



July 29, 2021

Company name: OMRON Corporation

Representative: Yoshihito Yamada, President and CEO

Stock Code: 6645

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OMRON Announces Spin-Off/Transfer of its MEMS Business through a Simplified Absorption-Type Company Split, Etc.

OMRON Corporation (HQ; Shimogyo-ku, Kyoto; President and CEO: Yoshihito Yamada) announces that its Board of Directors resolved in its meeting held today to transfer its Micro Electro Mechanical Systems (MEMS) business (hereinafter, the "Business to be Split") to its wholly-owned subsidiary that was established on July 20, 2021 (hereinafter, the "Subsidiary" or the "Successor Company"). The transfer will happen through a simplified absorption-type company split (hereinafter, the "Company Split"), and will take effect on September 30, 2021.

All shares of the Subsidiary will be assigned to Mitsumi Electric Co., Ltd., a subsidiary of MinebeaMitsumi Inc. (hereinafter, the Company Split and the share assignment shall be collectively referred to as the "Company Split, Etc.") on October 1, 2021.

Please note that, as the Company Split is a simplified absorption-type company split involving OMRON and the Subsidiary, some of its disclosure items and details have been omitted from this release.

1. Objectives of the Company Split, Etc.

The Business to be Split is responsible for developing and manufacturing pressure sensors, flow sensors, thermal sensors, and other components that fuse MEMS, CMOS, and analog IC technologies, with primary destinations including OMRON's healthcare business and electronic components business.

While shifting its resources from the device business to the solution business in pursuit of sustainable growth by solving social issues through its businesses, OMRON has decided that it would be best to purchase MEMS devices from external partners specializing in devices. The MinebeaMitsumi Group is an "INTEGRATION manufacturer of precision

components" boasting a wide range of product lines, including bearings, motors, sensors, and semiconductors. The decision to transfer the Business to be Split was made because it was concluded that the transfer of semiconductor process development technology, production technology, and related assets that belong to the Business to be Split would be highly synergistic, helping to expand the Business to be Split and create new businesses.

2. Outline of the Company Split, Etc.

(1) Timeline

Date of the establishment of the Successor Company	July 20, 2021
Date of the resolution of the Board of Directors	July 29, 2021
Date of the signing of the absorption-type company split agreement	July 29, 2021
Effective date of the Company Split	September 30, 2021 (subject to change)
Date of the share assignment	October 1, 2021 (subject to change)

Note: OMRON will implement the Company Split without seeking the approval of its general meeting of shareholders as it satisfies the requirements for a simplified absorption-type company split prescribed in Article 784, Paragraph 2 of the Companies Act of Japan.

(2) Method

An absorption-type company split in which OMRON is the splitting company and the Subsidiary is the Successor Company.

(3) Details of allocation

The Successor Company will not provide any monetary or other consideration to OMRON in the Company Split.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights upon the Company Split

Not applicable

(5) Increase/decrease in capital due to the Company Split

There will be no change to OMRON's capital due to the Company Split.

(6) Rights and duties to be transferred to the Successor Company

The Subsidiary will succeed the assets, liabilities, rights and duties, contractual rights and obligations, etc. that OMRON possesses in relation to the Business to be Split to the extent specified in the absorption-type company split agreement.

(7) Prospects for the fulfillment of obligations

OMRON foresees no problems in the fulfillment of obligations by the Subsidiary after the effective date of the Company Split.

3. Overview of the companies involved in the Company Split

	Splitting Company	Successor Company
(1) Name	OMRON Corporation	SHIGA SEMICONDUCTOR Co., Ltd.
(2) Location	Shiokoji Horikawa, Shimogyo-ku, Kyoto	686-2, Ichimiyake, Yasu-shi, Shiga
(3) Representative	Yoshihito Yamada, President and CEO	Takeshi Yogai, Representative Director
(4) Business	Manufacture, sale, etc. of electrical machinery and equipment	Development, manufacture, and sale of MEMS devices
(5) Capital	64,100 million yen	50 million yen
(6) Established	May 19, 1948	July 20, 2021
(7) Shares issued and outstanding	206,244,872 shares	1 share
(8) Fiscal year end	March 31	March 31
(9) Principal shareholders and their holdings (as of March 31, 2021)	The Master Trust Bank of Japan, Ltd. (trust account) 15.86%	OMRON Corporation 100.00%
(10) The Splitting Company's financial position and operating results for the latest fiscal year (non-consolidated)		
Fiscal year	Year ended March 31, 2021	
Net assets	298,916 million yen	
Total assets	537,742 million yen	
Net assets per share	1,482.20 yen	
Net sales	258,494 million yen	
Operating income	6,266 million yen	
Ordinary income	23,562 million yen	
Net income	18,503 million yen	
Net income per share	91.74 yen	

4. Overview of the Business to be Split

(1) Business descriptions of the business division to be split

Development, manufacture, and sale of MEMS devices

(2) Operating results of the business division to be split

Net sales: 2.3 billion yen (for the year ended March 31, 2021)

(3) Items and book values of the assets and liabilities to be split

Assets	1.79 billion yen	Liabilities	690 million yen
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Note: The above amounts of the assets and liabilities to be split are current as of March 31, 2021. Accordingly, the actual amounts of the assets and liabilities to be split may differ from the above.

5. Status of the companies involved after the Company Split

It is expected that there will be no changes to the name, location, business, representative, or other pieces of information of OMRON and the Subsidiary as a result of the Company Split. OMRON is planning to assign the single share of the Subsidiary that it holds to Mitsumi Electric Co., Ltd. on October 1, 2021.

6. Overview of the share assignment

(1) Overview of the subsidiary that succeeds the business division to be split (Successor Company)

As described under "Successor Company" of "3. Overview of the companies involved in the Company Split" above

(2) Overview of the company to whom the share will be assigned

		The company to whom the share will be assigned	
(1)	Name	Mitsumi Electric Co., Ltd.	
(2)	Location	2-11-2, Tsurumaki, Tama-shi, Tokyo	
(3)	Representative	Ryozo Iwaya, Representative Director, President and Chief Executive Officer	
(4)	Business	Manufacture and sale of electrical machinery Manufacture and sale of products for electronics industry applications, measurement equipment, optical equipment, medical and hygienic equipment Manufacture and sale of metals industry products and metal materials Manufacture and sale of ceramic products	
(5)	Capital	20.0 billion yen	
(6)	Established	January 1954	
(7)	Principal shareholder and its holdings	MinebeaMitsumi Inc.: 100%	
(8)	Relationship with OMRON Corporation	Capital relationship	None
		Personnel relationship	None

	Transactional relationship	Purchase of each other's products, etc.
	Status as a related party	None

(3) Number of shares to be assigned, assignment price, and number of shares held and voting rights ownership before and after the assignment

- a. Number of shares to be assigned: 1 share
- b. Assignment price: Not disclosed (for contractual confidentiality obligations)
- c. Number of shares held and equity ownership before the assignment: 1 share (Voting rights ownership: 100%)
- d. Number of shares held and equity ownership after the assignment: 0 shares (Voting rights ownership: 0%)

7. Outlook

The Company Split will have no major impact on OMRON Corporation's financial results for the fiscal year ending March 31, 2022.

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