
Hello, everyone. I am Junta Tsujinaga, the President of OMRON. Thank you very much for joining our H1 FY2024 Financial Results Briefing today despite your busy schedules.
As always, I will begin with an overview of our financial results, followed by a Q&A session. We hope to answer as many questions as possible within the time available. Thank you very much.
Let's proceed with the presentation materials. Please turn to the next page.

## Summary

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- **FY2024 H1 Results**
  - Consolidated revenue and profits declined YoY, while exceeding internal plans
  - IAB and DMB performed sluggishly due to the impact of the high order backlog from the previous fiscal year and sluggish capital investment demand.
  - Operating income increased in Q2 due to significant improvement in GPM and fixed cost measures
  - Structural reforms are progressing as planned. Structural reform expenses of ¥21.0 bn is recorded as one-time expenses associated with optimizing personnel numbers
- **FY2024 Full-year Forecasts**
  - Revising down sales forecast and revising up operating income forecast for the full-year
  - While factoring in the uncertain business environment in our outlook, we are reexamining the effects of improving GPM and streamlining fixed costs
  - IAB is revising up profit forecast significantly due to progress in restructuring
  - Interim dividend fixed at ¥52. Initial full-year dividend guidance of ¥104 maintained
- **Message from CEO**





Today's presentation covers three main points.
The first point is the H1 FY2024 results.
While the company-wide performance for H1 exceeded our internal plans, both IAB and DMB segments experienced declines in net sales and operating income due to the impact of high backlogs from the previous fiscal year and stagnant capital investment demand.
During Q2, however, improvements in gross profit margin and efforts to control fixed costs contributed to an increase in operating income. Additionally, we recorded JPY21 billion in structural reform expenses associated with workforce optimization.
The second point is our full-year outlook.
For the full year, we revised our net sales forecast downward and our operating income forecast upward from the initial plan. We have incorporated the impact of the uncertain business environment while reevaluating the effects of gross profit margin improvements and fixed cost efficiencies. In particular, the IAB segment is expected to see a significant increase in operating income due to progress in structural reforms. We have set the interim dividend at JPY52, and the full-year dividend forecast remains at JPY104, as initially planned.
Finally, I will update you on the progress of structural reforms through H1.

## Contents

# 1． FY2024 H1 Results

## H1 Consolidated Results

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**Overall decline in sales and profits due to Y/Y decline in backlog of orders**

(¥bn)

| | FY2023 H1 Actual | FY2024 H1 Actual | Y/Y |
|---|---|---|---|
| Net Sales | 400.7 | **374.6** | -6.5% |
| Gross Profit | 172.0 | **170.0** | -1.2% |
| (%) | (42.9%) | **(45.4%)** | (+2.4%pt) |
| Operating Income | 20.7 | **19.2** | -6.9% |
| (%) | (5.2%) | **(5.1%)** | (-0.0%pt) |
| Net Income attributable to OMRON shareholders | 6.1 | **-3.3*** | - |
| Average USD rate (JPY) | 139.9 | **153.7** | +13.8 |
| Average EUR rate (JPY) | 152.8 | **166.3** | +13.5 |
| Average CNY rate (JPY) | 19.7 | **21.2** | +1.5 |

*Structural reform expenses of ¥21.0 bn is recorded as one-time expenses associated with optimizing personnel numbers and capabilities.



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Now, moving on to the main discussion, please refer to page five.
To start, here are the company-wide results for H1. Please look at the center shaded area in the table.
Net sales were JPY374.6 billion, gross profit was JPY170 billion, the gross profit margin was 45.4%, operating income was JPY19.2 billion, and net income attributable to OMRON shareholders was negative JPY3.3 billion.
Net sales in IAB and DMB were affected by high backlogs from the previous year and weak market conditions, resulting in a YoY decrease of 6.5%, totaling JPY374.6 billion.
Operating income was JPY19.2 billion, a YoY decrease of 6.9%. However, improvements in gross profit margin and fixed cost efficiency significantly reduced the decline in income compared to Q1.
Last, regarding net income attributable to OMRON shareholders, due to the one-time cost of JPY21 billion for workforce optimization, this figure amounted to negative JPY3.3 billion.

## H1 Results by Segment

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### Sales and profits down Y/Y at IAB, HCB and DMB, up Y/Y at SSB

| | Sales | | | Operating income (¥bn) | | |
|---|---|---|---|---|---|---|
| | FY2023 H1 Actual | FY2024 H1 Actual | Y/Y | FY2023 H1 Actual | FY2024 H1 Actual | Y/Y |
| **IAB** Industrial Automation | 210.4 | **174.5** | -17.1% | 17.4 (8.3%)*1 | **17.4 (10.0%)** | -0.4% (+1.7%pt) |
| **HCB** Healthcare | 74.0 | **72.5** | -2.0% | 9.7 (13.2%) | **8.6 (11.9%)** | -11.6% (-1.3%pt) |
| **SSB** Social Systems, Solutions & Service | 53.1 | **56.9** | +7.0% | 1.3 (2.5%) | **2.0 (3.4%)** | +47.9% (+0.9%pt) |
| **DMB** Device & Module Solutions | 61.2 | **51.1** | -16.5% | 2.7 (4.4%) | **0.1 (0.2%)** | -96.4% (-4.2%pt) |
| **DSB** Data Solutions *2 | - | **19.1** | - | - - | **0.3 (1.8%)** | - - |
| Include JMDC | - | **19.2** | - | - - | **3.3 (17.1%)** | - - |
| Eliminations & Corporate | 2.0 | **0.6** | -70.2% | -10.5 | **-9.1** | - |
| Total | 400.7 | **374.6** | -6.5% | 20.7 (5.2%) | **19.2 (5.1%)** | -6.9% (-0.0%pt) |

*1. Figures shown in brackets under OP are OPMs.
*2. DSB includes the financial results of JMDC, consolidation adjustments (the amortization of intangible assets other than goodwill associated with the consolidation, etc.) and other financial figures related to data business.





Moving on to the results by business segment.

First, in IAB, net sales were JPY174.5 billion, a decrease of 17.1% from the previous year, despite signs of recovery in the semiconductor market, particularly in China. This decline reflects the absence of the large order backlog that supported the prior year's results. However, operating income has recovered to almost the same level as last year due to improvements in the gross profit margin and increased fixed cost efficiencies.

In HCB, net sales totaled JPY72.5 billion, down 2%. The sluggish personal consumption and a lackluster blood pressure monitor market in China, coupled with a decline following the previous year's special demand for nebulizers and oxygen concentrators, impacted sales. Operating income decreased 11.6% to JPY8.6 billion, reflecting both the reduction in net sales and continued growth investments.

In SSB, the energy solutions business saw only modest growth in demand for PV and storage batteries, due to government electricity rate subsidies. However, strong performance in the railway business and management services led to a 7% increase in net sales to JPY56.9 billion, while operating income rose significantly by 47.9% to JPY2 billion, reflecting notable growth in both revenue and profit.

In DMB, consumer demand in China showed a gradual recovery, driven by government measures to encourage replacement purchases of home appliances. However, outside of China, the market conditions were sluggish, resulting in a 16.5% decline in net sales to JPY51.1 billion. Operating income also fell sharply, down 96.4% to JPY100 million, primarily due to the decrease in sales.

Finally, in DSB, JMDC saw strong performance in the health big data sector, bringing the total net sales for the segment to JPY19.1 billion, with operating income of JPY300 million. This reflects investments in the creation of solution businesses and amortization of intangible assets associated with consolidation.

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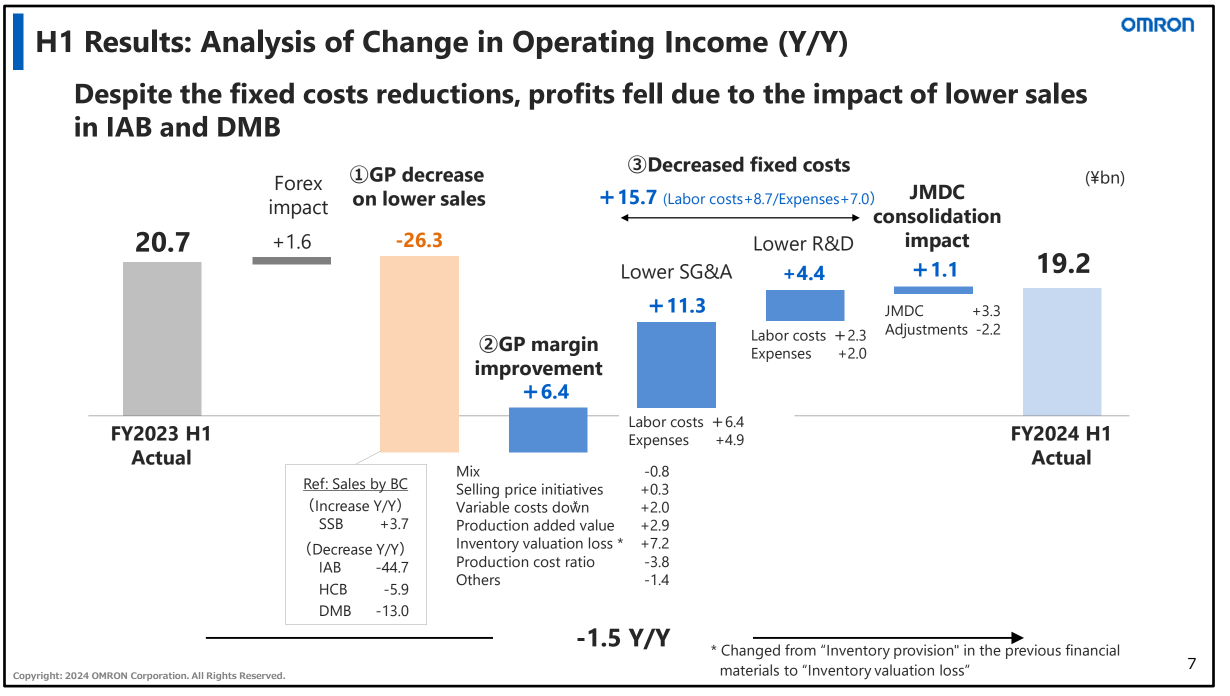


This page shows a step chart comparing operating income with the previous year.
The far right of the chart shows the impact of JMDC's consolidation, and the remaining factors affecting profit changes are shown as points one through three. I will explain them in order from the left.
First, we see a decrease in gross profit due to lower net sales. While revenue increased in SSB, declines in net sales in IAB and DMB resulted in an overall profit reduction of JPY26.3 billion.
Next is the improvement in gross profit margin. Although the fixed cost ratio in manufacturing increased due to the decrease in net sales, the improvement in production utilization rates and a reduction in inventory valuation losses led to a significant improvement in the gross profit margin, contributing JPY6.4 billion in additional profit.
Finally, there was a reduction in fixed costs. Optimizing personnel both domestically and internationally, along with efficiency efforts, had a positive effect on overall fixed costs, contributing JPY15.7 billion.
This concludes our report on H1 performance.

# 2．Full-year Forecasts

## H2 Operating Environment

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**Business environment is expected to recover slowly overall, with some delays compared to initial expectations**

| | |
|---|---|
| **IAB** Industrial Automation | **Demand varies by industry and area. The semiconductor industry is performing well as initially expected. Chinese and European markets are generally sluggish.** *Details on later pages |
| **HCB** Healthcare | **Chinese market is expected to remain weaker than initial forecast**<br>Cardiovascular: Although moderate growth is expected globally, China will remain sluggish due to sluggish personal consumption caused by the worsening economic environment.<br>Respiratory: Weaker demand for nebulizers than the initial expectations, affected by the backlash from China's special demand for respiratory diseases and sluggish market conditions |
| **SSB** Social Systems, Solutions & Service | **Business environment remains generally strong; however, energy market is expected to grow slower than expected in residential sector**<br>Energy: Demand for renewable energy in the residential sector is expected to recover to a certain extent as the mitigation measures against sudden changes in electricity rates come to an end, but growth will be slower than expected<br>Railway: Favorable demand as initially expected due to continued capital investment by railway companies |
| **DMB** Device & Module Solutions | **Affected by sluggish market in Europe, performance remains weaker than initially expected**<br>DC Equipment/Microwave Devices: Although affected by the slowdown in the European EV market, demand is expected to expand from the second half of the year on the back of increased demand for energy infrastructure and semiconductors<br>Commodity Devices: Despite some differences among markets, the slow recovery of demand in Europe leads to a slower performance than initially expected. |
| **DSB** Data Solutions | **In line with the initial forecasts, strong business environment continues, centered on health big data business**<br>JMDC: Expect expansion of medical data utilization movements, mainly among pharmaceutical and Life and non-life insurance industries. In response to growing social awareness of health and prevention, expect demand for services for insurers and consumers to increase |



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Next, I would like to discuss our outlook for the business environment in H2.
Please refer to page nine.
In H2, the business environment is expected to recover gradually, although somewhat slower than initially anticipated. I will go over the outlook by segment.
First, in IAB. The semiconductor industry is expected to perform as initially planned. On a regional basis, capital investment demand in China and Europe is forecasted to remain generally weak. Further details will be provided later.
In HCB, global growth in the blood pressure monitor market is expected to be moderate; however, demand in China is projected to remain below initial expectations due to stagnant consumer spending.
In SSB, demand is anticipated to remain steady, led by the railway industry. Additionally, in the renewable energy sector, growth in residential areas is expected to be slightly lower than initially forecast.
In DMB, the recovery in the European market is expected to be slower than initially projected, and the Chinese market is forecast to decelerate gradually, leading to generally weak conditions.
Finally, in DSB, JMDC anticipates continued favorable business conditions, especially in the health big data sector.

## Full-year Consolidated Forecasts

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**Revising down sales forecast. Operating income and Net income revised up**

(¥bn)

| | FY2024 Initial Plan | FY2024 Forecast | Chg. Vs. Plan | FY2023 Actual | Y/Y |
|---|---|---|---|---|---|
| Net Sales | 825.0 | **805.0** | -2.4% | 818.8 | -1.7% |
| Gross Profit | 368.5 | **363.0** | -1.5% | 346.5 | +4.8% |
| (%) | (44.7%) | **(45.1%)** | (+0.4%pt) | (42.3%) | (+2.8%pt) |
| Operating Income | 49.0 | **52.0** | +6.1% | 34.3 | +51.4% |
| (%) | (5.9%) | **(6.5%)** | (+0.5%pt) | (4.2%) | (+2.3%pt) |
| Net Income attributable to OMRON shareholders | 8.5 | **11.0*** | +29.4% | 8.1 | +35.7% |
| ROE | Approx. 1% | **Approx. 1%** | - | 1.0% | - |
| ROIC | Approx. 1% | **Approx. 1%** | - | 1.1% | - |
| EPS (JPY) | 43 | **56** | +13 | 41 | +15 |
| Average USD rate (JPY) | 145.0 | **149.4** | +4.4 | 143.9 | +5.5 |
| Average EUR rate (JPY) | 155.0 | **160.6** | +5.6 | 156.3 | +4.3 |
| Average CNY rate (JPY) | 20.0 | **20.6** | +0.6 | 20.1 | +0.5 |

*Structural reform expenses of approximately ¥22.0 bn is recorded as one-time expenses associated with optimizing personnel numbers and capabilities.





Next, let me provide an outlook for our company-wide performance.
Please refer to the shaded area in the center.
We project net sales of JPY805 billion, gross profit of JPY363 billion, a gross profit margin of 45.1%, operating income of JPY52 billion, and net income attributable to OMRON shareholders of JPY11 billion.
Compared to our initial plan, we have revised down net sales, while revising up operating income and net income. This outlook reflects adjustments in net sales based on our H2 business environment outlook, as well as a reevaluation of the benefits from fixed cost efficiency improvements driven by structural reforms.
Although H1 saw a decline in operating income, we expect operating income to increase in H2 due to improvements in gross profit margin and efficiencies in fixed costs. Net income includes approximately JPY22 billion in one-time costs related to workforce optimization for the full year.

## Full-year Forecasts by Segment

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**IAB revised up. DSB revised up for Operating income.**
**HCB, SSB and DSB revised down**

(¥bn)

| | Sales | | | | Operating income | | | |
|---|---|---|---|---|---|---|---|---|
| | FY2024 Initial Plan | FY2024 Forecast | Chg. Vs. Plan | Y/Y | FY2023 Initial Plan | FY2024 Forecast | Chg. Vs. Plan | Y/Y |
| **IAB** Industrial Automation | 355.0 | **358.0** | +0.8% | -9.0% | 27.5 (7.7%)*1 | **36.0 (10.1%)** | +30.9% (+2.3%pt) | +67.8% (+4.6%pt) |
| **HCB** Healthcare | 161.0 | **152.0** | -5.6% | +1.5% | 22.0 (13.7%) | **18.5 (12.2%)** | -15.9% (-1.5%pt) | +0.2% (-0.2%pt) |
| **SSB** Social Systems, Solutions & Service | 154.5 | **146.0** | -5.5% | +3.1% | 17.0 (11.0%) | **16.5 (11.3%)** | -2.9% (+0.3%pt) | +17.7% (+1.4%pt) |
| **DMB** Device & Module Solutions | 110.0 | **105.0** | -4.5% | -8.2% | 4.0 (3.6%) | **1.5 (1.4%)** | -62.5% (-2.2%pt) | -52.3% (-1.3%pt) |
| **DSB** Data Solutions *2 | 43.0 | **43.0** | - | - | 3.0 (7.0%) | **3.5 (8.1%)** | +16.7% (+1.2%pt) | - - |
| Include JMDC | 43.0 | **43.0** | - | - | 9.3 (21.6%) | **9.3 (21.6%)** | - - | - - |
| Eliminations & Corporate | 1.5 | **1.0** | - | - | -24.5 | **-24.0** | - | - |
| Total | 825.0 | **805.0** | -2.4% | -1.7% | 49.0 (5.9%) | **52.0 (6.5%)** | +6.1% (+0.5%pt) | +51.4% (+2.3%pt) |

*1. Figures shown in brackets under OP are OPMs.
*2. DSB includes the financial results of JMDC, consolidation adjustments (the amortization of intangible assets other than goodwill associated with the consolidation, etc.) and other financial figures related to data business.





Next, let's look at the outlook by business segment.
First, in IAB, net sales are expected to be in line with the initial plan, while operating income is projected to significantly exceed initial expectations. Further details will follow.
In HCB, both net sales and operating income are expected to fall below the initial plan, remaining at similar levels to the prior fiscal year. Demand in China is expected to remain weak in H2, but solid demand is anticipated in other regions, particularly for blood pressure monitors.
In SSB, reflecting the business environment of energy solutions, we have lowered our initial forecasts. Nevertheless, compared to last year, the railway and management services businesses are expected to drive overall performance, resulting in both revenue and a significant increase in operating income.
In DMB, net sales and operating income have been revised downward from the initial plan due to a stagnating European market, a gradual slowdown in the Chinese market, and the impact of rising raw material prices.
Last, in DSB, there is no change to JMDC's initial plan. However, a minor upward revision to operating income has been made for the segment overall, reflecting changes in consolidated adjustments.
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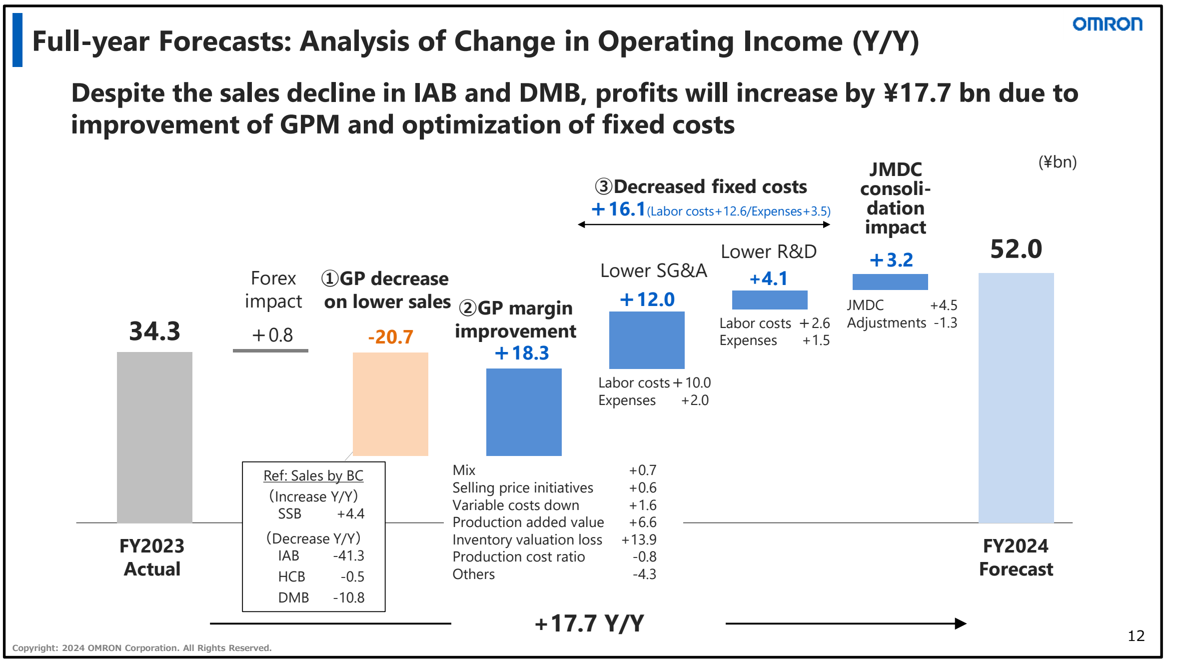


This page compares operating income for FY2023 and FY2024 in a step chart. I will explain each component from left to right.
First, a decrease in gross profit due to lower net sales. Although we expect net sales to recover in H2, they will not be sufficient to offset the H1 decline, leading to a company-wide profit reduction of JPY20.7 billion.
Next, an improvement in gross profit margin. Inventory valuation losses are expected to decline significantly, and we aim to maintain a high gross profit margin by boosting production efficiency in anticipation of demand in the next fiscal year. As a result, we forecast a JPY18.3 billion increase in profit.
Last, a decrease in fixed costs is expected to contribute JPY16.1 billion to profit for the full year. In H2, we anticipate the effects of workforce optimization to become evident, while we will continue to make growth investments to strengthen competitiveness.
From the next page onward, I will explain the current fiscal year outlook for IAB in detail.

## IAB: H2 Operating Environment

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**Semiconductor industry performing well as initially expected, while environmental mobility performing weaker than expected**

| Domains | Outlook for H2 |
|---|---|
| Digital | ・Semiconductors are performing well. Although investment in domestic production in China is slowing down, orders are expected to recover from the 4th quarter in Japan and Asia due to the expansion of AI-related investment.<br>・Investment demand for photovoltaic (PV) systems is at a further low level due to the worsening oversupply problem. |
| NEV | ・Investment in finished EVs and parts is expected to decline further from last year's level due to sluggish demand for EVs.<br>・Investment demand for secondary batteries, which was expected to remain low and flat due to oversupply in China and sluggish demand for EVs, is expected to decline further. |
| Food/ Household goods | ・Affected by sluggish personal consumption in China and Europe, but expect gradual recovery |
| Medicine/Logistics | ・Capital investment in both medical and logistics sectors will remain at the same level as in FY2023 H2 |
| Others | ・Investment recovery remains gradual and remains at a low level |



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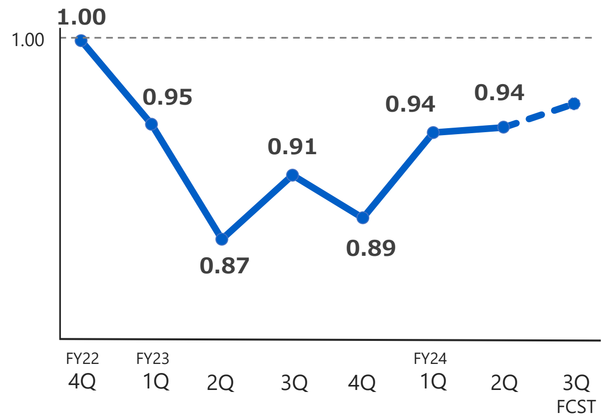
This slide presents the business environment outlook for IAB in H2.
First, in the digital industry, the semiconductor sector is expected to remain robust as initially projected. Although investment in domestic production in China has stabilized, we anticipate a recovery in orders from Q4, driven by increased AI-related investment in Japan and Asia.
Next, in environmental mobility, the entire industry was initially expected to remain flat, but given the ongoing decline in EV demand, we foresee a weaker performance than initially anticipated.
In food, household goods, and other industries, a gradual recovery is expected from H2 onward.
As for industries outside our focus, we continue to take a cautious approach to demand growth in H2.

## IAB: Changes in Orders and Distributor Inventory levels

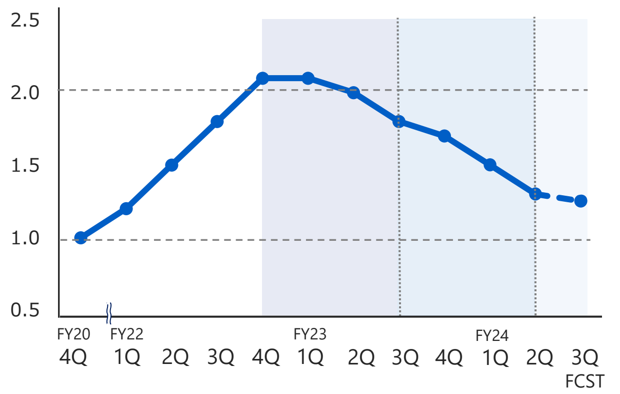
**Orders continue to recover.**
**Distributors inventory returned to normal level in general in H1**

**Order levels** (Initial FY24 FX FCST rate base)




(Based on FY22 Q4)

**Distributors inventory levels** (all area avg.)




(Based on FY20 4Q)



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Moving on to order trends and distributor inventory levels, please refer to the graph on the left.
Order levels in Q2 were almost flat compared to Q1, as anticipated. From Q3 onward, we expect a gradual recovery in line with the business environment outlook.
Now, looking at distributor inventory levels in the graph on the right, there has been some delay in inventory reduction in certain areas, but overall, we achieved a normalization of inventory globally in H1. While levels are slightly higher than pre-COVID standards, this is considered appropriate given the anticipated market recovery from the next fiscal year onward.

# IAB: Operating Income Forecast

OMRON

**Expect profit growth through continued improvement in GPM and fixed costs efficiency**

| Causes of change in OP | | FY24 forecast | Change from FY23 |
|---|---|---|---|
| Sales decrease | Business environment | ・The impact of the previous fiscal year's large order backlog and the sluggish market conditions in China and Europe continue | ¥-18.5 bn |
| | Inventory backlog at distributors | ・Overall return to normal level completed in H1 except in some areas | |
| GPM improvements | Product/area mix | ・Improvements by increasing the composition ratio of high value-added products | ¥+17.1 bn |
| | Production value added | ・Production utilization rate gradually improved from Q1 | |
| | Inventory provision | ・Inventory management continued. Inventory valuation losses reduced | |
| | Production fixed costs | ・Decreased by optimizing the headcount | |
| | Others | ・Effects of selling price optimization in FY2023 continue | |
| Fixed costs | SG&A, R&D | ・Labor costs reduced by optimizing the headcount. Selective investments continued | ¥+14.8 bn |

*Excluding Forex Impact



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Now, let's discuss our outlook for operating income.
As noted earlier, despite an anticipated decrease in revenue this fiscal year, we expect a significant increase in operating income due to improvements in gross profit margin and fixed cost efficiencies.
Gross profit margin improvements are projected to result in an increase of approximately JPY17.1 billion, primarily due to the positive impact of a decline in inventory valuation losses. In addition, we plan to improve production efficiency and prepare for next fiscal year's demand by optimizing inventory management, which is expected to significantly enhance gross profit margin.
For fixed costs, we anticipate efficiencies totaling JPY14.8 billion across SG&A and R&D expenses. In H2, we will continue to implement cost efficiencies while making the necessary investments to enhance our business competitiveness. With an eye on the future, we will further strengthen capital allocation to support growth.
Additionally, the number of customers adopting innovative-Automation stood at 4,260 as of the end of September, remaining steady since June, when the figure was 4,230, amidst a challenging business environment. We will continue efforts to increase customer adoption as business conditions improve in H2.

## Shareholder Returns



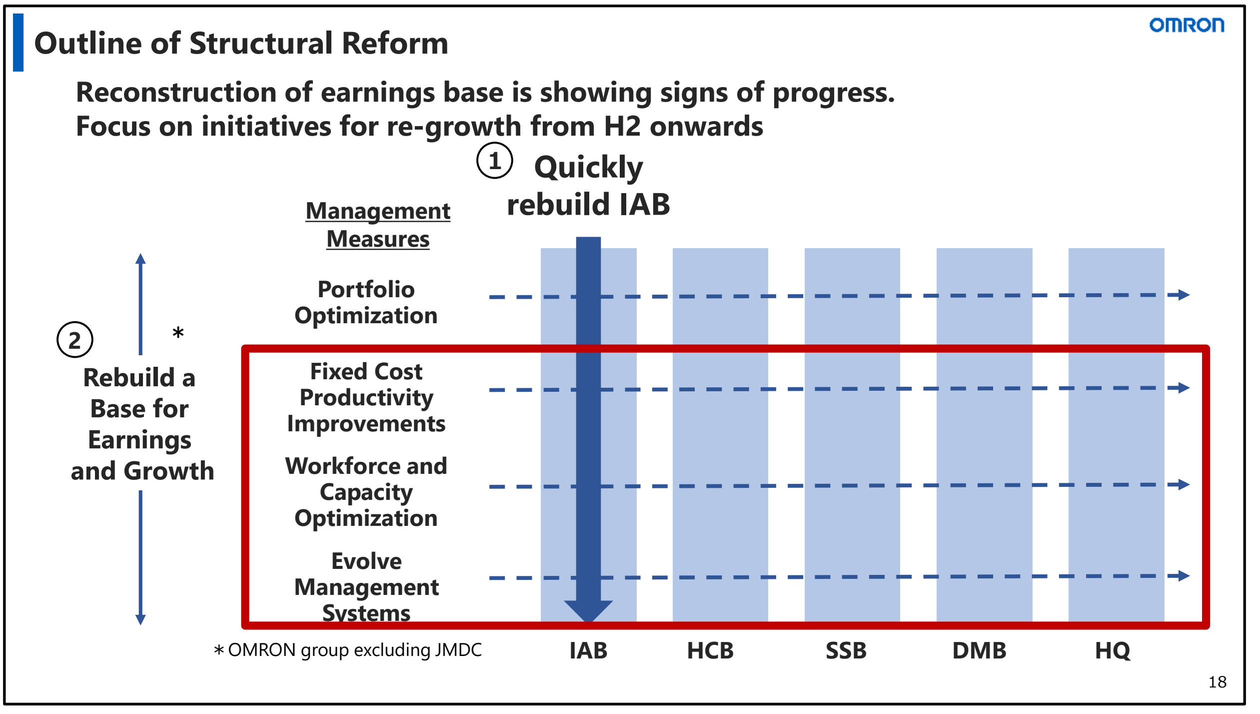
**Interim dividend fixed at ¥52.**
**Initial full-year dividend guidance of ¥104 maintained**

| Interim Dividend (Fixed) | Full-year (Forecast) |
|---|---|
| ¥52 | ¥104 |

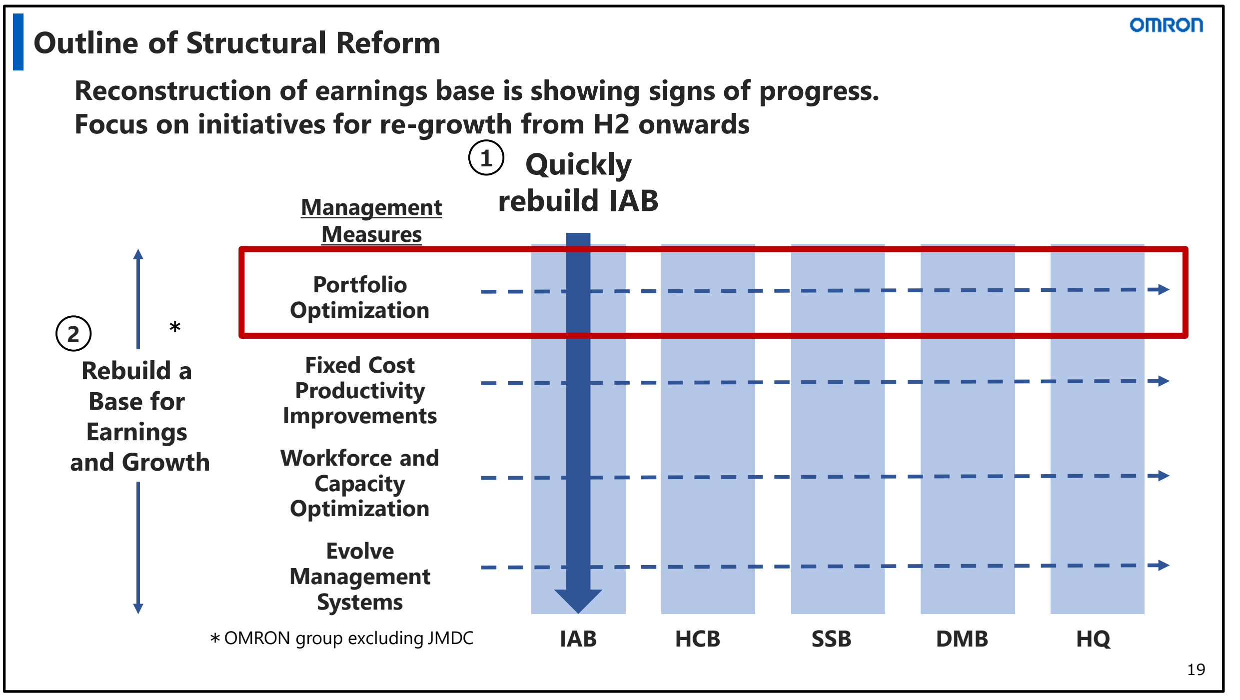



To conclude this section, I'd like to address our approach to shareholder returns.
We have set an interim dividend of JPY52 for FY2024, with the full-year dividend forecast remaining JPY104 as initially planned.
As noted at the beginning of the year, during the structural reform period, we prioritize investments essential for these reforms, but our shareholder returns policy remains unchanged.
We aim to provide stable and continuous returns, targeting a dividend on equity (DOE) ratio of approximately 3%.
This concludes the full-year FY2024 outlook.

# Message from CEO




Last, I would like to update you on the progress of our structural reforms.
Our structural reform initiatives, which began in April 2024, have progressed as planned over the past six months. Notably, the rebuilding of our earnings base is producing tangible results, as shown in today's report, with a solid outlook taking shape for the next fiscal year.
Workforce optimization was largely completed in H1, both domestically and internationally, and combined with cost efficiencies, we anticipate a fixed cost reduction of JPY25.4 billion this fiscal year. We are implementing measures to ensure these benefits extend beyond this fiscal year, and we remain committed to achieving the JPY30 billion fixed cost reduction target set for the structural reform period.
In rebuilding our earnings base, we are also working to accelerate business processes. Specifically, we are reviewing inefficient tasks within core processes, such as supply chain and development, and initiating business process reforms utilizing IT and AI technologies. These are medium- to long-term efforts, but we will continue to take deliberate action.




With H1's progress as a foundation, we will further intensify efforts to rebuild our growth base in H2. The key to this endeavor is portfolio optimization. In H1, we completed a reevaluation of all product segments, solidifying our growth direction. Development has already begun on select products and services to capture business opportunities from the next fiscal year onward.

However, this initiative has only just begun, and we are by no means complacent about its realization. To achieve results with speed, updating the capabilities and skills within our organization and workforce is essential. Particularly, strengthening development capabilities and expanding our global sales force are crucial to enhancing our competitiveness, and these efforts will be a primary focus in H2 and beyond.

The path to transformation is not an easy one. The management team is fully committed to achieving portfolio optimization, and we will work together as one company toward further growth.

We sincerely appreciate your continued support and cooperation.

This concludes our presentation. Thank you for your attention.

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# Reference

# Consolidated Balance Sheet

(¥bn)

| | End-March 2024 | End-Sept.2024 | Chg, vs. End-FY2023 |
|---|---|---|---|
| Current assets | 547.6 | 533.5 | -14.1 |
| (Cash and cash equivalents) | (143.1) | (161.3) | (+18.2) |
| (Inventory) | (174.0) | (181.2) | (+7.2) |
| Property, plant and equipment | 136.8 | 133.1 | -3.7 |
| Investments and other assets | 670.4 | 682.5 | +12.1 |
| Total assets | 1,354.7 | 1,349.2 | -5.5 |
| Current liabilities | 231.2 | 242.1 | +10.9 |
| Long-term liabilities | 172.6 | 179.2 | +6.6 |
| Total Liabilities | 403.7 | 421.3 | +17.6 |
| Shareholders' equity | 786.7 | 763.5 | -23.2 |
| Noncontrolling interests | 164.3 | 164.4 | +0.1 |
| Total net assets | 951.0 | 927.9 | -23.1 |
| Total Liabilities and net assets | 1,354.7 | 1,349.2 | -5.5 |

| | | | |
|---|---|---|---|
| Equity ratio | 58.1% | 56.6% | -1.5%pt |

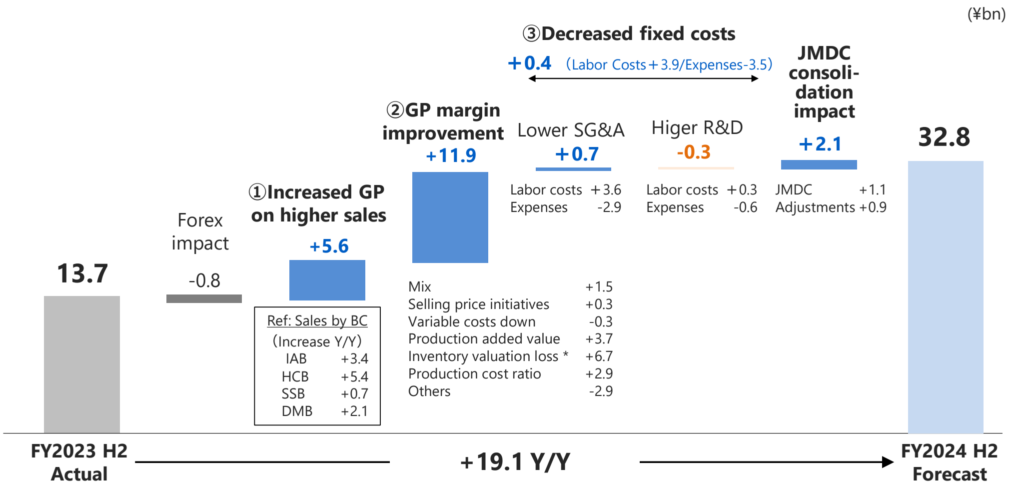
# Consolidated Cash Flow Statement

OMRON

(¥bn)

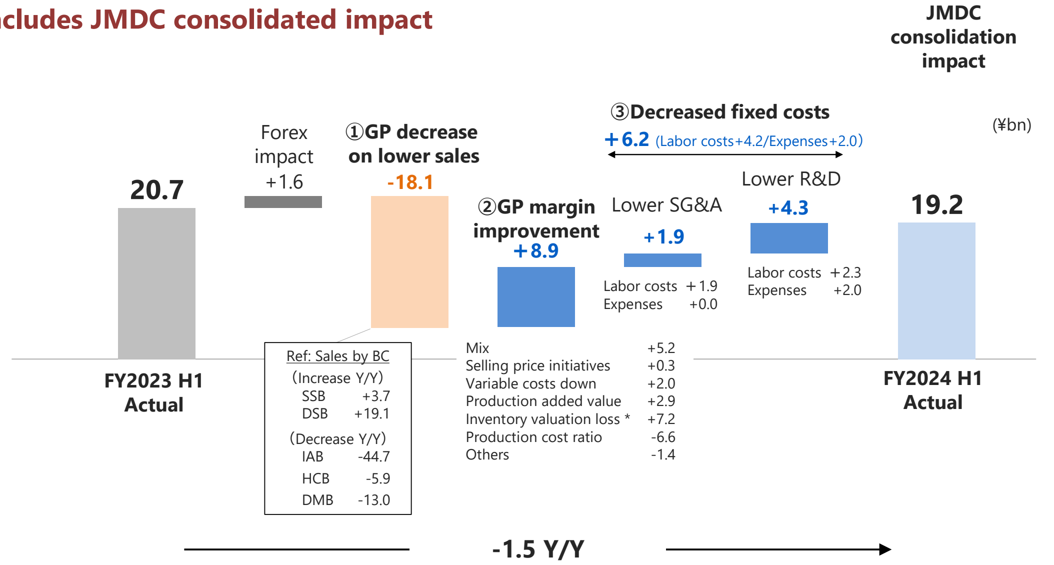
| | H1 FY2023 Actual | H1 FY2024 Actual | Y/Y |
|---|---|---|---|
| Operating cash flow | 25.7 | 23.8 | -1.9 |
| Investment cash flow | -19.0 | -29.8 | -10.8 |
| Free cash flow (FCF) | 6.8 | -5.9 | -12.7 |
| Financing cash flow | -11.4 | 22.9 | +34.3 |
| Cash and cash equivalents as of end of period | 107.7 | 161.3 | +53.6 |
| | | | |
| Capital expenditure | 17.3 | 19.3 | +2.0 |
| Depreciation | 13.8 | 16.8 | +3.0 |

# (Ref.) H2 Forecasts: Analysis of Change in Operating Income (Y/Y)



# H1 Results: Analysis of Change in Operating Income (Y/Y)

***Includes JMDC consolidated impact**



# FY2024 Forex Sensitivities and Assumptions

OMRON

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

| | Sensitivities | | Assumptions |
|---|---|---|---|
| | Sales | OP | FY2024 H2 Assumptions |
| **USD** | Approx. ¥1.3 bn | Approx. ¥-0.1 bn | ¥145.0 |
| **EUR** | Approx. ¥0.8 bn | Approx. ¥0.3 bn | ¥155.0 |
| **CNY** | Approx. ¥0.7 bn | Approx. ¥0.1 bn | ¥20.0 |

* If emerging market currency trends diverge from trends in major currencies contrary to our expectations, it will impact sensitivities

## ROIC Definition

OMRON

$$\text{ROIC} = \frac{\textbf{Net income attributable to OMRON shareholders}}{\textbf{Invested capital}^{*}}$$

*Invested capital = Borrowings + Shareholders' equity

Invested capital: The average of previous fiscal year-end result and quarterly results (or forecasts) of current fiscal year

**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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