H1 FY2022 Earnings
ended September 30, 2022

Results Briefing

October 26, 2022
OMRON Corporation
Summary

■ Q2 & H1 FY2022 Results
  • Achieved V-shaped recovery in Q2 (Sep. quarter) with sales and profits up significantly from Q1, which had been impacted by the Shanghai lockdown. IAB was the key driver on success with accelerated initiatives to improve supply capacity from Q1. Set new record high for Q2 earnings
  • Able to virtually make up for Q1 shortfall in H1 earnings: H1 sales up Y/Y. Also significantly narrowed Y/Y gap on operating income
  • All segments reported Y/Y sales growth, with DMB achieving both strong sales and profit growth

■ FY2022 Full-year Forecasts
  • Global economic slowdown factored into H2 forecasts, but...
  • Full-year forecasts revised up on the back of elevated order backlog, improved supply capacity to drive higher sales
  • Interim DPS set at ¥49. Initial full-year DPS guidance reiterated at ¥98

■ IAB: Sustainable Growth
  • Positioned to win business opportunities despite economic slowdown. Will concentrate resources in growth areas and accelerate efforts to strengthen solutions business
    ① Delivering improvements in energy productivity with solutions unique to OMRON
    ② Taking stake in Kirin Techno-System; expanding food and beverage industry business
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1. Q2 & H1 FY2022 Results
V-shaped Recovery in Q2 (September Quarter)

Substantial Q/Q sales and profit growth in Q2. Achieved V-shaped recovery from Shanghai lockdown impact in Q1.

<table>
<thead>
<tr>
<th></th>
<th>1Q→2Q Q/Q</th>
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<tbody>
<tr>
<td>Sales</td>
<td>+19%</td>
<td></td>
</tr>
<tr>
<td>Q1 Actual</td>
<td>184.4 ¥bn</td>
<td></td>
</tr>
<tr>
<td>Q2 Actual</td>
<td>220.0 ¥bn</td>
<td></td>
</tr>
<tr>
<td>Operating Income</td>
<td>+150% (2.5X)</td>
<td></td>
</tr>
<tr>
<td>Q1 Actual</td>
<td>11.9 ¥bn</td>
<td></td>
</tr>
<tr>
<td>Q2 Actual</td>
<td>29.7 ¥bn</td>
<td></td>
</tr>
</tbody>
</table>
Successful initiatives to enhance supply capacity drove swift recovery from lockdown impact. New record highs for Q2 IAB earnings boosted overall results.

<table>
<thead>
<tr>
<th>Initiative</th>
<th>1Q Actual</th>
<th>Q2 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>101.0</td>
<td>129.2</td>
</tr>
<tr>
<td>Operating Income</td>
<td>11.8</td>
<td>27.4</td>
</tr>
</tbody>
</table>

+28% Q/Q Increase
+133% (2.3X) Q/Q Increase

- Expand use of EMS
- Implement parallel production framework
- Strengthen component procurement capability
### Q2 FY2022 Consolidated Results

**Achieve substantial Y/Y growth in sales and profits**

<table>
<thead>
<tr>
<th></th>
<th>Q2 FY2021 Actual</th>
<th>Q2 FY2022 Actual</th>
<th>Y/Y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>181.2</td>
<td>220.0</td>
<td>+21.5%</td>
</tr>
<tr>
<td>Gross Profit (%)</td>
<td>83.2 (45.9%)</td>
<td>101.0 (45.9%)</td>
<td>+21.3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(-0.1%pt)</td>
</tr>
<tr>
<td>Operating Income (%)</td>
<td>19.9 (11.0%)</td>
<td>29.7 (13.5%)</td>
<td>+49.2%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(+2.5%pt)</td>
</tr>
<tr>
<td>Net Income</td>
<td>12.4</td>
<td>19.9</td>
<td>+61.1%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Currency (JPY)</th>
<th>2021 Actual</th>
<th>2022 Actual</th>
<th>Y/Y</th>
</tr>
</thead>
<tbody>
<tr>
<td>1USD (JPY)</td>
<td>110.0</td>
<td>136.6</td>
<td>+26.7</td>
</tr>
<tr>
<td>1EUR (JPY)</td>
<td>130.5</td>
<td>139.7</td>
<td>+9.2</td>
</tr>
<tr>
<td>1CNY (JPY)</td>
<td>17.0</td>
<td>20.1</td>
<td>+3.1</td>
</tr>
</tbody>
</table>
Bolstered by sharp recovery in Q2, sales shifted into positive Y/Y growth

<table>
<thead>
<tr>
<th></th>
<th>H1 FY2021 Actual</th>
<th>H1 FY2022 Actual</th>
<th>Y/Y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>369.4</td>
<td>404.4</td>
<td>+9.5%</td>
</tr>
<tr>
<td>Gross Profit (%)</td>
<td>170.6 (46.2%)</td>
<td>181.4 (44.9%)</td>
<td>+6.4%</td>
</tr>
<tr>
<td>Operating Income (%)</td>
<td>45.7 (12.4%)</td>
<td>41.6 (10.3%)</td>
<td>-9.0%</td>
</tr>
<tr>
<td>Net Income</td>
<td>32.5</td>
<td>27.9</td>
<td>-14.3%</td>
</tr>
</tbody>
</table>

1USD (JPY)       109.9 131.6  +21.7
1EUR (JPY)       131.1 138.2  +7.1
1CNY (JPY)       17.0  19.7  +2.7
Analysis of Change in H1 Operating Income (Y/Y)

Strong recovery from Shanghai lockdown. Minimized impact of surging component/logistics costs with selling price initiatives while also investing for future growth

1. Recovery from Shanghai lockdown
   - Production recovery
   - Improved supply capability

2. Initiatives for improving GP margin
   - Higher component costs: -4.2
   - Higher logistics costs: -1.8
   - Other: -1.2
   - Selling price initiatives: +4.2
   - Variable cost cuts: +1.2
   - Product mix/others: +1.1

3. Growth investments
   - Strategic investments: -3.2
   - New business creation: -0.7
   - HR development: -0.5
   - DX: -0.3
   - Other: -0.5

Actual

<table>
<thead>
<tr>
<th>H1 FY2021 Actual</th>
<th>H1 FY2022 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>41.6</td>
<td>45.7</td>
</tr>
<tr>
<td></td>
<td>-4.1 Y/Y</td>
</tr>
</tbody>
</table>

(¥bn)
# H1 FY2022: Segment Sales and Profit

All segments achieve sales growth. DMB in particular records significant Y/Y sales and profit gains.

### Sales

<table>
<thead>
<tr>
<th>Segment</th>
<th>H1 FY2021 Actual</th>
<th>H1 FY2022 Actual</th>
<th>Y/Y</th>
<th>H1 FY2021 Actual</th>
<th>H1 FY2022 Actual</th>
<th>Y/Y</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>IAB</strong></td>
<td>Industrual Automation</td>
<td>206.5</td>
<td>230.1</td>
<td>+11.4%</td>
<td>40.1</td>
<td>39.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>206.5</td>
<td>230.1</td>
<td>+11.4%</td>
<td>40.1</td>
<td>39.1</td>
</tr>
<tr>
<td><strong>HCB</strong></td>
<td>Healthcare</td>
<td>67.7</td>
<td>68.1</td>
<td>+0.6%</td>
<td>12.1</td>
<td>8.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>67.7</td>
<td>68.1</td>
<td>+0.6%</td>
<td>12.1</td>
<td>8.3</td>
</tr>
<tr>
<td><strong>SSB</strong></td>
<td>Social Systems, Solutions &amp; Service</td>
<td>35.0</td>
<td>36.6</td>
<td>+4.5%</td>
<td>-1.4</td>
<td>-1.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>35.0</td>
<td>36.6</td>
<td>+4.5%</td>
<td>-1.4</td>
<td>-1.4</td>
</tr>
<tr>
<td><strong>DMB</strong></td>
<td>Device &amp; Module Solutions</td>
<td>58.5</td>
<td>68.6</td>
<td>+17.3%</td>
<td>4.8</td>
<td>8.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>58.5</td>
<td>68.6</td>
<td>+17.3%</td>
<td>4.8</td>
<td>8.1</td>
</tr>
<tr>
<td><strong>Eliminations &amp; Corporate</strong></td>
<td>1.6</td>
<td>1.0</td>
<td>-40.6%</td>
<td>-9.8</td>
<td>-12.5</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1.6</td>
<td>1.0</td>
<td>-40.6%</td>
<td>-9.8</td>
<td>-12.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>369.4</td>
<td>404.4</td>
<td>+9.5%</td>
<td>45.7</td>
<td>41.6</td>
<td>-9.0%</td>
</tr>
</tbody>
</table>

### OP

<table>
<thead>
<tr>
<th>Segment</th>
<th>H1 FY2021 Actual</th>
<th>H1 FY2022 Actual</th>
<th>Y/Y</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>IAB</strong></td>
<td>Industrual Automation</td>
<td>40.1</td>
<td>39.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>40.1</td>
<td>39.1</td>
</tr>
<tr>
<td><strong>HCB</strong></td>
<td>Healthcare</td>
<td>12.1</td>
<td>8.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>12.1</td>
<td>8.3</td>
</tr>
<tr>
<td><strong>SSB</strong></td>
<td>Social Systems, Solutions &amp; Service</td>
<td>-1.4</td>
<td>-1.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-1.4</td>
<td>-1.4</td>
</tr>
<tr>
<td><strong>DMB</strong></td>
<td>Device &amp; Module Solutions</td>
<td>4.8</td>
<td>8.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4.8</td>
<td>8.1</td>
</tr>
<tr>
<td><strong>Eliminations &amp; Corporate</strong></td>
<td>-9.8</td>
<td>-12.5</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-9.8</td>
<td>-12.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>45.7</td>
<td>41.6</td>
<td>-2.1%pt</td>
</tr>
</tbody>
</table>

* Figures reflect the reclassification of some products heretofore included in IAB into DMB
2. FY2022 Full-year Forecasts
### Operating Environment for Focus Domains

**New growth opportunities emerging in each domain even as the global economy slows**

<table>
<thead>
<tr>
<th>Domain</th>
<th>Description</th>
</tr>
</thead>
</table>
| **IAB** Industrial Automation | **Digital**: Variance in semiconductor demand by application but overall trend flat. Renewable energy (PV) investments remain high  
**NEV**: EV-related investments firm on gov't subsidies and decarbonization trends. Continued growth in battery investments  
Food/Household Goods: Investments shrinking on fading consumer demand reflecting inflation. Investments to reduce plastic use remain firm.  
Medicine: Special COVID-19 demand, such as vaccines, weak. Continued investments related to rising demand for pharmaceuticals driven by aging population  
Logistics: Temporary weakness in capex for new warehouses. Automation investments increasing due to labor shortages in warehouses |
| **HCB** Healthcare       | **Cardiovascular**: BPM demand sluggish on China's zero COVID strategy and impact of inflation on consumer spending  
Respiratory: Demand recovering, mainly in Europe, Asia and India on rise in clinic visits due to easing restrictions on activity  
Remote Medical Service: Demand continuing to increase in US and Europe |
| **SSB** Social Systems, Solutions & Service | **Energy**: Demand firm on surging electricity prices, continuation of subsidies to encourage energy consumption cuts  
Management and Services: Firm trends on labor shortages which are driving a transition from analog inspections to inspections leveraging IT technologies  
(Railway Industry*: Railway companies increasing capex on rise in passenger numbers) |
| **DMB** Device & Module Solutions | **DC Equipment**: Demand from some industries slowing as special WFH-related demand eases. EV-related demand still firm  
Microwave Devices: Smart phone/PC-use semiconductors in correction mode but demand firm for semiconductor testing equipment, etc |

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*While the railway industry is not positioned as a focus domain, given the significant change in the operating environment, it has been included in these materials.*
# FY2022 Full-year Forecasts

## Full-year forecasts revised up

<table>
<thead>
<tr>
<th></th>
<th>FY2022 Initial Plan</th>
<th>FY2022 Forecast</th>
<th>Chg. Vs. Plan</th>
<th>FY2021 Actual</th>
<th>Y/Y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>850.0</td>
<td>880.0</td>
<td>+3.5%</td>
<td>762.9</td>
<td>+15.3%</td>
</tr>
<tr>
<td>Gross Profit (%)</td>
<td>387.5</td>
<td>396.5</td>
<td>+2.3%</td>
<td>346.8</td>
<td>+14.3%</td>
</tr>
<tr>
<td>Operating Income (%)</td>
<td>93.0</td>
<td>95.0</td>
<td>+2.2%</td>
<td>89.3</td>
<td>+6.4%</td>
</tr>
<tr>
<td>Net Income</td>
<td>63.0</td>
<td>64.5</td>
<td>+2.4%</td>
<td>61.4</td>
<td>+5.0%</td>
</tr>
<tr>
<td>ROE</td>
<td>&gt;10%</td>
<td>approx. 10%</td>
<td>-</td>
<td>9.7%</td>
<td>approx. +0.3%pt</td>
</tr>
<tr>
<td>ROIC</td>
<td>&gt;10%</td>
<td>approx. 10%</td>
<td>-</td>
<td>9.6%</td>
<td>approx. +0.4%pt</td>
</tr>
<tr>
<td>EPS (JPY)</td>
<td>316</td>
<td>324</td>
<td>+7.6</td>
<td>306</td>
<td>+18.2</td>
</tr>
</tbody>
</table>

*H2 forex assumptions for the revised FY2022 full-year forecasts are: USD/JPY ¥140.0, EUR/JPY ¥140.0 and CNY/JPY ¥20.0
### FY2022 Segment Sales and Profit Full-year Forecasts

#### IAB, DMB revised up. HCB revised down

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<tr>
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</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IAB</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industrial Automation</td>
<td>503.0</td>
<td>+20.0</td>
<td>+84.9</td>
<td>93.0 (18.5%)</td>
<td>+3.0</td>
<td>+16.7</td>
</tr>
<tr>
<td>HCB</td>
<td>143.0</td>
<td>-11.0</td>
<td>+10.1</td>
<td>15.0 (10.5%)</td>
<td>-5.0</td>
<td>-3.5</td>
</tr>
<tr>
<td>SSB</td>
<td>96.0</td>
<td>+4.0</td>
<td>+8.3</td>
<td>5.0 (5.2%)</td>
<td>-1.5</td>
<td>-1.5</td>
</tr>
<tr>
<td>DMB</td>
<td>135.0</td>
<td>+7.0</td>
<td>+14.0</td>
<td>12.0 (8.9%)</td>
<td>+1.5</td>
<td>+1.9</td>
</tr>
<tr>
<td>Eliminations &amp; Corporate</td>
<td>3.0</td>
<td>-</td>
<td>-0.3</td>
<td>-30.0</td>
<td>-</td>
<td>-7.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>880.0</td>
<td>+30.0†</td>
<td>+117.1</td>
<td>95.0 (10.8%)</td>
<td>+2.0†</td>
<td>+5.7</td>
</tr>
</tbody>
</table>

| **OP**               |                 |               |      |                 |               |      |
| IAB                  |                 |               |      |                 |               |      |
| Industrial Automation|                 |               |      |                 |               |      |
| HCB                  |                 |               |      |                 |               |      |
| SSB                  |                 |               |      |                 |               |      |
| DMB                  |                 |               |      |                 |               |      |
| Eliminations & Corporate |              |               |      |                 |               |      |
| **Total**            |                 |               |      |                 |               |      |

† Impact of earnings fluctuation risk included in initial plan (Sales ¥10bn, OP ¥4bn) not included

*Y/Y change figures compare restated figures after the impact of the reclassification of some products previously included in IAB to DMB

*Please refer to p. 29 for the % change comparison to initial forecasts and the previous fiscal year’s results

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Aiming for strong profit gains in H2, on the back of higher sales as a result of enhanced supply capability and improved GP margin

**FY2022 Forecast: Analysis of Change in Operating Income (Y/Y)**

- **GP increase on higher sales**: +23.0
- **Improved GP margin**: +5.0 (+1.1%-pt)
  - Continued impact of selling price initiatives
  - Improved fixed cost ratio
  - Variable cost cuts
- **Strengthened product supply capability**
- **SSB growth**

**H1 Results**
- 89.3
- -4.1
- +1.3

**Forex impact**
- +1.3

**Growth investments**
- -13.1
- -6.4
- 95.0
- Higher SG&A
  - Strategic investments
  - New business creation
  - HR development
  - DX
  - Other

**FY2022 Forecast**
- H2: Y/Y +9.8
- FY2021 Actual
- Y/Y +5.7
- FY2022 Forecast
IAB: Strong Confidence in Ability to Achieve H2 Forecast

High order backlog is supportive. Also making solid progress in strengthening supply capability

H2 sales ¥272.9 bn (Y/Y +29%)

1. Order Backlog/Demand Trends
   - Order Backlog
     Strong support this fiscal year from order backlog
   - Demand Trends in Growth Areas
     Firm demand in renewables/EVs/batteries

2. Supply Capability
   - Production Capacity
     Plans to expand EMS use, build parallel production framework on track
   - Component Procurement
     Gradual improvement with the exception of some components such as semiconductors
Interim DPS fixed at ¥49. Initial full-year DPS guidance maintained at ¥98. As of the end of September, acquired ¥5.5 bn in shares under the buyback program announced July 26.

**Dividend**
- **Interim (Fixed)**: ¥49
  - + ¥3 versus FY21 level
- **Full-year (Forecast)**: ¥98
  - + ¥6 versus FY21 level

**Share Buyback**
- Amount purchased as of the end of September: ¥5.5bn
- Program announced July 26
  - Amount: ¥20.0bn (upper limit)
  - No. of shares: 3.3mn (upper limit)
  - Acquisition period: July 27, ‘22 to March 31, ‘23
3. IAB: Sustainable Growth
IAB: Progress Toward Medium-Term Plan Targets and Outlook

Significant progress toward MTP targets. OMRON positioned to capture growth-enhancing business opportunities despite macro slowdown

Up to FY2022

FY2020
¥335.6 bn

FY2021
≈ ¥418.1 bn

+25%

FY2022
¥503.0 bn

Revised Forecast

Increasingly uncertain global economy

FY2023 and beyond

¥515.0 bn

Concentrate resources in growth areas
×

Strengthen solutions business

Growth Opportunities

FY2024 Target

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IAB Growth Opportunities

Changes in macro trends driving increase in growth opportunities despite an economic slowdown

Changing macro backdrop & IAB growth opportunities

Focus Domains

- Digital
- NEV
- Food / Household Goods
- Medicine
- Logistics

Labor Shortages/ Rising Labor Costs
Geopolitical Risk
Realizing Carbon Neutral in Production

1. Acceleration of investments to reduce energy use and leverage renewable energy

Rising demand for automation and labor-saving solutions
Diversification of production bases
IAB: Improving Energy Productivity

Expanding solutions unique to OMRON in response to manufacturers’ need to achieve Carbon Neutral

- Innovative Automation

Energy productivity solutions for manufacturing

Improve Energy Productivity

Improve productivity and quality

Production volume

Improve energy efficiency

Energy consumption

Production volume

Energy Consumption

Energy Productivity
IAB: Solutions to Improve Energy Productivity

Achieve improvements in both productivity/quality and energy efficiency by capitalizing on increasingly diverse production floor data and integrated control.

1. Improve Productivity and Quality
   More than 250 innovative applications driving the use of shop floor data and sophisticated automation.

2. Improve Energy Efficiency
   More than 10 years of accumulated technologies and knowledge underpinning visualization of energy data and optimized control of electricity.

3. Integrated Control
   - Productivity/Quality Data
   - Energy Data
Significantly raised energy efficiency at IAB plant by implementing technologies incorporated in the *i*-BELT service. Aim to expand solution business by providing this service to global customers focused on achieving production Carbon Neutral

<table>
<thead>
<tr>
<th>Achievements at OMRON’s Ayabe Plant</th>
<th>Energy productivity</th>
<th>1.6X</th>
<th>Ayabe shipment value</th>
<th>Up 35%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy productivity</td>
<td>1.6X</td>
<td></td>
<td>Power consumption at production lines</td>
<td>Down 15%</td>
</tr>
</tbody>
</table>

(Actual achievements for the period of 2010-2021)
Taking a Stake in Kirin Techno-System Co., Ltd.

Signed stock transfer agreement for Kirin Techno-System. Major domestic manufacturer of inspection machinery for the beverage industry

Kirin Techno-System

Company profile:
Manufactures and sells inspection machinery for the beverage industry
Major domestic beverage inspection machinery player
Taking a Stake in Kirin Techno-System Co., Ltd
Expanding Business in the Food and Beverage Industry

Innovation in production and expansion of overseas business in the food and beverage industry

OMRON

Aim
Create new innovative Automation solutions using inspection data and expand food & beverage industry business

Strengths
Sophisticated ILOR+S control technologies (applications/engineering capability)
Global sales channel - 150 sales bases in 40 countries - 37 automation centers

KIRIN

Aim
Elevate overall Kirin Group productivity

Techno-System

Strengths
Sophisticated inspection technology (Optical/handling technologies)
Solutions capability (Development capability based on a deep understanding of shop floor needs)

Joy brings us together
Reference
Overview of Kirin Techno-System Co., Ltd.

Top domestic manufacturer of inspection machines for the beverage industry

Corporate Profile
Company Name: Kirin Techno-Systems Co., Ltd.
President: Hironobu Hosokawa
Established: 1990
(Previously the Engineering Department of Kirin Brewery Co., Ltd. between 1976 to 1989)
No. of Employees: 160 (as of April 1, 2022)
Shareholder: 100% subsidiary of Kirin Brewery Co., Ltd.
Head Office: 10-10 Ohkawa-cho, Kawasaki-ku, Kawasaki-shi, Kanagawa-ken

Main Products: Inspection machinery for the beverage industry

- **PET Bottles**
  - Inspection Machines: Bottles and Caps

- **Bottles**
  - Liquid contamination Inspection

- **Cans**
  - Taste Inspection Using X-rays

- **Pharmaceutical Containers**
  - Empty Container Inspection

- **Printing**
  - Printing Inspection

- **Related Devices**
  - Water Drip Remover
  - Eq. for Establishing Pitch
**FY2022 Segment Sales and Profit Full-year Forecasts (%)**

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IAB</td>
<td>503.0</td>
<td>+4.1%</td>
<td>+20.3%</td>
<td>93.0</td>
<td>+3.3%</td>
<td>+22.0%</td>
</tr>
<tr>
<td>Industrial Automation</td>
<td></td>
<td></td>
<td></td>
<td>(18.5%)</td>
<td>(-0.1%pt)</td>
<td>(+0.3%pt)</td>
</tr>
<tr>
<td>HCB</td>
<td>143.0</td>
<td>-7.1%</td>
<td>+7.6%</td>
<td>15.0</td>
<td>-25.0%</td>
<td>-19.1%</td>
</tr>
<tr>
<td>Healthcare</td>
<td></td>
<td></td>
<td></td>
<td>(10.5%)</td>
<td>(-2.5%pt)</td>
<td>(-3.5%pt)</td>
</tr>
<tr>
<td>SSB</td>
<td>96.0</td>
<td>+4.3%</td>
<td>+9.5%</td>
<td>5.0</td>
<td>-23.1%</td>
<td>-23.1%</td>
</tr>
<tr>
<td>Social Systems, Solutions &amp; Service</td>
<td></td>
<td></td>
<td></td>
<td>(5.2%)</td>
<td>(-1.9%pt)</td>
<td>(-2.2%pt)</td>
</tr>
<tr>
<td>DMB</td>
<td>135.0</td>
<td>+5.5%</td>
<td>+11.6%</td>
<td>12.0</td>
<td>+14.3%</td>
<td>+19.0%</td>
</tr>
<tr>
<td>Device &amp; Module Solutions</td>
<td></td>
<td></td>
<td></td>
<td>(8.9%)</td>
<td>(+0.7%pt)</td>
<td>(+0.6%pt)</td>
</tr>
<tr>
<td>El. &amp; Corporate</td>
<td>3.0</td>
<td>-</td>
<td>-9.1%</td>
<td>-30.0</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Earnings Fluctuation Risk</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>880.0</td>
<td>+3.5%</td>
<td>+15.3%</td>
<td>95.0</td>
<td>+2.2%</td>
<td>+6.4%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(10.8%)</td>
<td>(-0.1%pt)</td>
<td>(-0.9%pt)</td>
</tr>
</tbody>
</table>

*Y/Y change figures compare restated figures after the impact of the reclassification of some products previously included in IAB to DMB.
## Consolidated Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>End-March 2022</th>
<th>End-Sept. 2022</th>
<th>Chg, vs. End-FY2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Cash and cash equivalents)</td>
<td>482.9</td>
<td>490.6</td>
<td>+7.7</td>
</tr>
<tr>
<td>(Inventory)</td>
<td>(155.5)</td>
<td>(123.9)</td>
<td>(-31.6)</td>
</tr>
<tr>
<td>(Inventory)</td>
<td>(141.9)</td>
<td>(183.2)</td>
<td>(+41.2)</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>122.1</td>
<td>124.1</td>
<td>+2.0</td>
</tr>
<tr>
<td>Investments and other assets</td>
<td>325.6</td>
<td>354.8</td>
<td>+29.2</td>
</tr>
<tr>
<td>Total assets</td>
<td>930.6</td>
<td>969.5</td>
<td>+38.9</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>211.7</td>
<td>201.7</td>
<td>-9.9</td>
</tr>
<tr>
<td><strong>Long-term liabilities</strong></td>
<td>51.0</td>
<td>46.7</td>
<td>-4.3</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>262.7</td>
<td>248.4</td>
<td>-14.2</td>
</tr>
<tr>
<td><strong>Shareholders' equity</strong></td>
<td>665.2</td>
<td>718.6</td>
<td>+53.4</td>
</tr>
<tr>
<td>Noncontrolling interests</td>
<td>2.7</td>
<td>2.4</td>
<td>-0.3</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>668.0</td>
<td>721.1</td>
<td>+53.1</td>
</tr>
<tr>
<td><strong>Total Liabilities and net assets</strong></td>
<td>930.6</td>
<td>969.5</td>
<td>+38.9</td>
</tr>
<tr>
<td><strong>Equity ratio</strong></td>
<td>71.5%</td>
<td>74.1%</td>
<td>+2.6%pt</td>
</tr>
</tbody>
</table>
## Consolidated Cash Flow Statement

<table>
<thead>
<tr>
<th></th>
<th>H1 FY2021 Actual</th>
<th>H1 FY2022 Actual</th>
<th>Y/Y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow</td>
<td>39.3</td>
<td>19.1</td>
<td>-20.2</td>
</tr>
<tr>
<td>Investment cash flow</td>
<td>-12.4</td>
<td>-27.7</td>
<td>-15.3</td>
</tr>
<tr>
<td>Free cash flow (FCF)</td>
<td>26.8</td>
<td>-8.6</td>
<td>-35.5</td>
</tr>
<tr>
<td>Financing cash flow</td>
<td>-10.4</td>
<td>-34.6</td>
<td>-24.3</td>
</tr>
<tr>
<td>Cash and cash equivalents as of end of period</td>
<td>274.0</td>
<td>123.9</td>
<td>-150.1</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>11.8</td>
<td>17.3</td>
<td>+5.5</td>
</tr>
<tr>
<td>Depreciation</td>
<td>11.5</td>
<td>13.0</td>
<td>+1.5</td>
</tr>
</tbody>
</table>
### Forex Sensitivities (At the beginning of this fiscal year) and Assumptions

Impact of 1 yen move (full year)
CNY impact of 0.1 yen move

<table>
<thead>
<tr>
<th></th>
<th>Sensitivities</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>USD</strong></td>
<td>¥1.8 bn</td>
<td>¥0.1 bn</td>
</tr>
<tr>
<td><strong>EUR</strong></td>
<td>¥0.9 bn</td>
<td>¥0.4 bn</td>
</tr>
<tr>
<td><strong>CNY</strong></td>
<td>¥1.0 bn</td>
<td>¥0.3 bn</td>
</tr>
</tbody>
</table>

* If emerging market currency trends diverge from trends in major currencies contrary to our expectations, it will impact sensitivities.
OMRON Included in Major ESG Indices (As of October 2022)

ESG Indices which include OMRON

✓ DJSI – World
✓ FTSE4Good Index Series
✓ MSCI ESG Leaders Indexes
✓ MSCI SRI Indexes
✓ STOXX Global ESG Leaders Indices
✓ FTSE Blossom Japan Index
✓ FTSE Blossom Japan Sector Relative Index
✓ MSCI Japan ESG Select Leaders Index
✓ MSCI Japan Empowering Women Index
✓ S&P/JPX Carbon Efficient Index

* OMRON discloses information and contributes to numerous external surveys for ESG assessment organizations, including the CDP Climate Change & Water Security questionnaires.

FY2021 Assessment: Climate Change ‘A-’, Water Security ‘A-’
External Recognition (As of October 2022)

Domestic ESG awards, selection for inclusion

**S&P Global Sustainability Award**
✓ S&P Sustainability Award Silver Class

**EcoVadis**
✓ Sustainability Assessment Gold Rating

**Japan Association of Corporate Directors**
✓ Corporate Governance of the Year 2018
   METI Minister’s Award for Corporate Governance of the Year FY2018

**Ministry of the Environment**
✓ FY2018 Minister’s Award for Global Warming Prevention Activity
   ‘Implementation of Countermeasures and Dissemination Category’ FY2018

**Sponsored by Nikkei Inc**
✓ Nikkei SDGs Management Grand Prix SDGs Strategy/Economic Value Award December 2019

**Selected by METI, TSE**
✓ TSE 2014 Corporate Value Improvement Award, Grand Prix. FY2014
   5th consecutive year from FY2017
✓ Nadeshiko Brand
✓ Health & Productivity Stock
✓ Health & Productivity: White 500 4th consecutive year from FY2018
   6th consecutive year from FY2016

**Selected by Nikkei Inc.**
✓ Nikkei 225
✓ Nikkei 225
March 2019, 1st time
Down-Top ROIC Tree (2.0)

KPI

Focus industry/
Focus business sales (¥)
Service/Recurring rev. (¥)
New product sales (¥)
No. of solution business
contract customers
No. of innovative apps.
% std. components used
CD %/Defect cost %
Units produced/employee
Automation ratio
(headcount reduction)
Human Creativity
Back office employees (#)
IT cost/Facilities cost
Production LT
Slow moving inventory (¥)
Overdue receivables (¥)
Capex (¥)
M&A synergies (¥)

Driver

GP Margin

ROS

Added-value %

Added-value %

Fixed manuf.
costs %

ROIC

SG&A %

R&D %

Invested Capital
Turnover

Working capital
turnover %

Fixed asset
turnover %
Assessing Economic Value

- B: Expecting Growth
- C: Profit Restructuring
- S: Investment
- A: Examining Regrowth

Assessing Competitiveness

- B: Expecting Growth
- S: Investment
- C: Examining Regrowth
- A: Profit Restructuring
ROIC Definition

ROIC = \frac{\text{Net income attributable to OMRON shareholders}}{\text{Invested capital}}

Invested capital* = \text{Net assets} + \text{Interest-bearing debt}

*The average of previous fiscal year-end result and quarterly results (or forecasts) of current fiscal year.

Capital cost forecast at 5.5% for FY2021 - 2024
Notes
1. The consolidated statements of OMRON Corporation (the Company) are prepared in accordance with U.S. GAAP.
2. Projected results are based on information available to the Company at the time of writing, as well as certain assumptions judged by the Company to be reasonable. Various risks and uncertain factors could cause actual results to differ materially from these projections.

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Global Investor & Brand Communications
OMRON Corporation
Email: omron-ir@omron.com
Website: www.omron.com/global/en/