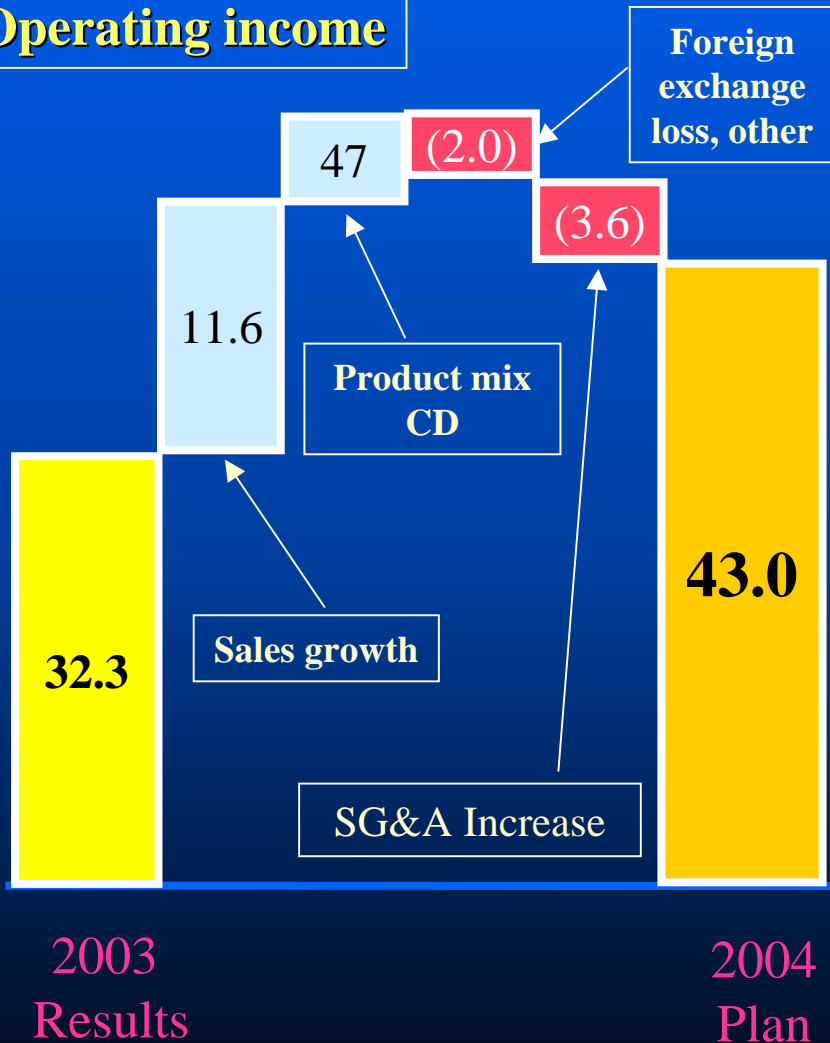
Region	2003 Results	% of total	2004 Plan	% of total	Change %
Japan	325.4	60.8%	338.0	60.4%	103.9%
Overseas	209.7	39.2%	222.0	39.6%	105.9%
Total	535.1	100.0%	560.0	100.0%	104.7%

Company	2,003.0 Results	% of total	2004 Plan	% of total	Change %
IAB	202.5	37.8%	213.5	38.1%	105.4%
ECB	79.4	14.8%	88.5	15.8%	111.5%
AEC	59.5	11.1%	63.5	11.3%	106.7%
SSB/AMB	116.7	21.8%	125.0	22.3%	107.1%
HCB	42.3	7.9%	43.5	7.8%	102.8%
Others	34.7	6.5%	26.0	4.6%	74.9%
Total	535.1	100.0%	560.0	100.0%	104.7%

Breakdown of changes in consolidated operating income 1

Business plan for
year ending March 2004

Operating income



Operating income by Business Company

(Years ended/ending March 31;
Billions of Yen; %)

Comp ny	2003 Results	2004 Plan	Change %
IAB	24.1	29.0	120.4%
(ECB)	14.6	13.0	---
(AEC)	---	5.5	---
ECB/AEC	14.6	18.5	127.1%
SSB/AMB	1.2	6.5	565.2%
HCB	3.8	4.0	104.2%
Others	4.5	1.0	22.4%
Eliminations	-15.8	-16.0	101.3%
Total	32.3	43.0	133.1%

Performance by business company

Capital Investment/Depreciation and Amortization (Years ended/ending March 31; Billions of Yen; %)

Research and Development expenses

	2003 Results	2004 Plan	Change %
IAB	13.4	15.1	113%
ECB	10.0	6.3	---
AEC	---	4.6	---
SSB/AMB	5.4	6.1	113%
HCB	2.5	2.6	104%
Head Office	8.9	9.3	104%
Total	40.2	44.0	109%

AEC is included in ECB for 2003.

	2003 Results	2004 Plan	Change %
IAB	4.8	8.0	167%
ECB	3.4	7.2	212%
AEC	4.2	8.0	190%
SSB/AMB	3.1	3.8	123%
HCB	1.4	1.8	129%
Head Office	17.7	7.2	41%
Total	34.6	36.0	104%
Depreciation & Amortization	29.7	31.0	104%

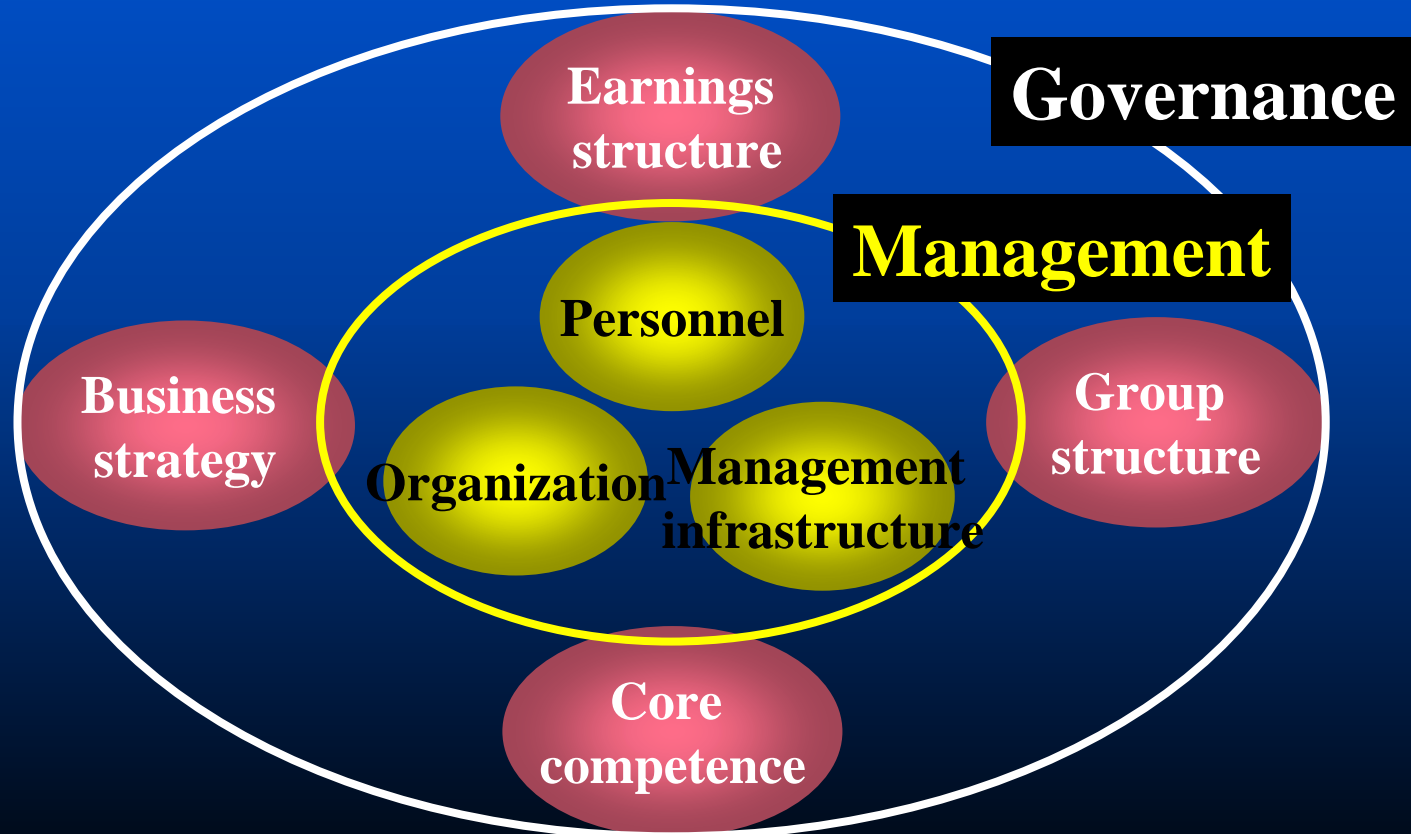
5. Becoming a Truly Global Company

Becoming a Truly Global Company

- **Highly priority on maximizing corporate value**
- **Highly autonomous corporate group**
- **Globally competitive**

Standards of global value:

Selection and focus, Redistribution of management resources,
Optimized functional layout



June 2003 Reform Plan

Directors: 6 (6 re-elected, decrease by 1)
External directors: 2 (increase by 1)

Auditors: 4 (increased by 1)
External auditors: 3 (increase by 1)

Managing officers: 22 (decrease by 5)
Shortened assignment term to 1-year,
performance-based contracts
(from 2-year term; employee compensation)

Establishment of a Compensation Advisory Committee
(Personnel Advisory Committee will remain)

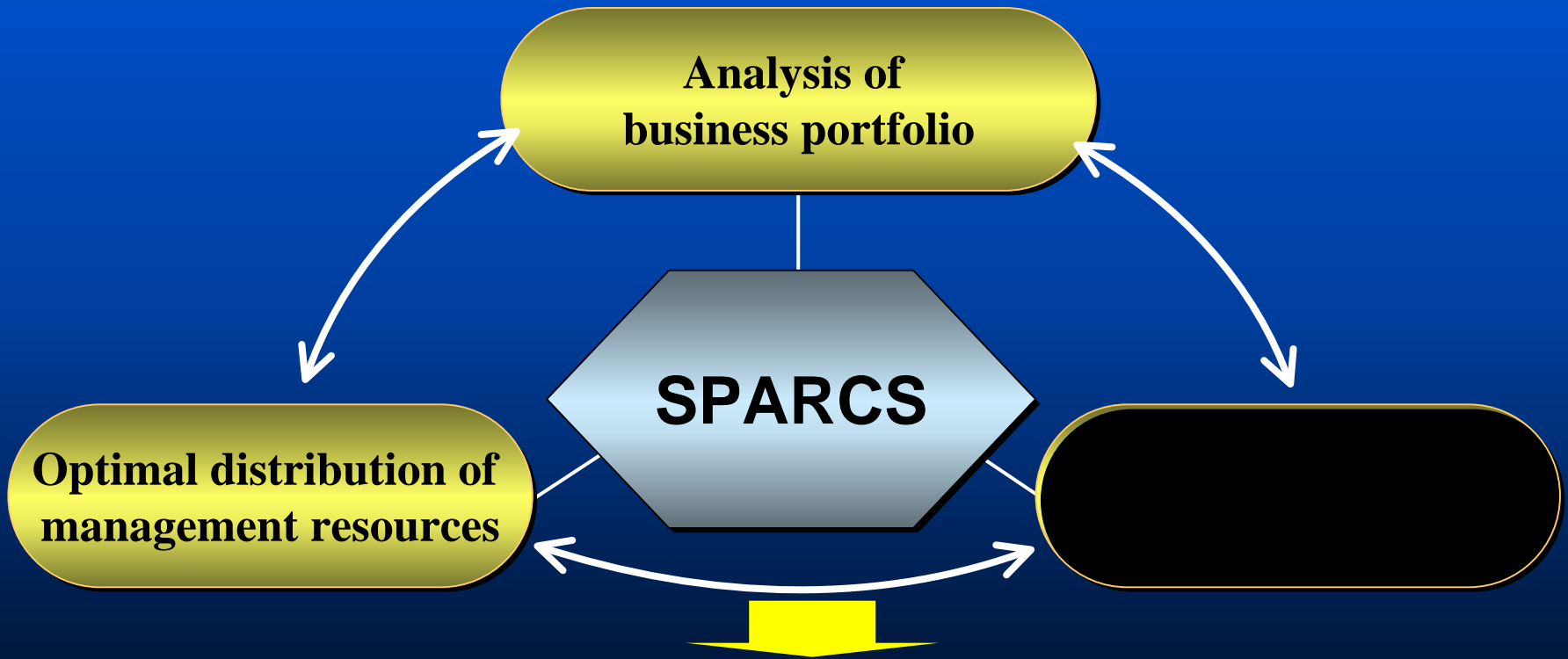
GD2010: Maximization of long-term
corporate group value

Maintaining a high profit structure

- Strengthening core businesses
- Establishing a business evaluation standard
~ acceleration of selection and focus
- Acceleration of Chinese market strategy

SPARCS

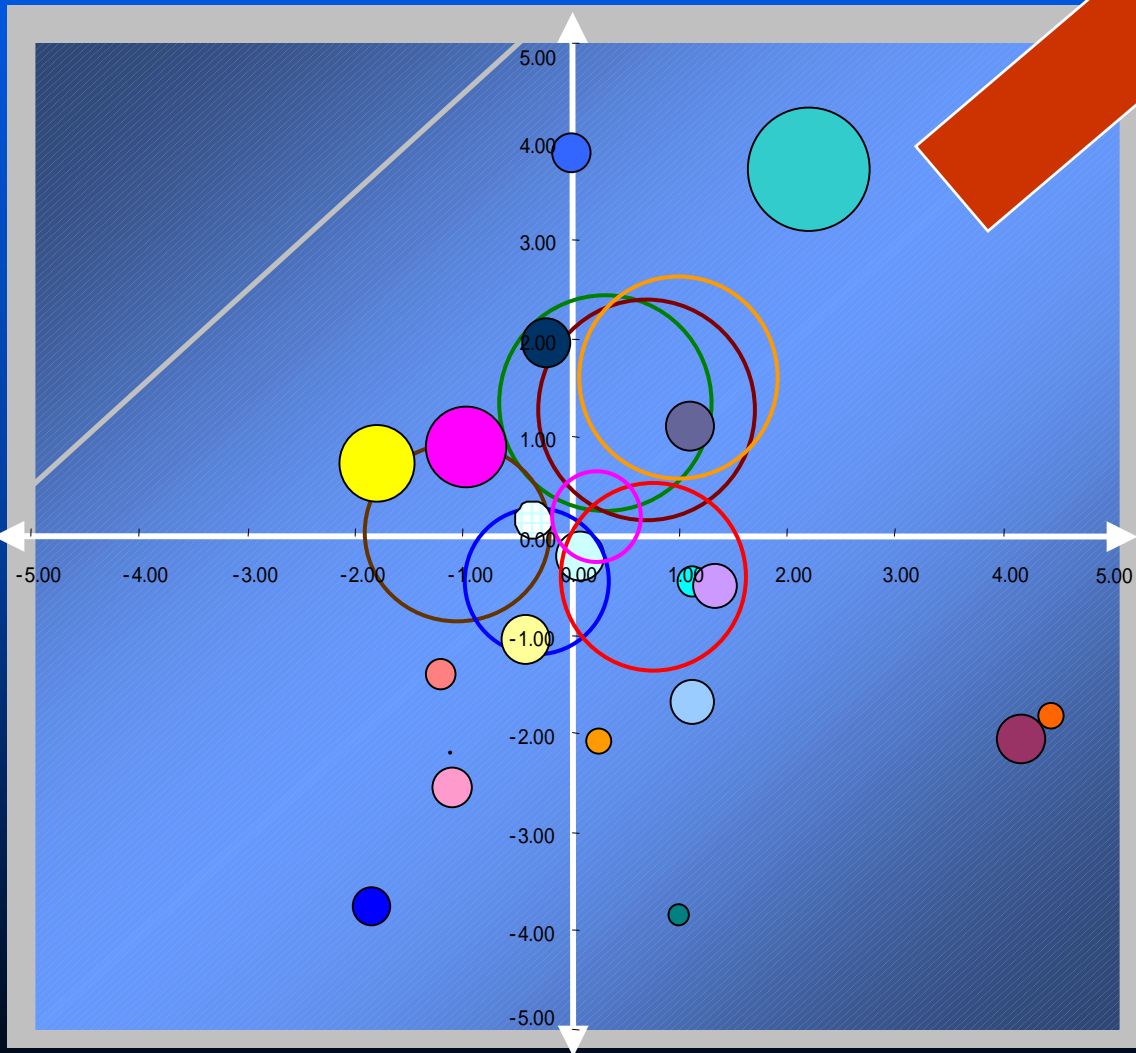
(Strategic Position And Resource Control System)



- Selection and focus
- Strengthening profitability
- Cultivate growth area

Business portfolio analysis

Financial Strength



Competitiveness

Industry growth potential

Structure of industry competition

GD2010: Succeeding in global competition

Optimization of businesses in the global market

- Accelerate M&A, alliance strategy
- Tolerate becoming a minority if it means optimizing corporate group value
- Multi-local management - relations with local markets/customers

GD2010: Highly autonomous
corporate group management structure

**Strengthening Business
for spin-offs and business holding companies**

- Creation of group management structure for Spin-Offs and business holding companies
- Autonomy of Group headquarters
- Infrastructure adjustment for improved group productivity

Separate Healthcare Business (HCB)

New company name: Omron Healthcare, Co., Ltd.

Effective date: July 1, 2003

Employees: 270 (Group 500)

President: Keiichiro Akahoshi

Separate Entertainment Business (ET)

New company name: Omron Entertainment Co., Ltd.

Effective date: July 1, 2003

Employees: 47

President: Yoshiro Tasaka

Promote AEC division to in-house company

New company name: Automotive Electronics Components

Effective date: April 1, 2003

Employees: 1,975

President: Hiroki Toyama

GD2010: A company with expectations for future growth

Business image = Sensing Network Solution

- Becoming the global leader in device and components
- Strengthen development of solution-based business model using strong device and components

GD2010: Mechanism for mutual corporate and individual growth

Evaluation of mission and performance based on global standards

- Customer-centered evaluation framework for personnel/organization

16-Year History

'87 '89 '91 '93 '95 '97 '99 '01 '03



Inauguration

Four regional headquarters system begins

Change of company name to Omron

“Golden Nineties” Announcement

Dailian, China factory Announcement

Worldwide opening of HCB

Introduction of five regional headquarters system, with addition of China

Simultaneous opening of three factories in Shanghai, China

Introduction of company system

Introduction of executive officer system

GD two thousand ten * announced

Creation of China Headquarters

Keihanna Innovation Center opened

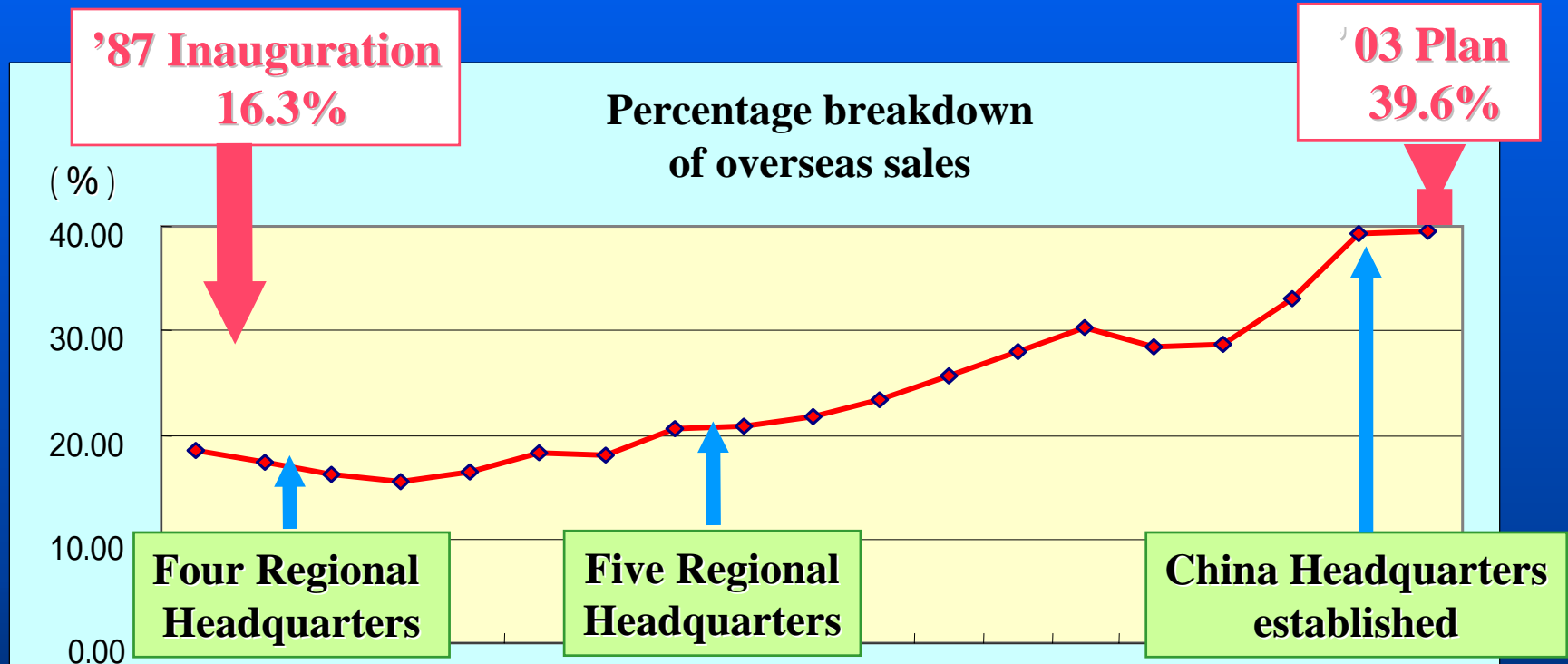
Seventieth Anniversary OTF** held

*Grand Design 2010

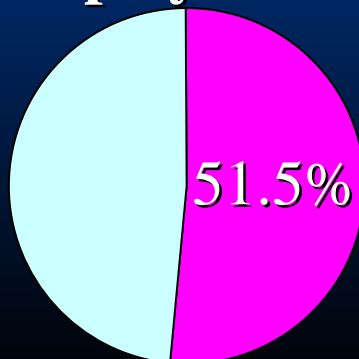
****OTF : Omron Technical Fair**
10/23-10/25
at Keihanna Innovation Center



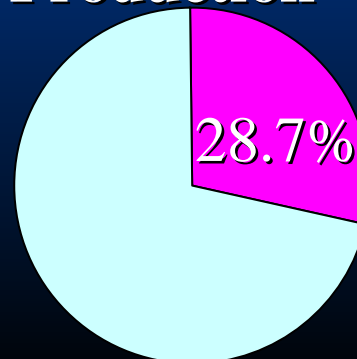
Overseas business growth



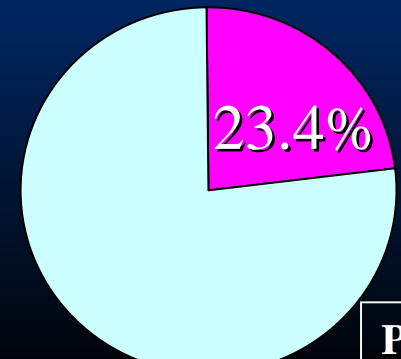
Overseas Employees



Overseas Production



Overseas Stockholders



OMRON Corporation