Hello, everyone. I am Tsujinaga, President. Thank you very much for taking time out of your busy schedule today to participate in our financial results briefing for the fiscal year ended March 31, 2025. Today, as in previous briefings, we will begin with an explanation of the financial results, followed by a Q&A session. We would like to take as many questions as time permits. Thank you very much for your cooperation.

I will now make my explanation based on the presentation material. See next page.

Summary

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- **FY2024 Q4 Results**
  - Despite lower sales, company-wide profits rose significantly due to improved margins and cost efficiency
  - IAB saw a moderate sales recovery and strong profit growth from structural reforms.
    SSB also achieved higher sales and profits by capturing growth opportunities
  - HCB experienced lower sales and profits due to weakening demand and intensified competition in China, while DMB also saw a decline in sales and profits as the sluggish market environment continued
- **FY2025 full-year forecasts**
  - Due to uncertainty around U.S. tariff policies, earnings forecasts are presented as a range. While tariff costs will be offset through price adjustments, demand impact will be closely monitored throughout Q1
  - Despite an uncertain business environment, we aim for higher sales and profits by pursuing structural reform outcomes and leveraging growth across segments. In IAB, R&D investment will be increased YoY by ¥5bn to accelerate strengthening of competitiveness
  - Full-year dividend guidance unchanged YoY at ¥104
- **IAB Growth Strategy**

Today, I will present three key points.
The first point is the full-year results for FY2024.
Despite the decrease in company-wide net sales, a significant increase in profits was achieved due to an improved gross profit margin and more efficient use of fixed costs. In IAB, sales recovered moderately through H2, and operating income increased significantly due to progress in structural reforms. SSB also steadily seized expanding business opportunities and achieved increases in both sales and profits. On the other hand, HCB suffered from slowing demand and intensified competition in China, and DMB suffered from continued weak market conditions, resulting in lower sales and income.
The second point is the full-year forecasts.
In this briefing, we present earnings forecast as a range, due to the uncertain impact of the US tariff policy. While tariff costs will be absorbed through price pass-through, the impact on demand will be closely scrutinized over Q1. Although the current business environment is uncertain, we expect to increase sales and profits by pursuing the results of structural reforms and demonstrating the growth potential of all businesses. In IAB, development expenses were increased by JPY5 billion from the previous year in order to strengthen competitiveness at an early stage. The annual dividend forecast remains unchanged from the previous year at JPY104 per share.
Finally, I will share with you our growth strategy for IAB.

Now, let's get to the main part of the explanation. See page five.

Contents

1. FY2024 Results

FY2024: Consolidated Results

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Sales decreased. Operating Income increased significantly

(¥ bn)

	FY2023 Actual	FY2024 Actual	Y/Y	FY2024 Previous FCST	Change from Previous FCST
Net Sales	818.8	801.8	-2.1%	805.0	-0.4%
Gross Profit	346.5	357.1	+3.1%	363.0	-1.6%
(%)	(42.3%)	(44.5%)	(+2.2%pt)	(45.1%)	(-0.5%pt)
Operating Income	34.3	54.0	+57.4%	54.0	+0.1%
(%)	(4.2%)	(6.7%)	(+2.5%pt)	(6.7%)	(+0.0%pt)
Net Income attributable to OMRON shareholders	8.1	16.3*	+100.7%	12.5	+30.2%
ROE	1.1%	2.1%	+1.0pt	Approx. 1%	-
ROIC	1.0%	1.8%	+0.8pt	Approx. 1%	-
EPS (JPY)	41.17	82.63	+41.46	63.48	+19.15
Average USD rate (JPY)	143.9	152.6	+8.7	152.9	-0.2
Average EUR rate (JPY)	156.3	163.7	+7.4	163.6	+0.1
Average CNY rate (JPY)	20.1	21.1	+1.0	21.1	+0.0

*Reflects structural reform expenses of ¥22.0 bn as one-time expenses associated with optimizing personnel numbers and capabilities.
Reflects a ¥11.7 bn impairment loss on goodwill related to Data Solution Business (DSB) and a ¥12.3 bn gain on valuation of investment securities.

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First, here are the full-year results for FY2024. See the shaded area in the center of the table.
Net sales were JPY801.8 billion, gross profit was JPY357.1 billion, gross margin was 44.5%, and operating income was JPY54.0 billion, generally in line with the previous forecasts.
Compared to the previous year, net sales were JPY801.8 billion, down 2.1%, due to the significant impact of the high order backlog in H1 of FY2023 in IAB.
Operating income rose sharply to 57.4%, thanks to an improved gross profit margin and fixed cost efficiencies.
Net income attributable to OMRON shareholders was JPY16.3 billion, up 100% from the previous year, even as we proceeded with structural reforms.

FY2024: Results by Segment

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IAB: Sales declined, but profits increased. SSB: Sales & profits increased.
HCB and DMB: Sales & profits declined.

(¥ bn)

	Sales			OP		
	FY2023 Actual	FY2024 Actual	Y/Y	FY2023 Actual	FY2024 Actual	Y/Y
IAB Industrial Automation	393.6	**360.8**	-8.3%	21.5 (5.5%)*1	**36.3 (10.1%)**	+69.0% (+4.6%pt)
HCB Healthcare	149.7	**145.9**	-2.6%	18.5 (12.3%)	**17.5 (12.0%)**	-5.3% (-0.3%pt)
SSB Social Systems, Solutions & Service	141.6	**145.6**	+2.8%	14.0 (9.9%)	**16.8 (11.5%)**	+19.7% (+1.6%pt)
DMB Device & Module Solutions	114.4	**105.4**	-7.8%	3.1 (2.8%)	**0.3 (0.3%)**	-90.3% (-2.5%pt)
DSB Data Solutions *2	17.4	**42.7**	*3 -	2.2 (12.6%)	**2.8 (6.6%)**	- -
Include JMDC	17.4	**42.9**	-	4.8 (27.9%)	**8.4 (19.6%)**	- -
Eliminations & Corporate	2.1	**1.3**	-	-24.9	**-19.6**	-
Total	818.8	**801.8**	-2.1%	34.3 (4.2%)	**54.0 (6.7%)**	+57.4% (+2.5%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.
*3. JMDC became a consolidated subsidiary on October 16, 2023; Y/Y comparisons are not valid and therefore not displayed.

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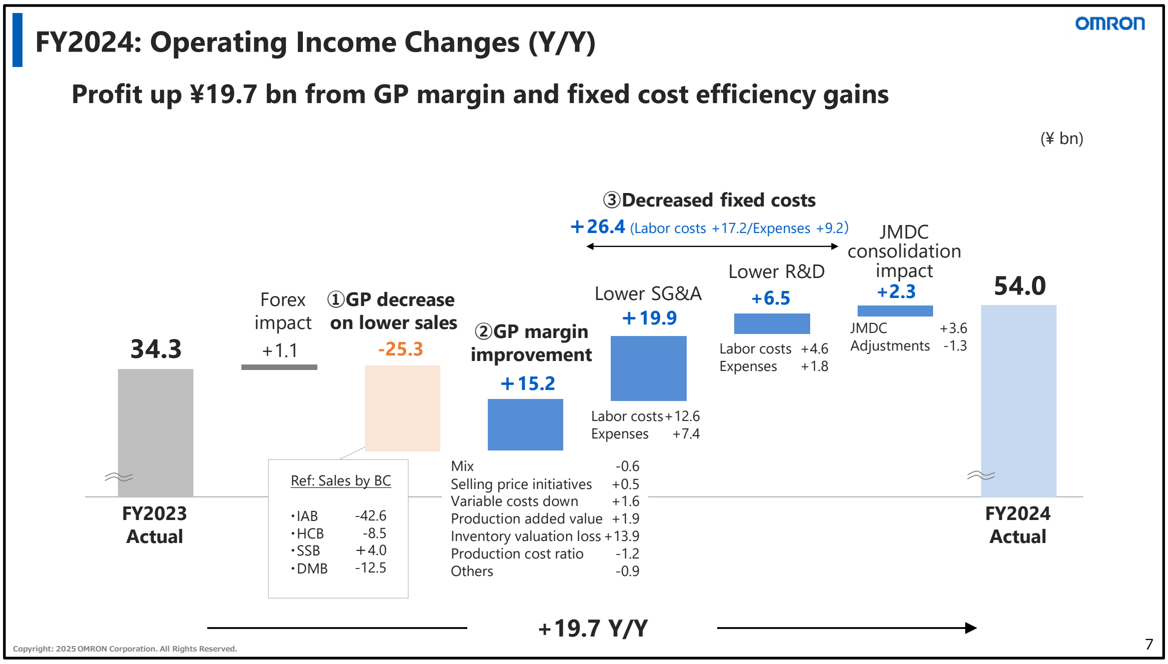
Here, you see results by business segment.
First, let's look at IAB. Although a gradual recovery in demand was seen in H2 and beyond, sales were down 8.3% from the previous year to JPY360.8 billion due to the backlog of orders in H1 of FY2023. Operating income rose sharply, up 69% to JPY36.3 billion, thanks to improved gross margin and fixed cost efficiencies.
In HCB, sales were down 2.6% to JPY145.9 billion and operating income down 5.3% to JPY17.5 billion due to stagnant personal consumption and intensified competition in the blood pressure meter market in China, as well as a rebound from the special demand for nebulizers that occurred in FY2023.
In SSB, net sales increased 2.8% to JPY145.6 billion and operating income rose 19.7% to JPY16.8 billion as we steadily seized expanding business opportunities in the energy solutions and railroad businesses.
In DMB, although demand remained strong in China, especially in the consumer electronics industry, sales were down 7.8% to JPY105.4 billion due to continued weak market conditions in other areas. Operating income decreased significantly due to weak performance in Europe and the US areas, where the ratio of value-added products is high, as well as the impact of higher material prices.
Finally, in DSB, the health big data business at JMDC performed well. Overall, DSB posted sales of JPY42.7 billion and operating income of JPY2.8 billion, mainly due to amortization of intangible assets associated with investments and consolidation.



Here is a step chart comparing operating income with the previous year. I will explain from left to right.

The first is (1), GP decrease on lower sales. The sales decline in each business segment, excluding SSB, was a factor in the JPY25.3 billion decline in operating income for the entire company.

Next is (2), GP margin improvement. In addition to a decrease in the write-down of inventories, the gross profit margin improved significantly due to an increase in production capacity utilization and cost reduction efforts. As a result, this contributed to an overall profit increase of JPY15.2 billion.

The last is (3), decreased fixed costs. In addition to optimizing the number of personnel in Japan and overseas, cost efficiency initiatives made steady progress, contributing to a profit increase of JPY26.4 billion.

This is the end of our report on the results for FY2024.

This is followed by a description of our forecasts for FY2025. See page nine.

2. FY2025 Forecasts

Operating Environment Outlook

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U.S. tariff policy increases uncertainty in IAB, HCB, and DMB.
Stable conditions continue in SSB and DSB

IAB Industrial Automation	**Overall, flat compared to the previous year.** **Recognize the risk of temporary slowdown in new investments due to uncertainty over tariff policy developments**
HCB Healthcare	**BPM market continues to grow globally, while demand in China is expected to remain flat Y/Y** **Recognize the risk of a temporary decline in personal consumption, especially in China and North America, due to tariff policy**
SSB Social Systems, Solutions & Service	**Overall, a stable business environment continues** Energy: While electricity price relief measures have ended, renewable energy demand in the residential sector remains strong, supported by subsidies Railway industry: Equipment investment by railway operators remains solid, driven by the recovery in passenger numbers and fare adjustments
DMB Device & Module Solutions	**Overall, flat compared to the previous year.** **Recognize the risk of temporary slowdown in new investments due to uncertainty over tariff policy developments**
DSB Data Solutions	**A generally stable business environment is expected, centered around the health big data business.** JMDC: Use of healthcare data continues to grow steadily, particularly in the pharmaceutical and insurance sectors. Demand for services targeting insurers and individuals is expanding, backed by growing societal awareness of health and prevention.

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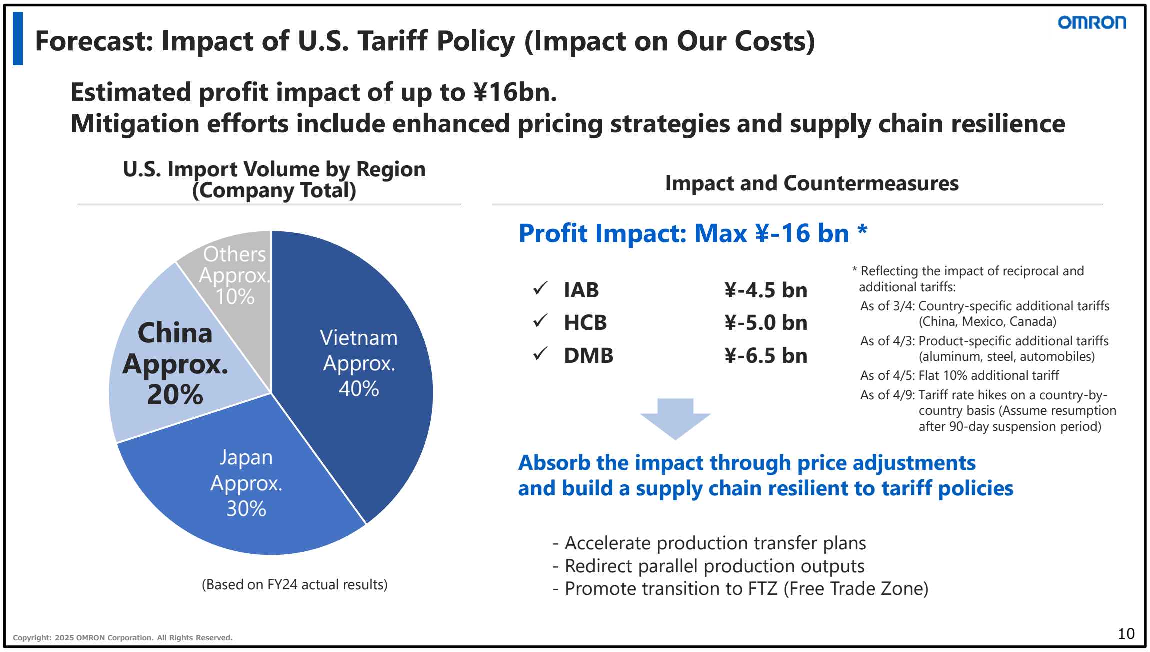
First, let me share with you our perception of the business environment in FY2025.
Currently, uncertainty is increasing in IAB, HCB, and DMB due to the impact of tariff policies.
Demand in IAB and DMB is expected to remain generally flat from the previous year. However, we recognize that there is a risk of a temporary slowdown in new capital investment demand due to the tariff policy.
In HCB, the global blood pressure meter market is expected to continue to expand, but the market in China is expected to remain flat from the previous year. However, we recognize the risk of a temporary slowdown in consumer spending, especially in China and North America, due to the tariff policy. The impact on demand will be assessed throughout Q1.
We expect the business environment for SSB and DSB to be as solid as in FY2024.



Next, I will explain the impact of the tariff policy on our own costs.
The pie chart on the left shows the area composition of our import volume in the US. Our US operations import mainly from Vietnam and Japan, with about 20% of imports from China, where reciprocal tariffs have a significant impact.
Based on the estimated impact of the tariff policy announced by April 9, we assume that the entire group will incur a maximum cost increase of JPY16 billion. As a basic policy, we will absorb the impact of these tariff costs by passing them on to our customers through price increases.
In addition, we will build a supply chain that is resilient to tariff policies by accelerating the transfer of production sites and changing the destination of parallel production outputs.

Forecasts: Consolidated Earnings

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Sales and profit growth planned; U.S. tariff risks factored into lower-end forecast

(¥ bn)

	FY2024 Actual	FY2025 Forecast * High end	FY2025 Forecast * Low end	Y/Y High end	Y/Y Low end
Net Sales	801.8	**835.0**	**820.0**	+4.1%	+2.3%
Gross Profit	357.1	**373.5**	**362.5**	+4.6%	+1.5%
(%)	(44.5%)	**(44.7%)**	**(44.2%)**	(+0.2pt)	(△0.3pt)
Operating Income	54.0	**65.0**	**56.0**	+20.3%	+3.6%
(%)	(6.7%)	**(7.8%)**	**(6.8%)**	(+1.0pt)	(+0.1pt)
Net Income attributable to OMRON shareholders	16.3	**35.5**	**29.0**	+118.2%	+78.2%
ROE	2.1%	**Approx. 4%**	**Approx. 3%**	-	-
ROIC	1.8%	**Approx. 4%**	**Approx. 3%**	-	-
EPS (JPY)	82.63	**180.30**	**147.29**	+97.67	+64.66
Average USD rate (JPY)	152.6	**140.0**	**140.0**	-12.6	-12.6
Average EUR rate (JPY)	163.7	**160.0**	**160.0**	-3.7	-3.7
Average CNY rate (JPY)	21.1	**20.0**	**20.0**	-1.1	-1.1

*High end: Assumes no demand fluctuations
Low end: Reflects risks of demand fluctuations and limited absorption of internal cost increases

Next, I would like to share with you the outlook for the entire company.
As explained above, due to the uncertainty of the impact of the tariff policy and the resulting market effects, we are disclosing our earnings plan for this fiscal year as a range. See the center shaded area.
We have presented both the upper and lower limits of the range. The lower limit of the range incorporates the risk that we will not be able to absorb the decrease in sales and increase in our own costs due to fluctuations in demand.
We expect net sales of JPY835 billion to JPY820 billion, operating income of JPY65 billion to JPY56 billion, net income of JPY35.5 billion to JPY29 billion, and ROE and ROIC of 4% to 3%, respectively. Our current assumption is that we will be able to achieve a solid increase in sales and profits even if risks materialize.

Forecasts: Earnings by Segment

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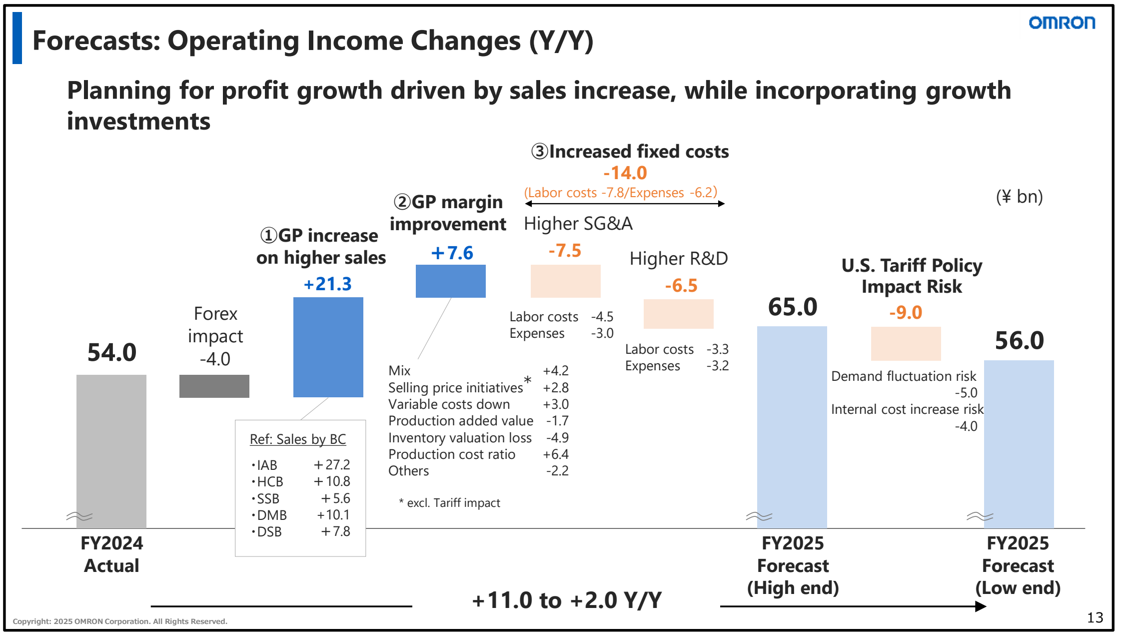
Sales and OP growth planned across all businesses

(¥ bn)

	Sales			OP		
	FY2024 Actual	FY2025 Forecast	Y/Y	FY2024 Actual	FY2025 Forecast	Y/Y
IAB Industrial Automation	360.8	**371.0**	+2.8%	36.3 (10.1%) *1	**40.0 (10.8%)**	+10.3% (+0.7pt)
HCB Healthcare	145.9	**150.0**	+2.8%	17.5 (12.0%)	**18.5 (12.3%)**	+5.8% (+0.3pt)
SSB Social Systems, Solutions & Service	145.6	**152.0**	+4.4%	16.8 (11.5%)	**20.0 (13.2%)**	+19.1% (+1.6pt)
DMB Device & Module Solutions	105.4	**110.0**	+4.3%	0.3 (0.3%)	**4.0 (3.6%)**	- (+3.3pt)
DSB Data Solutions *2	42.7	**50.5**	+18.2%	2.8 (6.6%)	**5.0 (9.9%)**	+76.8% (+3.3pt)
Include JMDC	42.9	**50.5**	+17.7%	8.4 (19.6%)	**11.5 (22.8%)**	+36.8% (+3.2pt)
Eliminations & Corporate	1.3	**1.5**	-	-19.6	**-22.5**	-
Overall Earnings Risk *3	-	High end to Low end **0.0 to -15.0**	-	-	High end to Low end **0.0 to -9.0**	-
Total	801.8	High end to Low end **835.0 to 820.0**	+4.1% to +2.3%	54.0 (6.7%)	High end to Low end **65.0 to 56.0 (7.8% to 6.8%)**	+20.3% to +3.6% (+1.0pt to +0.1pt)

*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.
***3. Reflects risks of demand fluctuations and limited absorption of internal cost increases due to U.S. tariff policies.**

Here are the forecasts by segment. From this page onward, the explanation is based on the upper limit of the range.
In IAB, although demand is expected to be at the FY2024 level, we plan to increase sales and operating income by implementing measures to achieve growth. The operating income includes a JPY5.0 billion increase in development expenses over the previous year.
In HCB, we plan to increase sales and operating income by capturing demand for blood pressure monitors in emerging countries, strengthening proposals to major corporate customers in North America, expanding sales channels in China, and introducing high value-added products.
In SSB, we plan to increase both sales and operating income in the current fiscal year by strengthening channels and introducing new products in the energy solutions business, which continues to expand.
In DMB, we plan to increase both sales and operating income by anticipating a recovery in demand in the semiconductor and electronic equipment fields, liquidating unprofitable models, and proceeding with SCM cost reforms.
Finally, in DSB, JMDC plans high sales and profit growth and will continue to invest in data service creation.
Tariff risk is disclosed as overall earnings risk.
See next page.



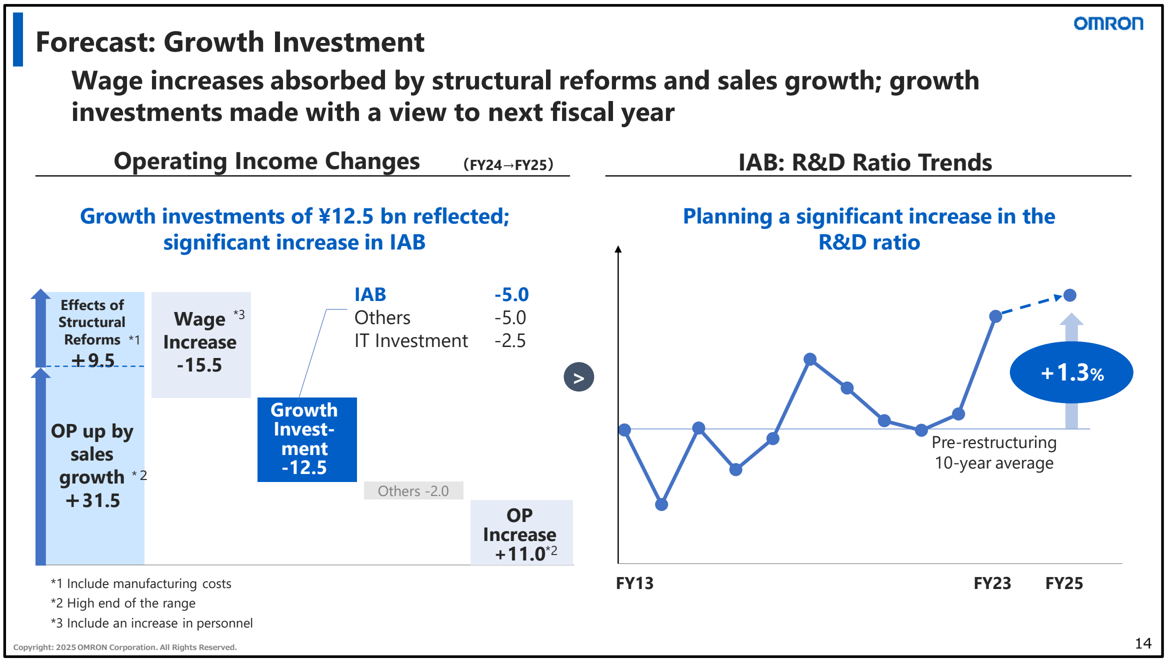
Here is a step chart showing the breakdown of operating income compared to FY2024.

The first is (1), GP increase on higher sales. Incorporating sales growth in all businesses, we plan to increase income by JPY21.3 billion for the entire company.

Next is (2), GP margin improvement. Inventory write-downs will be a negative factor compared to the previous year as a reaction to the large improvement in FY2024. On the other hand, the improvement in the manufacturing fixed cost ratio due to sales growth and the effect of the business mix are expected to contribute to an overall increase in income of JPY7.6 billion.

Finally, (3), fixed costs. While incorporating the results of structural reforms, we plan to increase fixed costs by JPY14.0 billion, reflecting investments for growth, mainly in IAB.

Growth investments are explained on the next page.



See the left side of the slide. First, in addition to profit growth from sales growth, we will promote profit generation this year through the effects of structural reforms. This will allow us to both invest in growth and grow profits while absorbing global wage increases. We plan to increase growth investment by JPY12.5 billion over the previous year. In each business, we will carefully select and execute investments in businesses that have competitive advantages and high growth potential.
See the right side of the slide. In particular, the R&D expense ratio in IAB will be much higher than the average of the past 10 years due to a JPY5 billion investment increase in development expenses. We have made a decision that this investment should be made as soon as possible, as it will contribute to sales growth in this and the next fiscal year and beyond, as well as serve as a foundation for future strategies.
The next slide and beyond will discuss our plans for IAB.

IAB: Operating Environment Outlook

While actual demand remains largely unchanged, uncertainty over tariff policy poses a risk of temporary investment slowdown

Domains	Outlook for FY2025
Digital	･AI-related investment in semiconductor production continues to expand. In China, equipment manufacturers are expected to continue investing in domestic production, but the timing of this investment is unclear. Investments other than those in cutting-edge fields are expected to slow down ･The solar power generation system (PV) market continues to be oversupplied, resulting in a significant decline in investment demand
NEV	･Investment in EVs will continue as the penetration rate of EVs increases within China. On the other hand, the economic slowdown is causing uncertainty about both capital investment to meet domestic demand and investment plans to meet foreign demand ･Secondary batteries are showing signs of recovery in China linked to domestic demand for EVs, but are remaining sluggish in South Korea
Food/ Household goods	・Although there are variations from area to area, overall the situation remains stable
Medicine/ Logistics	・Demand for capital investment in both the medical and logistics sectors remains flat
Others	・Although there will be some variation depending on the area, the economic outlook is expected to be at the same level as last year

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First, I will report on the business environment for IAB by industry.
In the digital industry, we expect investment related to generative AI to continue to grow and equipment manufacturers to continue to invest in domestic production in China.
In the environmental mobility industry, we expect a gradual recovery in investment as EVs become more popular in China. In particular, the oversupply of rechargeable batteries is easing and signs of recovery are beginning to emerge.
We will closely monitor the impact of the tariff policy on both industries.
See next page.

IAB: Trend of Order Levels and Distributors Inventory Levels

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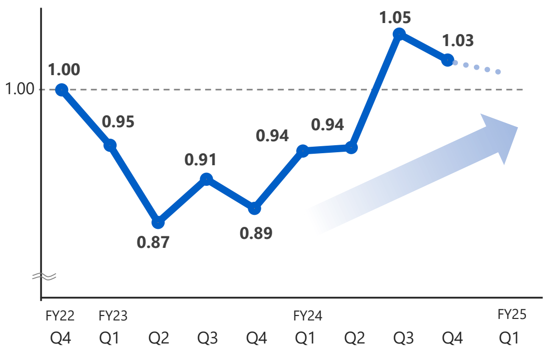
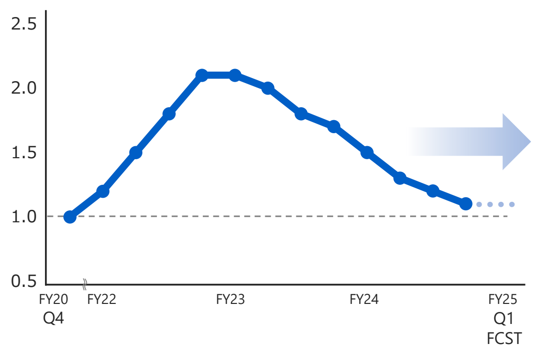
Order levels are expected to recover gradually.
The distributors inventory, which normalized in FY24, is expected to maintain an appropriate level going forward

Order levels (FY24 FX FCST rate base)



(Based on FY22 Q4)

Distributors inventory levels (all area avg.)



(Based on FY20 Q4)

This slide describes the changes in orders received and distributors inventory levels.
See graph on the left. Although order levels in Q4 of FY2024 softened slightly from Q3, we expect the gradual recovery trend to continue through the current fiscal year.
Next, see the graph on the right. Distributors inventory levels have already normalized and are expected to remain reasonable.
This is the end of the explanation regarding IAB.

Shareholder Returns

Full-year dividend guidance unchanged YoY at ¥104

Full-year Dividend	
FY2024: Plan	FY2025: Forecast
¥104	¥104

This chapter concludes with a discussion of shareholder returns. The annual dividend for FY2024 is planned to be JPY104 per share as initially planned. The annual dividend forecast for the current fiscal year is also set at JPY104, the same amount as in FY2024.

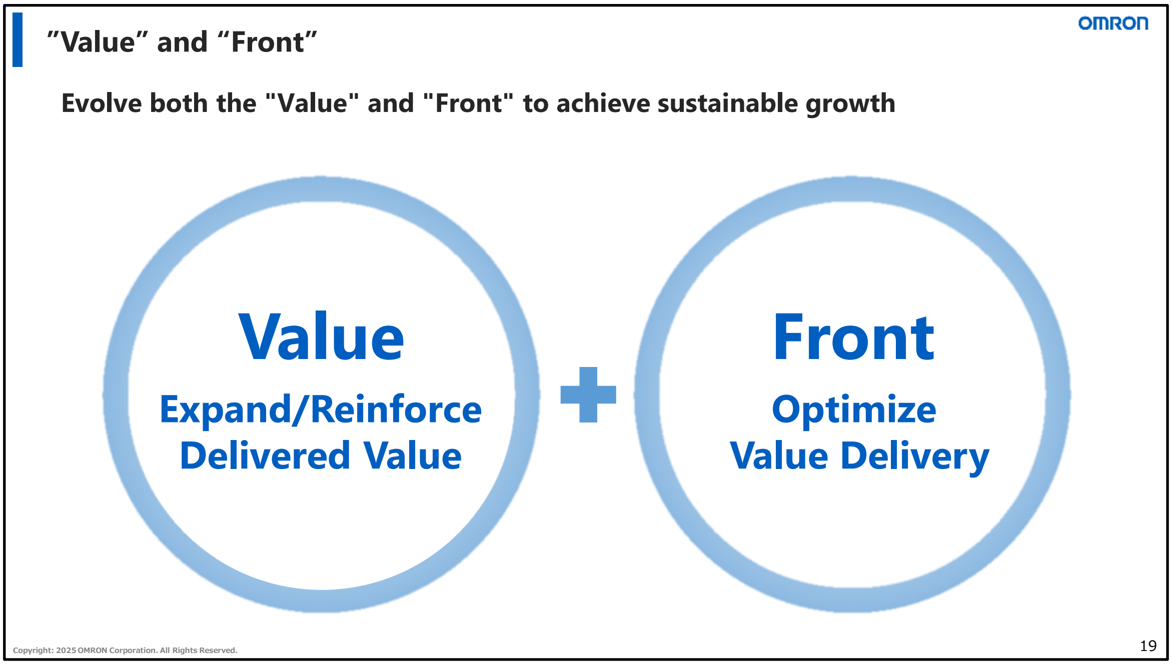
During the structural reform period, we will continue to place the highest priority on investments necessary for structural reforms, but our shareholder return policy will remain unchanged.

Regarding dividends, we will strive to provide stable and continuous returns to shareholders, aiming for a dividend on equity ratio of approximately 3%.

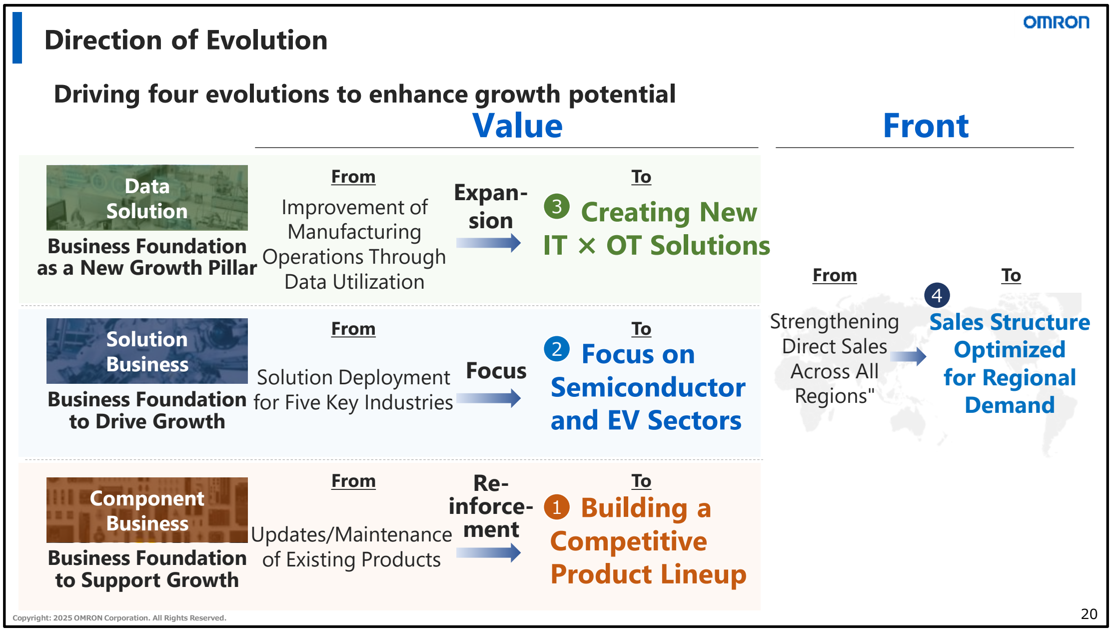
The above is a description of the FY2025 plan.

3. IAB Growth Strategy

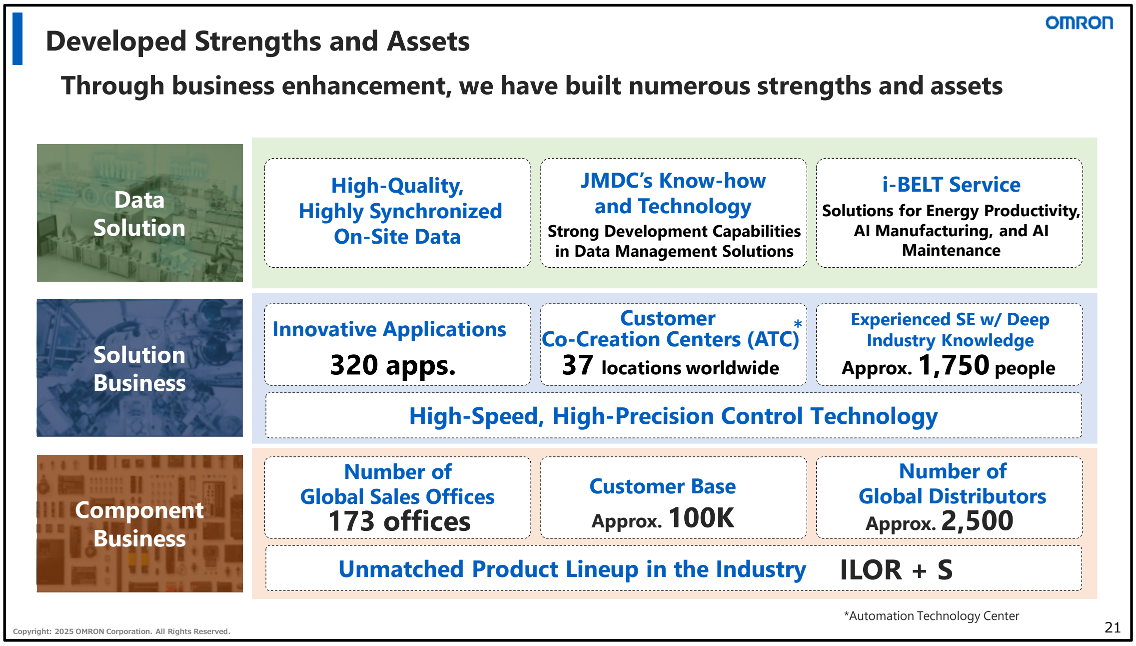
Next, I will explain the growth strategy for IAB.
Despite the current uncertainty in the business environment, the market for this business will continue to expand due to labor shortages, automation needs driven by inflation, and changes in the supply chain. To seize this business opportunity and achieve sustainable growth, we have been reviewing our growth strategy since last year. Today, we would like to share with you the gist of the project.



It is the evolution of both "Value" and "Front."
First, the evolution of Value means the expansion and re-enforcement of the value provided. The other is the evolution of Front, or the optimization of the way value is delivered.
Today, I will explain the evolution of IAB based on these two pillars.



First, the three evolutions of Value will be described in order from the bottom up.
The first is to build a competitive product lineup in the component business. The component business is the foundation of IAB that underpins our growth. We will expand globally with a competitive product lineup.
The second is a focus on the semiconductor and EV sectors in the solution business. We will further hone our strengths in this growth-driving area to capture a larger wave of demand.
The third is data solutions. Through the fusion of IT and OT, we will create new data solutions to solve larger customer issues.
Finally, the evolution of Front. We have been building a system suitable for the solution business uniformly in all areas, but we will shift to a sales system optimized for the needs of customers in each area.



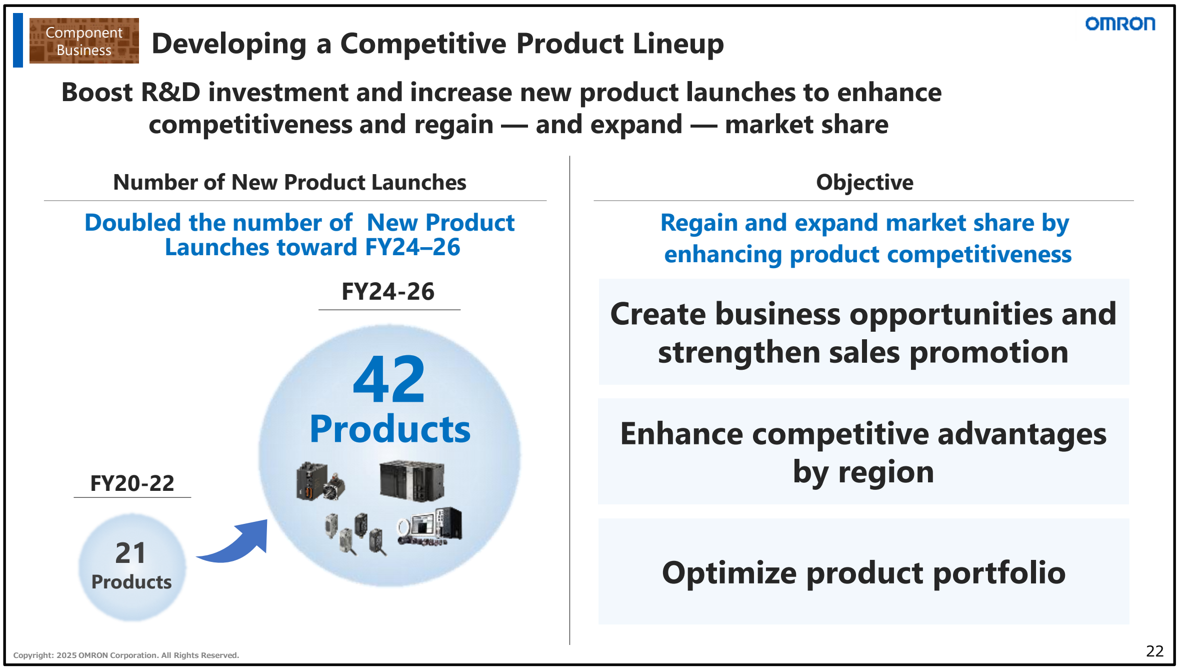
Next, I would like to introduce our strengths and business assets that form the foundation of this evolution. I will explain in order from the bottom of the slide.

First, in the component business, we have long provided value to many customers through the best lineup in the industry. Currently, more than 100,000 customers use our products at their production sites, and this is supported by our network of approximately 2,500 distributors. This is one of OMRON's great strengths.

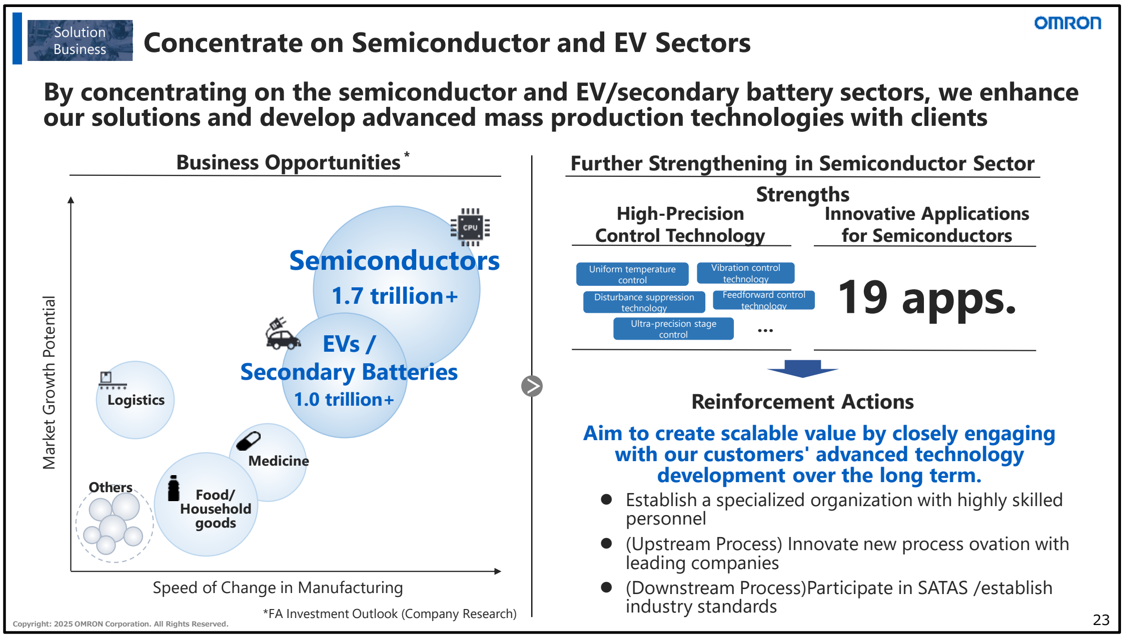
Since 2016, as we transformed our solution business, we have honed many of our strengths to drive growth, including innovation apps, co-creation centers with customers, and skilled SEs with extensive industry knowledge.

In data solutions, OMRON's unique strengths include high-quality field data, the know-how and technology to handle it, and its i-BELT service.

These are not just past achievements, but also important driving forces for future growth. However, as the pace of environmental change increases, we need to work to further enhance these strengths and transform them into future value. That is the evolution of Value and Front. I will explain in turn.



The first is to build a competitive product lineup.
Last fiscal year, OMRON established a product roadmap through FY2026, and will bring 42 products to market over the next three years, double the number of products it has brought to market to date. To this end, starting this fiscal year, we plan to shift our development resources from redesigning existing products to developing new products and make the necessary investments.
See right. The introduction of new products is primarily aimed at increasing market share in the component business, but it is also an important measure to strengthen IAB as a whole. In the short term, this will not only directly lead to business opportunities with customers, but also strengthen our competitive advantage in each area, including China, Europe, and the United States. In the medium term, this will lead to optimization of the product portfolio.
The introduction of these new products will serve as the attacker for many SKUs, allowing optimization to proceed without inconvenience to customers.



Next is the focus on the semiconductor and EV areas in the solutions business. In the solutions business, we have been focusing on five industries. Going forward, we will focus particularly on the areas of semiconductors and EV/rechargeable batteries to strengthen our solutions.
See the figure on the left. In the manufacturing industry, semiconductors and EV/rechargeable batteries in particular are areas where the scale of investment is by far the largest due to the high growth potential of the market and the rapid pace of change in manufacturing. Capturing this wave of demand will be critical to future growth.
Please see the right side. Today, we would like to inform you about the strengthening of the semiconductor area. OMRON has created many innovative applications on the strength of its high-precision control technology required in this area, and has continued to be customers' choice. In order to further develop this area, it is necessary to create value in the span of 5 to 10 years, with an eye toward technological innovation in the next generation and beyond. Therefore, in order to promote the creation of new value by working more closely with our customers, we have formed an organization specializing in semiconductors in April. In the future, we will work with leading companies in each process to innovate manufacturing processes in cutting-edge areas and establish industry-standard manufacturing processes in back-end processes where automation is advancing.
Today, I would like to share with you one example of how this can be achieved.

OMRON × NVIDIA

Build an advanced digital twin environment across the entire manufacturing process through a technology partnership with NVIDIA

AXI (Automated X-ray Inspection system)

- **Accurately reproduce the inside of equipment and devices in a virtual environment**
- **Improve overall productivity in manufacturing sites by streamlining equipment setup, troubleshooting, and other processes**

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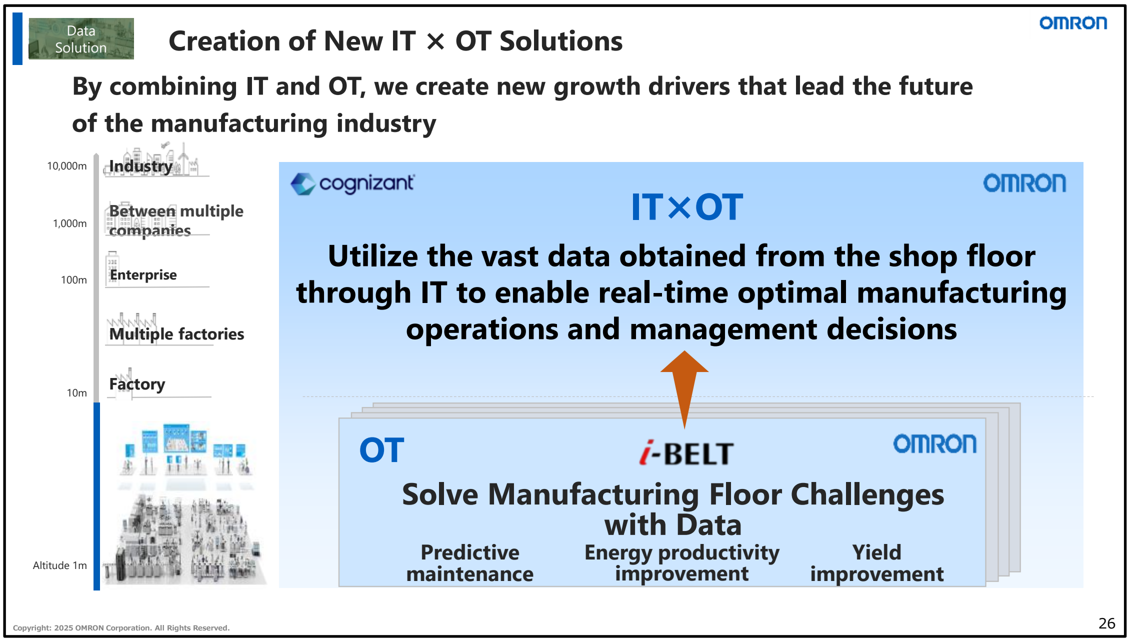
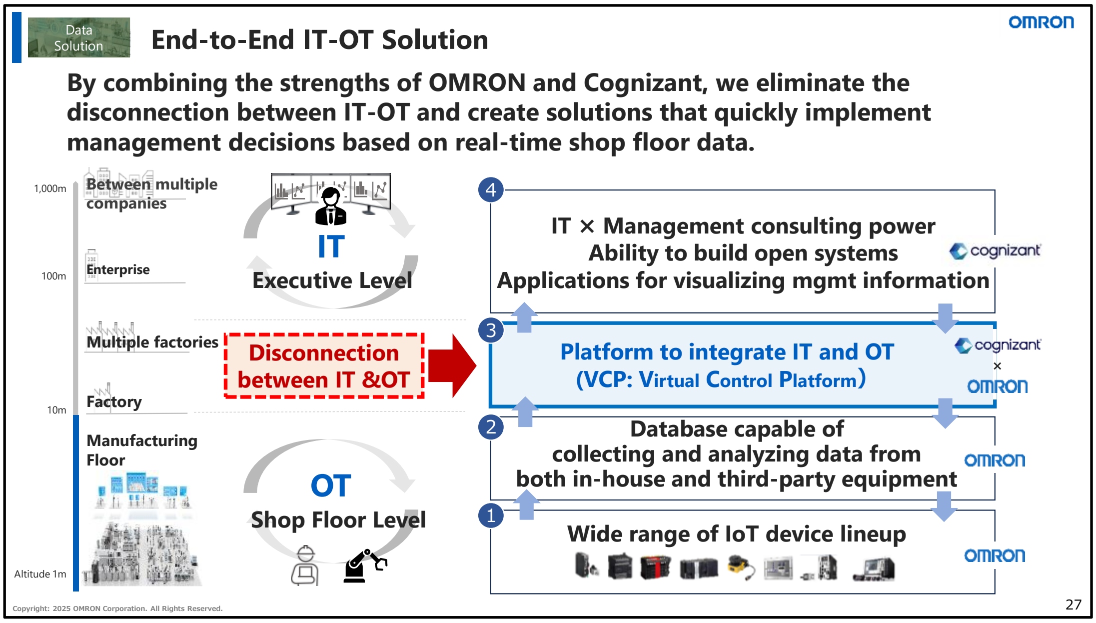
Through the technology alliance with NVIDIA, OMRON will promote the construction of an advanced digital twin environment in earnest. By linking OMRON's control design tools with NVIDIA's 3D simulation platform, a mechanism that enables highly accurate reproduction and verification of the inside of on-site facilities and equipment in a virtual space, as well as optimization of settings using AI, has been realized.
This will allow us to maximize the performance of our solutions and provide support to a wide range of industries to improve the efficiency of equipment start-up and trouble-shooting, as well as the productivity of the entire production floor.
We are currently working on implementation in OMRON's AXI, an automatic x-ray inspection system.

AXI is a system that can inspect the inside of small electronic boards using our control equipment and x-rays, and has earned a particularly high reputation in the inspection process for advanced semiconductors, which are becoming increasingly miniaturized and stacked.
The video you see is a virtual space recreation of the inside of AXI.
The movement of the workpiece being conveyed, the position of the x-ray irradiation, and even the movement of the inspection head can be reproduced realistically, down to the millimeter.
Here, a worker accesses the equipment in virtual space and remotely checks the video inside. AI operators can advise workers on the optimal settings, which can significantly reduce man-hours. In addition to semiconductors, we have already received several inquiries about this initiative in the EV and rechargeable battery areas.
We will continue to deepen the value of our solutions based on this kind of technological collaboration, and lead the advancement of manufacturing sites and the establishment of industry standards.



Next, I will discuss the data solution.
OMRON has been supporting the improvement of many customers' workplaces through its i-BELT service, which uses data to solve problems at manufacturing sites in the area of OT.
In the future, we intend to further expand our business domain and solve more problems in the manufacturing industry through the creation of new value by integrating IT and OT.
Key to this is our partnership with Cognizant, a global IT services company. The smart factory will be realized by combining OMRON's numerous solutions and high-quality on-site data with Cognizant's advanced digital technology and consulting capabilities.
Let me explain on the next page why this new value creation is possible for OMRON and Cognizant.



First of all, the concept of integrating IT and OT is not new, but many companies have yet to fully achieve the expected results. Behind this is the structural issue of the division of information between IT and OT, i.e., between management and the field. To overcome this challenge, we worked with Cognizant to develop a new platform that connects IT and OT.
This will enable management to make timely decisions based on the data absorbed from the sites, and implement those decisions to the manufacturing floor with unprecedented speed and accuracy.
Through this partnership, OMRON will gain an overwhelming competitive edge in the smart factory market. In addition to expanding profit-earning opportunities through the development of solutions on new platforms, we will accelerate sales expansion of IAB by leveraging Cognizant's European and US customer bases. We are already in the process of discussing the implementation of this solution and will report back to you when the time is right for us to talk about it.
These are the explanations for the evolution of Value.

Optimize Regional Business Structures (Front)

Position Europe and the Americas as growth regions and establish a structure to fully capture business opportunities

	Europe	The Americas
Sales Composition (FY24)	**Sales: ¥74.6 bn(21% of total)**	**Sales: ¥40.1 bn(11% of total)**
Global Companies	cognizant × OMRON — **Acquire new customers through mutual utilization of customer bases with Cognizant** Target Companies: Global leaders in each industry	
	Expand value co-creation centers (ATC) Establish new centers in Germany and India. Capture investments from European and U.S. customers' home countries and satellite sites	
Local Companies	**Expand distributors ratio** Expand the distributors network to cover a broader range of customers, increasing the customer base.	**Strengthen EC Sales Structure** Strengthen partnerships with major global e-commerce platforms. Enhance the efficiency of resources across large regions.
	Strengthen distributors relationships Visualize and share customer lead information, while enhancing knowledge sharing regarding product and customer challenges	

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Finally, I would like to share with you the evolution of Front.
First, regarding the positioning of each area, China remains an important area. However, we will aggressively acquire China plus one investment in Asia and position Europe and the Americas as new growth drivers.
Today, we share with you our system for capturing business opportunities in Europe and the United States.
First, for global companies, we will make maximum use of Cognizant's customer base in Europe and the US to approach companies that have been difficult to access in the past. In addition, by expanding ATC, our value co-creation base, we will provide a stronger support system for projects that companies in the US and Europe are developing on a global scale.
Next, for local companies, we will continue to strengthen relationships with distributors and modify our structure to meet area demand. First, Europe was the only area with a high ratio of direct sales globally, but we will expand our sales network of distributors to meet demand for a wider range of components.
In addition, since many customers are scattered over a vast area in the Americas, we will enhance sales efficiency by strengthening cooperation with major EC vendors, which will lead to sales growth.
We are determined to make solid progress in all of these initiatives this fiscal year and deliver our value to as many customers as possible.
The above is an explanation of the growth strategy for IAB.

Finally, I would like to summarize the full-year financial results. The business environment remains uncertain due to the US tariff policy and other factors. However, the direction in which OMRON should move is clear. We will steer for growth and move forward strongly. As we reported today, OMRON is making steady progress in strengthening its earnings base and is moving into a growth phase. We will continue to make company-wide efforts toward sustainable growth without fear of change.
This concludes today's presentation. Thank you for your attention.

Reference

Consolidated Balance Sheet

(¥ bn)

	End-Mar. 2024	End-Mar. 2025	Change (Y/Y)
Current assets	547.6	539.3	-8.3
(Cash and cash equivalents)	(143.1)	(149.0)	(+5.9)
(Inventory)	(174.0)	(173.0)	(-1.0)
Property, plant and equipment	136.8	135.1	-1.7
Investments and other assets	670.4	687.4	+17.0
Total assets	1,354.7	1,361.8	+7.1
Current liabilities	231.2	233.3	+2.1
Long-term liabilities	172.5	194.1	+21.6
Total Liabilities	403.7	427.4	+23.7
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
Equity ratio	58.1%	56.7%	-1.4%pt

Consolidated Cash Flow Statement

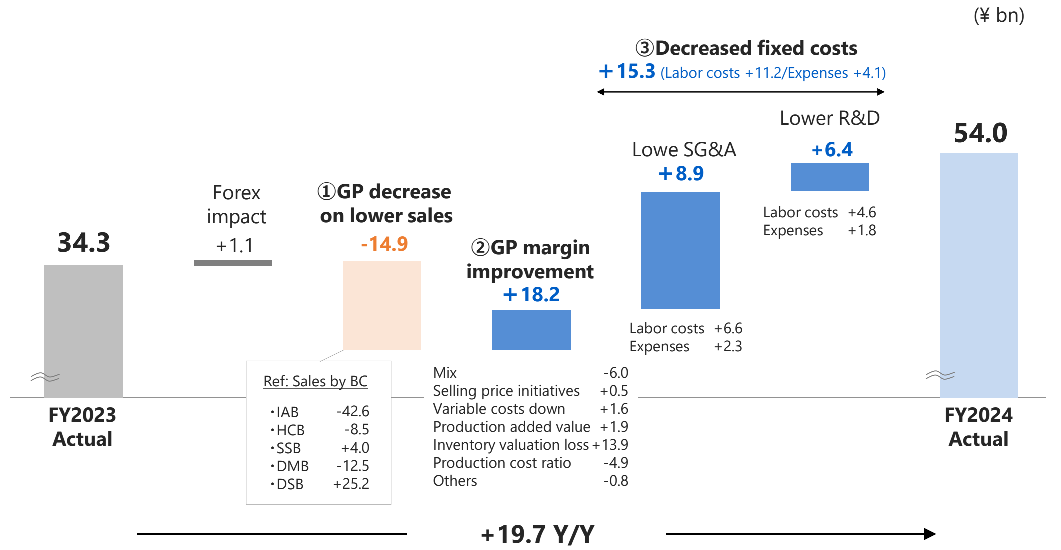
OMRON

(¥ bn)

	FY2023 Actual	FY2024 Actual	Change (Y/Y)
Operating cash flow	44.9	55.8	+10.9
Investment cash flow	-107.1	-47.9	+59.2
Free cash flow (FCF)	-62.2	7.9	+70.1
Financing cash flow	86.0	-4.6	-90.6
Cash and cash equivalents as of end of period	143.1	149.0	+5.9
Capital expenditure	43.7	46.5	+2.8
Depreciation	30.8	33.5	+2.7

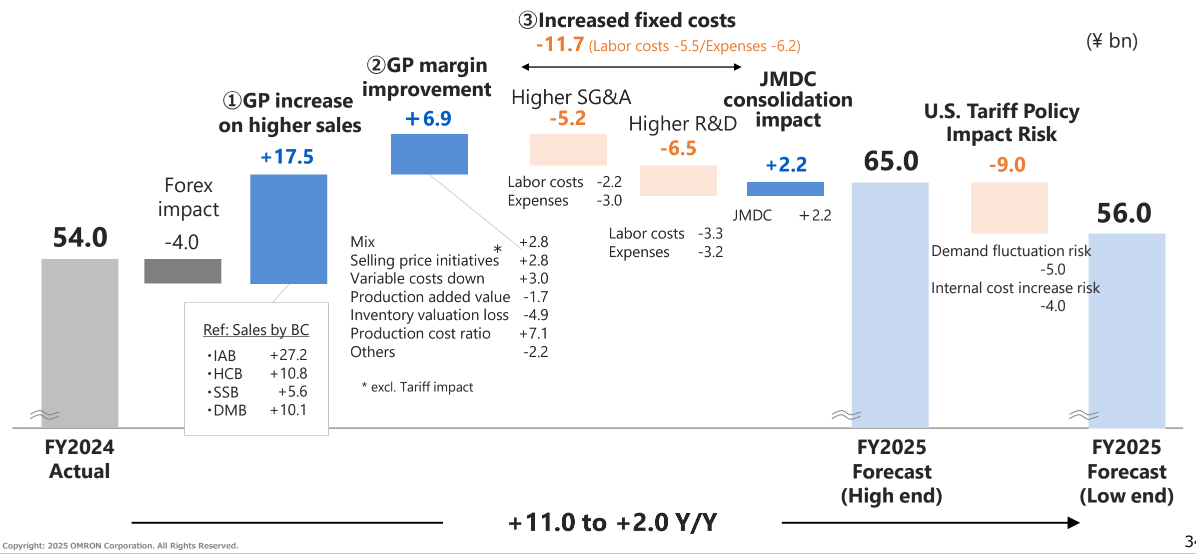
FY2024: Operating Income Changes (Y/Y)

***JMDC consolidated impact included**



Forecasts: Operating Income Changes (Y/Y)

omron



Collaboration with JMDC

OMRON

Steady progress has been made in initiatives to create data solutions

Domain	Initiatives	FY24 Progress
Healthcare Solution	Creation of preventive solutions through the development of disease prediction models	・Approx. 4,000 users connected to both health devices and medical data ・Prototype of disease prediction model created
	Expansion of services in the corporate health domain, leveraging Health & Productivity Management Alliance	・Approx. 600 companies have adopted the service
Social Solution	Development of the "Smart M&S“ solution	・Five deals closed or in negotiation for the remote field support solution

Overview and Strengths of Cognizant

Company Overview

cognizant

HQ	New Jersey, USA
No. of Employees	Approx. 330,000
Sales	\$19.7 bn * (Approx. ¥2.96 trillion)
Locations	37 countries, 300 locations

*FY24 actual

Strengths

- **Consulting capabilities for management issues**
  - Deep expertise in manufacturing practices, from R&D to production and through to the supply chain
- **Global IT system development and operation capabilities**
  - Integrated development and operation framework that supports all levels from management to the shop floor
- **AI solution proposal capabilities powered by cutting-edge technologies**
  - Proposing AI applications that directly address management issues through advanced technologies

+

- **Strong Client Base Centered on Global Enterprises in Europe and the U.S.**
  - Extensive track record with multinational corporations, including Fortune 500 companies

FY2025 Forex Sensitivities and Assumptions

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

	Sensitivities		Assumptions
	Sales	OP	FY2025 Assumptions
USD	Approx. ¥1.2 bn	Approx. ¥0.1 bn	¥140.0
EUR	Approx. ¥0.7 bn	Approx. ¥0.3 bn	¥160.0
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

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

*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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