



Summary of Consolidated Financial Results for the Year Ended March 31, 2025 (U.S. GAAP)

May 8, 2025

OMRON Corporation (6645)

Exchanges Listed:	Tokyo
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Annual General Shareholders' Meeting (Scheduled):	June 24, 2025
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Holding of Presentation of Financial Results:	Yes (for investors)

Note: This document has been translated from the Japanese original as a guide to non-Japanese investors and contains forward-looking statements that are based on managements' estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially from expectations.

Note: Figures are rounded to the nearest million yen.

1. Consolidated Financial Results for the Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025)

(1) Sales and Income (cumulative)

(Percentages represent changes compared with the same period of the previous fiscal year.)

Year ended	Net sales		Operating income		Income before income taxes		Net income attributable to OMRON shareholders	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2025	801,753	(2.1)	54,038	57.4	29,001	(17.0)	16,271	100.7
March 31, 2024	818,761	(6.5)	34,342	(65.9)	34,953	(64.5)	8,105	(89.0)

Notes: 1, Comprehensive income: Year ended March 31, 2025: JPY3,069 million (-96.2% change);
Year ended March 31, 2024: JPY79,746 million (-21.5% change)

2. Loss before income taxes for the fiscal year ended March 31, 2025, include one-time expenses (JPY22.0 billion) to optimize the number and capacity of our workforce related to Structural Reform Program NEXT2025 ("headcount and capacity optimization," below).

Year ended	Net income per share attributable to OMRON shareholders, basic	Net income per share attributable to OMRON shareholders, diluted	Return on equity	Income before income taxes / total assets ratio	Operating income / net sales ratio
	Yen	Yen	%	%	%
March 31, 2025	82.63	—	2.1	2.1	6.7
March 31, 2024	41.17	—	1.1	3.0	4.2

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	Million yen	%	Yen
March 31, 2025	1,361,790	934,432	771,885	56.7	3,920.30
March 31, 2024	1,354,729	950,993	786,686	58.1	3,995.04

(3) Consolidated Cash Flows

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of period
Year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2025	55,784	(47,889)	(4,608)	149,023
March 31, 2024	44,875	(107,096)	85,987	143,086

2. Dividends

	Dividends per share					Total cash dividends paid	Payout ratio (consolidated)	Dividends / Shareholders' equity ratio (consolidated)
	First quarter-end	First half-end	Third quarter-end	Fiscal year-end	Total			
Year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2024	—	52.00	—	52.00	104.00	20,534	253.3	2.7
March 31, 2025	—	52.00	—	52.00	104.00	20,531	126.2	2.6
Year ending March 31, 2026 (projected)	—	—	—	—	104.00		57.8 ~70.8	

Note: Interim and year-end dividends for the fiscal year ending March 31, 2026 have not been determined yet.

3. Projected Results for the Year Ending March 31, 2026 (April 1, 2025 – March 31, 2026)

(Percentages represent changes compared with the same period of the previous fiscal year.)

	Net sales		Operating income		Income before income taxes		Net income attributable to OMRON shareholders		Net income per share attributable to OMRON shareholders, basic
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	835,000	4.1	65,000	20.3	58,000	100.0	35,500	118.2	180.30
	~820,000	~2.3	~56,000	~3.6	~49,000	~69.0	~29,000	~78.2	~147.29

Note: We prepared performance forecasts for the fiscal year ending March 31, 2026, in a range format.

*Notes

(1) Significant changes in the scope of consolidation during the period: No

New: - company (company name) Excluded: - company (company name)

(2) Changes in accounting policy

(a) Changes in accounting policy accompanying revision of accounting standards, etc.: No

(b) Changes in accounting policy other than (a) above: No

(3) Number of shares issued and outstanding (common stock)

[1] Number of shares outstanding at period-end (including treasury stock)	Year ended March 31, 2025	206,244,872	Year ended March 31, 2024	206,244,872
[2] Treasury stock at period-end	Year ended March 31, 2025	9,350,366	Year ended March 31, 2024	9,329,283
[3] Average number of shares during the period	Year ended March 31, 2025	196,900,793	Year ended March 31, 2024	196,885,094

Note: As of the end of the fiscal year ended March 31, 2025, 518,391 shares of OMRON stock held for the Board Incentive Plan and Employee Stock Ownership Plan are included in period-end treasury stock. The average number of shares during the period includes treasury stock deducted in the calculation of net income per share attributable to OMRON shareholders, basic.

(Reference) Summary of Non-consolidated Results

1. Non-consolidated Financial Results for the Year Ended March 31, 2025 (April 1, 2025 – March 31, 2026)

(1) Non-consolidated Sales and Income

(Percentages represent changes compared with the previous fiscal year.)

Year ended	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2025	254,027	(2.0)	(24,176)	—	72,918	—	(37,109)	—
March 31, 2024	259,328	(29.8)	(31,910)	—	(8,260)	—	15,792	(82.7)

Year ended	Net income per share	Net income per share, diluted
	Yen	Yen
March 31, 2025	(188.47)	—
March 31, 2024	80.21	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Net worth ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2025	589,968	258,136	43.8	1,311.04
March 31, 2024	680,668	319,545	46.9	1,622.75

(Reference) Net worth: Year ended March 31, 2025: JPY258,136 million; Year ended March 31, 2024: JPY319,545 million

*Summaries of consolidated financial results are not subject to audit by certified public accountants or audit corporations

*Commentary Regarding Appropriate Use of Projections of Results and Other Matters

1. Projections of results and future developments 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, uncertainties and other factors could cause actual results to differ materially from these projections.

See *1. Analysis of Results of Operations and Financial Condition (6) Outlook for the Year Ending March 31, 2026* on P.11 for more regarding assumptions used in earnings forecasts.

2. The Company applies the single step method for presentation of its Consolidated Financial Statements based on U.S. GAAP. However, to facilitate comparison with other companies, *operating income* on the Consolidated Statements of Operations is presented by subtracting *selling, general and administrative expenses* and *research and development expenses* from *gross profit*. We do not deduct *restructuring expenses, other income, net, income taxes, and share of loss (profit) of entities accounted for using equity method*.

3. As we become able to provide earnings forecasts with greater reliability, we will determine and announce interim and year-end dividends for the fiscal year ending March 2026. We plan to disclose interim dividends for the next fiscal year in November 2025, at the latest, and year-end dividends in May 2026.

4. The figure for shareholders' equity used to calculate dividends on equity (consolidated) is the average of shareholders' equity at the beginning of the period and of each of the four quarters during the period in question.

5. The Company scheduled an investor meeting for Thursday, May 8, 2025.

The following abbreviations of business segment names are used in the attached materials.

IAB: Industrial Automation Business

HCB: Healthcare Business

SSB: Social Systems, Solutions and Service Business

DMB: Devices & Module Solutions Business

DSB: Data Solution Business

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1. Analysis of Results of Operations and Financial Condition

(1) Analysis of Results of Operations

1) General Overview

OMRON Group financial performance for the fiscal year ended March 31, 2025, saw a decrease in net sales year on year and an increase in operating income. Net sales decreased overall year on year, despite an increase in net sales in the Social Systems, Solutions and Service Business. This result was due largely to general weakness in demand for capital investment in the Industrial Automation Business and Devices & Module Solutions Business and lower demand in the Chinese market of our Healthcare Business. In addition, net sales in the first half of the previous fiscal year for the Industrial Automation Business were supported by an order backlog, which was lacking this year.

Operating income increased 57.4% year on year due to the impact of improved gross profit margin and steady profitability improvements stemming from the impact of Structural Reform Program NEXT2025 announced February 26, 2024.

While operating income increased year on year, income before income taxes was lower year on year due to one-time expenses of JPY22.0 billion incurred to optimize the number and capacity of our workforce related to Structural Reform Program NEXT2025. See (2) Recognition of one-time expenses related to Structural Reform Program, below, for more. One-time expenses and income under other income, net included a write-down of goodwill of JPY11.7 billion related to the Data Solution Business and a JPY12.3 billion in gain on valuation of investment securities.

Net income attributable to OMRON shareholders increased a significant 100.7% year on year, even amid ongoing structural reforms.

Consolidated results for fiscal 2024 were as follows.

(Billions of yen, except exchange rate data and percentages)

	Year ended March 31, 2024	Year ended March 31, 2025	Change
Net sales	818.8	801.8	-2.1%
Gross profit [% of net sales]	346.5 [42.3%]	357.1 [44.5%]	3.1% [2.2%pt]
Operating income [% of net sales]	34.3 [4.2%]	54.0 [6.7%]	57.4% [2.5%pt]
Income before income taxes	35.0	29.0	-17.0%
Net income attributable to OMRON shareholders	8.1	16.3	+100.7%
ROIC	1.0%	1.8%	+0.8%pt
ROE	1.1%	2.1%	+1.0%pt
Average USD exchange rate (Yen)	143.9	152.6	+8.7
Average EUR exchange rate (Yen)	156.3	163.7	+7.4
Average CNY exchange rate (Yen)	20.1	21.1	+1.0

2) Results by Business Segment

IAB (Industrial Automation Business)

(Billions of yen, %)

	Year ended March 31, 2024	Year ended March 31, 2025	Change
Sales to external customers	393.6	360.8	-8.3%
Operating income	21.5	36.3	+69.0%

Sales

Capital investment demand in the manufacturing sector for the Japanese semiconductor market remained strong. At the same time, in China, demand for solar power generation investment and rechargeable battery investment remained stagnant, while in Europe and Southeast Asia, investment demand slowed for electric vehicles. Consequently, demand overall remains sluggish. As a result, sales were significantly lower year on year, impacted in part by the support of order backlogs in the first half of the previous fiscal year.

Operating Income

Operating income improved significantly year on year, despite the decrease in sales, reflecting improved gross profit margin and efforts to reduce fixed costs through structural reform.

HCB (Healthcare Business)

(Billions of yen, %)

	Year ended March 31, 2024	Year ended March 31, 2025	Change
Sales to external customers	149.7	145.9	-2.6%
Operating income	18.5	17.5	-5.3%

Sales

Market demand remained strong for our mainstay blood pressure monitors in certain regions, particularly in Japan and Europe. However, demand was stagnant in China due to a decline in consumer sentiment, leading to overall weakness. In addition, decreasing demand for nebulizers and oxygen concentrators stemming from a negative rebound from special demand related to respiratory diseases in the previous fiscal year resulted in lower net sales year on year.

Operating Income

Despite our efforts in managing fixed costs, operating income declined year on year due to the impact of lower sales and increased logistics costs.

SSB (Social Systems, Solutions and Service Business)

(Billions of yen, %)

	Year ended March 31, 2024	Year ended March 31, 2025	Change
Sales to external customers	141.6	145.6	+2.8%
Operating income	14.0	16.8	+19.7%

Sales

The storage battery systems and other businesses within the Energy Solutions Business performed well as a result of an increase in needs for captive consumption of renewable energy and subsidy programs, as well as increased investments in the industrial and commercial domains as part of accelerated efforts toward carbon neutrality. The Public Transportation System Business saw strong demand for capital investment amid strong performance among railway companies in response to a recovery in passengers and fare revisions. As a result, sales increased year on year.

Operating Income

Operating income increased significantly year on year, mainly due to the increase in sales.

DMB (Devices & Module Solutions Business)

(Billions of yen, %)

	Year ended March 31, 2024	Year ended March 31, 2025	Change
Sales to external customers	114.4	105.4	-7.8%
Operating income	3.1	0.3	-90.3%

Sales

Demand in the consumer industry remained sluggish, even as certain areas of China and elsewhere, as well as certain semiconductor-related markets, showed signs of recovery. Slow inventory turnover and production plan revisions among customers, mainly in Europe and Japan, impacted demand negatively. Despite rising demand in China, overall demand in the automobile industry was sluggish due to the curtailment of preferential measures for electric vehicles in Europe. As a result, sales were lower year on year.

Operating Income

Operating income declined significantly year on year due to the impact of the decrease in sales and soaring raw materials costs.

DSB (Data Solution Business)

(Billions of yen, %)

	Year ended March 31, 2024	Year ended March 31, 2025	Change
Sales to external customers	17.4	42.7	—
Operating income	2.2	2.8	—

Note: The Data Solution Business is a new segment established in the third quarter of the fiscal year ending March 31, 2024, and disclosures related to this segment began in the same period. This segment includes financial figures related to the OMRON Data Solution Business and financial results of JMDC, Inc. ("JMDC"), which became a consolidated subsidiary on October 16, 2023. The segment also includes amortization of intangible assets other than goodwill identified when making JMDC a consolidated subsidiary. We have not presented percentage changes herein, as such changes do not provide valid ratios for comparative purposes.

Sales

Sales rose with growth in the number of health insurance association contracts at JMDC, increasing annual transaction volume with pharmaceutical companies and insurance companies for whom we provide data, and growing numbers of medical institutions utilizing remote image interpretation services.

Operating Income

Operating income remained firm with the increase in JMDC sales, even as we made steady investments related to our solution businesses.

3) Variances Between Consolidated Performance Forecasts and Actual Results

The following describes the variances between the Company's full-year performance forecasts for the fiscal year ended March 31, 2025, announced on February 10, 2025, and the actual results announced today.

○ Variances Between Consolidated Performance Forecasts and Actual Results for the Fiscal Year Ended March 31, 2025

(Billions of yen, except percentages)

	Previous forecast	Actual results for the fiscal year ended March 31, 2025	Change in forecast (%) [Changes compared with the previous forecast]	(Reference) Actual results for the prior fiscal year ended March 31, 2024
Net sales	805.0	801.8	-3.2 [-0.4%]	818.8
Gross profit %	45.1%	44.5%	-0.5pt	42.3%
Operating income	54.0	54.0	+0.0 [+0.1%]	34.3
Income before income taxes	27.0	29.0	+2.0 [+7.4%]	35.0
Net income attributable to OMRON shareholders	12.5	16.3	+3.8 [+30.2%]	8.1
Net income per share attributable to OMRON shareholders (Yen)	63.48	82.63	+19.15	41.17

○ Reasons for Variances

Net sales and operating income were generally in line with the previous forecast. Income before income taxes and net income attributable to OMRON shareholders exceeded our previous forecast mainly due to a gain on valuation of investment securities.

(2) Recognition of one-time expenses related to Structural Reform Program NEXT2025

The OMRON Group posted one-time expenses of JPY27.8 billion the fiscal year under review (fiscal year ended March 31, 2025) due to measures implemented under Structural Reform Program NEXT2025. Having engaged in a management policy of headcount and capacity optimization as one of these measures, we ended solicitations for voluntary retirement in Japan on May 31, 2024, confirming a total 1,206 employees who opted for retirement. Overseas, a total of 1,320 employees had agreed to the retirement offer as of March 31, 2025. One-time costs associated with these measures amounted to JPY22.0 billion and have been completed as of the end of the fiscal year under review.

(3) Analysis of Financial Condition

Total assets at of the end of the fiscal year amounted to JPY1,361.8 billion, essentially level with the end of the previous fiscal year. Total liabilities amounted to JPY427.4 billion, an increase of JPY23.6 billion compared to the end of the previous fiscal year. This result reflected our efforts at external financing, including bonds, to secure funds for business operations. Total net assets amounted to JPY934.4 billion, a decrease of JPY16.6 billion compared to the end of the previous consolidated fiscal year. This result was mainly due to decreases in foreign current translation adjustments and Pension liability adjustments. The OMRON Group maintained a strong financial foundation, even though the shareholders' equity ratio decreased 1.4pt to 56.7%.

In terms of liquidity, cash on hand as of the end of the fiscal year amounted to JPY149.0 billion. Further, OMRON has signed commitment line agreements with financial institutions in the amount of JPY30.0 billion, ensuring a high level of funds available. To secure funds for growth investments, we intend to maintain high credit ratings from ratings agencies as a long-term issuer, while encouraging good relationships with financial institutions on a global basis. In this way, we believe we will ensure our ability to raise funds.

(Billions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025	Change
Total assets	1,354.7	1,361.8	+7.1
Total liabilities	403.7	427.4	+23.6
Shareholders' equity	786.7	771.9	(14.8)
Noncontrolling interests	164.3	162.5	(1.8)
Total net assets	951.0	934.4	(16.6)
Total liabilities and net assets	1,354.7	1,361.8	+7.1

(4) Summary of Cash Flows for the Year Ended March 31, 2025

Net cash provided by operating activities amounted to JPY55.8 billion, an increase of JPY10.9 billion compared to the previous fiscal year. This result was mainly due to an increase in net income and proceeds from borrowings.

Net cash used in investing activities amounted to JPY47.9 billion, mainly due to capital expenditures. This result was a decrease of JPY59.2 billion compared to the previous fiscal year. Free cash flow, which is the sum of net cash provided by operating activities and net cash used in investing activities, amounted to net cash proceeds of JPY7.9 billion, an increase of JPY70.1 billion compared to the previous fiscal year.

Net cash used in financing activities amounted to JPY4.6 billion, an increase of JPY90.6 billion compared to the previous fiscal year. This result was mainly due to external financing, including bonds, and dividend payments.

As a result, cash and cash equivalents at the end of the fiscal year amounted to JPY149.0 billion, an increase of JPY5.9 billion yen compared with the end of the previous fiscal year.

(Billions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025	Change
Cash flows from operating activities	44.9	55.8	+10.9
Cash flows from investing activities	(107.1)	(47.9)	+59.2
Free cash flow	(62.2)	7.9	+70.1
Cash flows from financing activities	86.0	(4.6)	(90.6)

Depreciation and amortization	30.8	33.5	+2.7
Capital expenditures (capital investment)	(45.4)	(49.0)	(3.6)

Note: Capital expenditures represent the amount from the consolidated statement of cash flows

(5) Basic Policy for Distribution of Profits and Dividends for the Year Ended March 31, 2025 and the Year Ending March 31, 2026

OMRON consults with our general meeting of Shareholders regarding decisions on dividends from retained earnings, with the exception of interim dividends, which are decided by resolution of the Board of Directors based on the provisions of the Articles of Incorporation. In addition, the Company will apply the following basic policy regarding the distribution of profits to shareholders, including shareholder returns.

Cash Allocation Policy

- 1) Aiming to maximize corporate value through the realization of the long-term vision, OMRON prioritizes the necessary investment to create new value from a medium- and long-term perspective. During our restructuring period (April 1, 2024 through September 30, 2025), we intend to concentrate group resources on Structural Reform Program NEXT2025, giving top priority to the investments necessary to restore business performance and restructure our foundation for earnings and growth. On this basis, OMRON will return profits to shareholders in a stable and sustainable manner.
- 2) Such investment for value creation and shareholder returns will be, in principle, sourced from internal reserves and operating cash flows that are generated continually, with appropriate financing facilities used as necessary. We will maintain a degree of financial soundness that allows us to seek financing regardless of the current financial situation.

Shareholder Return Policy

- 1) We will prioritize investments necessary for value creation from a medium- to long-term perspective, establishing a dividend on equity (DOE) target of approximately 3% as a standard for annual dividends. Taking past dividend payments also into account, we intend to ensure stable and continuing shareholder returns.
- 2) After making the above investments and distributing profit to shareholders, OMRON will distribute retained earnings accumulated over the long term to its shareholders through strategic share buybacks and other measures.

For the current fiscal year (ended March 31, 2025), we plan to pay a year-end dividend of JPY52 per share for the purpose of stable, ongoing dividends in light of company earnings, DOE standards, and past dividend levels. Combined with an interim dividend of JPY52 per share implemented on December 3, 2024, our full-year dividend will amount to JPY104 per share. For the next fiscal year (ending March 31, 2026), we plan to pay an annual dividend of JPY104 per share in line with the policy above and in consideration of the uncertain economic outlook. The interim dividend (end of the second quarter) and year-end dividend for the next fiscal year have not been determined yet.

(6) Outlook for the Year Ending March 31, 2026

1) General Outlook

The business environment surrounding the OMRON Group over the next fiscal year (ending March 31, 2026) will likely see a weakness in demand recovery in the factory automation industry. However, we plan to grow sales in each segment through heightened customer-driven initiatives and by completing the restructuring in our earnings and growth foundation under NEXT2025, which we began in the fiscal year ended March 31, 2025. We will also accelerate investments toward medium- to long-term growth, particularly in the Industrial Automation Business.

Meanwhile, the business environment will likely remain extremely uncertain, with the global economy affected by movement toward tariffs in the United States. Depending on the impact of the tariffs imposed by the U.S., we expect the risk of negative impacts on OMRON Group performance forecasts to be up to JPY15 billion in net sales and JPY9 billion in operating income. In response to U.S. tariff measures, we will demonstrate our ability to respond to change and implement tactics that include selling price adjustments and moves toward a more resilient supply chain management.

Given the preceding, we plan to raise sales and profit in the next fiscal year compared to the fiscal year under review. However, we have decided to adopt a range of figures for sales and profit line items, considering the possibility of performance fluctuations due to tariff measures in the U.S. We incorporated this risk of fluctuations in sales and operating income forecasts by segment under the column, *risk of fluctuations in company-wide earnings*.

Our outlook for the next fiscal year is as described below. For the time being, our forecasts reflect a range of results. We intend to publish a new announcement when we have more certainty in the forecast figures increases.

(Billions of yen, except exchange rate data, Net income per share and percentages)

	Year ended March 31, 2025	Year ending March 31, 2026	Year-on-year change
Net sales	801.8	835.0~820.0	+4.1~+2.3%
Gross profit margin	44.5%	44.7~44.2%	(+0.2~-0.3pt)
Operating income	54.0	65.0~56.0	+20.3~+3.6%
Income before income taxes	29.0	58.0~49.0	+100.0~+69.0%
Net income attributable to OMRON shareholders	16.3	35.5~29.0	+118.2~+78.2%
Net income per share attributable to OMRON shareholders (Yen)	82.63	180.30~ 147.29	(+97.67~ +64.66)
Average USD exchange rate (Yen)	152.6	140.0	-12.6
Average EUR exchange rate (Yen)	163.7	160.0	-3.7
Average CNY exchange rate (Yen)	21.1	20.0	-1.1

2) Outlook by Segment

We have not incorporated the risk of the impact of tariff measures in the U.S. in each segment forecast.

IAB (Industrial Automation Business)

(Billions of yen, %)

	Year ended March 31, 2025	Year ending March 31, 2026	Change
Sales to external customers	360.8	371.0	+2.8%
Operating income	36.3	40.0	+10.3%

Sales

We expect AI-related demand to continue rising in connection with semiconductor-related investment demand. However, investments in China will likely move into an adjustment phase. We expect strong domestic demand for electric vehicle (EV) investment in China as EVs become more popular. At the same time, we project investment to remain weak outside of China. Given the circumstances, we intend to engage in stronger customer-focused measures to grow sales, expecting overall performance to grow year on year.

Operating Income

Even as we accelerate investments for future growth, we still expect operating income in the next fiscal year to be higher than in the previous year, supported by increased sales and more efficient fixed cost management.

HCB (Healthcare Business)

(Billions of yen, %)

	Year ended March 31, 2025	Year ending March 31, 2026	Change
Sales to external customers	145.9	150.0	+2.8%
Operating income	17.5	18.5	+5.8%

Sales

We expect global blood pressure meter demand to grow at a steady, but decelerating pace. Personal consumption in China has shown no sign of recovery, and we expect the outlook for demand to remain uncertain. In response, we intend to boost sales through growing online channels globally and continue to capture expanding demand in emerging countries. These developments should result in higher year-on-year net sales in the next fiscal year.

Operating Income

We expect operating income for the next fiscal year to increase over the current fiscal year through efforts to increase sales, accelerate manufacturing cost reductions, and manage fixed costs prudently.

SSB (Social Systems, Solutions and Service Business)

(Billions of yen, %)

	Year ended March 31, 2025	Year ending March 31, 2026	Change
Sales to external customers	145.6	152.0	+4.4%
Operating income	16.8	20.0	+19.1%

Sales

We expect demand for renewable energy-related products in the residential and industrial domains in our Energy Solutions Business to remain firm given soaring energy prices and ongoing efforts toward carbon neutrality. Our Public Transportation System Business should see ongoing and firm capital investment among customers. These developments should result in higher year-on-year net sales in the next fiscal year.

Operating Income

We expect operating income for the next fiscal year to increase significantly over the current fiscal year through efforts to increase sales and raise productivity.

DMB (Devices & Module Solutions Business)

(Billions of yen, %)

	Year ended March 31, 2025	Year ending March 31, 2026	Change
Sales to external customers	105.4	110.0	+4.3%
Operating income	0.3	4.0	—

Sales

Demand in the consumer industry will likely remain flat in general. However, we expect demand to be strong in the energy-related and semiconductor-related industries, where we have placed our focus. This demand will likely be driven by increased investment in AI, and we intend to capture growing demand through new applications that meet customer needs, as well as other means. These developments should result in higher year-on-year net sales in the next fiscal year.

Operating Income

Soaring raw material prices and other factors continue to have a negative impact on profit. However, we expect operating income to increase in the next fiscal year compared with the current fiscal year, mainly due to increased sales, efforts to optimize prices, and profit improvement measures.

DSB (Data Solution Business)

(Billions of yen, %)

	Year ended March 31, 2025	Year ended March 31, 2026	Change
Sales to external customers	42.7	50.5	+18.2%
Operating income	2.8	5.0	+76.8%

Note: This segment includes financial figures related to the OMRON Data Solution Business and financial results of consolidated subsidiary JMDC, Inc. ("JMDC"). The segment also includes amortization of intangible assets other than goodwill identified when making JMDC a consolidated subsidiary.

Sales

We expect the trend of medical data use, mainly by pharmaceutical companies, to continue to grow as part of the JMDC business. We also expect demand for services for insurers and consumers to grow further as individuals become more conscious of health and prevention. These developments should result in higher year-on-year net sales in the next fiscal year.

Operating Income

We forecast operating income to increase year on year in answer to our efforts to increase net sales.

2. Management Policies

(1) OMRON's Basic Management Policies

Since our founding, the mission of the OMRON Group has been to improve lives and contribute to a better society by solving social issues through our businesses. Through the practice of the OMRON Principles, we strive for sustainable improvement in corporate value and engage in management based on these principles.

(2) Medium- to Long-Term Corporate Management Strategy

Overview of Long-Term Vision Shaping the Future 2030

The OMRON Group engages in business management based on our Long-Term Vision, Shaping the Future 2030 (SF2030), which covers fiscal years 2022 to 2030. As society enters a period of change, we have written a story of our own transformation and the creation of new value in SF2030 to solve social issues and contribute to all stakeholders, including investors. Many new social issues will arise over the future. Working from the perspective of leveraging OMRON Group strengths in automation, our customer assets, and business assets, we identified three social issues for the OMRON Group to address that will have an outsized social impact in the future: (1) Achieving Carbon Neutrality; (2) Realizing a Digital Society; and (3) Extending Healthy Life Expectancy. To solve these issues, we revised the OMRON Group business domains under SF2030, establishing four domains and defining social value within these domains. In the Industrial Automation domain, we contribute to the advancement of manufacturing that will support a sustainable society. In the Healthcare Solutions domain, we contribute to the achievement of Zero Events of cardiovascular diseases. In the Social Solutions domain, we contribute to the spread and efficient use of renewable energy and the sustainability of the infrastructure supporting a digital society. In addition, in the Device & Module Solutions domain, we contribute spread of new energy and high-speed communications. Under SF2030, we intend to contribute to the creation of sustainable societies and enhance corporate value by integrating our businesses with principles of sustainability.

* See the Company's Long-Term Vision presentation materials for more information.

https://www.omron.com/global/en/ir/irlib/sf_info/

Implementing Structural Reform Program NEXT2025 in Response to Rapid Changes in the Business Environment; Progress Through the Fiscal Year Ended March 31, 2025

We planned SF2030 initially as a series of three-year medium-term management plans, updated every three years, beginning in fiscal 2022. Our first medium-term management plan, SF 1st Stage, identified fiscal 2024 as a goal year for accelerating the transformation of our capabilities toward value creation and sustainable growth in response to social challenges. However, the business environment deteriorated more than expected during fiscal 2023 due to the slowdown of the Chinese economy and supply chain disruptions. The Company was unable to respond to this rapid change in the environment as operations of certain businesses and areas driving Company growth were unbalanced, resulting in a significant decline in company performance.

To improve this situation, the Company has been quick to take steps to streamline fixed costs, beginning in the third quarter of fiscal 2023. However, to work on more fundamental solutions to our essential issues, we began operating under Structural Reform Program NEXT2025, designating the period from April 2024 to September 2025 as a period to concentrate on restoring business performance and restructuring our foundation for earnings and growth. To concentrate company-wide resources on NEXT2025, we revised SF 1st Stage and designated the period from fiscal 2026 to fiscal 2030, after the completion of NEXT2025, as the next medium-term management plan, SF 2nd Stage.

Under Structural Reform Program NEXT2025, the Company intends to implement five management measures to ensure sustainable sales growth and profitability, as well as to achieve sustainable enhancement of corporate value.

Specifically, these measures are as follows:

Immediate Restructuring of the Industrial Automation Business

Initiatives to Return the Industrial Automation Business to Growth	
Initial Plan	To return the Industrial Automation Business to growth, the Company intends to revise strategies and plans for the business from a customer-driven, effective perspective. Specifically, we will review resource allocation and accelerate the implementation of measures during structural reform period to maximize Industrial Automation Business operating income margin and secure a foundation for growth expected under SF2030.
Current Fiscal-Year Results	We completed an analysis of factors contributing to poor performance and developed a transformation plan. We established 10 task forces to complete the transformation. We made progress in general as planned, working to complete measures by the end of September 2025.
Plan for the Next Fiscal Year	We plan to complete the 10 task force measures and introduce new measures, including maintaining and strengthening our customer base for further growth and medium-term expansion of the solutions business.

Rebuilding the Foundation for Profitability and Growth

1. Portfolio Optimization	
Initial Plan	The Company intends to optimize business, product, and area portfolios to build greater resilience in each business to deal with changes in the business environment, achieving both sustainable growth and profitability. At the same time, the Data Solution Business will take the lead in accelerating the creation of data solution businesses within the Industrial Automation Business, Healthcare Business, and Social Systems Business, leveraging the capabilities of JMDC.
Fiscal-Year Results	We completed a reevaluation of all businesses and made priority investments in growth businesses/areas. We also engaged in initiatives to monetize low-profit businesses or investigate the winding up of businesses. We accelerated research and execution into co-creation in the Industrial Automation Business, Healthcare Business, and Social Systems, Solutions and Service Business to create synergies with JMDC.
Plan for the Next Fiscal Year	Complete actions on winding up businesses and prioritize investments in focus domains.
2. Headcount and Capacity Optimization	
Initial Plan	The Company intends to optimize the number and capacity of our global headcount to create a labor and cost structure allowing us to build customer value and achieve profitable growth.
Fiscal-Year Results	A total of 2,526 employees in Japan and abroad have retired or have agreed to retire, completing our headcount optimization. We also implemented measures to make optimal assignments and strengthen our management personnel.
Plan for the Next Fiscal Year	We will continue with measures to strengthen the capabilities of our management team and strengthen key human resources for business growth.
3. Fixed Cost Productivity Improvements	
Initial Plan	The Company will pursue the maximization of fixed cost productivity across the entire OMRON Group. Specifically, we intend to adopt and apply consistent fixed cost discipline to maintain an SG&A expenses ratio under 30% over the medium term (under 28% when excluding JMDC; fiscal 2023 result was 32.0%).
Fiscal-Year Results	We exercised consistent fixed cost management based on new fixed cost discipline and initiatives to improve fixed cost productivity (consolidated indirect material purchasing; office consolidation). Through our efforts, we reduced fixed costs by approximately JPY26 billion for the fiscal 2024.
Plan for the Next Fiscal Year	We intend to complete fixed cost productivity program.

4. Introduction and Operation of a Customer-Driven Management System	
Initial Plan	The Company intends to introduce and execute measures to orient management, business, and headquarters management toward customer-driven thinking and behavior.
Fiscal-Year Results	After defining a customer-driven approach as the guideline for the company, we established KPIs across all departments to encourage the practice of customer-driven thinking and actions. We also designed and implemented new personnel policies to help management practice customer-driven thinking and behavior.
Plan for the Next Fiscal Year	We plan to conduct KPI management consistently as implemented this fiscal year, linking KPIs to achieve better results.

Structural Reform Program NEXT2025 is making progress as planned. We have made significant headway toward rebuilding a foundation for earnings and growth. We will implement each measure and pursue results consistently over the remaining period through September 2025.

(3) Management Plan for the Next Fiscal Year

We intend to complete Structural Reform Program NEXT 2025 under a company-wide policy of *All for Creating Customer Value: Identify Changes in Demand and Take Agile Action to Maximize Sales*. We plan to deliver the results of our actions in the form of business performance. We aim to achieve between JPY820.0 billion and JPY835.0 billion in net sales, with gross profit margin of between 44.2% and 44.7%, and operating income between JPY56.0 billion and JPY65.0 billion.

Financial Targets

Financial Targets	(Billions of yen, %)	
	FY2024 (Results)	FY2025 (Plan)
Net sales	801.8	835.0~820.0
Operating income	54.0	65.0~56.0
ROIC	1.8%	Approx.4~3%
ROE	2.1%	Approx.4~3%
EPS (yen)	83	180~147

Non-Financial Targets (Results as of the Fiscal Year Ended March 31, 2025)

Non-Financial Targets ^(*4, *5)	FY2024 (Plan) ^(*1)	FY2024 (Results)
1) Increase sustainability sales ^(*2) 45% vs. FY2021 (reflects contribution to solving 3 social issues)	+35% (vs. FY2021)	+29% (vs. FY2021)
2) Raise the ratio of women in management roles above 18% on a global basis	19.2%	19.3% ^{*3}
3) Hire disabled individuals at 28 overseas bases; maintain 3% level achieved in Japan	Continue overseas monitoring Japan: 3% or more	Continue overseas monitoring More than 3% in Japan ^(*3)
4) Reduce Scope 1 and 2 GHG emissions by 53% versus FY2016	68% reduction (vs. FY2016)	74% reduction ^(*3) (vs. FY2016)
5) Achieve Carbon Zero at all 76 domestic locations	76 locations	Achieve in all locations
6) Implement human rights due diligence in alignment with UNGP and develop mechanisms for remedying abuses in the value chain	Implement human rights due diligence, establish and operate redress mechanisms	Establish PDCA cycle system and conduct human rights DD
7) Continue to make solid advances on sustainability initiatives to maintain inclusion in DJSI World	Selected to DJSI World	Selected to DJSI World
8) 100% participation by global managers in management training to effectively capitalize on the capabilities of diverse human resources	More than 80% of managers with subordinates in Japan	Japan 91%
9) In all regions, introduce a training program covering the basic knowledge required for DX: statistics, data analytics, AI and others	Training continuing in all areas except Japan	Training continuing in all areas except Japan
10) Make full use of digital tools to reduce use of paper	54% reduction (vs. FY2019)	58% reduction or more (vs. FY2019)
+1 Top management of each region to declare their commitment to contribute to local communities in alignment with the OMRON Sustainability Policy	Declaration/execution ongoing in all areas	Declaration/execution in all areas

(*1) Target value set for FY2024

(*2) Net sales of focus domains related to *achievement of carbon neutrality, realization of a digital society*, and *extension of healthy life expectancies*.

(*3) Estimates as the end of FY2024.

(*4) Non-financial targets (8) through (10) were determined by employee vote.

(*5) The figures shown under non-financial targets represent the targets established initially in FY2022 for SF 1st Stage.

3. Basic Stance on the Selection of Accounting Standards

The OMRON Group has adopted U.S. GAAP, an international accounting standard, to secure the trust of stakeholders worldwide.

4. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024		As of March 31, 2025		Increase (decrease)
		%		%	
ASSETS					
Current assets:	547,603	40.4	539,336	39.6	(8,267)
Cash and cash equivalents	143,086		149,023		5,937
Notes and accounts receivable-trade	172,268		172,967		699
Allowance for doubtful receivables	(1,058)		(1,263)		(205)
Inventories	174,034		172,953		(1,081)
Other current assets	59,273		45,656		(13,617)
Property, plant and equipment, net:	136,775	10.1	135,077	9.9	(1,698)
Investments and other assets:	670,351	49.5	687,377	50.5	17,026
Right-of-use assets under operating leases	54,383		47,023		(7,360)
Goodwill	361,783		361,181		(602)
Other intangible assets	108,881		115,236		6,355
Investments in and advances to affiliates	13,931		15,799		1,868
Investment securities	33,897		41,114		7,217
Leasehold deposits	7,883		7,472		(411)
Prepaid benefit cost	65,267		63,578		(1,689)
Deferred income taxes	19,382		27,503		8,121
Other assets	4,944		8,471		3,527
Total assets	1,354,729	100.0	1,361,790	100.0	7,061

(Millions of yen)

	As of March 31, 2024		As of March 31, 2025		Increase (decrease)
		%		%	
LIABILITIES					
Current liabilities	231,160	17.1	233,283	17.1	2,123
Notes and accounts payable-trade	82,548		91,620		9,072
Short-term borrowings	22,548		16,276		(6,272)
Current portion of long-term borrowings	6,451		4,096		(2,355)
Accrued expenses	47,345		45,270		(2,075)
Income taxes payable	6,457		6,705		248
Short-term operating lease liabilities	13,385		12,807		(578)
Other current liabilities	52,426		56,509		4,083
Deferred income taxes	16,419	1.2	16,273	1.2	(146)
Termination and retirement benefits	8,310	0.6	8,279	0.6	(31)
Long-term borrowings	92,075	6.8	79,199	5.8	(12,876)
Bonds payable	—	—	39,889	2.9	39,889
Long-term operating lease liabilities	38,299	2.8	31,936	2.4	(6,363)
Other long-term liabilities	17,473	1.3	18,499	1.4	1,026
Total liabilities	403,736	29.8	427,358	31.4	23,622
NET ASSETS					
Shareholders' equity	786,686	58.1	771,885	56.7	(14,801)
Common stock	64,100	4.7	64,100	4.7	—
Capital surplus	98,997	7.3	100,161	7.4	1,164
Legal reserve	27,457	2.0	29,471	2.2	2,014
Retained earnings	556,705	41.1	550,485	40.4	(6,220)
Accumulated other comprehensive income	109,396	8.1	97,632	7.2	(11,764)
Foreign currency translation adjustments	95,767		88,186		(7,581)
Pension liability adjustments	13,608		9,446		(4,162)
Net gains on derivative instruments	21		—		(21)
Treasury stock	(69,969)	(5.1)	(69,964)	(5.2)	5
Noncontrolling interests	164,307	12.1	162,547	11.9	(1,760)
Total net assets	950,993	70.2	934,432	68.6	(16,561)
Total liabilities and net assets	1,354,729	100.0	1,361,790	100.0	7,061

(2) Consolidated Statements of Operations and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Operations)

(Millions of yen)

	Year ended March 31, 2024		Year ended March 31, 2025		Increase (decrease)
		%		%	
Net sales	818,761	100.0	801,753	100.0	(17,008)
Cost of sales	472,297	57.7	444,611	55.5	(27,686)
Gross profit	346,464	42.3	357,142	44.5	10,678
Selling, general and administrative expenses	261,978	32.0	258,765	32.3	(3,213)
Research and development expenses	50,144	6.1	44,339	5.5	(5,805)
Operating income	34,342	4.2	54,038	6.7	19,696
Restructuring expenses	—	—	27,781	3.5	27,781
Other income, net	(611)	(0.1)	(2,744)	(0.4)	(2,133)
Income before income taxes	34,953	4.3	29,001	3.6	(5,952)
Income taxes	10,485	1.3	13,449	1.6	2,964
Current	16,818		18,774		1,956
Deferred	(6,333)		(5,325)		1,008
Share of loss of entities accounted for using equity method	14,519	1.8	679	0.1	(13,840)
Net income	9,949	1.2	14,873	1.9	4,924
Net income attributable to noncontrolling interests	1,844	0.2	(1,398)	(0.1)	(3,242)
Net income attributable to OMRON shareholders	8,105	1.0	16,271	2.0	8,166

Note: Restructuring expenses reflect the sum of one-time expenses of JPY22,035 million associated with headcount and capacity optimization, as well as other restructuring expenses of JPY5,746 million.

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025	Increase (decrease)
Net income	9,949	14,873	4,924
Other comprehensive income (loss), net of tax			
Foreign currency translation adjustments	44,771	(7,621)	(52,392)
Pension liability adjustments	24,834	(4,162)	(28,996)
Net gains on derivative instruments	192	(21)	(213)
Other comprehensive income (loss)	69,797	(11,804)	(81,601)
Comprehensive income	79,746	3,069	(76,677)
(Breakdown)			
Comprehensive income (loss) attributable to noncontrolling interests	2,192	(1,438)	(3,630)
Comprehensive income attributable to OMRON shareholders	77,554	4,507	(73,047)

(3) Consolidated Statements of Changes in Shareholders' Equity

(Millions of yen)

	Common stock	Capital surplus	Legal reserve	Retained earnings	Accumulated other comprehensive income	Treasury stock	Shareholders' equity	Noncontrolling interests	Total net assets
Balance, March 31, 2023	64,100	98,506	24,729	571,807	39,947	(70,616)	728,473	2,754	731,227
Net income				8,105			8,105	1,844	9,949
Cash dividends paid to OMRON Corporation shareholders				(20,479)			(20,479)		(20,479)
Cash dividends paid to noncontrolling interests							—	(581)	(581)
Equity transactions with noncontrolling interests and other		(54)					(54)	65	11
Increase in consolidated subsidiaries - noncontrolling interests							—	159,877	159,877
Stock-based payment		619				666	1,285		1,285
Transfer to legal reserve			2,728	(2,728)			—		—
Foreign currency translation adjustments					44,423		44,423	348	44,771
Pension liability adjustments					24,834		24,834		24,834
Net gains (losses) on derivative instruments					192		192		192
Acquisition of treasury stock and other		(74)				(19)	(93)		(93)
Balance, March 31, 2024	64,100	98,997	27,457	556,705	109,396	(69,969)	786,686	164,307	950,993
Net income				16,271			16,271	(1,398)	14,873
Cash dividends paid to OMRON Corporation shareholders				(20,477)			(20,477)		(20,477)
Cash dividends paid to noncontrolling interests							—	(1,466)	(1,466)
Equity transactions with noncontrolling interests and other		(197)					(197)	162	(35)
Increase in consolidated subsidiaries - noncontrolling interests							—	982	982
Stock-based payment		1,376				13	1,389		1,389
Transfer to legal reserve			2,014	(2,014)			—		—
Foreign currency translation adjustments					(7,581)		(7,581)	(40)	(7,621)
Pension liability adjustments					(4,162)		(4,162)		(4,162)
Net gains (losses) on derivative instruments					(21)		(21)		(21)
Acquisition of treasury stock and other		(15)				(8)	(23)		(23)
Balance, March 31, 2025	64,100	100,161	29,471	550,485	97,632	(69,964)	771,885	162,547	934,432

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2024		Year ended March 31, 2025	
I Operating Activities:				
1. Net income		9,949		14,873
2. Adjustments to reconcile net income to net cash provided by operating activities:				
(1) Depreciation and amortization	30,816		33,450	
(2) Share of loss of entities accounted for using equity method	14,519		679	
(3) Gain on valuation of investment securities	(6,731)		(12,313)	
(4) Loss on impairment of goodwill	—		11,725	
(5) Decrease (increase) in notes and accounts receivable - trade	27,341		(1,542)	
(6) Decrease (increase) in inventories	12,054		(449)	
(7) Increase (decrease) in notes and accounts payable-trade	(17,918)		7,835	
(8) Others, net	(25,155)	34,926	1,526	40,911
Net cash provided by operating activities		44,875		55,784
II Investing Activities:				
1. Proceeds from sale of investment securities		24,774		6,258
2. Purchases of investment securities		(3,299)		(2,042)
3. Capital expenditures		(45,378)		(48,993)
4. Business and company acquisitions (net of cash acquired)		(82,173)		(6,316)
5. Proceeds from sale of property, plant and equipment		539		1,497
6. Collection of loans receivable		39		2,206
7. Increase in investments in and loans to affiliates, net		(1,121)		(2,617)
8. Business and company sales (net of cash outlays)		—		2,410
9. Others, net		(477)		(292)
Net cash used in investing activities		(107,096)		(47,889)
(Reference) Free cash flow		(62,221)		7,895
III Financing Activities:				
1. Increase (decrease) in short-term debt, net		3,228		9,209
2. Proceeds from short-term borrowings		101,281		1,500
3. Repayments of short-term borrowings		(85,500)		(17,083)
4. Proceeds from long-term borrowings		88,000		32,195
5. Repayments of long-term borrowings		(485)		(48,089)
6. Proceeds from issuance of bonds		—		40,000
7. Dividends paid by OMRON corporation		(19,885)		(20,474)
8. Dividends paid to noncontrolling interests		(581)		(1,466)
9. Others, net		(71)		(400)
Net cash provided by (used in) financing activities		85,987		(4,608)
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents		14,041		2,650
Net increase (decrease) in cash and cash equivalents		37,807		5,937
Cash and cash equivalents at beginning of the year		105,279		143,086
Cash and cash equivalents at end of the year		143,086		149,023

Note: *Free cash flow* is cash flow from operating activities plus cash flow from investing activities.

(5) Notes Regarding Consolidated Financial Statements

(Notes Regarding Assumptions of Going Concern)

None applicable

(Per-Share Information)

In calculating earnings per share, the Company applies FASB ASC 260, Earnings per Share.

The number of shares used to calculate net income and diluted income per share attributable to OMRON shareholders are as follows.

Number of Shares (in shares)	Year ended March 31, 2024	Year ended March 31, 2025
Basic	196,885,094	196,900,793
Diluted	—	—

Note: The number of diluted shares for the fiscal years ended March 31, 2024 and 2025 are not presented as there are no dilutive shares.

(Main Components of Other Income, Net)

The following table presents the main components of other income, net.

Year ended March 31, 2024

Foreign exchange loss	4,599	Million yen
Net loss on sale and disposals of property, plant and equipment	1,517	
Net periodic benefit costs	1,762	
Loss on valuation of investment securities, net	(6,731)	
Impairment losses on long-lived assets	1,285	
Government grants	(1,357)	
Gain on transfer of business	(328)	
Compensation income	(903)	
Litigation expenses	1,939	
Interest income, net	(2,122)	

Year ended March 31, 2025

Foreign exchange loss	1,732	Million yen
Net loss on sale and disposals of property, plant and equipment	1,175	
Net periodic benefit costs	1,120	
Gain on valuation of investment securities, net	(12,313)	
Impairment losses on long-lived assets	895	
Government grants	(1,300)	
Gain on transfer of business	(2,956)	
Compensation income	(480)	
Interest income, net	(2,189)	
Loss on impairment of goodwill	11,725	

(Notes Regarding Significant Subsequent Events)

None applicable

(Notes Concerning Segment Information)

Operating Segment Information

ASC 280, "Segment Reporting," establishes the disclosure of information about operating segments in financial statements. Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

The Company discloses operating segment information in five operating segments: "IAB," "HCB," "SSB," "DMB," and "DSB". These segments are mainly separated based on the Companies' consideration of their nature of the products and the business standing in the group.

The primary products included in each segment are as follows:

(1) IAB: Industrial Automation Business

.....Programmable controllers, motion controllers, sensing devices, industrial camera/code reader devices, inspection systems, safety devices and industrial robots

(2) HCB: Healthcare Business

.....Digital blood pressure monitors, nebulizers, low-frequency therapy equipment, ECGs, oxygen concentrators, digital thermometers, body composition monitors, pedometers and activity meters, electric toothbrushes, massagers, blood glucose monitors, vascular screening devices, visceral fat monitors, remote patient monitoring systems and telemedicine service

(3) SSB: Social Systems, Solutions and Service Business

.....Energy business (solar power generation, storage battery systems), railway station service systems, traffic and road management systems, card payment services, IoT (power protection, data protection) solutions, software development and comprehensive maintenance service business

(4) DMB: Devices & Module Solutions Business

.....Relays, switches, connectors, IoT communication modules, general sensors, amusement components and units, face recognition software, image sensing component and MEMS^(Note) sensors

Note: MEMS: Micro Electro Mechanical Systems

(5) DSB: Data Solution Business

.....Data healthcare business, corporate health business, smart M&S (management service solutions) business, carbon neutral solutions business, data-based solutions business, and self-reliance support business

The segment information is presented in accordance with accounting principles generally accepted in the United States of America.

Revenues and expenses directly associated with specific segments are disclosed in the figures of each segment's operating results. Based on the Company's allocation method used by management to evaluate results of each segment, revenues and expenses not directly associated with specific segments are allocated to each segment or included in "Eliminations and Others."

Segment income is presented as gross profit less selling, general and administrative expenses and research and development expenses. Restructuring expenses, other income, net, income taxes, share of loss (profit) of entities accounted for using equity method are not deducted.

Business Segment Information

Year ended March 31, 2024 (April 1, 2023 - March 31, 2024)

(Millions of yen)

	IAB	HCB	SSB	DMB	DSB	Total	Eliminations and Others	Consolidated
Sales								
1. Sales to external customers	393,572	149,726	141,600	114,357	17,370	816,625	2,136	818,761
2. Intersegment sales	5,207	238	13,276	37,500	115	56,336	(56,336)	—
Total	398,779	149,964	154,876	151,857	17,485	872,961	(54,200)	818,761
Operating expenses	377,316	131,501	140,855	148,709	15,301	813,682	(29,263)	784,419
Segment income	21,463	18,463	14,021	3,148	2,184	59,279	(24,937)	34,342

Notes: 1. The value of intersegment transactions is in accordance with the value of transactions with external customers.

2. The DSB is a new segment established in the third quarter of the fiscal year ending March 31, 2024, and disclosures related to this segment began in the same period.

3. “Eliminations and Others” include not allocated expenses and eliminations of intersegment transactions and the head office divisions and others.

Year ended March 31, 2025 (April 1, 2024 - March 31, 2025)

(Millions of yen)

	IAB	HCB	SSB	DMB	DSB	Total	Eliminations and Others	Consolidated
Sales								
1. Sales to external customers	360,799	145,866	145,631	105,441	42,738	800,475	1,278	801,753
2. Intersegment sales	4,722	333	12,402	37,299	439	55,195	(55,195)	—
Total	365,521	146,199	158,033	142,740	43,177	855,670	(53,917)	801,753
Operating expenses	329,245	128,717	141,247	142,434	40,349	781,992	(34,277)	747,715
Segment income	36,276	17,482	16,786	306	2,828	73,678	(19,640)	54,038

Notes: 1. The value of intersegment transactions is in accordance with the value of transactions with external customers.

2. The DSB includes financial figures related to the OMRON Data Solution Business and JMDC financial figures, as well as the amortization of intangible assets other than goodwill identified as a result of the consolidation of JMDC as a subsidiary.

3. “Eliminations and Others” include not allocated expenses and eliminations of intersegment transactions and the head office divisions and others.

Sales by Geographical Region

Year ended March 31, 2024 (April 1, 2023 - March 31, 2024) (Millions of yen)

Segments	IAB	HCB	SSB	DMB	DSB	Total	Eliminations and Others	Consolidated
Sales to external customers								
Japan	127,162	24,500	140,572	37,832	16,796	346,862	2,136	348,998
Americas	41,772	28,205	—	16,172	—	86,149	—	86,149
Europe	84,244	27,996	—	16,689	—	128,929	—	128,929
Greater China	92,372	51,283	213	28,063	1	171,932	—	171,932
Southeast Asia and Others	48,018	17,228	—	15,429	—	80,675	—	80,675
Direct Exports	4	514	815	172	573	2,078	—	2,078
Total	393,572	149,726	141,600	114,357	17,370	816,625	2,136	818,761

Year ended March 31, 2025 (April 1, 2024 - March 31, 2025) (Millions of yen)

Segments	IAB	HCB	SSB	DMB	DSB	Total	Eliminations and Others	Consolidated
Sales to external customers								
Japan	113,969	24,743	144,989	28,173	41,952	353,826	1,278	355,104
Americas	40,052	28,175	—	16,518	—	84,745	—	84,745
Europe	74,649	31,971	—	12,767	—	119,387	—	119,387
Greater China	85,360	42,242	30	32,331	4	159,967	—	159,967
Southeast Asia and Others	46,769	18,223	—	15,536	—	80,528	—	80,528
Direct Exports	0	512	612	116	782	2,022	—	2,022
Total	360,799	145,866	145,631	105,441	42,738	800,475	1,278	801,753

Notes 1. *Eliminations & Corporate* include the head office divisions and other.

2. Major countries or regions belonging to segments other than Japan are as follows:

- (1) Americas: The United States of America, Canada and Brazil
- (2) Europe: The Netherlands, Great Britain, Germany, France, Italy and Spain
- (3) Greater China: China, Hong Kong, Taiwan
- (4) Southeast Asia and Others: Singapore, South Korea, India and Australia
- (5) Direct Exports: Direct delivery exports

The reconciliations of total segment income to income before income taxes for the previous and current consolidated fiscal years are as follows.

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Segment income	59,279	73,678
Restructuring expenses	—	27,781
Other income, net	(611)	(2,744)
Eliminations and Others	(24,937)	(19,640)
Income before income taxes	34,953	29,001

Note: Restructuring expenses reflect the sum of one-time expenses of JPY22,035 million associated with headcount and capacity optimization, as well as other restructuring expenses of JPY5,746 million.

5. Supplementary Information

(1) Projected Consolidated Performance by Business Segment

(Billions of yen)

		Year ended March 31, 2025	Year ending March 31, 2026	Year-on-year change
IAB	Sales to external customers	360.8	371.0	102.8%
	Operating income	36.3	40.0	110.3%
HCB	Sales to external customers	145.9	150.0	102.8%
	Operating income	17.5	18.5	105.8%
SSB	Sales to external customers	145.6	152.0	104.4%
	Operating income	16.8	20.0	119.1%
DMB	Sales to external customers	105.4	110.0	104.3%
	Operating income	0.3	4.0	—
DSB	Sales to external customers	42.7	50.5	118.2%
	Operating income	2.8	5.0	176.8%
Eliminations and Others	Sales to external customers	1.3	1.5	—
	Operating income	(19.6)	(22.5)	—
Risk of fluctuations in company-wide earnings	Sales to external customers	—	0.0 ~ (15.0)	—
	Operating income	—	0.0 ~ (9.0)	—
Consolidated	Sales to external customers	801.8	835.0 ~ 820.0	104.1 ~ 102.3%
	Operating income	54.0	65.0 ~ 56.0	120.3 ~ 103.6%

(Note) The risk of fluctuations in company-wide earnings reflects the impact of demand fluctuation risk due to U.S. tariff policy and the impact of increased internal costs.

(2) Projected Consolidated Net Sales by Business Segment

(Billions of yen)

		Year ended March 31, 2025	Year ending March 31,2026	Year-on-year change
IAB	Japan	114.0	123.0	107.9%
	Americas	40.1	41.0	102.4%
	Europe	74.6	74.5	99.8%
	Greater China	85.4	85.5	100.2%
	Southeast Asia and Others	46.8	47.0	100.5%
	Direct Exports	0.0	—	—
	Total	360.8	371.0	102.8%
HCB	Japan	24.7	26.5	107.1%
	Americas	28.2	30.5	108.3%
	Europe	32.0	32.0	100.1%
	Greater China	42.2	42.5	100.6%
	Southeast Asia and Others	18.2	18.0	98.8%
	Direct Exports	0.5	0.5	97.7%
	Total	145.9	150.0	102.8%
SSB	Japan	145.0	151.0	104.1%
	Americas	—	—	—
	Europe	—	—	—
	Greater China	0.0	—	—
	Southeast Asia and Others	—	—	—
	Direct Exports	0.6	1.0	155.8%
	Total	145.6	152.0	104.4%
DMB	Japan	28.2	28.5	101.2%
	Americas	16.5	19.5	118.1%
	Europe	12.8	13.0	101.8%
	Greater China	32.3	33.0	102.1%
	Southeast Asia and Others	15.5	16.0	103.0%
	Direct Exports	0.1	—	—
	Total	105.4	110.0	104.3%
DSB	Japan	42.0	50.5	120.4%
	Americas	—	—	—
	Europe	—	—	—
	Greater China	0.0	—	—
	Southeast Asia and Others	—	—	—
	Direct Exports	0.8	—	—
	Total	42.7	50.5	118.2%
Eliminations and Others	Japan	1.3	1.5	—
	Americas	—	—	—
	Europe	—	—	—
	Greater China	—	—	—
	Southeast Asia and Others	—	—	—
	Direct Exports	—	—	—
	Total	1.3	1.5	—
Consolidated	Japan	355.1	381.0	107.3%
	Americas	84.7	91.0	107.4%
	Europe	119.4	119.5	100.1%
	Greater China	160.0	161.0	100.6%
	Southeast Asia and Others	80.5	81.0	100.6%
	Direct Exports	2.0	1.5	74.2%
	Risk of fluctuations in company-wide earnings	—	0.0~(15.0)	—
	Total	801.8	835.0~820.0	104.1~102.3%

(Note) The risk of fluctuations in company-wide earnings reflects the impact of demand fluctuation risk due to U.S. tariff policy and the impact of increased internal costs.