

Annual Securities Report

Fiscal year
FY2025

From April 1, 2025
to March 31, 2026

(The 89th Term)

OMRON Corporation

FY2025 (April 1, 2025 to March 31, 2026)

Annual Securities Report

1. This document serves as the annual securities report based on the provision of Article 24, paragraph (1) of the Financial Instruments and Exchange Act, and represents the output and printing of the data submitted on June 22, 2026 through the use of the Electronic Data Processing System for Disclosure (EDINET) prescribed in Article 27-30-2 of said Act with a table of contents and page numbers attached.
2. Although attached documents of the annual securities report submitted using the above method is not included, an audit report is attached to the end of this document.

OMRON Corporation

Certain References and Information

This is an English translation of the Annual Securities Report filed with Director of the Kanto Local Finance Bureau pursuant to the Financial Instruments an Exchange Act of Japan on June 22, 2026 and disclosed on OMRON corporation website.

The translation of the Independent Auditor's Report for the original Annual Securities Report is included at the end of this document.

The translation of the Confirmation Letter disclosed on the Electronic Disclosure for Investors' Network ("EDINET") is included at the end of this document.

References in this document to "the Company," "the Reporting Company" refer to OMRON corporation.
And "the Companies," "the Group," "OMRON," "we," "us," "our" and similar terms refer to OMRON corporation and its consolidated subsidiaries.

References in this document to "U.S. dollars" or "\$" are to the currency of the United States and references to "yen" or "¥" are to the currency of Japan.

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[Cover]

[Reported Document]	Annual Securities Report
[Clause Serving as Basis]	Article 24, paragraph (1) of the Financial Instruments and Exchange Act
[Recipient]	Director of Kanto Local Finance Bureau
[Submission Date]	June 22, 2026
[Fiscal Year]	FY2025 (April 1, 2025 to March 31, 2026)
[Company Name]	OMRON Corporation
[Name and Title of Representative]	Junta Tsujinaga, President and CEO
[Address of Head Office]	801, Minami Fudondocho, Shiokoji Horikawa Higashi-iru, Shimogyo-ku, Kyoto-shi, Japan
[Telephone No.]	Kyoto:+81-75-344-7070
[Name of Administrative Contact]	Toyoharu Tamoi, Executive Officer, Senior General Manager, Global Finance and Accounting HQ
[Nearest Contact Location]	801, Minami Fudondocho, Shiokoji Horikawa Higashi-iru, Shimogyo-ku, Kyoto-shi, Japan
[Telephone No.]	Kyoto:+81-75-344-7070
[Name of Administrative Contact]	Toyoharu Tamoi, Executive Officer, Senior General Manager, Global Finance and Accounting HQ
[Location for Public Inspection]	OMRON Corporation Tokyo Office (2-3-13, Konan, Minato-ku, Tokyo) Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo)

Part I Company Information

I. Overview of the Company

1. Key Financial Data

(1) Key Financial Data of the Group

(JPY millions, unless otherwise stated)

Fiscal Year	FY2021	FY2022	FY2023	FY2024	FY2025
Settlement Date	March 2022	March 2023	March 2024	March 2025	March 2026
Net sales	762,927	876,082	818,761	715,379	767,351
Income before income taxes and equity in loss (earnings) of affiliates	86,714	98,409	34,953	33,131	52,571
Net income attributable to OMRON shareholders	61,400	73,861	8,105	16,271	28,487
Comprehensive income	108,105	101,546	79,746	3,069	88,302
Shareholders' equity	665,227	728,473	786,686	771,885	835,885
Total assets	930,629	998,160	1,354,729	1,362,459	1,516,263
Shareholders' equity per share (JPY)	3,339.64	3,701.08	3,995.04	3,920.30	4,251.07
Basic net income per share attributable to shareholders (JPY)	305.65	372.19	41.17	82.63	144.80
Diluted net income per share attributable to shareholders (JPY)	—	—	—	—	—
Shareholders' equity ratio (%)	71.5	73.0	58.1	56.7	55.1
Return on shareholders' equity (%)	9.7	10.6	1.1	2.1	3.5
Price-earnings ratio (times)	26.9	20.7	131.4	51.0	30.6
Cash flows from operating activities	67,428	53,456	44,875	55,784	60,919
Cash flows from investing activities	(150,163)	(55,533)	(107,096)	(47,889)	(70,071)
Cash flows from financing activities	(29,603)	(58,757)	85,987	(4,608)	32,362
Cash and cash equivalents at end of period	155,484	105,279	143,086	131,951	166,541
Employees (persons)	29,020	28,034	28,450	26,614	26,050

Notes: 1. The consolidated financial statements have been prepared in accordance with the accounting standards generally accepted in the United States of America.

2. Diluted net income per share attributable to shareholders is not stated since there are no potentially dilutive securities.

3. Due to the reclassification of DMB (Devices & Module Solutions Business) as a discontinued operation, the relevant figures for FY2024, and FY2025, have been restated. (For details on the discontinued operation, see "II. Business Conditions 5. Important Agreements, etc. (2) Execution of an Absorption-Type Company Split Agreement and Share Transfer Agreement for the Devices & Module Solutions Business (DMB)" and "V. Financial Information 1. Consolidated Financial Statements, etc. (1) Notes to Consolidated Financial Statements II. Descriptions and Breakdowns of Major Accounts Y DISCONTINUED OPERATION."

(2) Key Financial Data of the Reporting Company

(JPY millions, unless otherwise stated)

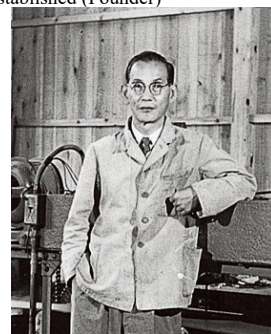
Fiscal Year	FY2021	FY2022	FY2023	FY2024	FY2025
Settlement Date	March 2022	March 2023	March 2024	March 2025	March 2026
Net sales	310,989	369,498	259,328	254,027	293,308
Ordinary profit (loss)	42,084	103,108	(8,260)	72,918	19,571
Net income (loss)	23,250	91,106	15,792	(37,109)	27,242
Common stock	64,100	64,100	64,100	64,100	64,100
Total number of issued shares (Thousand shares)	206,245	206,245	206,245	206,245	206,245
Net assets	277,159	333,265	319,545	258,136	264,678
Total assets	606,482	596,309	680,668	589,968	680,412
Net assets per share (JPY)	1,391.42	1,693.19	1,622.75	1,311.04	1,346.08
Net income (loss) per share (JPY)	115.74	459.09	80.21	(188.47)	138.47
Diluted net income per share (JPY)	—	—	—	—	—
Dividend per share (JPY)	92.00	98.00	104.00	104.00	104.00
(Interim dividend per share included therein) (JPY)	[46.00]	[49.00]	[52.00]	[52.00]	[52.00]
Equity ratio (%)	45.7	55.9	46.9	43.8	38.9
Return on equity (%)	8.07	29.85	4.84	—	10.42
Price-earnings ratio (times)	71.0	16.8	67.5	—	32.0
Dividend payout ratio (%)	79.5	21.3	129.7	—	75.1
Employees (persons)	4,610	4,621	4,538	3,873	3,855
Total shareholder return (%)	96.1	91.4	66.0	53.4	57.1
(Comparison index: TOPIX total return index) (%)	[102.0]	[107.9]	[152.5]	[150.2]	[202.2]
Highest share price (JPY)	12,115	8,164	9,329	6,843	5,655
Lowest share price (JPY)	7,306	6,237	5,245	4,212	3,503

- Notes: 1. Diluted net income per share is not stated because there are no dilutive shares.
2. The fiscal year-end dividend of 52.00 yen per share out of the annual dividend of 104.00 yen per share for FY2025 (fiscal year ended March 2026) is subject to be resolved at the Ordinary General Meeting of Shareholders scheduled to be held on June 23, 2026.
3. Return on equity, price earnings ratio, and dividend payout ratio for FY2024 (fiscal year ended March 2025) are not stated because a loss was recorded.
4. The highest and lowest share prices refer to those of the Prime Market of the Tokyo Stock Exchange since April 4, 2022 and those of the First Section of the Tokyo Stock Exchange before that.
5. Total shareholder return is calculated based on the share price at the end of FY2020 (fiscal year ended March 2021).

2. History

May 1933	Tateisi Electric Manufacturing Co. established by Kazuma Tateishi in Higashinoda, Miyakojima-ku, Osaka. Commenced manufacture of timer for X-ray photography (founded on May 10, 1933).
July 1936	Factory newly established and transferred to Nozato-cho, Nishiyodogawa-ku, Osaka.
June 1945	Factory relocated to Hanazonotsuchido-cho, Ukyo-ku, Kyoto-shi.
May 1948	The Company reorganized into a joint stock company with JPY2 million in common stock. Trade name changed to Tateisi Electronics Co. (founded on May 19, 1948).
January 1955	Sales division and research division made independent, with the establishment of Tateisi Electronics Sales and Tateisi Electronics Laboratories. Proposed the Producer System (a format for independent dedicated factories in a decentralized system), and established Saikyo Electronics Manufacturing as the first step.
January 1959	Established the “OMRON” trademark.
February 1959	Merged with Tateisi Electronics Laboratories.
October 1960	Central R&D Laboratory completed in Nagaoka-cho, Kyoto (currently Nagaokakyo-shi).
April 1962	Listed on the Kyoto Stock Exchange and the Second Section of the Osaka Securities Exchange.
October 1964	Tateisi Electronics Kusatsu Factory and other production subsidiaries merged into Saikyo Electronics Manufacturing.
April 1965	Absorbed Tateisi Electronics Sales and Saikyo Electronics Manufacturing.
August 1965	Listing re-designated onto First Section of Osaka Securities Exchange.
September 1966	Listed on the First Section of the Tokyo Stock Exchange and the First Section of the Nagoya Stock Exchange (delisted on November 9, 2009).
March 1967	Operated world’s first unmanned train station system.
February 1972	Established Omron Taiyo Electric Co., Ltd.
October 1976	Designated as a specified stock on the Osaka Securities Exchange.
March 1985	Established OMRON Kyoto Taiyo Co., Ltd.
April 1986	Completed Ayabe Factory in Ayabe-shi, Kyoto.
April 1988	Elevated the Tokyo branch officer to the Tokyo headquarters (transition to two-company system).
January 1990	Changed company name to OMRON Corporation.
April 1991	Relocated head office to Shimogyo-ku, Kyoto-shi.

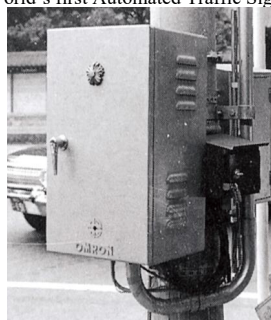
1933 Tateisi Electric Manufacturing Co. established (Founder)



1960 World’s first Non-contact Switch



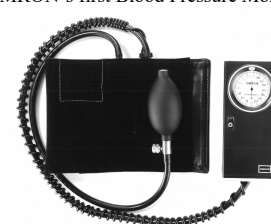
1964 World’s first Automated Traffic Signal



1967 World’s first Unmanned Train Station System

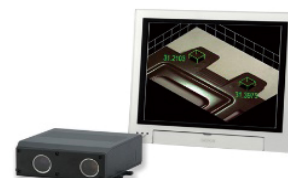


1973 OMRON’s first Blood Pressure Monitor



April 1993	Began operation of first wholly-owned production company in China, OMRON Dalian Co., Ltd.
August 2000	Relocated head officer and headquarters administrative functions to the OMRON Kyoto Center Building (Shimogyo-ku, Kyoto-shi).
April 2003	Integrated management of the Relay Business Division and Omron Kumamoto Co., Ltd. to establish OMRON RELAY & DEVICES Corporation.
May 2003	Opened the Keihanna Open Innovation Center in Soraku-gun, Kyoto (currently Kizugawa-shi) as a hub for global R&D co-creation strategy.
July 2003	Spun off the healthcare business to establish OMRON HEALTHCARE Co., Ltd.
October 2004	Transferred to information devices business for ATMs (automatic teller machines), etc. to Hitachi-Omron Terminal Solutions, Corp. through a joint incorporation-type company split.
June 2006	Made SCIENTIFIC TECHNOLOGIES INC. (currently OMRON ROBOTICS AND SAFETY TECHNOLOGIES, INC.), which has safety technology, a subsidiary. Started operation of OMRON (Shanghai) Co., Ltd., a global hub for control equipment systems, in China.
May 2007	Made Laserfront Technologies Co., Ltd., which has laser microfabrication technology, a subsidiary.
June 2007	Opened OMRON R&D Collaborative Innovation Center (Shanghai), a research center in China.
July 2007	Opened OMRON Keishinkan, an exhibition facility and training facility adjacent to the Kyoto head office.
July 2008	Merged with OMRON Semiconductors Co. Ltd. by absorption.
September 2009	Established EMC (Electronic and Mechanical Components Business) (currently DMB (Device & Module Solutions Business)) as a new business segment.
April 2010	Spun off the switch business to establish OMRON SWITCH & DEVICES Corporation.
May 2010	Spun off the automotive electronics business to establish OMRON Automotive Electronics Co. Ltd.
November 2010	Established OMRON Social Solutions Co. Ltd., a subsidiary for the social systems business.
January 2011	Relocated and integrated the business site in Toranomom, Minato-ku and Osaki, Shinagawa-ku to Shinagawa Front Building (Konan, Minato-ku), and commenced operations as the Tokyo Office (ending the dual-headquarters arrangement).

2007 World's first Real-color Three-Dimensional Vision sensor



June 2011	Established a joint venture with NTT WEST CORPORATION in the home energy saving support service business.
October 2011	Opened the R&D center and head office of OMRON HEALTHCARE Co., Ltd. in Muko-shi, Kyoto.
January 2012	Made Shanghai Best Electrical Appliance Manufacturing Co., Ltd., a Chinese power latching relay manufacturer, a subsidiary.
July 2012	Established a joint venture with NTT Docomo, Inc. in the area of health support service business.
July 2014	Established OMRON VENTURES CO., LTD., an investment subsidiary handling corporate venture capital.
October 2014	Made MMRSV Participancoes S.A., which controls Brazilian nebulizer production and sales company NS Industria de Aparelhos Medicos LTDA. and two other companies, a subsidiary.
September 2015	Made US motion control equipment manufacturer Delta Tau Data Systems Inc. and the eight companies under its control subsidiaries.
October 2015	Made US industrial robot manufacturer Adept Technology Inc. (currently OMRON ROBOTICS AND SAFETY TECHNOLOGIES, INC.) and the five companies under its control subsidiaries.
March 2017	Implemented a capital and business alliance with AliveCor, Inc. in the healthcare area.
July 2017	Made leading industrial camera manufacturer Senteck Co., Ltd. (currently OMRON Senteck Co., Ltd.) and the seven companies under its control subsidiaries.
October 2017	Made US industrial code reader manufacturer Microscan Systems Inc. (currently Omron Microscan Systems, Inc.) and the three companies under its control subsidiaries.
February 2018	Established OMRON SINIC X Corporation, a research company designing the near future.
April 2018	Established OMRON EXPERTLINK Co., Ltd., a new company consolidating the personnel, general administration and financial functions of the domestic OMRON Group.
February 2019	Transferred 80% of shares of OMRON Nohgata Co., Ltd., which works on the development and entrusted manufacturing service of industrial electronic equipment, to Advantech Co., Ltd.
October 2019	Transferred all shares of OMRON Automotive Electronics Co. Ltd., which works on automotive electronic components, to Nidec Corporation.

2013 Table-Tennis-Playing Robot FORPHEUS



2018 World's first Wearable Blood Pressure Monitor



2019 World's first Blood Pressure Monitor + ECG



February 2020	Made AliveCor, Inc. an equity method affiliate.
March 2021	Transferred all shares of Hitachi-Omron Terminal Solutions, Corp., which was an equity method affiliate, to Hitachi, Ltd.
October 2021	Spun off the MEMS business that develops and manufactures pressure sensors and floor sensors to Mitsumi Electric Co., Ltd.
February 2022	Implemented a capital and business alliance with JMDC Inc., a medical statistical data service company.
June 2022	Partially amended the Articles of Incorporation to include "Practice of Corporate Philosophy.
April 2023	Established OMRON EXPERT ENGINEERING Co.,Ltd. to provide human resource services (temporary staffing, outsourcing, and placement) in the engineering field. Invested in KIRIN TECHNO-SYSTEM CO., LTD., a manufacturer of comprehensive inspection equipment for the beverage industry, and made it a subsidiary as "OMRON KIRIN TECHNO-SYSTEM CO., LTD.
October 2023	Made JMDC Inc. a subsidiary.
December 2023	Established Data Solution Business
April 2024	Made Luscii Healthtech B.V., a Dutch provider of telemedicine services, a wholly owned subsidiary.
July 2025	Established OMRON TRANCOSMOSS PROCESS INNOVATION Co., Ltd., a joint venture with transcosmos Inc. dealing in indirect operations.
October 2025	Reclassified OMRON SOFTWARE Co., Ltd., a subsidiary of OMRON SOCIAL SOLUTIONS Co., Ltd., to a strategic subsidiary of OMRON Corporation and renamed the company OMRON DIGITAL Co., Ltd. Made iCARE Co., Ltd. a wholly owned subsidiary. Opened the Power Electronics Center as a development facility under the Technology & Intellectual Property Headquarters in Muko City, Kyoto Prefecture.
March 2026	Decided to spin off the Devices & Module Solutions Business (absorption-type corporate split) and to transfer shares of the successor company in October 2026.

2020 World's first Integrated Controller



3. Description of Business

The Group is made up of the Company, 163 subsidiaries (75 domestic and 88 overseas) and 10 affiliates (7 domestic and 3 overseas) (as of March 31, 2026), and operates businesses centered on the manufacture and sale of electrical machinery and equipment, electronic appliances, precision equipment, medical equipment and other general machinery and equipment, and services incidental to these. The scope of its products is wide ranging, including all areas of industrial control machinery components and system devices, in addition to life and public-related devices and systems. We established the Data Solution Business Headquarters in December 2023 with the aim of transforming our entire group from a manufacturing-focused business to a solutions business (products and services).

The main business content of each operating segment, and the principal subsidiaries and affiliates are as follows. As of the current fiscal year, the Devices & Module Solutions Business has been classified as a discontinued operation. For more information, see “V. Financial Information 1. Consolidated Financial Statements, etc. (1) Notes to Consolidated Financial Statements II. Descriptions and Breakdowns of Major Accounts Y DISCONTINUED OPERATION”.

(1) Industrial Automation Business (IAB)

With the vision of “Enriching the Future for People, Industries and the Globe by Innovative-Automation,” the Industrial Automation Business (IAB) has contributed to the development of industry by innovating the manufacturing industry around the world with advanced automation, based on the core technology of “Sensing & Control + Think” that OMRON has cultivated thus far. Setting our unique “innovative-Automation” (Note) value creation concept, our aim is to solve rapidly changing social issues mainly in the manufacturing industry with innovative solutions, based on the widest range of control devices in the industrial market, and create social value that contributes to the realization of happiness for working people along with the sophistication of industry.



Note: “innovative-Automation” is a value creation concept advocated for by OMRON that creates social value by solving issues at manufacturing sites. It promotes the provision of automation for sustainability that realizes coexistence with the global environment and job satisfaction of people while driving innovation in manufacturing. “innovative-Automation” aims to embody the following three concepts: “Autonomation beyond human abilities” that invites people to take on more creative roles and maximizes both on-site productivity and energy efficiency, “Advanced collaboration between people and machines” that maximizes human potential and allows humans and machines to grow and evolve together, and “Digital engineering transformation” that reproduces manufacturing sites and equipment in digital space, accelerates DX at manufacturing sites, and contributes to business process innovation.

(2) Healthcare Business (HCB)

The mission of our Healthcare Business (HCB) is “To help realize healthy and comfortable lives for people around the world.” By living up to this mission, we provide healthcare products and services with a focus on usability and accuracy of readings. With the business vision of “Going for Zero—Preventive Care for the Health of Society,” we provide devices and services globally in the fields of cardiovascular and respiratory diseases, as well as pain that affects daily life, leveraging the technology and expertise we have cultivated over the years. OMRON sells devices certified for medical use in various countries and regions, including blood pressure monitors, digital thermometers, and nebulizers (devices that deliver asthma medication through inhalation by patients), in more than 130 countries across the world. Furthermore, in the field of telemedicine, which has been gaining global traction in recent years, we are rolling out remote patient monitoring services (physicians remotely monitor vital signs data collected by patients on a daily basis to facilitate better treatment), primarily in Europe and the United States.



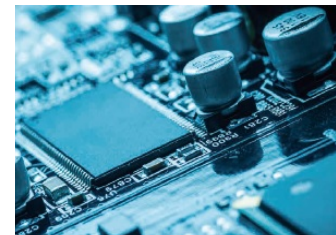
(3) Social Systems, Solutions and Service Business (SSB)

With its mission, “Creating a society in which the people of the world live in safety, security, and comfort,” the Social Systems, Solutions and Service Business (SSB) conducts business that underpins social infrastructure. We provide a wide range of products and systems, including energy-related products, such as storage battery systems and PV inverters; railway station service systems such as automated ticket gates and ticket vending machines; traffic and road management systems; and uninterruptible power supply (UPS) and infrastructure monitoring systems. Furthermore, through our management and service (M&S) solutions, providing integrated services ranging from engineering to operations management and maintenance, we contribute to the stable operation of social infrastructure.



(4) Device & Module Solutions Business (DMB) (Discontinued Operations)

The mission of the Device & Module Solutions Business (DMB): “With our devices and modules, create customer value, and contribute to society.” DMB is a global component supplier of relays, switches, connectors and sensors that act as eyes and ears for wide variety of products playing a vital role in connecting and switching devices, for customers across various industries including EVs and mobility, energy infrastructure, home appliances and industrial equipment.



(5) Data Solution Business (DSB)

With the mission of “Transcending the boundaries of physical products. Transforming OMRON and creating true customer value,” the Data Solution Business is driving the evolution of the entire OMRON Group from manufacturing to a data-driven solutions business. By combining the vast amounts of field data generated by each business unit from devices and components with the data management and solution development capabilities of JMDC Inc., which joined the Group in October 2023, we will address the three social issues outlined in SF2030—“Achievement of Carbon Neutrality,” “Realization of a Digital Society,” and “Extension of Healthy Life Expectancy”—thereby creating new growth businesses.



Segment	Products or Services	Area	Major Subsidiaries
IAB	Programmable controllers Motion controllers Sensing devices Industrial camera/code reader devices Inspection systems Safety devices Industrial robots	Japan	OMRON KANSAI-SEIGYO CORPORATION FA TECHNO CORPORATION. SK SOLUTION CO.,LTD
		Americas	OMRON ELECTRONICS LLC OMRON ROBOTICS AND SAFETY TECHNOLOGIES, INC. OMRON CANADA, INC.
		Europe	OMRON EUROPE B.V. OMRON ELECTRONICS IBERIA SA. OMRON ELECTRONICS S.P.A
		Greater China	OMRON (SHANGHAI) CO., LTD. OMRON INDUSTRIAL AUTOMATION (CHINA) CO.,LTD. OMRON TAIWAN ELECTRONICS INC.
		Southeast Asia and Others	OMRON ASIA PACIFIC PTE. LTD. OMRON AUTOMATION PVT LTD. OMRON ELECTRONICS KOREA CO., LTD.
HCB	Digital blood pressure monitors Nebulizers Low-frequency therapy equipment ECGs Oxygen generators Digital thermometers Body composition monitors Pedometers and activity meters Electric toothbrushes Pulse oximeters Massagers Blood glucose monitors Vascular screening devices Remote patient monitoring systems Telemedicine services	Japan	OMRON HEALTHCARE CO., LTD OMRON HEALTHCAREMARKETING CO., LTD
		Americas	OMRON HEALTHCARE, INC. OMRON HEALTHCARE MÉXICO S.A DE C.V Omron Healthcare Brasil Indústria e Comércio de Produtos Médicos LTDA.
		Europe	OMRON HEALTHCARE EUROPE B.V. OMRON HEALTHCARE UK LIMITED OMRON HEALTHCARE RUS B.V.
		Greater China	OMRON DALIAN CO., LTD. OMRON HEALTHCARE (CHINA) CO., LTD. OMRON MEDICAL (BEIJING)CO.,LTD.
		Southeast Asia and Others	OMRON HEALTHCARE SINGAPORE PTE LTD OMRON HEALTHCARE INDIA PVT LTD OMRON HEALTHCARE KOREA CO., LTD.
SSB	Energy business (storage battery systems, PV inverters) Mobility business (railway station service systems, traffic and road management systems) IoT business (UPS, infrastructure monitoring) M&S business (operations management and maintenance)	Japan	OMRON SOCIAL SOLUTIONS CO.,LTD. OMRON ASO CO., LTD. OMRON FIELD ENGINEERING CO., LTD.
DMB	Relays Switches Connectors IoT communication modules General sensors Amusement components and units Face recognition software Image sensing component MEMS sensors	Japan	OMRON AMUSEMENT CO., LTD OMRON RELAY & DEVICES CORPORATION OMRON Devices Co., Ltd
		Americas	OMRON ELECTRONIC COMPONENTS LLC.
		Europe	OMRON ELECTRONIC COMPONENTS EUROPE B.V.
		Greater China	SHANGHAI OMRON CONTROL COMPONENTS CO., LTD. OMRON ELECTRONIC COMPONENTS TRADING (SHANGHAI) LTD. OMRON ELECTRONIC COMPONENTS (SHEN ZHEN) LTD.
		Southeast Asia and Others	OMRON ELECTRONIC COMPONENTS PTE., LTD. OMRON ELECTRONIC COMPONENTS CO., LTD. (Thailand) OMRON ELECTRONIC COMPONENTS CO., LTD. (Korea)
DSB	Data healthcare business Corporate health business M&S (management service solutions) business Data-based solutions business Self-reliance support business	Japan	JMDC Inc. NS PARTNERS CO., LTD. Doctor-NET Inc.
		Greater China	DOCTOR-NET (SHANGHAI) INC.

4. Information about the Affiliates

Company name	Address	Common stock (JPY millions)	Principal businesses	Segment (Notes 1)	Ownership percentage of voting rights			Relationship		
					Direct (%)	Indirect (%)	Total (%)	Inter-locking officers	Loans	Business transactions, etc.
(Consolidated subsidiaries)										
OMRON AMUSEMENT Corporation	Ichinomiya-shi, Aichi	300	Manufacture and sale of electronic components	DMB	100.0		100.0			Manufacture and sale of OMRON products
OMRON FIELD ENGINEERING Co., Ltd.	Chuo-ku, Tokyo	360	Electrical equipment maintenance services	SSB		100.0	100.0			Maintenance of OMRON products
OMRON RELAY & DEVICES Corporation (Notes 2)	Yamaga-shi, Kumamoto	300	Manufacture of electronic components	DMB	100.0		100.0		Yes	Manufacture of OMRON products
OMRON ASO Co., Ltd.	Aso-shi, Kumamoto	200	Manufacture of control equipment	SSB		100.0	100.0			—
OMRON HEALTHCARE Co., Ltd.	Muko-shi, Kyoto	5,021	Manufacture, development, sale, etc. of health and medical equipment and services	HCB	100.0		100.0			—
OMRON Social Solutions Co. Ltd. (Notes 4)	Minato-ku, Tokyo	5,000	Manufacture, sale, etc. of systems for railway and road transportation	SSB	100.0		100.0			—
OMRON KANSAI-SEIGYO CORPORATION	Kita-ku, Osaka-shi	310	Sale of control equipment	IAB	100.0		100.0			Sale of OMRON products
FA Techno Corporation	Taito-ku, Tokyo	490	Sale of control equipment	IAB	100.0		100.0			Sale of OMRON products
JMDC Inc. (Notes 2, 3)	Minato-ku, Tokyo	25,167	Medical statistical data service	DSB	54.3		54.3			Purchase of JMDC Inc. services
NS PARTNERS CO., LTD.	Minato-ku, Tokyo	10	Medical factoring to medical institutions and consulting	DSB		100.0	100.0			—
OMRON MANAGEMENT CENTER OF AMERICA, INC. (Notes 2)	Illinois, USA	USD 6,891,000	Management of subsidiaries and affiliates in North America	HQ	100.0		100.0			—
OMRON ELECTRONICS LLC	Illinois, USA	USD 9,015,000	Sale of control equipment	IAB		100.0	100.0			Sale of OMRON products
OMRON ELETRONICA DO BRASIL LTDA. (Notes 2)	Sao Paulo, Brazil	BRL 561,380,000	Sale of control equipment and management of subsidiaries and affiliates in Brazil	HQ	100.0		100.0			Sale of OMRON products
OMRON ELECTRONIC COMPONENTS LLC	Illinois, USA	USD 3,987,000	Sales management of electronic components business and sales	DMB	100.0		100.0			Sale of OMRON products
OMRON ROBOTICS AND SAFETY TECHNOLOGIES, INC. (Notes 2)	California, USA	USD 183,635,000	Development, manufacture, sale and maintenance services of industrial robots and mobile robots	IAB		100.0	100.0			Manufacture, sale, development and maintenance of OMRON products
OMRON HEALTHCARE, INC.	Illinois, USA	USD 200,000	Sale of health and medical equipment	HCB		100.0	100.0			—

Company name	Address	Common stock (JPY millions)	Principal businesses	Segment (Notes 1)	Ownership percentage of voting rights			Relationship		
					Direct (%)	Indirect (%)	Total (%)	Inter-locking officers	Loans	Business transactions, etc.
OMRON EUROPE B.V.	Hoofddorp, Netherlands	EUR 16,883,000	Management of subsidiaries and affiliates in Europe, and management of the industrial automation business in Europe	HQ	100.0		100.0			Sale of OMRON products
OMRON HEALTHCARE EUROPE B.V.	Hoofddorp, Netherlands	EUR 1,000,000	Sale of health and medical equipment, management of health and medical equipment business in Europe	HCB		100.0	100.0			—
OMRON ELECTRONIC COMPONENTS EUROPE B.V.	Hoofddorp, Netherlands	EUR 1,000,000	Sales management of electronic components business and sales	DMB		100.0	100.0			Sale of OMRON products
OMRON ELECTRONICS IBERIA SA.	Madrid Spain	EUR 988,000	Sale of control equipment	IAB		100.0	100.0			Sale of OMRON products
OMRON ELECTRONICS S.P.A	Milano Italy	EUR 5,686,000	Sale of control equipment	IAB		100.0	100.0			Sale of OMRON products
OMRON ASIA PACIFIC PTE. LTD.	Singapore	USD 23,465,000	Management of subsidiaries and affiliates in Southeast Asia and sale of control equipment	HQ	100.0		100.0			Sale of OMRON products
OMRON AUTOMATION PVT LTD.	Mumbai India	INR 3,279,000	Management of subsidiaries and affiliates in India and sale of control equipment	IAB		100.0	100.0			Sale of OMRON products
OMRON ELECTRONICS KOREA CO., LTD.	Seoul Korea	KRW 950 million	Sale of control equipment	IAB	100.0		100.0			Sale of OMRON products
OMRON (CHINA) CO., LTD. (Notes 2)	Beijing, China	RMB 1,469 million	Management of business in China	HQ	100.0		100.0			—
OMRON DALIAN CO., LTD.	Dalian, China	RMB 157,237,000	Manufacture of health and medical equipment	HCB		100.0	100.0			—
OMRON (SHANGHAI) CO., LTD. (Notes 2)	Shanghai, China	RMB 550,289,000	Manufacture, sale and development of control equipment	IAB		100.0	100.0			Manufacture, sale and development of OMRON products
OMRON INDUSTRIAL AUTOMATION (CHINA) CO., LTD.	Shanghai, China	RMB 56,067,000	Trading company	IAB		100.0	100.0			Sale of OMRON products
OMRON ELECTRONIC COMPONENTS TRADING (SHANGHAI) LTD.	Shanghai, China	RMB 28,968	Sale of electronic components	DMB		100.0	100.0			Sale of OMRON products
SHANGHAI OMRON CONTROL COMPONENTS CO., LTD.	Shanghai, China	RMB 390,367,000	Manufacture of electronic components	DMB		100.0	100.0			Manufacture of OMRON products
OMRON ELECTRONIC COMPONENTS (SHENZHEN) LTD.	Shenzhen, China	RMB 276,560,000	Manufacture of electronic components	DMB		100.0	100.0			Manufacture of OMRON products
OMRON HEALTHCARE (CHINA) CO., LTD.	Dalian, China	RMB 208,611,000	Trading company of health and medical equipment	HCB		100.0	100.0			—
OMRON TAIWAN ELECTRONICS INC.	Taipei Taiwan	NT.\$ 869,410,000	Sale of control equipment	IAB	100.0		100.0			Sale of OMRON products
OMRON HONG KONG LIMITED	Hong Kong, China	USD 13,314,000	Production Control Company	HQ	100.0		100.0			Sale of OMRON products
129 other companies										

Company name	Address	Common stock (JPY millions)	Principal businesses	Segment (Notes 1)	Ownership percentage of voting rights			Relationship		
					Direct (%)	Indirect (%)	Total (%)	Inter-locking officers	Loans	Business transactions, etc.
(Equity method affiliates)										
AliveCor, Inc.	California, USA	USD 225 million	Provision of support services and products for heart disease diagnosis and treatment	HCB	35.5		35.5			—
9 other companies										

Notes: 1. IAB refers to the Industrial Automation Business, HCB refers to the Healthcare Business, SSB refers to the Social Systems, Solutions and Service Business, DMB refers to the Device & Module Solutions Business, DSB refers to the Data Solution Business and HQ refers to the headquarter functions such as technology and intellectual property head office, and indicate segments based on principle businesses.

2. Specified subsidiary.

3. Submits Annual Securities Reports.

4. Sales of OMRON SOCIAL SOLUTIONS CO.,LTD. (excluding internal sales between consolidated companies) exceed 10% of consolidated sales.

Principal profit and loss information, etc.

(1) Net sales: JPY111,832 million;

(2) Income before income taxes and equity in loss (earnings) of affiliates: JPY17,247 million;

(3) Net income: JPY12,733 million;

(4) Net assets: JPY68,839 million;

(5) Total assets: JPY108,621 million

5. The subsidiaries and affiliates above do not include companies that are in significant insolvency.

6. As of the current fiscal year, the OMRON Group has classified the Devices & Module Solutions Business (DMB) as a discontinued operation.

II. Business Conditions

1. Management Policy, Management Environment, and Issues to be Addressed

Management policies, management environment, and challenges to be addressed are as summarized below.

(1) Management Policies

(2) Long-term Vision Shaping the Future 2030 (FY2022-2030)

(3) Medium-Term Management Plan SF 1st Stage and Structural Reform Program (FY2022-FY2025)

(4) Overview of Medium-Term Roadmap SF 2nd Stage (FY2026-2030)

(5) SF 2nd Stage Targets

Matters discussed here that are not historical fact reflect the judgment of the OMRON Group management at the end of the fiscal year.

“Operating profit” in the text is presented by subtracting “Cost of sales,” “Selling, general and administrative expenses” and “Research and development expenses” from “Net sales.”

(1) Management Policies

(i) OMRON Principles

The OMRON Group believes a business should create value for society through its key practices. Based on this belief, we pursue a mission to improve lives and contribute to a better society, practicing the OMRON Principles to this end. In 1959, Kazuma Tateishi, the Company’s founder, set forth “To improve lives and contribute to a better society” as “Our Mission.” In 1990, we adopted a corporate philosophy framework, which we have since refined to keep pace with the changing times. The most recent revision to the OMRON Principles was in 2015. In 2022, we incorporated the practice of corporate philosophy into our articles of incorporation to clearly state that we will always practice the OMRON Principles and never change the fundamentals of management: Our commitment to contributing to social progress and enhancing corporate value.



(ii) Management Structure Based on OMRON Principles

The Management Philosophy of the OMRON Group, established in 2015, represents our stance of putting the corporate principles into practice through our business and how we think about management. We aim to enhance corporate value sustainably by putting the OMRON Principles into practice under a management philosophy following certain guidelines: (1) Uphold a long-term vision in our business practices to create solutions to society's needs; (2) Operate as a truly global company through fair and transparent management practices; and (3) Cultivate strong relationships with all of our stakeholders through responsible engagement.



Since this “management stance” is aimed at the persistent growth of the Company, we have also included the same content in the OMRON Group’s “Sustainability Policy.”

(iii) Fundamental purpose of the OMRON Group

The OMRON Group faces many uncertain and unprecedented social changes, including increasingly severe and frequent natural disasters, the advent of a super-aged society, widening economic disparities, and rising geopolitical risks. Amid these changes, we redefined the fundamental purpose of the OMRON Group in 2021 to continue to contribute to the development of society by generating social value through business. Pursuing this purpose allows us to remain who we truly are. This purpose is nothing more or less than the OMRON Principles. No matter how society changes, this purpose will never change.



(2) Long-term Vision Shaping the Future 2030 (FY2022-2030)

The OMRON Group has a long-term vision named Shaping the Future 2030 (abbreviated as SF2030) spanning fiscal 2022 to 2030. OMRON has established a narrative for our own transformations and new value creation. This will allow us to continue to contribute to society by fulfilling OMRON's purpose and addressing as many social issues as possible.

(i) SF2030 Vision Statement

We Will Continue to Create “Innovation Driven by Social Needs” through Automation to Empower People.

Design the near-future, detect and uncover social needs, and create new value through automation. We call this process “innovation driven by social needs” and have been contributing to a better society by practicing it since our foundation. Contributing to creation of a social and economic system capable of sustainable development is OMRON's fundamental purpose. We will remain true to corporate philosophy management, continuing its practice without change.

Automation in industrial society was the replacement of human work by machines. What is required in an “autonomous society” is automation that helps people realize their full potential through the optimal combination of replacement, collaboration, and harmonization. We have defined automation from now on as “automation which empowers people,” and will continue to evolve our Sensing & Control + Think technologies to realize this automation.

In the next decade, as existing social issues become more pressing and new ones emerge, we will remain true to our core values and contribute to achievement of carbon neutrality, realization of a digital society, and extension of healthy life expectancies through “automation which empowers people,” with the aim of realizing an autonomous society where individual fulfillment is compatible with the society's affluence.

The SF2030 incorporates this desire: “all OMRON employees put our corporate philosophy into practice and work together with stakeholders to create a sustainable society through Sensing and Control + Think technology.”

(ii) Social Value Created by OMRON

In formulating our Long-Term Vision, the Group looked at the coming decade—one of many expected social challenges—as a major opportunity to create new markets and businesses. SF2030 is how we ensure that we will capitalize on these opportunities. Under this strategy, we narrowed down the key factors of change in society to three elements: (1) An aging population, (2) Climate change, and (3) Economic disparity among individuals. Based on these three factors of change, we identified three social issues for OMRON to tackle groupwide. Specifically, achievement of carbon neutrality, realization of a digital society, and extension of healthy life expectancy. We identified these three issues not only because of their significant impact on society, but also with a view to leveraging the OMRON strengths in automation, our customer assets, and our business assets. We contribute to the creation of energy systems that balance safety, security, convenience, and the natural world. To realize a digital society, OMRON aims to contribute to creative manufacturing and infrastructure for a sustainable society where people, regardless of age or wealth disparities, are released from all constraints. We are tackling head-on initiatives that address the issue of an aging society by constructing a healthcare system that allows people to live healthy, prosperous, independent lives by extending healthy life expectancy.

Social Issues Addressed by OMRON and Social Values to Be Created>

Social Issues Addressed by OMRON	Achievement of Carbon Neutrality	Realization of a Digital Society	Extension of Healthy Life Expectancies
			
Social Value to be Created	Energy systems that strike a balance between safety, security, and convenience and the natural environment	Manufacturing and infrastructure that will free people from all restrictions, regardless of age or wealth, and realize an enjoyable, creative, and sustainable society	Healthcare systems that enable people to lead healthy, prosperous, and independent lives

In order to maximize the social impact of addressing these three social issues, we revised the OMRON Group domains in SF2030, and established three domains and social values within each domain. Industrial Automation aims to contribute to the advancement of manufacturing that will support a sustainable society. Healthcare Solutions aims to contribute to the achievement of “Zero Events” for cardiovascular diseases. Social Solutions aims to contribute to the spread and efficient use of renewable energy and the sustainability of the infrastructure supporting a digital society. Device & Module Solutions aims to contribute to the spread of new energy and high-speed communications.

Social Values Created by Three Domains

	Achievement of carbon neutrality	Realization of a digital society	Extension of healthy life expectancies
Industrial Automation	Contribute to the “advancement of manufacturing that will support a sustainable society”		
Healthcare Solutions			Contribute to the “achievement of ‘Zero Events’ for cardiovascular diseases”
Social Solutions	Contribute to “the spread and efficient use of renewable energy and the sustainability of the infrastructure supporting a digital society”		

i) Industrial Automation

Industrial Automation aims to contribute to the advancement of manufacturing that will support a sustainable society. Working with customers, OMRON has created applications that help innovate in manufacturing, eliminate labor shortages and improve productivity in a variety of industries by leveraging a wide lineup of products and services, as well as our expertise stemming from close engagement with frontline operations. We will continue to enhance the range of devices used at customer sites around the world. Furthermore, we will contribute to making our customers’ manufacturing sites more sustainable by converting the high-quality data obtained from these devices into valuable insights that drive digital transformation.

ii) Healthcare Solutions

Healthcare Solutions aims to contribute to the achievement of “Zero Events” for cardiovascular diseases. OMRON has helped prevent the incidence of cerebral and cardiovascular events with its creation and distribution of medical-quality home-use devices that can be applied to diagnosis and treatment. Building a new preventive medical system to prevent event occurrences, we aim to bring about a society where everyone can live a healthy life and have access to high quality medical care, wherever they live. Looking toward that society, we will create devices that can measure vital data from daily life, implement remote patient monitoring services that use algorithms that support decision making of doctors in diagnosis and treatment, and develop new preventative medical services.

iii) Social Solutions

Social Solutions aims to contribute to the spread and efficient use of renewable energy and the sustainability of the infrastructure supporting a digital society. OMRON has contributed to the spread of solar power and storage batteries. We will use advanced energy control technology to eliminate instability in power generation and contribute to the further use of renewable energy. In Social Infrastructure, we support operation and maintenance by leveraging extensive knowledge about various devices and operation site at facilities, and a service network that covers all of Japan. We will continue to innovate in operation and maintenance processes with management and services that support the efficient operation of on-site systems.

(iii) Material Sustainability Issues in SF2030

For SF2030, we adopted three viewpoints (1) the OMRON Principles and fundamental purpose, (2) backcasting from a society envisioned for 2030 and beyond, and (3) calls on companies to contribute to environmental and social sustainability. Five material issues were identified through management discussions, reflecting suggestions gained through internal discussion and dialogues with external experts. Our aim is to maximize corporate value and create social value and economic value by tackling these issues. We will conduct a periodic review and revise material sustainability issues to ensure we respond to demands placed on the Company and changes in the business environment.

Material Sustainability Issues Under SF2030

	Material Sustainability Issues Under SF2030	SF2030 Targets
1	Resolving Social Issues through Our Business Creating social value and driving OMRON's sustainable growth by resolving social issues through our business	The state of contributing to the sustainable development of society by resolving the social issues tackled groupwide, namely, achievement of carbon neutrality, realization of a digital society, and extension of healthy life expectancy from the social change factors focused on in SF2030: an aging population, climate change, and economic disparity among individuals
2	Maximizing the Capability to Innovate Driven by Social Needs Evolving business models, endowing OMRON with the competitiveness required for achieving sustainable growth, and expanding new business generation efforts	The state of continuously generating new businesses by demonstrating our capability to innovate driven by social needs in both existing and new business domains, through actions such as evolving essential core technology development and incorporating it into business models
3	Generating Diverse Talent Taking on the Challenge of Value Creation Evolving human capital management to bring out the capabilities and skills of OMRON's diverse talent, who will be the source of OMRON's sustainable growth	The state of bringing diverse talent together where everyone can succeed, regardless of nationality, gender, or work style, where OMRON provides opportunities for its diverse talent to grow and evolves its human capital management to maximize their capabilities and skills
4	Achieving Decarbonization and Lower Environmental Impact By viewing climate change from the two aspects of opportunities and risks, practicing corporate social responsibility and building further competitive advantage	The state of building further competitive advantage while solving social issues through reducing greenhouse gas (GHG) emissions in the value chain and establishing a resource recycling model ●Scope 1 and 2 ^(Note 1) : 65% cut vs. FY2016 ●Scope 3, Category 11 ^(Note 2) : 18% cut vs. FY2016
5	Respecting Human Rights in the Value Chain As part of our corporate social responsibility, exerting our influence for the respect of human rights for workers in the value chain and at OMRON	In line with the UN Guiding Principles on Business and Human Rights, the state of exerting our influence for the respect of human rights for workers not only at OMRON, but also in the value chain, and establishing a culture and system that does not permit or cause human rights violations

Notes: 1 Scope 1 and 2: Greenhouse gases emitted directly or indirectly from the company's own operations.

2 Scope 3 Category 11: Scope 3 corresponds to greenhouse gas emissions from the company's value chain. Of these emissions, Category 11 corresponds to emissions from the use of products and services manufactured or sold, etc.

*More details about SF2030 including the "Direction of OMRON's Evolution in SF2030" are available on our website:

<https://www.omron.com/global/en/sf2030/>

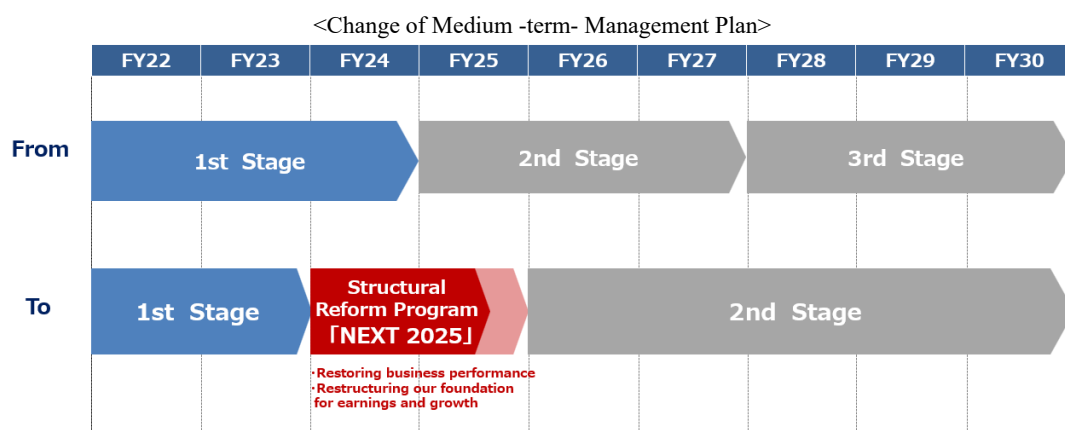
*For more information on the Sustainability Key Issue Identification Process, please visit the website:

https://sustainability.omron.com/en/omron_csr/sustainability_management/

(3) Medium-Term Management Plan SF 1st Stage and Structural Reform Program (FY2022-FY2025)

(i) Changes to Medium-Term Management Plan (SF 1st Stage) in SF2030

The Group designated the period spanning fiscal 2022 to fiscal 2024 as its medium-term management plan (hereinafter “SF 1st Stage”) and positioned it as a period of accelerating the transformation of OMRON to create value in response to social issues and to grow sustainably towards the achievement of the SF2030 vision, with the aim of capturing the growth opportunities that emerge from changes in social structures and achieving strong growth by tapping into the resulting competitiveness. However, the business environment deteriorated more than expected during fiscal 2023 due to the slowdown of the Chinese economy and supply chain disruptions. The Group was unable to respond to this rapid change in the environment, as operations of certain businesses and areas driving Group growth were unbalanced, resulting in a significant decline in company performance. In response to these circumstances, the Group has decided to withdraw its medium-term management plan (SF 1st Stage), which was originally scheduled to run through fiscal 2024, and to designate the period from April 1, 2024 to September 30, 2025 as a structural reform period to implement the Structural Reform Program NEXT2025.



(ii) Summary of Structural Reform Program NEXT2025

Under Structural Reform Program NEXT2025 the OMRON Group implemented five management measures focusing on two management issues: the immediate restructuring of the Industrial Automation Business and rebuilding the foundation for profitability and growth. The specific status of these five management measures is as follows.

NEXT2025 Management Measures

i) Immediate Restructuring of the Industrial Automation Business

Initiatives for re-growth of the Industrial Automation Business	
Original Plan	- We will revise strategies and plans from a customer perspective, and from the viewpoint of effectiveness for re-growth of the business. - In order to maximize operating margins in the Industrial Automation Business during the structural reform and establish a growth foundation that realizes the growth expected in SF2030, we will review resource allocation and accelerate implementation of measures.
Initiatives and Results	- The 10 task forces for transformation to strengthen the business foundation (customer base/business operations) and 12 initiatives have moved into the implementation phase. - By reliably capturing customer needs, expanding the customer base, and responding quickly to feedback on products and services, we aim to create a virtuous cycle of increasing customer satisfaction, and achieve stable growth. To this end, we launched a Customer Base Map to visualize our 110,000 global customers. - Allocated resources to priority areas and introduced 33 new product models that meet customer and industry needs. (FY2024: 11 models; FY2025: 22 models) - Increased FY2025 net sales, operating income, and operating income margin of the Industrial Automation Business. (Net sales up 12.3% year on year; operating Income up 18.0% year on year; operating income margin up 0.5 percentage points year on year)

ii) Rebuilding the Foundation for Profit and Growth

1. Portfolio Optimization	
Original Plan	- We will optimize business, product, and area portfolios to strengthen resistance to changes in the environment surrounding our business, while achieving sustainable growth accompanied by profits. - 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, Solutions, and Service Business, leveraging the capabilities of JMDC.
Initiatives and Results	- All businesses were re-evaluated and priority investments in growth, businesses/areas and monetization efforts and convergence studies for low-profit businesses were completed. We identified 13 focus businesses. - We are proceeding with the optimization of all 52 businesses, focusing on 13 focus^(Note 1) and 22 cash cow businesses^(Note 2), completing the reorganization of the 35 businesses^(Note 2). - We began considering the spin-off of the Devices & Module Solutions Business (DMB), announcing the business transfer in March 2026. - We wound up the POS terminal business in the Social Systems, Solutions and Service Business (SSB). - We completed the termination of production at the Brazilian plant of the Healthcare Business (HCB). - We launched OMRON Digital to expand the Group's Data Solution Business overall and to pursue DX/AI utilization by customers. - We acquired all shares of iCARE in preparation for the full-scale launch of a corporate health business.
2. Headcount and Capacity Optimization	
Original Plan	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.
Initiatives and Results	Completed headcount optimization. We also implemented measures to make optimal assignments and strengthen our management personnel and capacity. (A total of 2,526 people have retired (1,206 in Japan and 1,320 overseas))
3. Fixed Cost Productivity Improvements	
Original Plan	- Pursue the maximization of fixed cost productivity across the entire OMRON Group. - We will adopt and apply consistent fixed cost discipline to maintain a ratio of SG&A expenses to net sales of less than 30% over the medium term (less than 28% when excluding JMDC. Result for fiscal 2023 was 32.0%.)
Initiatives and Results	- Made progress in initiatives aimed at improving fixed cost productivity, such as thorough fixed cost management based on the new fixed cost discipline, consolidation of indirect material purchases, and consolidation of bases. - Optimized overhead costs by dissolving the area headquarters in Asia Pacific and the Americas. - Established a JV with transcosmos inc. to improve the efficiency and quality of back-office operations in Japan. - Reduction in the SG&A ratio: SG&A ratio for FY2025: 31.9% (FY2024: 33.1%)^(Note 3).
4. Introduction and Operation of a Customer-Driven Management System	
Original Plan	Introduce and execute measures to orient management, business, and headquarters management toward customer-driven thinking and behavior.
Initiatives and Results	- We have set the customer-driven approach as the company-wide guideline, and established KPIs to embody customer-driven thinking and actions and begin implementation in all divisions. - We have designed new human capital policies that will enable management to embody customer driven thinking and behavior, and we began implementing these policies. - Increased the ratio from the previous year of managers who are able to balance performance management and people management Nearly half of managers in Japan balance both considerations.

Notes: 1 As of March 31, 2026

2 As of March 31, 2026, excluding the Devices & Module Solutions Business that will be transferred

3 Calculated excluding discontinued operations (Device & Module Solutions Business)

By promptly addressing the issues that had contributed to the decline in performance, we paved the way for re-growth across all business segments, particularly in the Industrial Automation Business. Additionally, we reduced fixed costs by approximately 35 billion yen compared to fiscal year 2023 over the two-year period spanning fiscal years 2024 and 2025, achieving increased profits for a second consecutive year. On the other hand, given that both net sales and operating income have yet to return to historic highs, while metrics such as ROIC and ROE remain below the cost of capital, we recognize that the process of rebuilding the foundation for profit and growth is still a work in progress.

Moving forward, we intend to solidify this trend of improvement as soon as possible, while addressing fundamental challenges to achieve sustainable growth accompanied by profitability. These challenges include transforming our business model, implementing business portfolio management to drive growth, rebuilding the foundation for profitability and growth, and reforming corporate culture to foster a customer-driven approach.

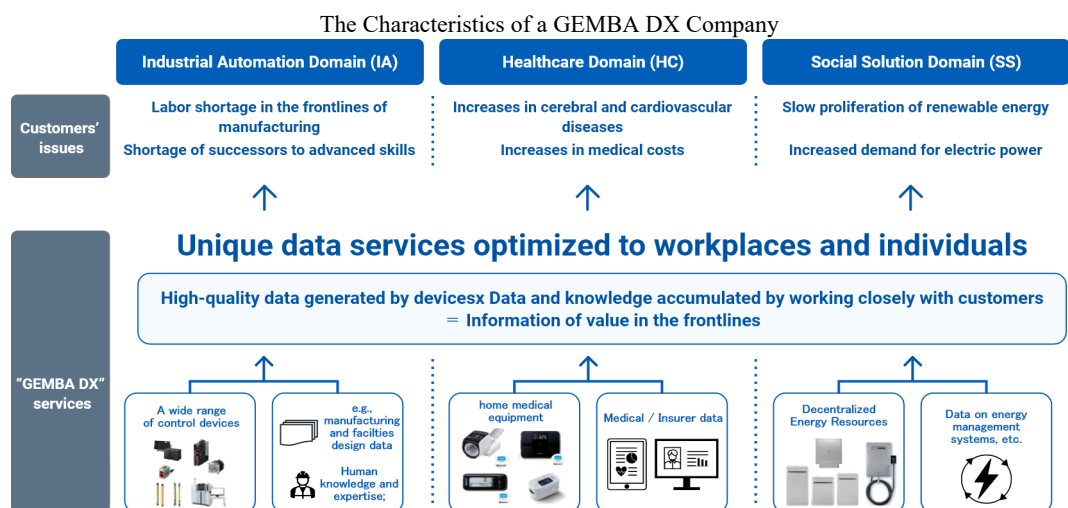
(4) Overview of Medium-Term Roadmap SF 2nd Stage (FY2026-2030)

Based on the achievements and issues of NEXT2025, in April 2026, we began following a new Medium-Term Roadmap SF 2nd Stage, which covers the period from fiscal 2026 to fiscal 2030.

(i) The Goal of Becoming a GEMBA DX Company

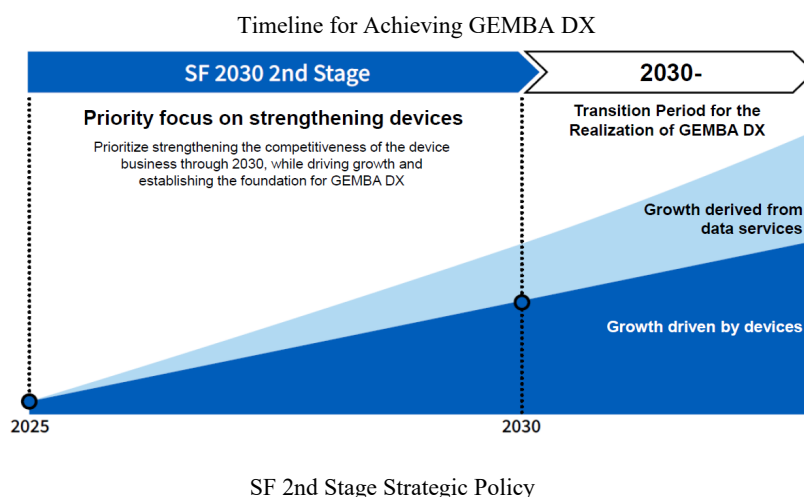
We anticipate that the impact of factors of social change projected in our Long-Term Vision will expand and deepen during SF 2nd Stage. Accordingly, we have identified three social issues for the OMRON Group to address: (1) Achieving Carbon Neutrality; (2) Realizing a Digital Society; and (3) Extending Healthy Life Expectancy. At the same time, simply providing hardware alone will make it increasingly difficult to contribute fundamentally to solving these three social issues, which are likely to become even more complex and ingrained in the future.

In SF 2nd Stage, we aim to transform ourselves into a GEMBA DX company that provides data services designed to solve the fundamental challenges faced by our customers. We will achieve this transformation through high-quality data generated by our extensive portfolio of high-share devices deployed at worksites worldwide and other on-site data, combined with the problem-solving expertise and insights we have accumulated over many years alongside our customers. These assets will be integrated using technologies that correlate frontline data with practical expertise, transformed into valuable information.



(ii) The Role and Policies of SF 2nd Stage

SF 2nd Stage is intended to be a period of transition into a GEMBA DX company that achieves new growth through data services by 2030. Over the next five years (through 2030), we will focus on strengthening the competitiveness of our device businesses to make the business a driving force behind growth. We will re-establish our competitive edge by strengthening the competitiveness of our device business and increasing market share. Based on this philosophy, we have defined the policies supporting SF 2nd Stage as *Trusted Growth—Further strengthen relationships of trust with customers to enable our transition to a GEMBA DX company*.



Trusted Growth
- Deepening relationship of trust with customers
for transforming into a GEMBA DX company -

(iii) Core Strategies in SF 2nd Stage: Rebuilding the Business Portfolio

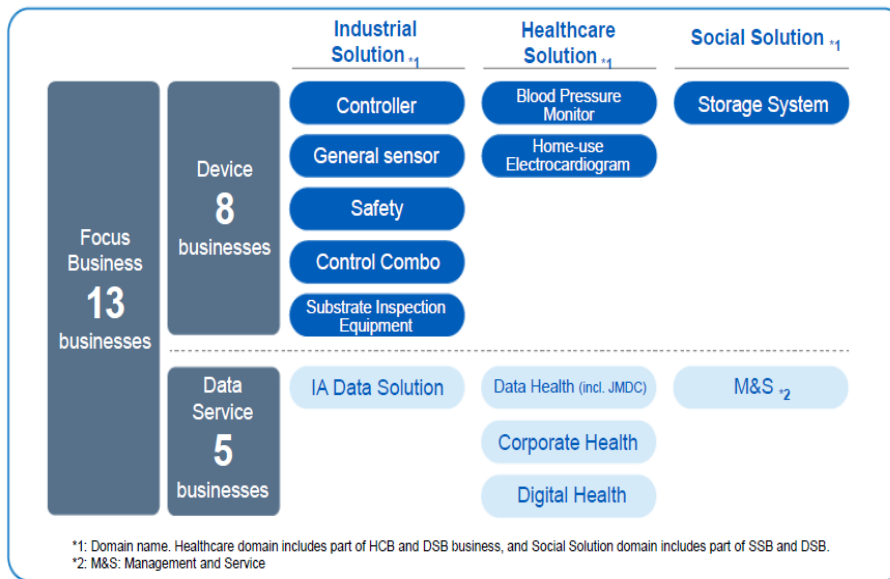
The core strategy under SF 2nd Stage is to rebuild the business portfolio. Based on the criteria of profitability, market growth potential, and compatibility with our data services businesses^(Note), we identified 13 of our 52 businesses as focus businesses that will drive the future growth of the Group.

Our core businesses consist of eight device businesses (controllers, general sensors, safety devices, control components, substrates, blood pressure monitors, home-use electrocardiograms, and energy storage systems) and five data service businesses (IA data solutions, data health, corporate health, digital health, and M&S). The remaining 39 businesses are cash cow businesses, and we will make investments in response to market conditions to steadily improve profitability for these businesses. Following the spin-off and transfer of the Device & Module Solutions Business, announced in March 2026, a total of 22 cash cow businesses will remain as continuing operations.

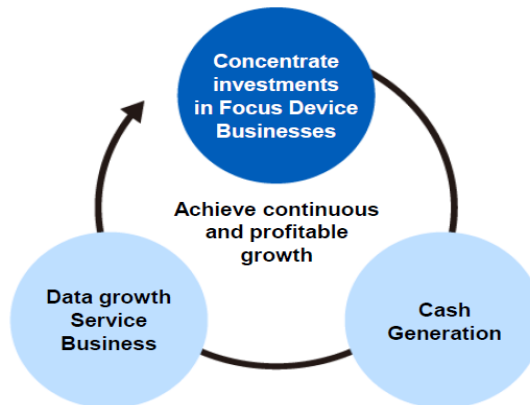
In terms of investments, we will first focus on our eight core device businesses. By enhancing competitive advantages and expanding market share in these areas, we will achieve business growth that exceeds market growth and lay a solid foundation for sustained growth. Furthermore, by investing the cash generated from our core device businesses into our five data service businesses, as well as by increasing the revenue share of those data service businesses, we will evolve toward a focused business portfolio that maximizes the growth of the entire Group.

Note: Data services businesses are businesses that contribute to solving customer issues by leveraging high-quality on-site data obtained from OMRON products and other sources, and then transforming such data into valuable information based on the insights and expertise accumulated over many years.

SF 2nd Stage 13 Focus Businesses



SF 2nd Stage Investment Cycle



Spin-Off and Transfer of the Device & Module Solutions Business

As announced in *Notice Regarding Commencement of Considerations to Spin Off Device & Module Solutions Business*, published September 19, 2025, the Company had been considering the spin-off of the business operated by the Devices & Module Solutions Business (DMB). At a meeting held March 30, 2026, the Company's Board of Directors approved a resolution to (1) transfer the DMB business to subsidiary OMRON Devices Co., Ltd., ("Succeeding Company") via absorption-type company split, (2) transfer the shares, equity interests, and assets related to DMB currently held by Group companies in various countries and regions worldwide, and (3) transfer all shares of the Succeeding Company to TCG2602 Co., Ltd. ("SPC"), a wholly owned subsidiary of TCG2601 Co., Ltd., which has been established by The Carlyle Group. The Company subsequently signed an absorption-type company split agreement with the Succeeding Company and a share transfer agreement with SPC.

The execution date of this share transfer is scheduled for October 1, 2026.

This share transfer is intended to accelerate the restructuring of our business portfolio as outlined in Medium-Term Roadmap SF 2nd Stage, announced by the Company in November 2025. Specifically, we intend to expand the 13 focus businesses in the device business segment (centered on IA (Industrial Automation)) and the data services business segment, thereby enabling further concentration of investments.

(iv) Strengthening Our Management Structure Under SF 2nd Stage

As the management structure to lead the growth strategy under SF 2nd Stage, the OMRON Group established three positions directly under the Chief Executive Officer (CEO): Chief Information Officer (CIO), Chief Digital Transformation Officer (CDXO), and Chief Risk Management Officer (CRO). These are new posts in addition to the existing three positions of Chief Financial Officer (CFO), Chief Technology Officer (CTO), and Chief Human Resources Officer (CHRO). We also redefined the responsibilities and authority of these six CxO positions over corporate functions in line with the strategies described in the Medium-Term Roadmap, delegating authority over each function to the respective CxOs. In addition, we have delegated decision-making authority for each business to the respective Business Companies (BCs).

Under this structure, CxOs assume end-to-end responsibility, from formulation to the execution of company-wide policies in their respective areas. In this way, we will achieve speed-driven management that supports rapid judgment and decision-making at the front lines. With CxOs, who oversee company-wide initiatives, working together with BCs, who are responsible for business strategy, we will create a unified team to drive execution, strengthening our ability to execute and engage in customer-centric value creation and maximize results.

The roles of the respective CxOs are as follows.

Respective Roles of CxOs

Title	Role
Chief Financial Officer (CFO)	Responsible for improving the financial value of our group. Has the authority to establish company-wide medium- and short-term plans and management issues, restructure the business portfolio, allocate capital, and engage in dialogue with capital markets. Commits to driving profitable growth.
Chief Technology Officer (CTO)	Responsible for strengthening core technologies and improving development productivity. Formulates and executes important technology strategies company-wide. Participates in the planning of key products and services that support our core businesses and makes decisions on development investments. Makes up-front investments to help OMRON become a GEMBA DX company. Authority to formulate and execute strategies and drive the creation of technologies that will give OMRON a competitive edge.
Chief Human Resources Officer (CHRO)	Responsible for developing management talent continuously across the OMRON Group and enhancing employee engagement. Authority over the recruitment and assignment of management talent, succession planning, and the rigorous operation of evaluation and compensation systems based on performance. Pursues the development of a corporate culture with a strong spirit of challenge.
Chief Information Officer (CIO)	Responsible for data-driven management to enhance operational quality and efficiency, as well as profitability and risk resilience. Authority to prioritize IT investments and formulate and execute resource allocation plans across the Group. Pursues the digital transformation of business processes to achieve productivity and speed of execution.
Chief Digital Transformation Officer (CDXO)	Responsible for driving the growth of the group-wide data services business and strengthening digital engineering capabilities. Authority to formulate and execute strategies and investment plans for the necessary resources to drive growth, accelerate the launch and growth of the Data Service business, and advance digital transformation of business.
Chief Risk & compliance Officer (CRO)	Responsible for strengthening internal control systems and ensuring thorough implementation to enhance the sustainability of the OMRON Group. Identify key risks, instruct on-site organizations to implement preventive measures consistently, exercise the authority to monitor and correct results, and pursue initiatives to prevent damage to corporate value.

(5) SF 2nd Stage Targets

Continuing in SF 2nd Stage, we intend to create social value by integrating business and sustainability. To this end, we have established financial and non-financial targets.

Our financial targets through fiscal year 2030 are (1) average annual revenue growth of 7%, (2) operating income margin of 12%, (3) return on equity (ROE) of 10–12%, (4) return on invested capital (ROIC) of 8–10%, (5) earnings per share (EPS) growth of 20%, and (5) data services sales ratio of 15%.

We have set non-financial targets in six areas identified as materialities (i.e., key sustainability issues): (1) Solve social issues through our business, (2) Maximize the capability to create social needs, (3) Cultivate the potential of human capital to accelerate growth, (4) Build a resilient supply chain, (5) Reduce environmental burden through the realization of a decarbonized, circular economy, and (6) Respect for human rights throughout the value chain.

Our financial and non-financial goals are as follows.

i) SF 2nd Stage Financial Targets

KPI	FY2025 Results	FY2030 Ambitious Targets
Net sales compound annual growth rate (CAGR)	7.3%	7% ^(Note 1)
Operating income margin	7.8%	12%
Return on equity (ROE) (%)	4.7% ^(Note 2)	10% - 12%
Return on invested capital (ROIC)	3.9% ^(Note 2)	8% - 10%
EPS growth rate	116.5% ^(Note 3)	- 20%
Ratio of Data Services sales	9%	15%

Notes: 1. CAGR: FY2024–2030

2. Figures calculated based on net income from continuing operations

3. Year-on-year growth rate

ii) SF 2nd Stage Non-Financial Targets

- Identification of Materiality

Before setting non-financial targets for SF 2nd Stage, we conducted a review in fiscal year 2025 to confirm whether the five sustainability materialities identified in SF 2030 remained relevant under the SF 2nd Stage. Following discussions at Executive Council meetings and other forums, and upon approval by the Board of Directors, we identified six materialities to address under SF 2nd Stage. After this review and reassessment, we added *build a resilient supply chain* as a sixth materiality, aiming to enhance corporate sustainability by proactively and appropriately addressing factors such as supply chain disruptions of the type that contributed to a significant deterioration in financial performance in fiscal year 2023, particularly the decline in operating income. We have also categorized the six materialities into two general areas: Growth materiality (accelerating business growth) and Base materiality (enhancing social sustainability as the foundation of business continuity). We will pursue the six materialities under Growth & Base for business growth and enhanced sustainability.

(ii) SF 2nd Stage Non-Financial Metrics

	Materiality (Material Sustainability Issues)	Non-Financial Metrics (KPIs for Economic Value Creation)	
		Indicators	FY2030 Targets
Growth Materiality	Resolving Social Issues through Our Business	Industrial Automation • Rate of growth for coverage ratio of Customer Base Map	• Compared to FY2024: 160%
		Healthcare Solutions • Blood pressure monitor unit sales • Number of Linked IDs of OMRON connect and Pep Up	• 31.72 million units (Compared to FY2025: 124%) • Compared to FY2024: 3,000%
		Social Solutions • Storage system shipment volume	• 125,000 units (Compared to FY2025: 252%)
	Maximizing the Capability to Innovate Driven by Social Needs	• Increase the net sales ratio of the four businesses in the incubation phase ^(Note1) , including data services	• 15% (compared to FY2025: +5 percentage points)
Growth & Base Materiality	Cultivate the Potential of Human Capital to Accelerate Growth	• Employee Engagement (VOICE Engagement Score) ^(Note 2)	• Global 70 (Compared to FY2025: +3 percentage points)
	Build a Resilient Supply Chain	Promote the development of procurement and production backups/alternatives for key products	• IAB: Restructure global production facilities • HCB: Achieve a competitive cost structure in India • SSB: Storage battery systems production capacity: 125,000 units
Base Materiality	Reduce environmental burden through the realization of a decarbonized, circular economy	Decarbonization • Scope 1 and 2 reduction volume (1.5°C level) • Scope 3 (Categories 1/11) reduction volume (well below the 2.0°C level)	Greenhouse gas emissions reduction ^(Notes 3, 4) • Scope 1 and 2: 68% reduction vs. FY2016 • Scope 3: 35% reduction vs. FY2016
		Circular Economy • Expand and enhance resource recycling models	• Complete the expansion and enhancement of the resource recycling model • Achieve zero emissions at all global production centers
	Respecting Human Rights in the Value Chain	• Implement human rights due diligence in line with the UNGP's framework for each significant human rights issue at OMRON • Develop a grievance mechanism	• Complete human rights due diligence for each human rights issue • Continue operation of human rights redress mechanism

Notes: 1 Sales from Data Service businesses is the total of sales from businesses operated by the DSB segment and sales from service businesses outside the DSB segment that use on-site data to solve customer issues.

2 Survey measuring employees' voluntary motivation to contribute to targets of the organization. An engagement score of 65 or higher is generally considered good.

3 Revised the scope of coverage in light of changes to the business portfolio

4 To be finalized following certification by the international nonprofit organization Science Based Targets initiative (SBTi)

2. Fundamental Policy and Initiatives for Sustainability

Since its founding, the OMRON Group has achieved growth by creating social value through its business and contributing to the development of society. The driving force behind this growth has been the “Our Mission” of “to improve lives and contribute to a better society.” This mission embodies the spirit of our company as a public institution, our ambition to be a pioneer in creating innovation, and our desire to build a better society. Sustainability in the Group is all about putting the OMRON Principles into practice.

This section describes (1) OMRON’s policies and initiatives for sustainability, (2) Initiatives related to human capital, (3) Initiatives related to the environment (climate change), and (4) Initiatives related to human rights. We discuss each along the thematic areas of (i) governance, (ii) strategy, (iii) risk management, and (iv) metrics and targets.

Note that the actual figures for fiscal 2025 regarding sustainability metrics are disclosed as of the end of the fiscal year, including DMB (Devices & Module Solutions Business), which is a discontinued operation. However, the figures disclosed for future forecasts exclude DMB.

Note that the actual figures for fiscal 2025 regarding sustainability metrics are disclosed as of the end of the fiscal year, including DMB (Devices & Module Solutions Business), which is a discontinued operation. However, the figures disclosed for targets for the fiscal year ended March 31, 2026, and fiscal year ending March 31, 2030, exclude DMB.

(1) OMRON’s Policy and Initiatives for Sustainability

(i) Governance

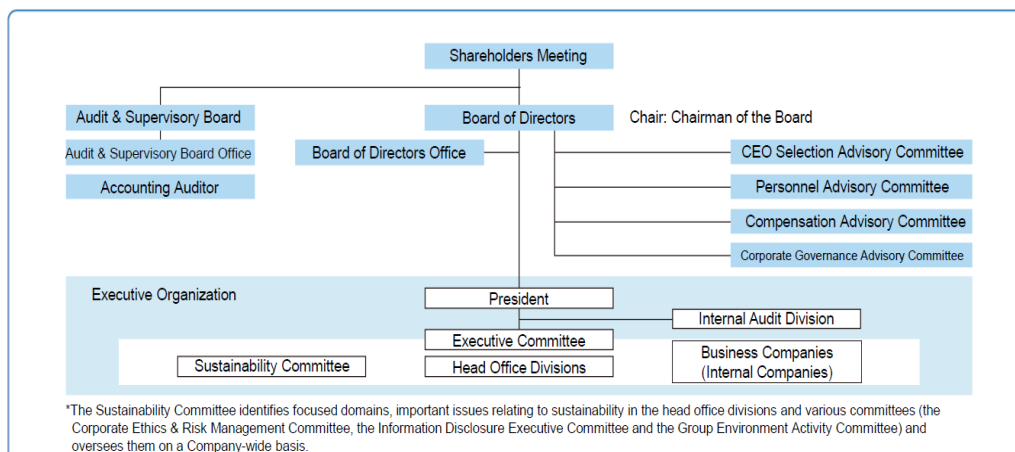
The OMRON Group has established a company-wide management system to implement sustainability initiatives on a global basis. The status of initiatives to address material sustainability issues is regularly reported to the Executive Council, where progress status and issues are discussed. We are also taking steps to strengthen governance over sustainability initiatives. Major initiatives are as follows.

List of Major Governance Improvements Over Sustainability Initiatives

	Key initiatives
Strengthening governance over execution	- Appointed an Executive Officer in charge of sustainability promotion, responsible for business execution (FY2023) - Established the Sustainability Committee, chaired by the Executive Officer in charge of sustainability promotion. Conducted discussions and made decisions regarding the implementation of key sustainability initiatives. Monitoring progress on annual plans (beginning FY2024)
Strengthening the oversight and supervision by the Board of Directors	- Appointed Directors with expertise in the environmental and human rights fields to serve as the Directors in charge of environmental affairs and human rights, respectively (FY 2023) - Directors in charge of environment and human rights, respectively, attend the Sustainability Committee as observers to provide supervision (beginning FY2024) - Incorporated sustainability performance into the evaluation of medium- to long-term performance-linked compensation for Directors and Executive Officers (stock compensation), which began in fiscal 2017. Evaluations have continued under the executive compensation plan for fiscal 2025 and fiscal 2026.

For details of the composition of the Board of Directors and the executive officer compensation system, see “IV. Information about the Reporting Company, 4. Corporate Governance, etc. (1) Outline of Corporate Governance (iii)Board of Directors,” and “(4) Officer Compensation, (i) Details of Officer Compensation.”

Management System for Sustainability



FY2025 Sustainability Meetings and Results

Executive Council	Month	Main Agenda Items
Sustainability Committee	June	• Report on activity policy for sustainability activities in the current fiscal year
	October	• Shared discussions on SF 2nd Stage non-financial targets (materiality topics and metrics); discussions on revising the human rights policy
	January	• Reviewed sustainability initiatives and discussion of plans for the next fiscal year
Executive Council	September	• Discussed SF 2nd Stage non-financial targets
	December	• Received report summarizing sustainability activities and discussed plans for the next fiscal year
Board of Directors	October	• Discussed SF 2nd Stage non-financial targets
	November	• Determined SF 2nd Stage non-financial targets
	March	• Received report summarizing sustainability initiatives, report on plans for the next fiscal year; passed resolution to revise the human rights policy

(ii) Strategy

OMRON's fundamental purpose is to create social value through business and continue to contribute to the development of society. To achieve this, we have identified material sustainability issues that we should focus on and incorporated them into our Long-term Vision SF2030. SF2030 aims to maximize corporate value by integrating business and sustainability to create both social and economic values.

This policy remains unchanged under SF 2nd Stage.

In fiscal 2025, coinciding with the launch of SF 2nd Stage, we identified and reviewed our sustainability materiality.

Following discussions in the Executive Council and other forums regarding the new sustainability materiality and non-financial targets to be implemented beginning fiscal 2026. The Board of Directors approved six key sustainability materialities under SF 2nd Stage. After this review and reassessment, we added *build a resilient supply chain* as a sixth materiality, aiming to enhance corporate sustainability by proactively and appropriately addressing factors such as supply chain disruptions of the type that contributed to a significant deterioration in financial performance in fiscal year 2023, particularly the decline in operating income. We plan to continue conducting regular reviews and revisions.

Sustainability Materiality, Metrics, and Sustainability Initiatives Under SF 2nd Stage

	Sustainability Materiality Under SF 2nd Stage	Key Sustainability Initiatives
1	Resolving Social Issues through Our Business Creating social value and driving OMRON's sustainable growth by resolving social issues through our business	Address through each of our businesses ⇒For more, see "II. Business Conditions 1. Management Policy, Management Environment, and Issues to be Addressed (2) Long-term Vision Shaping the Future 2030 (FY2022-2030)."
2	Maximizing the Capability to Innovate Driven by Social Needs Evolving business models, endowing OMRON with the competitiveness required for achieving sustainable growth, and expanding new business generation efforts	
3	Cultivate the Potential of Human Capital to Accelerate Growth Evolving human capital management to bring out the capabilities and skills of OMRON's diverse talent, who will be the source of OMRON's sustainable growth	Implement measures related to human capital
4	Build a resilient supply chain Identify the business environment and adapt to changes to achieve sustainable value creation	Beginning initiatives in fiscal 2026
5	Reduce environmental burden through the realization of a decarbonized, circular economy By viewing climate change from the two aspects of opportunities and risks, practicing corporate social responsibility and building further competitive advantage	Implement measures to address environmental (climate change)
6	Respecting Human Rights in the Value Chain As part of our corporate social responsibility, exerting our influence for the respect of human rights for workers in the value chain and at OMRON	Implement measures related to human rights

(iii) Risk Management

Information is provided in "II. Business Conditions 3. Risks of Business, etc."

(iv) Metrics and Targets

In order to achieve SF2030, we have set FY2030 targets and single-year targets for each of the five material sustainability issues. During the NEXT2025 period (April 1, 2024 to September 30, 2025), we have set single year targets and continue our efforts.

For more information related to sustainability materiality and non-financial targets under SF 2nd Stage, see "II. Business Conditions 1. Management Policy, Management Environment, and Issues to be Addressed (5) SF 2nd Stage Targets."

(2) Initiatives related to human capital

(i) Governance

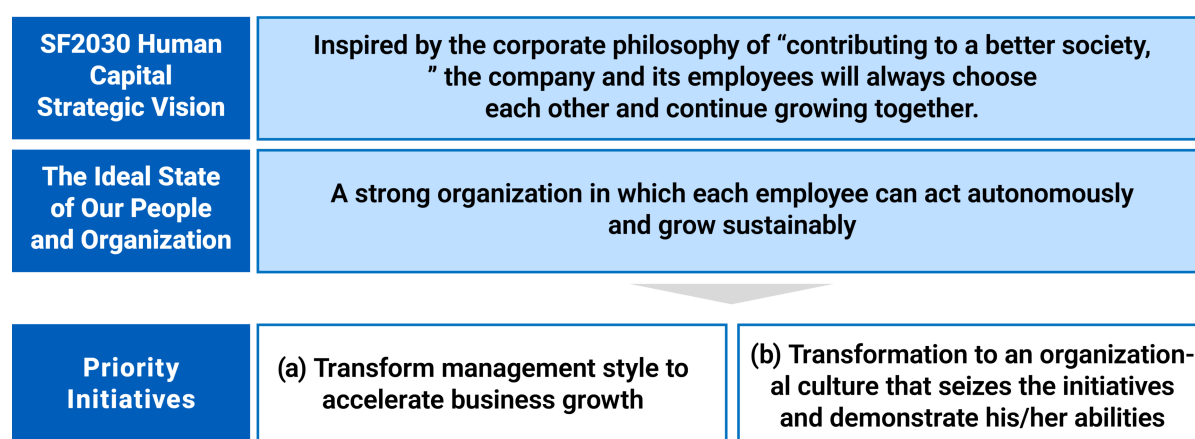
The OMRON Group has identified human capital initiatives as one sustainability materiality. Under the leadership of the chief human resources officer (CHRO), we view human capital strategy as a cornerstone of management and continue to implement this strategy globally, to empower each employee to act autonomously and grow sustainably by bringing out their capabilities. Human capital strategies are regularly discussed, reported on, and approved at Executive Council meetings and meetings of the Board of Directors.

(ii) Strategy

i) Human Capital Strategy for Achieving SF2030 (at the Time SF2030 Was Formulated)

Employees are the driving force of social value creation through our businesses. Under the SF2030 Long-term Vision, we aim to build a new relationship in which the company and its employees will always choose each other and continue growing together. Based on this premise, we have worked to create an organization that attracts diverse, highly specialized talent who aspire to solve social issues through the practice of the OMRON Principles.

In fiscal 2025, amid significant changes in the business and internal environments, we recognized the need to build a strong organization in which each employee acts autonomously and grows sustainably. To this end, we focused on “Transforming management style to accelerate business growth” and “Transformation to an organizational culture that takes the initiative and demonstrates his/her abilities”.



(a) Transform Management Style to Accelerate Business Growth

To achieve the sustainable growth of the OMRON Group, It is essential to maximize the potential of our diverse talent, and create new value for customers. We believe that executive officers and managers must possess management skills that balance the performance management we have traditionally emphasized with people management that brings out the best in diverse talent. It is also important that these managers apply these skills and translate them into organizational results. Based on this philosophy we established a mechanism to strengthen people management in fiscal 2024 and began implementing this program in Japan to drive a transformation of management style. In fiscal year 2025, through development to Talent Review Meetings, we had established in Japan a comprehensive mechanism that encompassed talent cultivation, the placement of managers in the right roles, and the formulation of awareness-raising plans. We also began expanding People management Feedback Survey overseas. In addition, we began sharing best practices in people management and held consultation sessions and one-on-one coaching sessions to help employees apply the skills they had acquired. As a result of these initiatives, the percentage of managers who are successfully balancing performance management and people management has increased from the previous fiscal year, with nearly half of all managers in Japan now achieving this balance.

To continue achieving sustainable organizational performance and build an organization in which each employee can act autonomously and grow sustainably, we will promote a global transformation of management style, aiming for managers to balance performance management with people management.

(b) Transformation to an organizational culture that seizes the initiatives and demonstrate his/her abilities

In order to achieve sustainable growth even in a rapidly changing business environment, we believe it is important to create an organization and culture in which each and every employee is motivated to contribute and empowered to demonstrate his/her abilities proactively.

The OMRON Group recognizes the need to transform into an autonomous organization in which every employee makes decisions and takes action autonomously, even amid environmental changes and increasingly diverse values. To better understand the state of employee engagement and promote workplace-driven organizational development, we enhanced our engagement survey, VOICE^(Note 1), in fiscal 2024. The enhanced VOICE survey visualizes the issues specific to each

organization and underlying causes. At the same time, the survey serves as a framework through which managers and team members work together to drive workplace-led organizational development. In fiscal year 2025, more than 90% of OMRON Group organizations undertook improvement initiatives based on issues identified within each organization through the fiscal 2024 survey. As a result, approximately 1,000 new initiatives were implemented globally. To accelerate initiatives driven by the front lines, we have begun sharing examples of specific improvement activities in individual organizations on a global scale. As a result of these efforts, the engagement score in the fiscal 2025 survey improved by 1.0 points compared to the previous fiscal year.

In addition, challenges identified in fiscal year 2024, including factors that limited teams' ability to identify customer needs and difficulties in performing work, have been addressed. We are beginning to see the results of both managers and individual members taking the initiative to drive improvement as a team. The survey for fiscal 2025 revealed for the first time that factors such as a sense of growth and tolerance for trial and error are key factors in improving employee engagement. In addition, an analysis combining the management skills described in "(a) Transform management style to accelerate growth" with the results of the engagement survey indicated that manager empowerment^(Note 2) tends to contribute to higher engagement by fostering an open organizational environment that encourages team members to take on challenges and grow.

Based on the results from the survey, we will continue to transform our organizational culture into one that fosters initiative by expanding management training aimed at strengthening empowerment and sharing best practices.

Notes: 1. "VOICE" Engagement survey: Survey that measures employee willingness to contribute voluntarily to the goals of the organization.

2. Manager empowerment: Drawing out team member performance and encouraging growth by appropriately delegating responsibility and authority according to each individual's circumstances.

ii) Human Capital Strategy for Achieving SF 2nd Stage

Under SF 2nd Stage, we will focus on three key initiatives in addition to continuing the priority initiatives implemented to date: (a) Allocate human capital to focus businesses; (b) Develop 100 future executive talents; and (c) Evaluation and Rewards Based on Roles, Responsibilities, and Performance / Providing Growth Opportunities. Through these efforts, we aim to achieve our financial and non-financial targets.

Ongoing Priority Initiatives

- Transform management style to accelerate business growth
- Transformation to an organizational culture that seizes the initiatives and demonstrate his/her abilities



Priority Initiatives for Achieving SF 2nd Stage Targets

- (a) Allocate human capital to focus businesses (More than 1,000 employees)
- (b) Develop 100 future executive talents
- (c) Performance evaluation and rewards based on roles, responsibilities, and performance / providing growth opportunities

(a) Allocate Human Capital to Focus Businesses (More Than 1,000 Employees)

We will accelerate internal talent mobility and promote the hiring of experienced professionals from outside, focusing on the front lines of our focus domains (sales and sales engineers, etc.) and developing fields.

For example, starting in fiscal 2025, we began expanding our expertise in the field of power electronics. We have determined that we are currently short by approximately 100 engineers and are working to systematically expand our engineering team. We will expand these initiatives to our other focus domains and enhance the specialized capabilities that support these businesses, strengthening our technological development capabilities.

(b) Develop 100 Future Executive Talents

To achieve the ambitious goals of SF 2nd Stage, we are committed to the systematically developing Future Executive Talents who can drive business growth and lead company-wide transformation. Specifically, we will clearly define the requirements for executive talent, while management and HR work together to assess candidates, identify development needs. We will also identify, develop and assess talent through programs and other initiatives that encourage motivated individuals to take on new challenges. Based on each candidate's unique development needs, we will design strategic stretch assignments and provide on-going support to help them succeed while accelerating their growth.

We aim to develop 100 Future Executive Talents by creating opportunities for individuals with both the aspiration and the capability to drive OMRON Group's future growth to take on challenging roles across the globe and grow through delivering results.

(c) Performance Evaluation and Rewards Based on Roles, Responsibilities, and Performance / Providing Growth Opportunities

To strengthen our ability to follow through on decisions execute on commitments, we intend to reform the performance evaluation and compensation systems to ensure that employees are rewarded appropriately reward employees based on their roles, responsibilities, achievements and performance. In this way, we will encourage each individual to take on challenges proactively. We will also provide timely and dynamic opportunities for employees who take the initiative to meet new challenges. We will generously reward those employees who deliver outstanding performance. The new system will provide special incentives. We are advancing the introduction of a special incentive program that provides additional rewards to teams and individuals who have made direct and significant contributions to sales growth and profit generation.

Through these initiatives, we will continue to transform our company into one where employees and the organization can grow together, even amid a challenging external business environment. In this way, we will continue to steadily advance achieving the roadmap described in the SF 2nd Stage.

(iii) Risk Management

Information is provided in “II. Business Conditions 3. Risks of Business, etc. (3) Addressing Important Group Risks and Analysis Thereof ⑧ Human Resources and Labor.”

(iv) Metrics and Targets

Employee engagement (the VOICE Engagement Index) serves as a metric to track the progress of our comprehensive human Capital strategy, which aims to unlock the potential of our employees and accelerate their growth.

Metrics	FY2025 Results	FY2026 Targets	FY2030 Targets
Employee engagement (VOICE Engagement Metric) (Note1)	Global 67	Global 68 (Compared to FY2025: +1 percentage point)	Global 70 (Compared to FY2025: +3 percentage points)

Note: 1. Survey that measures employee willingness to contribute voluntarily to the goals of the organization. An engagement score of 65 or higher is generally considered good.

(3) Initiatives Related to Environment (Climate Change)

The Group believes that creating an environmentally sustainable society corresponds to the OMRON Principle of “contributing to a better society,” and is proactively working to address global issues such as climate change and resource recycling. In particular, we view “reducing greenhouse gas (GHG) emissions,” “transitioning to a circular economy,” and “coexisting with nature” as important environmental issues to be addressed. By ensuring effectiveness and establishing frameworks, we are committed to contributing to the creation of sustainable societies and enhancing corporate value.

(i) Governance

i) OMRON Environmental Policy

Under SF2030, we pursue the sustainability materialities of solving social issues through our business and achieving decarbonization and lower environmental impact, embodying the OMRON Environmental Policy that describes important measures toward achieving our targets. This policy serves as a guide toward transitioning to a decarbonized and circular economy reflecting key environmental issues and action guidelines. Going forward, OMRON will work to solve environmental issues throughout its value chain in accordance with this policy, thereby enhancing its corporate value by meeting the expectations of our stakeholders.

*See our corporate website for more about the OMRON Environmental Policy.
<https://www.omron.com/global/en/sustainability/enviro/management/vision/>

ii) Role and Oversight of the Board of Directors Regarding Climate Change

OMRON management and executives work together to address environmental issues, with the Board of Directors fulfilling its responsibility for supervision and oversight.

The Executive Council, chaired by the President and CEO, receives an annual report on the Company’s overall sustainability goals, including environmental targets. The heads of each executive division to whom the President and CEO has delegated authority are responsible for driving initiatives to address environmental challenges, for example, climate change and the circular economy. We have established a governance structure in which the President and CEO reports to the Board of Directors on progress status and important matters, while the Board makes decisions and carries out oversight of executive matters.

Furthermore, as part of efforts to strengthen sustainability governance, which includes environmental initiatives, the director in charge of environment and the executive officer in charge of sustainability promotion were appointed in fiscal 2023. We have been holding meetings of the Sustainability Committee, chaired by the - Executive Officer in charge of sustainability promotion, once every quarter, in principle. The committee deliberates on Group-wide environmental initiatives and responses to environmental laws and regulations.

Aiming to strengthen environmental management across the Group and accelerate environmental initiatives, we established the Group Environmental Committee, which meets quarterly in principle and encompasses the environmental functions of the head office and each business company. The committee supports environmental management across the Group, discussing the setting of environmental targets and the planning of initiatives at business sites, identifying environmental issues having a significant impact on the OMRON Group, and considering and evaluating the effectiveness of related measures.

Overview of the Sustainability Committee (Environment-related Themes) in FY2025

Bodies	Members	Agenda Items	Frequency
Sustainability Committee (Environment-related themes)	- Director in charge of environment - Executive Officer in charge of sustainability promotion - Heads of strategy planning division of business companies, etc.	- Compliance with environmental laws and regulations - SF 2nd Stage environmental targets and decarbonization measures - Next fiscal year plans.	Once every quarter, in principle

(ii) Strategy

OMRON aims to contribute to reducing greenhouse gas emissions across society and achieve a circular economy by lowering greenhouse gas emissions throughout the value chain and establishing a resource recycling model by 2030, while further strengthening our competitive advantage. Specific initiatives are shown in the table below.

Major Initiatives Related to Environment (Climate Change) in FY2025>

Priority Initiatives	Key Initiatives
Reduction of greenhouse gas emissions (Scope 1, 2) (Note 1)	- Through the adoption of renewable energy sources, we advance comprehensive energy-saving efforts while working to decarbonize electricity use - Utilization of renewable energy-derived solutions offered by our own Energy Solution Business, such as “J-Credits”^(Note 2), on-site PPA^(Note 3), and self-consignment^(Note 4).
Reduction of greenhouse gas emissions (Scope 3 Category 11) (Note 1)	- Conduct a survey on the actual status of greenhouse gas emissions reductions among major suppliers - In order to reduce Scope 3 Category 11 emissions, which account for approximately 70% of greenhouse gas emissions across the entire value chain, we advance the development of highly energy-efficient products and products that are compact and lightweight in each business and promote expansion of the lineup of such products.
Conduct scenario analysis to develop a transition plan	- Use multiple climate scenarios to analyze the impact of transition and physical risks and business opportunities on the business over the medium to long term - Evaluate the impact on business, regions, and value chains from both quantitative and qualitative perspectives based on policy, market, and technology trends; identify key risks and opportunities - We plan to incorporate the results of the scenario analysis into the formulation and revision of our future transition plan (emissions reduction targets, policy roadmap, and investment and business strategies)
Environmental evaluation framework	- A system that evaluates products from a lifecycle perspective and visualizes their environmental performance with the aim of realizing a sustainable economy. The aim is to promote OMRON’s environmental initiatives and enhance customer value - Based on the EU Taxonomy, we evaluate each environmental characteristic that needs to be addressed for achieving a sustainable economy and confirm that all products are environmentally friendly “environmentally conscious products.” Additionally, we designate products that demonstrate outstanding effects in specific environmental characteristics as “environmentally contributing products” and define them as products that contribute to the realization of a sustainable economy.

Notes: 1. Scope 1 and 2: Greenhouse gases emitted directly or indirectly from the company’s own operations.

Scope 3 Category 1, 11: Scope 3 corresponds to greenhouse gas emissions from the company’s value chain. Category 1 includes emissions associated with raw material procurement, outsourced packaging, and the procurement of consumables. Category 11 corresponds to emissions from the use of products and services manufactured or sold, etc.

2. J-Credits: A system in which the government certifies environmental value (i.e., the effect of avoiding CO2 emissions).

3. On-site PPA: A scheme in which a power generation operator installs solar power generation facilities on a company’s premises (e.g., rooftops or unused space) with no upfront cost to the company. The company purchases the electricity generated by those facilities directly.

4. Self-consignment: A power supply system that allows businesses that have their own power generation facilities to transmit and supply power generated by those facilities to their factories and offices in remote areas via the power grids of general transmission and distribution companies and to use such power.

(i) Scenario Analysis for the Development of a Transition Plan

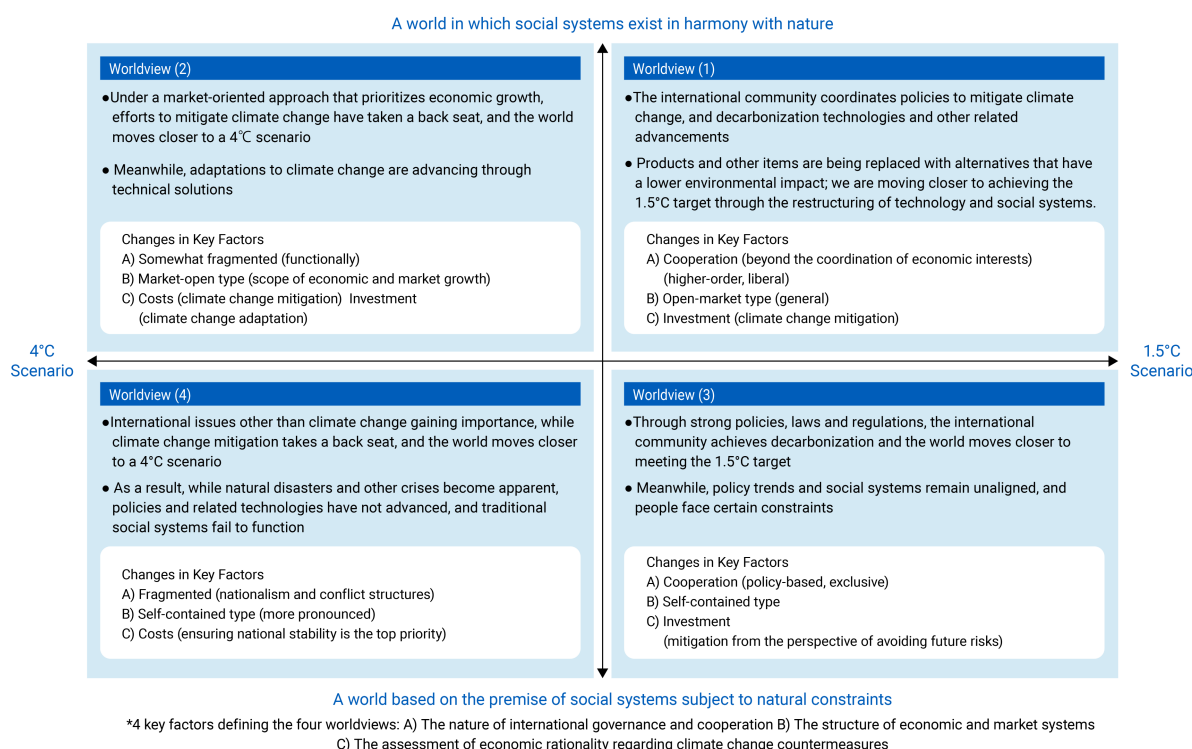
In light of growing public concern about climate change and the need to adapt to future regulations, the OMRON Group conducted another scenario analysis in fiscal 2025 to reassess the climate-related risks identified by the Group and individual business companies, as well as the opportunities related to each product and service market.

Since the changes in the business environment facing the OMRON Group cannot be fully explained by the effects of climate change alone, this analysis examined the situation by combining 1.5°C and 4°C temperature scenarios from the perspectives of SINIC predictive theory, which serves as the foundation for our future projections.

Specifically, we plotted temperature rise scenarios (1.5°C/4°C) on the horizontal axis and social system models based on the SINIC predictive theory (*social systems in harmony with nature* and *social systems subject to natural constraints*) on the vertical axis, and produced a vision of the world in 2050 as four scenarios. We also identified three key factors that define these future scenarios: the nature of international governance and cooperation; the structure of economic and market systems; and the assessment of economic rationality regarding climate change countermeasures. We produced potential future scenarios based on changes in each of these factors.

We then analyzed the impact that transition risks and business opportunities could have on our business over the medium to long term for each of the four worldviews.

Four World Views Under Assumed Climate Change Scenarios



Notes: 1. 4°C scenario: IPCC/SSP5-8.5

2. 1.5°C scenario: IPCC/SSP1-1.9, IEA WEO/NZE

The risks and opportunities facing the OMRON Group are as follows.

Overview and Responses to Climate Change Risks and Opportunities for the OMRON Group

Type of Risks and Opportunities		Scenario/Worldview Impact on Business and Finances				Overview of Risks and Opportunities	Response of Risks and Opportunities
		Temperature Rise Scenarios					
		1.5°C		4°C			
		Four Worldviews					
		(1)	(3)	(2)	(4)		
OMRON Group	Transition Risks	Small	Small	Small	Small	• Increase in investment and management costs associated with establishing internal systems to comply with sustainability disclosure regulations	• Develop systems and frameworks capable of addressing comprehensive disclosure requirements, including the calculation of Scope 1 and 3, to prepare for future tightening of sustainability disclosure regulations • Incorporate the budgets and strategic initiatives required for the group into the business plan and pursue a systematic approach
	Physical Risks	Small	Small	Small	Small	• Increase in business costs due to the introduction of a carbon tax	• Monitor trends in carbon tax systems in various countries • Pursue the reduction of Scope 1 and 2 or Scope 3 (Category 1) in line with group-wide policies to respond to taxes on emissions and the passing on of costs by suppliers to purchased goods
	Opportunities	Small	Small	Small	Small	• Rising insurance costs due to increased risks from natural disasters and other events	• Take the considerations listed on the left into account in future location strategies to avoid the risk of operational shutdowns and increased insurance costs for locations with a high risk of natural disasters
						• Fluctuations in electricity costs due to the transition in the energy mix	• Adapt flexibly to changes in the power generation mix through measures such as expanding the procurement of electricity from renewable sources and adopting on-site power generation • Optimize our electricity procurement portfolio and pursue energy conservation to balance Scope 2 reductions with cost management while mitigating the impact of fluctuations in electricity costs

In addition, the risks and opportunities specific to each business are as follows.

Overview and Responses to Climate Change Risks and Opportunities by Business Segment

Type of Risks and Opportunities		Scenario/Worldview Impact on Business and Finances				Overview of Risks and Opportunities	Response of Risks and Opportunities
		Temperature Rise Scenarios					
		1.5°C		4°C			
		Four Worldviews					
		(1)	(3)	(2)	(4)		
IAB	Transition Risks	Small	Small	Small	Small	Increased component procurement costs resulting from the transition to alternative packaging materials and product materials in response to regulations on plastics and other measures	- Shift systematically to alternative materials and environmentally friendly packaging, while strengthening collaboration with suppliers and diversifying supply sources to ensure stable procurement and to control costs - Pursue resource conservation starting from the product design stage in line with the Group-wide Scope 3 reduction targets, and select optimal specifications that balance regulatory compliance with customer value and cost considerations
	Opportunities	Large	Large	Medium	Small	- Increased sales with growing demand for decarbonization products - Increased sales of factory automation (FA) products driven by advances in electrification, next-generation batteries, and the circular economy	- Improved supply systems in response to trends in the decarbonization products market - Continue/expand initiatives to decarbonize products themselves and to develop products and services that contribute to decarbonization - Address customer decarbonization needs and drive sales growth in emerging markets through energy-related solutions and data services - Develop and enhance FA products and solutions for the electrification, battery, and recycling sectors - Prioritize investments in response to growing markets and strengthen supply (production, sales, and technology) - Optimize the business portfolio in response to market trends and strengthen response to customer needs
HBC	Transition Risks	Small	Small	Small	Small	- Increased component procurement costs resulting from the transition to alternative packaging materials and product materials in response to regulations on plastics and other measures - Increased costs for testing new materials in response to regulations on plastics and other measures	- Our business involves providing healthcare devices such as blood pressure monitors; accordingly, product packaging materials and certain plastic components may be subject to regulations, and we must proceed with caution when switching materials from the perspective of ensuring medical quality and safety - Transition to alternative packaging materials and ensure alignment with group-wide policies and business plan while maintaining the quality, safety, and regulatory compliance required of medical devices - Measures for product materials based on the Group-wide Scope 3 reduction targets must prioritize quality, safety, and regulatory compliance for medical devices above all else; we will gradually review and implement measures to the extent possible, while taking into account the contribution to customer value and cost implications - Closely monitor policy and market trends, responding with caution when the transition to alternative materials might affect products and accounting for potential material supply constraints and price increases, while maintaining the perspective of our responsibility to ensure a stable supply of medical devices
SSB	Opportunities	Large	Large	Large	Large	- Increased revenue from the sale of credits due to the expansion of the greenhouse gas emissions allowance (credit) market - Increased sales of the related products due to the expansion of the solar power generation market (PV inverters, etc.) - Increased sales of related products (e.g., storage battery systems) with the expansion of the storage battery market	- Use J-Credits (derived from renewable energy) acquired through the eco-activity circle to reduce Scope 2 emissions, while selling credits on the market to meet the growing demand for decarbonization in society - Keep a close eye on trends toward stricter requirements for offsets under international standards (GHG Protocol) - Invest in research and development of products and services that contribute to the decarbonization of society to maintain and strengthen product market effectiveness, as well as to expand supply capacity in a timely manner in response to market trends, securing market share in sectors with growth potential Data Solution Business
DSB	Opportunities	Large	Large	Small	Small	Increased sales with growing demand for decarbonization products	- From the starting point of carbon neutrality assessments, provide energy-related solutions (e.g., solar power, storage batteries, and energy management) and data services, offering a comprehensive approach that ranges from visualizing emissions to proposing reduction measures - Pursue sales growth by capturing demand for decarbonization products as described above

Note: Impact: Small — less than JPY50 billion; Medium — JPY50 billion or more but less than JPY100 billion; Large — 100 billion yen or more

(iii) Risk Management

- Process to evaluate, identify, and manage risks related to climate change

The Group conducts scenario analysis of each business and comprehensively extracts “transition risk” and “physical risk” caused by climate change impacts. For each adoption scenario, we assess these risks in terms of actual timing and the estimated business and financial impact.

Based on the assessment, we identify risks associated with climate change that are important to the Group and integrate them into company-wide risk management as part of our business risks. Important matters concerning the formulation of countermeasures are reported to the Board of Directors.

- Integration into enterprise-wide risk management

The OMRON Group has been working on integrated risk management under a common group framework. We identify and assess climate change risks as important Group risks. We incorporate climate-related risks identified in scenario analysis into groupwide risks and monitor the risks across the entire value chain.

(iv) Metrics and Targets

- Indicators related to climate change risks and opportunities

The OMRON Group has designated indicators to manage climate-related risks and opportunities: Scope 1, 2, and 3 greenhouse gas emissions; purchased energy (Scope 2) used for business activities in Japan.

- Greenhouse Gas Emission Targets and Results (Scope 1, 2, and 3)

The OMRON Group views the creation of sustainable societies in terms of the environment as its commitment to improve lives and contribute to a better society under the OMRON Principles. In July 2018, we established OMRON Carbon Zero, aiming to eliminate Scope 1 and 2 greenhouse gas emissions by 2050. In addition, one of the material sustainability issues is *reduce environmental burden through the realization of a decarbonized, circular economy* for which we set targets and monitor progress. Additionally, with respect to the FY2030 greenhouse gas emissions targets for Scope 1 and 2 and Scope 3 Category 11, certifications for the 1.5°C target and the 2°C target have been received from the SBT Initiative^(Note 1), respectively.

With the launch of SF 2nd Stage, we have revised our greenhouse gas emissions reduction targets. For Scope 1 and 2, we adopted the 1.5°C target, and for Scope 3, we expanded the scope to include Category 1 in addition to the existing Category 11. We have also applied to the SBT Initiative to update our target to *Well Below 2.0°C*.

Greenhouse Gas Emission Targets and Results (Scope 1, 2, and 3)

Old Standards (SF 1st Stage Target)						(Unit: kt-CO ₂ e)
	FY2016 Results (Base Year)	FY2025 Results		FY2026 Targets	FY2030 Targets	2050 Target
		Emissions	Vs. FY2016	Vs. FY2016	Vs. FY2016	
Scope 1 and 2 (Note 2)	250	56 ^(Note 3)	-77%	—	-65%	Zero
Scope3 Category 11	9,102	6,468	-28%	—	-18%	—

New Standards (Recalculated Based on Going Concern Only)

	FY2016 Results (Base Year)	FY2025 Results		FY2026 Targets	FY2030 Targets	2050 Target
		Emissions	Vs. FY2016	Vs. FY2016	Vs. FY2016	
Scope1 and2	52	35	-33%	-33%	-68%	Zero
Scope3 Category 1, 11	9,121	5,414	-40%	—	-35%	—

Notes: 1. Science Based Targets Initiative (SBTi): An international initiative that encourages medium- and long-term greenhouse gas reduction targets based on scientific evidence.

2. The system covers greenhouse gas emissions (Scope 2) from the use of electricity by the Company at all production and nonproduction sites (headquarters, R&D, and sales).

3. Greenhouse gas emissions (Scope 1 and 2) for fiscal 2025 will be disclosed on the OMRON corporate website. These results will be subject to a limited level of assurance by the third-party assurance firm Bureau Veritas Japan. These limited assurance engagements are in accordance with the International Standards on Assurance Engagements (ISAE) 3000, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information of the International Auditing and Assurance Standards Board (IAASB).

(Reference) Initiatives for Coexisting With Nature (Preserving Biodiversity)

Recognizing the conservation and restoration of biodiversity as a key challenge, OMRON established its Biodiversity Policy in 2010 and has been working on “Coexisting with Nature,” which is an important environmental issue to address as declared in the OMRON Environmental Policy. To further strengthen this initiative, we endorsed the concept of the Kunming-Montreal Global Biodiversity Framework, adopted in December 2022, which aims to achieve coexistence with nature and a nature-positive world, and revised the OMRON Biodiversity Policy in July 2024. In making the revision, we referred to key resources such as the disclosure recommendations and guidance by the Taskforce on Nature-related Financial Disclosures (TNFD), a framework for disclosing risks and opportunities related to natural capital.

Guided by the OMRON Biodiversity Policy, the OMRON Group is dedicated to biodiversity conservation, viewing it as part of both business risk management and a growth opportunity. By doing so, OMRON is committed to contributing to generating social and economic value and achieving a nature-positive future. Between fiscal years 2024 and 2025, we used the TNFD LEAP approach to identify points of connection with nature (Locate) and assess our dependencies and impact on natural capital (Evaluate) in the regions where our production centers and those the upstream supply chain (from cradle stage of raw materials through Tier-1 suppliers) are located.

*See our corporate website for more information on biodiversity initiatives at OMRON.

<https://www.omron.com/jp/ja/sustainability/envIRON/nature/biodiversity/>

(4) Initiatives Related to Human Rights

One of the most important values of the OMRON Group is Respect for All, which is included in the OMRON Principles. For us, respect for human rights is a core value that underlies all our activities—not only does it involve respecting people’s diversity, character, and individuality, but it also drives our pursuit of a humane way of life and work.

Guided by this value, in our Long-term Vision SF2030, we have set “Respect for Human Rights in the Value Chain” as a material sustainability issue and are accelerating our efforts to address human rights.

(i) Governance

- Human Rights Policy

Toward achieving “respecting human rights in the value chain,” one of our material sustainability issues under SF2030, we established the OMRON Human Rights Policy in March 2022. In accordance with this policy, we strive to conduct our business and act in cooperation with the international community, endeavoring to prevent or mitigate adverse human rights impacts throughout our entire value chain.

In light of recent international trends regarding human rights, developments in laws and regulations, and changes in the business environment, we revised the policy in April 2026. The revisions further enhance the effectiveness of our respect for human rights throughout the value chain and clarify our approach and initiatives regarding respect for human rights.

*Please refer to the following website for more on the OMRON Human Rights Policy.

<https://www.omron.com/global/en/sustainability/social/human-rights/>

- Human Rights Promotion Structure

The OMRON Group is working to build a system in which management and front-line employees work together to fulfill our responsibility to respect human rights on a global basis.

The Executive Council, chaired by the President and CEO, receives an annual report on overall sustainability targets, including targets related to human rights. Additionally, the individual executive division heads to whom the President and CEO has delegated authority are responsible for driving efforts to address human rights issues. Specifically, the Global Corporate Communications & Engagement HQ takes the lead in promoting human rights initiatives under the responsibility of the executive officer in charge of sustainability promotion who has been delegated authority from the President and CEO. Furthermore, the Senior General Manager of the Global Human Capital and Administration HQ, the Senior General Manager of the Global Procurement, Quality and Logistics HQ, the Senior General Managers of respective business companies, the Senior General Manager of Strategic R&D HQ, and the Senior General Manager of Global Risk Management and Legal HQ are responsible for measures for the internal domain, supply chain domain, business strategy domain, ethical utilization of technologies including AI, and redress mechanism, respectively. We have established a governance structure in which the President and CEO reports to the Board of Directors on progress status and important matters, while the Board makes decisions and carries out oversight of executive matters.

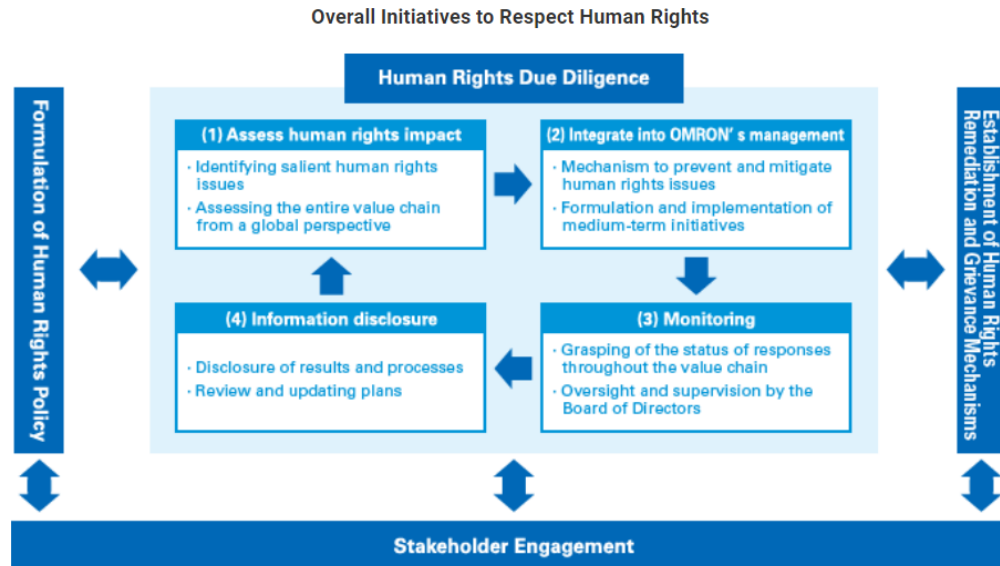
In addition, starting from fiscal 2023, we have appointed a director in charge of human rights to strengthen governance. The Sustainability Committee, chaired by the executive officer in charge of sustainability promotion, deliberates on group-wide human rights policies and responses to human rights-related laws and regulations. Furthermore, to strengthen company-wide initiatives, we have established the Human Rights Project directly under the Sustainability Committee to discuss how to address material issues on a first-line, practical basis and to monitor the progress of fiscal year plans.

Overview of the Sustainability Committee (Human Rights-Related Themes) in FY2025

Bodies	Members	Agenda Items	Frequency
Sustainability Committee (Themes Related to Human Rights)	- Director in charge of human rights - Executive Officer in charge of sustainability promotion - Heads of strategy planning division of business companies, etc.	- Progress with human rights due diligence - Compliance with human rights laws and regulations - Revised OMRON Human Rights Policy - Next fiscal year plans, etc.	Once every quarter, in principle

- Overview of initiatives to respect human rights

We make sure that our global employees recognize and are well aware of the OMRON Human Rights Policy. At the same time, we practice human rights due diligence in alignment with UNGPs to identify, prevent, mitigate, and remedy adverse impacts on human rights and take steps to create a human rights redress mechanism, thereby establishing our human rights governance globally. In addition, we heighten the effectiveness of each of our initiatives through engagement with stakeholders.



(ii) Strategy

As part of our human rights due diligence, the OMRON Group conducts human rights impact assessments to identify and evaluate incidents of actual and potential human rights impacts. The Group also conducts systematic and regular reviews based on the results of these assessments.

In fiscal 2022, we conducted a group-wide human rights impact assessment based on the UNGPs. In conducting this assessment, we evaluated and identified human rights violation risks that the OMRON Group may cause or contribute to through its business activities in its entire value chain. Furthermore, based on the issues identified through this assessment, as well as recent international trends in human rights, developments in laws and regulations, and changes in our business environment, we prioritized the issues in terms of risk significance and relevance to our businesses, identifying issues requiring priority engagement. The departments responsible are working to address these issues as their top priority.

Identified Human Rights Issues

Domain	Tier 1	Tier 2
OMRON	- Working conditions - Occupational health and safety	- Non-discrimination and equal opportunity - Right to collective bargaining and freedom of association - Forced labor
Supply chain	- Labor standards - Forced, slavery, bonded labor - Child labor - Conflict minerals	—
Products and services	- Ethical use of technology	- Privacy and information security - Right to life and safety - Product quality and safety - Access to healthcare
Overall value chain Overall	- Grievance mechanism and access to remedy	- Fraud, bribery, and corruption - Environmental impact - Diversity, equity, and inclusion - Risks in conflict-affected and high-risk countries

Tier 1 risks: Priority issues (material human rights issues)

Tier 2 risks: Issues that must be addressed

Priority Issues

Issue Classification	Domain	Priority issues (material human rights issues)	Key Initiatives
Human rights due diligence	Employee domain	- Working conditions - Occupational health and safety	- We provide training on human rights issues for all employees based on the OMRON Human Rights Policy and international standards as well as conduct human rights risk assessments using the RBA^(Note 1) SAQ (self-assessment questionnaire) at our production sites and implement corrective measures. - In addition to these measures, we implement third-party audits as part of initiatives targeting locations and groups at high risk of human rights violations, providing human rights training to subcontractors, and raising awareness of our internal whistleblowing system.
	Supply chain domain	- Labor standards - Forced, slavery, bonded labor - Child labor - Conflict minerals	- We send suppliers a self-assessment to verify the conformity to the OMRON Group Sustainable Procurement Guidelines, which include respect for human rights and labor practices, and request improvement. - Critical suppliers, who are designated as such based on the transaction volume and importance, are assessed annually, while other suppliers (all suppliers) are assessed at least once every three years. - In addition, we are evaluating and rectifying risks at each level by conducting in-depth surveys of suppliers of countries and attributes with high risk of human rights violations. - We conduct regular conflict minerals surveys, and, if it is discovered that conflict minerals are used in OMRON Group products, we take corrective measures as quickly as possible.
	Products and services domain	- Ethical use of technology	- Based on this policy, established in June 2024, we aim to minimize the risks of accidents and human rights violations caused by the use of AI. We also operate the AI Governance Committee in cooperation with the existing risk management system to prevent human rights violations through products and services provided by OMRON.
Redress mechanism	Entire value chain	- Grievance mechanism and access to remedy	- Aim to establish a mechanism for human rights remediation that is appropriate for each country and region. - Specifically, we have an internal whistle-blowing hotline that can be used by our employees, subcontractors and suppliers in each region. - Utilize a non-judicial grievance-handling platform that can be used by all stakeholders, including local communities and secondary and subsequent suppliers with no direct transactions.

Notes: 1. RBA: Responsible Business Alliance. Global CSR alliance focused mainly on the electronics industry.

In the areas of the employees and supply chains, we are proceeding with the initiatives centered on RBA standards.

(iii) Risk Management

- Process to evaluate, identify, and manage risks

The Sustainability Committee and the Human Rights Project are responsible for identifying and assessing risks.

The OMRON Group conducted a human rights impact assessment in 2022 as described under (ii) Strategy in collaboration with the Business for Social Responsibility (BSR), a US non-profit organization. Our first step included surveying international standards, and industry and stakeholder trends, as well as interviewing 15 divisions throughout the OMRON Group, including regional headquarters outside Japan. After comprehensively identifying human rights issues based on international human rights standards, we narrowed issues down to those specific to the electrical and electronics industry. We also identified issues in the OMRON Group's value chain that could affect rights holders. Finally, we mapped and prioritized risks from the perspectives of risk severity and relevance to business, enabling the identification of priority issues (material human rights issues) to be addressed. Since then, we have continued to reassess significant human rights issues based on changes in the external environment and the progress of our human rights initiatives.

(*Mapping of identified human rights issues is described in (ii) Strategy)

We are also a member of the Responsible Business Alliance (RBA), the world's largest corporate alliance promoting corporate social responsibility in global supply chains. We adhere to the RBA Code of Conduct, conducting risk assessments and implementing response measures based on due diligence in accordance with RBA standards at our own production sites and throughout our supply chain.

- Integration into enterprise-wide risk management

Given the importance of building a system to manage risks on an enterprise-wide basis, the OMRON Group has been working on integrated risk management under a common group framework. We identify and assess human rights risk as an important risk for the Group. We conduct regular monitoring in light of the issues identified through the human rights impact assessment.

(iv) Metrics and Targets

Major achievements in FY2025 are as follows.

Major achievements in FY2025

Issue Classification	Domain	Major Achievements in FY2025
Human rights due diligence	Employee domain	- Conducted RBA SAQs at 22 major production sites in Japan, China, Asia Pacific, Europe, and the Americas - Conduct of third-party audits based on RBA standards: 2 locations (China, Vietnam) - Human rights training for contract staffing firms working at the Company's production centers, and implementation of the internal whistleblowing system (Japan, China, Asia-Pacific, Europe, and the Americas)
	Supply chain domain	- Conducted self-checks for critical suppliers: 65 suppliers - Conducted self-checks for all suppliers: 362 suppliers - Implemented measures such as detailed self-checks, confirmation of disclosure information, and individual interviews for suppliers which have production sites in areas where the risk of human rights violations is high: China (154 suppliers), Malaysia (1 supplier)
	Products and services domain	- Established AI control rules
Redress mechanism	Entire value chain	- Improved operation of redress mechanisms to enhance their accessibility and reliability

3. Risks of Business, etc.

(1) Integrated Risk Management to Support Global Business Activities

The OMRON Group has been undertaking integrated risk management under a common group framework. It is necessary to increase our risk sensitivity, and identify and take action before risks become apparent in order to respond quickly to changes as the speed of environmental changes surrounding management and business increases and the degree of uncertainty rises.

We aim for active risk management where management and front-line employees work together to solve problems caused by environmental changes that cannot be handled only by front-line employees. We will work to improve the quality of this activity while implementing the PDCA cycle globally.

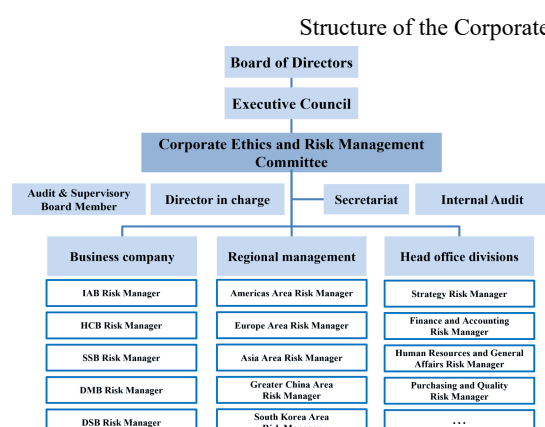
We consider the development of a system that enables front-line employees to make risk decisions efficiently, effectively and swiftly to also be an important theme in seeking to achieve “SF2030”, while following the OMRON Principles and rules.

(2) Structure and System for Integrated Risk Management

Under the internal control system, the framework for integrated risk management is summarized in the OMRON Group Rules (OGR)^(Note 1) for Integrated Risk Management, which clarify the position within Group management. The Chief Risk & compliance Officer (CRO) is a person in charge of the promotion. In addition, approximately 120 risk managers have been appointed at the head office divisions, business companies, overseas regional management, and group companies worldwide to allow management and front-line employees to work together in pursuing global activities.

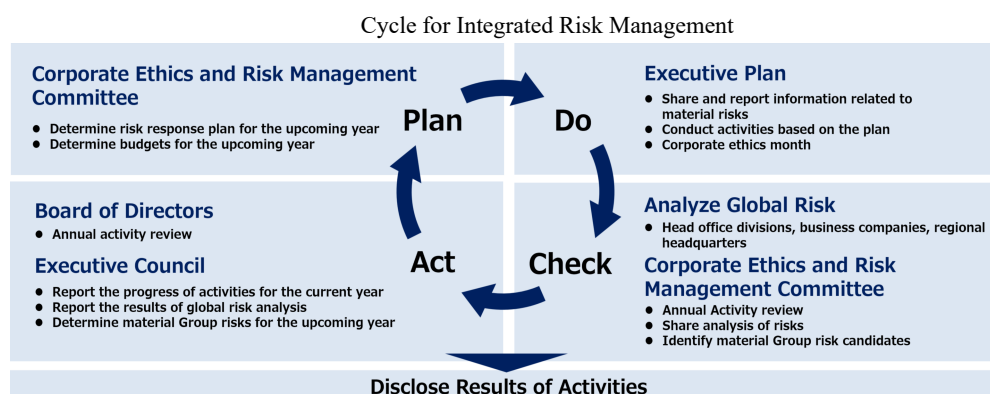
The three main activities of the Corporate Ethics and Risk Management Committee are as follows:

- Timely identification of environmental changes and impact assessment, sharing of information among relevant parties
- Conduct global risk analysis to identify important risks and establish appropriate responses
- Establish crisis response measures when a risk is identified



Under the participation and supervision of Directors and Audit & Supervisory Board Members, the Corporate Ethics and Risk Management Committee (held four times a year in principle), which is chaired by the CRO and comprised of key risk managers, to discuss and share important risks that are arising, changes in the environment, and the status of risk measures, while conducting Group-wide risk assessment.

In addition, in the event of a crisis, reporting is made promptly to the management and actions are taken through the Emergency Response Headquarters in accordance with the rank of the risk. The status of these risk management activities is reported to the Executive Council and the Board of Directors, being continuously evaluated and monitored. In addition, the internal audit department conducts theme audits, focusing on risk management activities.



(Note 1). The OMRON Group has established common rules that represent the foundation of management for the Group to realize fair and transparent management, the OMRON Group Rules (OGR). In addition to risk management, the OGR has been established for major functions such as accounting and funding, human resources, information security and quality assurance. It is reviewed annually to reflect changes in the environment as needed and appropriate.

(3) Addressing Important Group Risks and Analysis Thereof

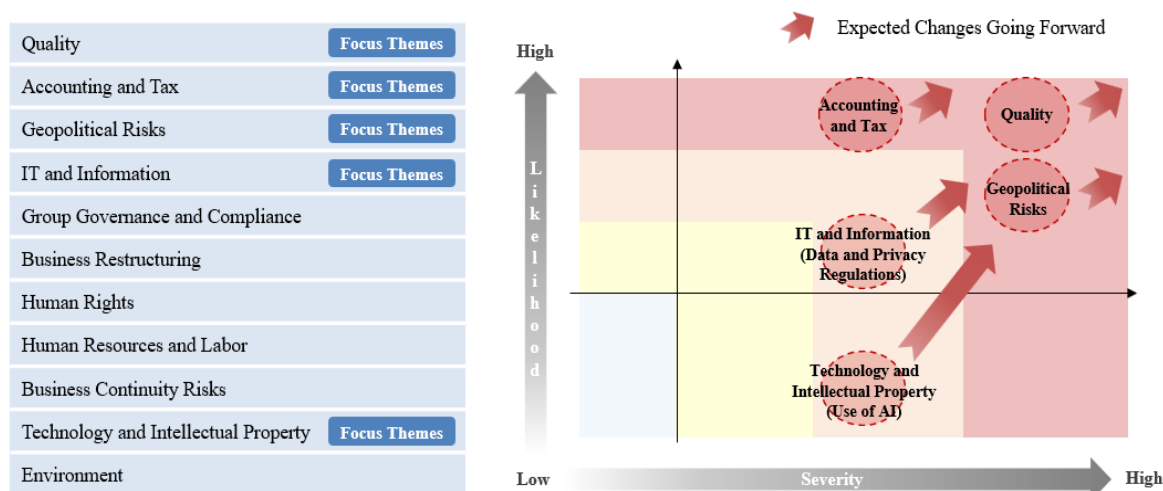
In “SF2030,” the OMRON Group aims to solve social issues that arise in the transition to a new social and economic system. To this end, we are committed to creating value for society in our business domains and addressing sustainability issues as part of our business plan. Guided by “SF2030,” “Medium-Term Roadmap SF 2nd Stage” which covers the five-year period from fiscal 2026 through fiscal 2030. The roadmap identifies key factors that we must address risks to prevent erosion of corporate value and enhance sustainability as risks.

In operating our group, we have identified the following two significant Group risks. S Rank: Risks of utmost importance to the operation of the Group, which may jeopardize its survival or bring severe social liability, A Rank: Risks that impede the achievement of important group goals. In order to keep these risks at an acceptable level without actualizing them, we monitor environmental changes and the status of implementation of measures.

Risk assessment as of the End of Fiscal Year 2025

Themes of significant Group risks based on the OMRON Group’s risk analysis conducted at the end of fiscal 2025 are presented in the table below. Changes in our operating environment include heightened geopolitical risks, the expanding use of AI, and intensifying cost competition. In addition, corporate and business strategies include such as further expansion of our business domains through M&A, the promotion of data businesses, and accelerated market development in regions including India and China. In light of these, we intend to implement Group-wide preventive measures and responses to risk events for focus themes where risks are expected to increase significantly and stronger management systems are required. If appropriate and sufficient measures are not taken, major risks could impact the Group’s operating results, financial condition, or the accomplishment of its long-term vision. Accordingly, we consider them to be matters that could have a material impact on judgment by investors. However, this is not an exhaustive list of all risks; the Group may be affected in the future by risks that are not currently foreseeable or considered significant. Matters discussed here that are not historical facts reflect the judgment of OMRON Group management as of the date of submission of this Annual Securities Report (June 22, 2026).

Overview of Businesses and Other Risks



Addressing Important Group Risks

① Quality		* Focus Theme
Risks	Under SF 2nd Stage, the OMRON Group aims to achieve high growth globally by strengthening Sensing & Control + Think and AI/data management technologies across 13 focus businesses, while enhancing cost competitiveness through supply chain optimization. Amid these developments, laws and regulations are emerging that deal with new technologies such as AI use and product security as high levels of safety and accuracy are required for quality. Furthermore, given the strong public demand for measures to address climate change and resource recycling, systems are becoming increasingly widespread globally in connection with extended producer responsibility, under which companies that manufacture and sell products bear certain responsibilities extending to the collection, recycling, and disposal of those products after use. If adequate measures are not taken in response to the operating environment described above, the following risks may arise, potentially hindering our strategy and resulting in losses, decline in sales, or damage to our brand value. - Large-scale recall of the Group's products - Violations of laws and regulations related to product environment, safety, and security - Cyber attacks on product security vulnerabilities halt network products and services	
System	We have a quality assurance system in place with ultimate responsibility residing with the President and, under the "Quality Basic Policy" based on the principle of quality first, the Global Procurement, Quality and Logistics HQ is in charge of promoting quality assurance activities. If a serious quality issue arises, prompt and appropriate action is taken under the supervision of the Board of Directors. - Related OGR: Quality Assurance Rules and Product Quality Risk Management Rules	
Initiatives	Specifically, we are promoting the following measures: - Acquisition of Quality Management System (QMS) such as ISO9001 (ISO13485: Medical equipment industry, IATF16949: Automotive industry) - Application and deployment of a QMS adapted to the service business - Establishing quality technologies for technologies with high risks (such as lithium-ion batteries and power devices) - Strengthening a product security system (gathering external vulnerability information and a response system (Product Security Incident Response Team, PSIRT), security monitoring activities, etc.) - Currently working to ascertain trends in environmental, safety and security-related laws, regulations, and standards related to products, and to strengthen management systems conducting impact assessments - Establishment and operation of quality consultation desks, implementation of QMS effectiveness audits and on-site quality inspections [Examples of Focused Initiatives: On-site Quality Inspections] Taking into account product safety and business loss risks, we selected target models from each production center, verified the status of QMS operations, and interviewed on-site personnel regarding perceived excessive pressure regarding delivery dates and costs, as well as the status of resource management.	

② Accounting and Tax		* Focus Theme
Risks	Under SF 2nd Stage, the OMRON Group aims to achieve the ambitious targets set for 2030 through proactive investment in focus businesses and IT, as well as strong sales growth driven by capturing demand across global markets, including India and China. Amid these developments, accounting and auditing standards, including rules governing revenue recognition for global operations and the valuation of intangible assets, are becoming increasingly sophisticated and stringent. Companies are required to respond in a timely and accurate manner to international tax rules being developed through cooperation and coordination among nations, as well as to customs laws, transfer pricing regulations, and other tax laws that are growing more complex due to national policies. If adequate measures are not taken in response to the operating environment described above, the following risks may arise, potentially hindering our strategy and resulting in restatements of financial results, records of losses, payments of a large amount of additional tax assessments or settlement payments, or damage to our brand value. - Occurrence of internal fraud and improper accounting practices that do not conform to accounting standards - Bad debts and a decline in the appraised value of assets due to a deterioration in market conditions and insufficient investment effects on systems	

- Violations of the Customs Law and the transfer pricing taxation system

System

Pursuant to the basic framework for internal control on financial reporting and the “Tax Policy” approved by the Board of Directors, and led by the Global Finance and Accounting HQ, we have established and operate systems and rules aimed at ensuring appropriateness in accounting and tax operations.

- Related OGR: Accounting and Finance Rules, Anti-Fraud Rules, Implementation and Promotion of J-SOX Rules, and Customs Clearance Administration Rules

Initiatives

Specifically, we are promoting the following measures:

- Strengthen self-inspection of internal controls and conduct audits focused on indications of risk
- Regularly gather information on accounting standards using outside experts, etc. and assess and respond to their impact, etc.
- Review policies related to international taxation in light of various OECD reports and the development of new international taxation rules
- Work with local subsidiaries to respond to changes in taxation systems and enforcement by authorities in each country and region
- Strengthen customs compliance system and monitoring

[Examples of Focused Initiatives: Internal Control Enhancement Project]

Aiming to strengthen internal controls in conjunction with the increased autonomy of our Chinese group companies, we have completed a series of internal control measures that include the implementation of risk detection tools for procurement and general expenses, periodic risk assessments of business partners, and the additional assignments of specialized personnel.

③ Geopolitical Risks

* Focus Theme

Risks

Under SF 2nd Stage, the OMRON Group aims to accelerate the growth of its businesses in China and India while expanding its production and sales bases globally, thereby reducing dependence on any specific region.

Amid these developments, policy developments in various countries, including tariff hikes in the United States and the tightening of export controls on rare earths and other materials in China, intensifying competition and protectionist policies surrounding cutting-edge technologies such as semiconductors and AI, and conflicts in Iran and Ukraine, are having a significant impact on corporate activities.

If adequate measures are not taken in response to the operating environment described above, the following risks may arise, potentially hindering our strategy and resulting in decline in sales, revisions of our strategies, significant administrative penalties, or damage to our brand value.

- Reduced competitiveness due to delayed responding to economic and security policies in each country such as revisions to the supply chain
- Suspension of product supply and significant cost increases in the event of disputes
- Violations of export restrictions and sanctions

System

Business response policies are discussed and decided by the Board of Directors, Executive Council and other executive committees.

The respective divisions in charge are responsible for ensuring compliance with laws and regulations. With respect to export regulations, for example, our Global Risk Management and Legal HQ implement security trading management globally under a company-wide export control committee.

- Related OGR: Integrated Risk Management Rules and Export Control Rules

Initiatives

Specifically, we are promoting the following measures:

- Exploring and promoting medium- to long-term production, research and development systems to reduce the impact of geopolitical risks
- Monitoring global political and economic conditions and trends in laws and regulations, and ascertaining the impact of economic sanctions and responding to them

[Examples of Focused Initiatives: Strengthening Security Transaction Management]

As export controls and sanctions imposed by various countries become stricter and more complex, we are reorganizing the system for conducting transaction reviews at our global group companies regarding security-related transaction management, while also exploring ways to systematize the transaction risk assessment process.

④ IT and Information Security

* Focus Theme

Risks

Digital technologies such as AI, IoT, and cloud computing are advancing rapidly, and corporate activities are becoming increasingly dependent on IT assets and data. Meanwhile, cyberattacks that exploit these technologies are on the rise, and the methods used are becoming increasingly advanced and sophisticated. At the same time, the scope is expanding beyond large corporations to encompass the entire supply chain. Furthermore, in response to various demands, including ensuring national security and industrial competitiveness, as well as growing public awareness of individual rights and privacy, legal regulations in various countries regarding the handling of data and privacy have become increasingly complex and stringent. As part of SF 2nd Stage initiatives, the OMRON Group has successfully completed the Corporate Systems Project and will continue to pursue data-driven corporate management.

Under these circumstances, if adequate measures are not taken in response to the operating environment described above, the following risks may arise, potentially hindering our strategy and resulting in losses, significant administrative penalties, disability with business activities, decline in sales, or damage to our brand value.

- Large-scale system failure
- Leakage of information due to cyber attacks and inadequate management of personal and technical information, and the suspension of operations
- Violation of national data privacy regulations

System

As the basic policy, we have established and published the “Basic Policy on Information Security.” Under the supervision of a supervising director, the Senior General Manager of each head office division controls and manages measures for each area of information security, product security and personal information management as a person with operational responsibility. For issues encompassing the respective areas, the Cyber Security Integration Meeting, chaired by the Chief Information Officer (CIO) and overseen by the Executive Director in charge of cybersecurity, meets as necessary to resolve them. In addition, we discuss and decide on priority issues and strategies at the Information Security Strategy Council, chaired by the President, in order to determine a course of action for promoting them at the management level. Also on the implementation front, we promote and manage measures through the Information Security Promotion Meeting chaired by the CIO and participated in by IT managers of all regional headquarters. As for personal data, we strive to grasp trends in laws in various countries and the status of the OMRON Group and strengthen actions to ensure compliance with laws and regulations, with the Senior General Manager of the Global Risk Management and Legal HQ being the person in charge.

- Related OGR: IT Governance Rules and Information Security Rules

Initiatives

Specifically, we are promoting the following measures:

- Evaluation and strengthening of measures based on NIST-CSF^(Note 1), a global standard framework
- Collection of comprehensive threat information through external specialized agencies and rolling out countermeasures within the Group
- Prompt reporting and actions to minimize damage in the event of an incident by the Incident Response Office (CSIRT)
- Implementation of information systems vulnerability checkups and improvements
- Conducting of drills to prepare for cyberattacks
- Implementation of risk assessment and measures to ensure the security of high-risk supply chains
- Strengthening measures against the risk of information leaks (monitoring and analyzing PC and network logs)
- Employee training to improve information literacy; Expanding the pool of professionals holding specialized certifications
- Establish a process for cross-border data transfers on a global scale

[Examples of Focused Initiatives: Global Rollout of Supply Chain Risk Assessment]

We are expanding risk assessments and corrective actions based on those assessments, which we currently implement for business partners that deal in high-risk personal and confidential information. The expanded scope will include global business partners, thereby strengthening security throughout our supply chain.

(Note 1) NIST-CSF: Cyber Security Framework (CSF) published by the National Institute of Standards and Technology (NIST) in 2014.

This framework is generic and systematic. Countries around the world are moving toward compliance, including the U.S.

⑤ Group Governance and Compliance

Risks

Under SF 2nd Stage, the OMRON Group aims to meet expectations for a rapid response to market changes by accelerating management speed through significant delegation of authority.

Amid these developments, as social demands for compliance, including fair trading, are high, the business environment is becoming increasingly complicated. For example, international organizations and governments are reinforcing the enforcement

of laws and regulations against anti-competitive legal acts and anti-bribery activities, as well as studying regulations to respond to the advancement of IT, AI and other technologies and the promotion of innovation through alliances and other means. In Japan, there is a growing demand to promote the passing of cost increases across the entire supply chain. In addition, in some emerging countries and regions, graft and other forms of corruption may become social problems due to weak legal governance and unstable political conditions.

If adequate measures are not taken in response to the operating environment described above, the following risks may arise, potentially hindering our strategy and resulting in significant administrative penalties or damage to our brand value.

- Breaches of business laws and inadequacies in obtaining licenses for new businesses
- Violations of the competition law, subcontracting law, and other laws and regulations concerning fair trade
- Violation of laws and regulations concerning bribery such as entertainment and gifts

System The response policy for internal control including corporate ethics and compliance is discussed and determined by the Board of Directors. In addition, we have established and operate a governance system for its group companies pursuant to the OGR, and the Corporate Ethics & Risk Management Committee carries out activities.

- Related OGR: Corporate Administration Rules, Ethical Conduct Rules, Internal Audits Rules, and Procurement Rules

Initiatives Specifically, we are promoting the following measures:

- Global checks and monitoring by division in charge of each function
- Regular compliance education through Global Corporate Ethics Month in October of each year, etc.
- Operating whistleblower hotlines worldwide
- Internal audit and guidance for improvement based on risk-based approach
- Monitoring and training on the Act on Ensuring Proper Transactions Involving Specified Entrusted Business Operators for relevant business sites by the purchasing division

⑥ Business Restructuring

Risks Under SF 2nd Stage, the OMRON Group has positioned the restructuring of its business portfolio as a core strategy. The OMRON Group aims to accelerate selection and concentration, and enhance corporate value over the medium to long term including by pursuing M&A within the Industrial Automation Business as our highest priority. Amid these developments, there is a strong demand for capital efficiency in business operations, accountability for goodwill and other items arising from investments, and appropriate governance for the expanding and diversifying corporate group. Furthermore, as investment restrictions stemming from economic security policies and legal regulations governing business restructuring become increasingly complex and varied across country borders, it is becoming increasingly important to respond in a timely and appropriate manner.

If adequate measures are not taken in response to the operating environment described above, the following risks may arise, potentially hindering our strategy and resulting in the records of losses or revisions of our strategies.

- Deterioration in performance and evaluation of M&A/investment targets, failure to demonstrate anticipated synergies, and occurrence of compliance issues
- Unexpectedly prolonged M&A and investment screening due to compliance with foreign investment regulations.
- Recognition of substantial expenses related to business withdrawal, violations of laws and regulations in various countries, and litigation

System The policies for and implementation of M&A, investments, and withdrawals are discussed and determined by the Board of Directors and other executive committees with investment discipline in accordance with the responsibility authority set forth in the management rules, and each transaction is promoted by a project team comprised of the business company, headquarters units, and outside experts.

- Related OGR: Management Rules

Initiatives Specifically, we are promoting the following measures:

- Exploring and assessing M&A, investment, business divestiture candidates based on business strategy
- Detailed prior review and due diligence such as confirmation of the financial condition and contract details of the target company
- Review of specific target progress for post-acquisition or post-investment economic impact by the Board of Directors (at least once a year)

⑦ Human Rights

Risks	Under SF 2nd Stage, the OMRON Group will contribute to building a sustainable society by reviewing the supply chain to strengthen cost competitiveness and resilience, while continuing efforts to respect human rights. Amid these developments, companies are increasingly expected to address human rights issues such as forced labor, child labor, low wages and unpaid wages, long working hours, work environments with insufficient consideration for safety and health, and harassment. At the same time, legal and regulatory frameworks are being developed, including requirements to identify, prevent, mitigate, and remediate adverse impacts through due diligence, as well as import bans on products made with forced labor. If adequate measures are not taken in response to the operating environment described above, the following risks may arise, potentially hindering our strategy and resulting in discontinuation of transactions, discontinuation of product development, or damage to our brand value. - Occurrence of harassment, labor standards violations, and occupational safety and health problems - Emergence of human rights issues in the supply chain
System	To address human rights issues, we carry out activities in accordance with the “OMRON Human Rights Policy” established by resolution of the Board of Directors. As part of our specific governance structure, we established the “Sustainability Committee” chaired by the Executive Officer in charge of Sustainability Promotion, who has been delegated authority by the President and CEO. The committee deliberates Group-wide human rights initiatives and compliance with human rights-related laws and regulations. To strengthen company-wide efforts, we established the Human Rights Project directly under the Sustainability Committee to discuss how to address material issues on a first-line, practical basis and to monitor the progress of fiscal year plans. - Related OGR: HRM Rules, Occupational Safety and Health Management Rules, and Procurement Rules
Initiatives	Specifically, we are promoting the following measures to fulfill corporate responsibility to respect human rights in alignment with the United Nations Guiding Principles on Business and Human Rights (UNGPs): - Risk assessment using the RBA^(Note 1) assessment tool - Presenting sustainable procurement guidelines to suppliers and confirming compliance status - Operating a human rights redress mechanism globally

(Note 1) RBA: Responsible Business Alliance. Global CSR alliance focused mainly on the electronics industry.

⑧ Human Resources and Labor

Risks	Under SF 2nd Stage, the OMRON Group will build an organization that continues to deliver results by further unlocking the capabilities and motivation of each employee, enhancing the execution capabilities and speed needed to drive business growth and Group-wide transformation toward achieving ambitious targets. Amid these developments, as the mobility of human resources increases, the competition for hiring scarce talent who are equipped with advanced technological skills, such as IT talent, is becoming more intense than ever. It is also important to implement human capital strategy that makes us attractive to job seekers and enhance employee engagement. If adequate measures are not taken in response to the operating environment described above, the following risks may arise, potentially hindering our strategy and resulting in decline in business competitiveness, or damage to our brand value. - Inability to attract or retain talent possessing the requisite skills and experience essential for business development - Deterioration in employee engagement, potentially resulting in labor-related challenges
System	Important human capital strategies are discussed and decided by the Board of Directors and Executive Council. Under the Chief Human Resources Officer (CHRO), the Global Human Resources and Administration HQ is taking the lead in implementing measures. - Related OGR: HRM Rules
Initiatives	Specifically, we are promoting the following measures: - Allocation of human resources to focus businesses - Develop management talent capable of driving business growth and company-wide transformation - Reform the evaluation and compensation systems to further enhance employee motivation to take on challenges proactively - Enhance managerial skills to foster the motivation, talent, and growth of a diverse workforce - Promote proactive employee engagement on organizational issues through the “VOICE” engagement survey

⑨ Business Continuity

Risks

Under SF 2nd Stage, the OMRON Group aims to build a resilient supply chain and fulfill its social responsibility to supply products and services to customers and consumers.

Amid these developments, supply constraints for critical components and raw materials, including semiconductors, may worsen due to factors such as robust demand for AI and the ongoing tensions in the Middle East. In addition, there remains a possibility that society could experience global disruptions due to natural disasters such as major earthquakes, floods and torrential rains, or the outbreak of infectious diseases.

If adequate measures are not taken in response to the operating environment described above, the following risks may arise, potentially hindering our strategy and resulting in losses, decline in sales, or damage to our brand value.

- Long-term suspension of parts supply, etc., from major suppliers
- Large-scale shutdown of IT infrastructure
- Suspension of production at our plants

System

We have identified supply chain resilience as one of our Group-wide non-financial targets and pursue related initiatives primarily through the Global Strategy HQ. With respect to natural disasters, based on the basic policy of prioritizing personal safety, maintenance of social infrastructure, and full cooperation for reconstruction activities, each business company and head office division has coordinated to devise a business continuity plan for production, purchasing and procurement, logistics, and IT.

- Related OGR: Integrated Risk Management Rules, and Procurement Rules

Initiatives

Specifically, we are promoting the following measures:

- Centralized management of supplier production area information and establishment of evaluation systems for alternative production sites
- Diversification of procurement and production systems for key products
- Establish escalation routes for emergencies and a structure to ascertain impacts
- Simulations and training drills for emergency situations
- Operation of an employee safety confirmation system and stockpiling of emergency food and drinking water at business sites according to risks

⑩ Technology and Intellectual Property

* Focus Themes

Risks

Under the SF 2nd Stage, the OMRON Group drives the growth of 13 focus businesses through the enhancement of six core technologies linked to those domains. At the same time, we pursue GEMBA DX through use of AI and other cutting-edge technologies.

Amid these developments, competition over cutting-edge technologies among companies or nations is intensifying. In particular, AI technologies, such as generative AI and AI agents, continue to evolve rapidly. Amid concerns about the risks associated with the expanding use of AI, there is a growing movement in various countries to establish legal regulations and strengthen corporate governance. In addition, disputes related to intellectual property and the rapid development of the e-commerce (EC) market have resulted in the increased global distribution of counterfeit goods year by year.

If adequate measures are not taken in response to the operating environment described above, the following risks may arise, potentially hindering our strategy and resulting in the suspension of transactions, discontinuation of product development, losses, decline in sales, or damage to our brand value.

- Ethical issues arising from the use of AI technology or issues due to non-compliance with AI regulations
- Occurrence of disputes concerning infringement or misuse of patents, etc.
- Outflow of the Group's technology and know-how and imitation of our brand
- Loss of competitiveness due to inadequate use of intellectual property linked to business strategy

System

With regard to investments in core technologies and measures to strengthen the development framework we pursue initiatives through the Group-wide Technology Governance Committee, chaired by the General Manager of Strategic R&D HQ. In addition, to address AI-related issues, we have established the AI Governance Committee under the OMRON AI Policy, which establishes our approach to the appropriate handling of AI and AI governance

The committee promotes activities necessary for the appropriate use of AI and deliberates on measures to reduce risks associated with the use of AI, as well as responses to AI-related laws and regulations. The Strategic R&D HQ takes the lead in implementing intellectual property activities based on the Intellectual Property Policy.

- Related OGRs: Research and Development Rules, AI Governance Rules, Intellectual Property Management Rules

Initiatives	Specifically, we are promoting the following measures: - Identify and manage priority technologies group-wide; manage technology talent - Develop and implement an intellectual property strategy linked to business strategy and technology strategy, accumulating intellectual property rights with a competitive edge - Develop and implement guidelines for the use of generative AI systems - Research of third parties' intellectual property rights in conducting R&D and design - Analysis and evaluation of third parties' infringement of the OMRON Group's intellectual property rights, and strengthening of the enforcement of rights - Measures against counterfeiting activities, including online transactions, and preventing the acquisition of trademarks similar to the Company's brand names with malicious intent [Examples of Focused Initiatives: Establishment of Rules for AI Governance] We have established global internal rules that apply uniformly to the use, provision, and development of AI systems. Under this rule, we aim to ensure the proper use of AI systems and maximize the value they provide.
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⑪ Environment

Risks	Under SF 2nd Stage, the OMRON Group aims to reduce environmental impact by advancing decarbonization and the circular economy, and to contribute to the creation of a sustainable society and helping address social issues such as global warming and resource depletion. Amid these developments, we are making progress on measures that include a requirement for third-party assurance of corporate disclosures regarding environmental initiatives and the establishment of labeling regulations designed to eliminate misleading claims of environmental responsibility. At the same time, we have seen a trend in Europe and the United States, mainly, toward revising environmental policies. Accordingly, companies must monitor these policy developments in a timely manner and respond accordingly. If adequate measures are not taken in response to the operating environment described above, the following risks may arise, potentially hindering the execution of our strategy and resulting in damage to our brand value. - Non-compliance with new environment-related trade and disclosure regulations, increased costs for response, and inadequate response to customer requests - Inappropriate representations in promotional activities that could be perceived as greenwashing
System	To address environmental issues, we carry out activities in accordance with the “OMRON Environmental Policy” established by resolution of the Board of Directors. As part of our specific governance structure, we established the “Sustainability Committee” chaired by the Executive Officer in charge of Sustainability Promotion, who has been delegated authority by the President and CEO. The committee deliberates Group-wide environmental initiatives and compliance with environment-related laws and regulations. Aiming to strengthen environmental management across the Group and accelerate environmental initiatives, we established the Group Environmental Committee, which encompasses the environmental functions of the head office and each business company. The committee supports environmental management across the Group, discussing the setting of environmental targets and the planning of initiatives at business sites, identifying environmental issues having a significant impact on the OMRON Group, and considering and evaluating the effectiveness of related measures. - Related OGR: Environmental Management Rules and Procurement Rules
Initiatives	Specifically, we are promoting the following measures: - Accelerate reductions in greenhouse gas emissions for which a target is set for each of Scope 1, 2 and Scope 3 Category 1, 11 - Transition to a circular economy through the expansion of collection and recycling efforts, circular material procurement, the maximization of the resource recycling rate, and other efforts - Disclose information on risks and opportunities associated with climate change - Biodiversity conservation activities in line with TNFD^(Note 1) recommendations - Visualize environmental performance throughout the product life cycle through the Environmental Evaluation Framework

(Note 1) TNFD: Task Force on Disclosure of Nature-related Financial Information. An international organization for establishing a risk management and disclosure framework for enterprises related to natural capital, etc.

4. Management Analysis of Financial Condition, Operating Results and Cash Flows

The forward-looking statements contained herein are based on judgments made as of the end of the current fiscal year.

(1) Status, Analysis and Considerations of Business Environment, Operating Results, etc.

(i) Financial Targets Under Medium-Term Roadmap SF 2nd Stage

The financial guidance targets set forth in our Group's medium-term roadmap, “SF 2nd Stage,” are as follows:

SF 2nd Stage Financial Guidance

KPI	FY2025 Results	FY2026 Plan	FY2030 Targets
Net sales compound annual growth rate (CAGR) ^(Note 1)	7.3% ^(Note 2)	7.0% ^(Note 2)	7.0% ^(Note 1)
Operating income margin	7.8%	7.6%	12%
Return on equity (ROE) (%)	4.7% ^(Note 3)	Approx. 5.5% ^(Note 3)	10% - 12%
Return on invested capital (ROIC)	3.9% ^(Note 3)	Approx. 4.0% ^(Note 3)	8% - 10%
EPS growth rate	116.5% ^(Note 2)	15%	- 20%
Ratio of Data Services sales	9%	11%	15%

Notes: 1. CAGR: Growth rate from fiscal 2024 to fiscal 2030; the ambitious targets set for fiscal 2030 reflects the target average growth rate for that period

2. The growth rates for fiscal years 2025 and 2026 are shown as percentages of the previous fiscal year's results

3. Figures calculated based on net income from continuing operations

4. Earnings per share (EPS)

Guidance by Business Segment

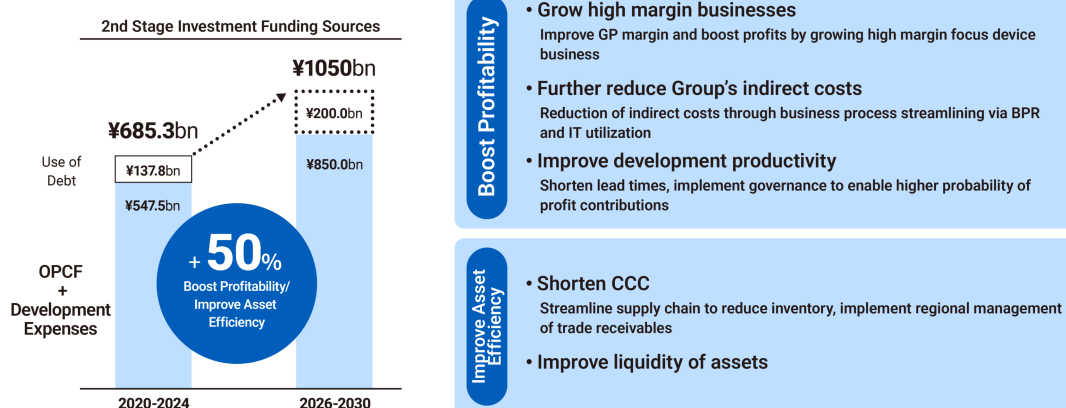
(JPY billions)

Segments	FY2025 Results			FY2030 Targets	
	Net sales	Operating income	Operating income margin	CAGR	Operating income margin
Industrial Automation Business (IAB)	409.5	42.8	10.4%	+6.0%	16%
Healthcare Business (HCB)	145.3	15.4	10.6%	+4.0%	14%
Social Systems, Solutions and Service Business (SSB)	144.3	19.7	13.7%	+9.0%	14%
Data Solution Business (DSB)	51.2	3.6	7.1%	+23.0%	18%

(ii) Measures to Achieve Growth —Strengthening Cash-Generating Capability—

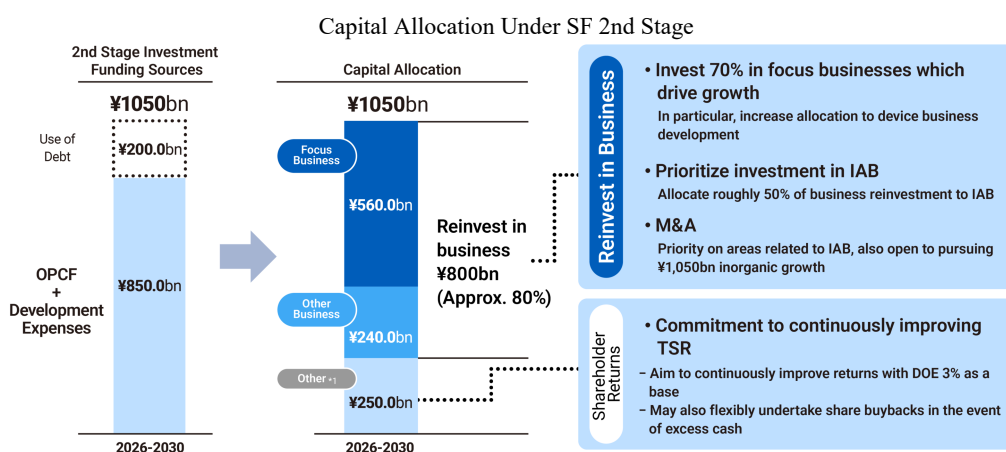
Under SF 2nd Stage, we will implement measures to expand earnings and improve asset efficiency, targeting cumulative cash generation of ¥1,050 billion over the five-year period from fiscal 2026 to fiscal 2030 as a source of funding for proactive investment aimed at putting the OMRON Group back on a growth trajectory. To expand profits, we will focus on growing our high-margin focus businesses, while continuing to reduce Group-wide indirect costs, including the phased elimination of regional headquarters, and improve development productivity. To improve asset efficiency, we will optimize working capital not only through a continuous review of our business portfolio, but also by reducing inventory through supply chain optimization and supplier financing in collaboration with our business partners. Through these initiatives, we aim to streamline cash flow by shortening the cash conversion cycle and enhancing our ability to generate cash flow.

Strengthening Cash-Generation Capability



(iii) Approach to Capital Allocation Under SF 2nd Stage

Portfolio management is the core of our business strategy leading up to 2030, and we aim to strengthen our competitiveness and achieve sustainable growth, relying on the Industrial Automation Business as the cornerstone. We will prioritize allocating the investment funds generated through the sale of shares in the Devices & Module Solutions Business (carried out as part of portfolio restructuring) to focus businesses that drive growth. We also recognize that improving capital efficiency is a key priority. We will make opportunistic decisions regarding share buybacks after carefully considering all factors, including stock price, financial soundness, and growth investment opportunities.



*1: Capex etc. for Headquarters, topping up of cash on hand, redemption/repayment of corporate bonds and borrowings, shareholder returns, etc

(iv) Results and Outlook of Operating Results of the OMRON Group

Results for Fiscal 2025

With the resolution by our Board of Directors on March 30, 2026, to carry out a corporate split (absorption-type split) of the DMB (Devices & Module Solutions Business) and a transfer of shares in the successor company (change in subsidiaries, etc.), we have classified this business as a discontinued operation beginning with the current fiscal year.

In accordance with the resolution of the Company's Board of Directors on March 30, 2026, to conduct an absorption-type company for the DMB (Devices & Module Solutions Business) and transfer shares of the succeeding company (change in subsidiary, etc.), the Company has classified this business as a discontinued operation. For this reason, the OMRON Group figures for net sales, gross profit margin, operating income, and income from continuing operations before income taxes have been presented excluding said discontinued operation.

OMRON Group financial performance for the fiscal year ended March 31, 2026, saw an increase in sales and profits year on year. Net sales in the Industrial Automation Business were solid due to steady capture of firm demand related to generative AI, etc., while other businesses performed well, leading to the year-on-year growth.

Operating income increased year on year, despite a decline in gross profit margin stemming from soaring raw materials prices, rising logistics costs, and the impact of the U.S. tariff policy. However, in addition to sales growth, we made investments for growth in line with our medium-term roadmap through fiscal 2030 (SF 2nd Stage), as announced on November 7, 2025. At the same time, we controlled fixed costs in line with performance conditions, resulting in the year-on-year increase.

Income from continuing operations before income taxes and net income attributable to OMRON shareholders increased significantly compared to the same period in the previous fiscal year, when we posted one-time expenses related to headcount and capacity optimization.

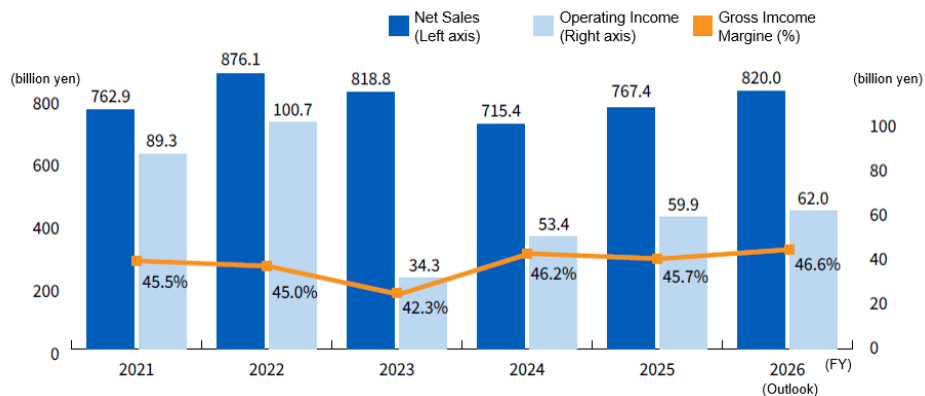
Outlook for fiscal 2026

In terms of the business environment impacting the OMRON Group in the next fiscal year (ending March 31, 2027), we expect capital investment in the semiconductor-related and secondary battery areas in connection with the Industrial Automation Business to remain strong throughout the year, supported by demand related to generative AI. The business environment for the Healthcare Business and Social Systems, Solutions and Service Business should remain firm.

At the same time, the high degree of uncertainty in the direction of the state of affairs in the Middle East could have an impact on the global economy. We will continue to monitor developments closely.

As the OMRON Group will adopt IFRS beginning with the first quarter of the fiscal year ending March 31, 2027, we prepared the following forecasts in accordance with IFRS.

Net sales, operating income and gross profit margin



- Notes: 1. The Company classified the DMB (Devices & Module Solutions Business) as a discontinued operation. Accordingly, we have reclassified the results for fiscal 2024 and fiscal 2025 net sales, gross profit margin, and operating income to reflect results from continuing operations and excluding the discontinued operation.
2. As the OMRON Group intends to voluntarily adopt International Financial Reporting Standards (IFRS) beginning with fiscal 2026, the figures for fiscal year 2026 are presented in accordance with IFRS.

Management Policy and Priority Initiatives for Fiscal 2026

We intend to implement actions during the next fiscal year to complete the plan for the growth of the 13 focus businesses under the company-wide policy of deepening relationships of trust with customers for transforming into a GEMBA DX company.

Financial Targets

Financial Targets	FY2024 Results U.S. GAAP	FY2025 Results U.S. GAAP	FY2026 Plan IFRS
Net sales	JPY715.4 billion	JPY767.4 billion	JPY820.0 billion
Operating income	JPY53.4 billion	JPY59.9 billion	JPY62.0 billion
ROE	2.2%	4.7%	around 5.5%
ROIC	1.9%	3.9%	around 4.0%
EPS	JPY86.83	JPY187.98	JPY228.86

Note: The figures above exclude discontinued operations.

In addition, the ROE, ROIC, and EPS figures are calculated based on net income from continuing operations.

Non-financial Targets

Non-Financial Targets		FY2026 Targets	FY2030 Targets
1	Solve social issues through our business (1) Rate of growth for coverage ratio of Customer Base Map (2) BPM unit sales (3) OMRON connect and PepUp Aus (4) Storage system shipment volume	(1) 114% vs. FY2025 (2) 26.94 million units (Compared to FY2025: 105%) (3) 800% vs. FY2024 (4) 54,200 units (Compared to FY2025: 109%)	(1) 160% vs. FY2024 (2) 31.72 million units (Compared to FY2025: 124%) (3) 3,000% vs. FY2024 (4) 125,000 units (Compared to FY2025: 252%)
2	Maximize the capability to innovate driven by social needs • Share of net sales of four businesses in the incubation phase, including data services, as a percentage of total net sales	11% (Compared to FY2025: +2%)	15% (Compared to FY2025: +5%)
3	Cultivate the potential of human resources to accelerate growth • Employee engagement (VOICE Engagement Score)	Global 68 (Compared to FY2025: +1p)	Global 70 (Compared to FY2025: +3p)
4	Build a resilient supply chain • Promote the development of procurement and production backups/alternatives for key products	IAB: Reduce SKUs and the use of risk components Mitigation design + Strategy for risk components Secure inventory OHQ: Finish building mass production capabilities in India OSS: Complete conceptual design of production system	IAB: Restructure global production facilities OHQ: Achieve a competitive cost structure in India OSS: Storage battery systems production capacity: 125,000 units
5	Reduce environmental burden through the realization of a decarbonized, circular economy [Decarbonization] • Scope 1 and 2 reduction volume (1.5°C level) • Scope 3 (Categories 1/11) reduction volume (well below 2°C level) [Circular Economy] • Expand and increase resource recycling models	[Decarbonization] • Reduce GHG emissions ^{*1,2} • Scope 1 and 2: -33% vs. FY2016 • Scope 3: - [Circular Economy] • Pursue initiatives based on business characteristics • Maintain zero emissions at global production centers (20 centers)	[Decarbonization] • Reduce GHG emissions ^{*1,2} • Scope 1 and 2: -68% vs. FY2016 • Scope 3: -35% vs. FY2016 [Circular Economy] • Complete the expansion and enhancement of the resource recycling model • Achieve zero emissions at all global production centers
6	Respect for human rights throughout the value chain • Implement human rights due diligence in line with the UNGP's framework for each significant human rights issue at OMRON • Develop a grievance mechanism	• Continue human rights due diligence for each human rights issue • Continue operation of human rights redress mechanism	• Complete human rights due diligence for each human rights issue • Continue operation of human rights redress mechanism

Disclosure items 4 and 6 are intended as targets in and of themselves.

*1 Revised the scope of coverage in light of changes to the business portfolio

*2 To be finalized following certification by the international nonprofit organization Science Based Targets initiative (SBTi)

(v) Results and Outlook for Each Business Segment

(IAB) Industrial Automation Business

Sales Composition
Ratio (FY2025)

53%



13 Focus
Businesses

Controller

Safety

Gen sensor

Substrate Insp.
Equip.

Ctrl Combo

IA Data Solution

Growth Strategy Under SF2030

Under the business vision of “Enriching the Future for People, Industries and the Globe by Innovative-Automation,” IAB aims to pursue both the advancement of industries and the well-being of people at work, thereby contributing to the evolution toward sustainable industries. To this end, we are advancing two major initiatives: reinforcement of the products (components) that underpin our solutions, and co-creation with partners to generate new solutions.

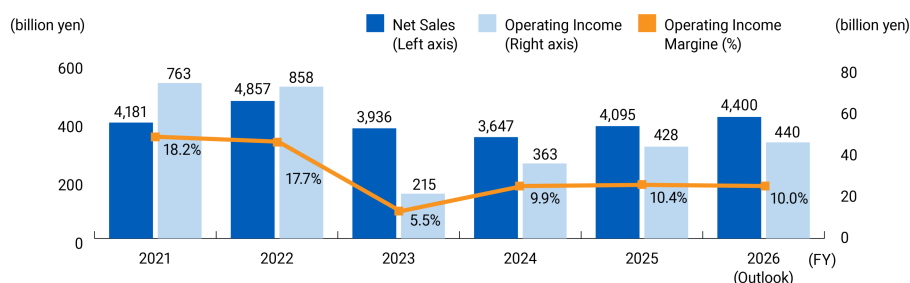
To start, to reinforce our products, we are intensively allocating development resources from across the company to the creation of highly competitive products. In fiscal 2025, we launched 20 models, including sensors and controllers, as planned, and in fiscal 2026, a large number of models such as relays are scheduled to be introduced. Secondly, we are enhancing our control applications that enable the evolution of manufacturing technology, in line with the needs of industries and customers. OMRON’s field engineers deployed around the world will work at customer sites in advanced technology fields such as semiconductors and EVs, where high-precision control technology is required, resolving issues together with them as our applications continue to evolve. For example, we are collaborating with NVIDIA Corporation on digital twin technology that enables high-precision replication and verification of equipment operation in virtual space, aiming to contribute to improved productivity at manufacturing sites.

In addition to the i-BELT services that utilize on-site data to address issues on a line and plant basis, such as predictive maintenance, zero-defect manufacturing, and energy-saving production, we are creating new IT-OT solutions through a strategic partnership with Cognizant, an IT company with extensive expertise in manufacturing, to serve as a pillar of future growth. OMRON will leverage its extensive lineup of components together with new solutions to resolve customers’ issues and contribute to the advancement of manufacturing that will support a sustainable society.

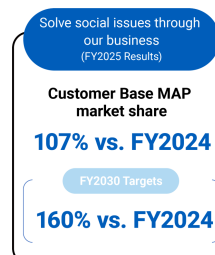
Results for Fiscal 2025 and Outlook for Fiscal 2026

Results for Fiscal 2025	
Status of sales	While global demand for capital investment remained stagnant in EV-related fields, demand related to generative AI continued to be solid. In addition to steadily capturing this investment demand, we continued in line with plan from the previous fiscal year to develop and release new products to meet customer needs, leading to a significant year-on-year increase.
Status of operating income	Operating income improved significantly year on year due to a substantial increase in net sales, despite upfront investments to support future growth and the impact of rising materials and logistics costs.
Outlook for Fiscal 2026	
Outlook for sales	Backed by strong demand related to generative AI, we expect semiconductor-related capital investment to remain solid on a global basis. We also expect the previously stagnant capital investment in the electric vehicle (EV) and secondary battery industries to recover gradually. In addition, we plan to release new products that meet customer needs. Given the above, we expect net sales for the next fiscal year to increase compared to the current fiscal year.
Outlook for operating income	In addition to increased sales, by efficiently managing fixed costs and raising productivity even as we make investments to support future business growth, we expect operating income for the next fiscal year to increase compared to the current fiscal year.

Net sales, Operating Income and Operating Income Margin



Progress in KPIs for Social Value Creation



- Note: 1. As a result of a revision of classification for management operation, from fiscal 2022 a portion of IAB is included in DMB. As a result, fiscal 2021 is reclassified based on the new classification for management operation.
2. As OMRON Group will voluntarily adopt IFRS beginning with the fiscal year ending March 31, 2027, the figures for fiscal year 2026 are presented in accordance with IFRS.
3. As the DMB (Devices & Module Solutions Business) has been classified as a discontinued operation, the figures for fiscal 2024 and fiscal 2025 are presented as recalculated figures under the new classification.

(HCB) Healthcare Business

Sales Composition
Ratio (FY2025)

19%



13 Focus
Businesses

Blood Pressure Monitor

Home-use ECG

Digital Health

Growth Strategy Under SF2030

Creation of innovative devices

Leveraging over 50 years of expertise in Pressure Pulse Wave (PPW)* and AI, we launched a blood pressure monitor equipped with OMRON's proprietary next-generation algorithm "Intellisense AFib," which can detect the potential for atrial fibrillation (AFib) simply by measuring blood pressure. The product was launched in Europe, the United States, and China in 2024, and in Japan, Southeast Asia, and Central and South America in 2025. This unprecedented technology analyzes PPW data obtained during blood pressure measurement to determine the likelihood of AFib. In China, we are working with major pharmacy chains to increase opportunities for customers to experience the value of this technology, such as by establishing "AFib risk screening areas" in their stores. We will globally expand initiatives that contribute to the early detection and treatment of AFib, a cause of stroke.

* The pressure exerted on the arterial walls as the heart beats and blood flows through the arteries

Acceleration of the Digital Health Business

Launched in Japan in 2016, the health management app "OMRON connect" has now been downloaded more than 15 million times across over 130 countries and regions. "OMRON connect" accumulates daily measurement data from devices such as blood pressure monitors. By combining these blood pressure data with health checkup and claims data from JMDC Inc., full-scale verification has begun to predict individual disease risks and provide optimized advice for each individual to support lifestyle improvement. In addition to strengthening our user base by promoting the spread of connected devices, we will expand collaboration with healthcare professionals to provide personalized health management programs, as well as partnerships with external services.

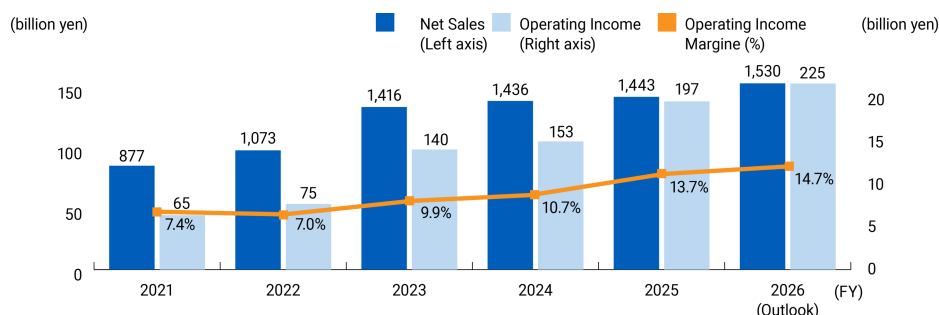
Through these initiatives, we will implement innovative preventive care frameworks in society and contribute to the extension of healthy life expectancy for people around the world.

Results for Fiscal 2025 and Outlook for Fiscal 2026

Results for Fiscal 2025	
Status of sales	Sales in the market for blood pressure monitors, our core product, remained steady in all areas with the exception of China. In the second quarter (July to September 2025) and beyond, sales continued to rise in China year on year with the introduction of new products, despite the impact of sluggish consumption in that country. However, the decline in the first quarter (April to June 2025) had a significant impact on sales, leading to full-year sales coming in at level with the previous fiscal year.
Status of operating income	Amid the impact of the U.S. tariff policy and intensified competition in the major price ranges of blood pressure monitors globally, we endeavored to reduce costs and revise our fixed cost structure. However, operating income was significantly lower year on year.

Outlook for Fiscal 2026	
Outlook for sales	We expect global demand for blood pressure monitors to expand steadily, while remaining flat in China. We will continue to capture expanding demand by advancing our response to growing online channels globally and by introducing price-competitive products even amid the trend toward lower prices in emerging countries. Given the above, we expect net sales for the next fiscal year to increase compared to the current fiscal year.
Outlook for operating income	In addition to an increase in net sales, by promoting management efficiencies to improve profitability, we will respond to changes in the external environment such as soaring raw material prices, and we expect operating income for the next fiscal year to remain at a level comparable to the current fiscal year.

Net sales, Operating Income and Operating Income Margin



Note: As OMRON Group will voluntarily adopt IFRS beginning with the fiscal year ending March 31, 2027, the figures for fiscal year 2026 are presented in accordance with IFRS.

Progress in KPIs for Social Value Creation

Solve social issues through
our business
(FY2025 Results)

Global blood pressure
monitor unit sales

25.61 million units

FY2030 Targets

31.72 million units

(SSB) Social Systems, Solutions and Service Business

Sales Composition
Ratio (FY2025)

19%



13 Focus
Businesses

Storage System

M&S

Growth Strategy Under SF2030

SSB's vision under SF2030 is "Design Next Social Structure – Creating Social Good by Organically Linking People and Society through Social Automation." This vision reflects our determination to continue designing next-generation social systems by responding to customer needs from the customer's perspective and keeping a close eye on social issues.

As initiatives for business growth, we are focusing on "Energy" and "Management and Services (M&S)," where the market is showing steady growth, as SSB's medium- to long-term growth businesses, and will accelerate the provision of new solutions.

Energy Solutions

In energy solutions, in addition to maintaining our top share in storage battery systems, we aim to achieve business growth exceeding market growth by enhancing added value through the introduction of high-quality new products and the expansion of new service businesses. Specifically, in addition to expanding the product lineup of storage battery systems, we are promoting offerings that combine them with services such as AI-based solutions that optimally control fluctuations in solar power generation and electricity consumption according to power usage patterns in daily life.

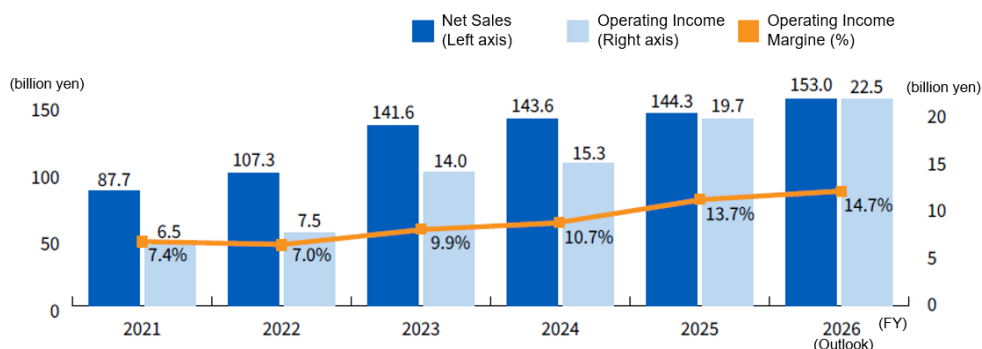
M&S

In M&S solutions, in addition to providing swift and uniform services by leveraging our nationwide maintenance network and offering multivendor support to customers regardless of their equipment manufacturer, we collect various data such as equipment operating status, inventory management, and customer behavior at the individual sites of customers operating across multiple locations. By utilizing this data to address issues not only in store operations but also in overall business operations, we aim to expand our business. While establishing the foundation for business growth, SSB will contribute to the spread and efficient use of renewable energy and to the sustainability of social infrastructure. By continuously designing next-generation social systems, we aim to create a brighter future through social good.

Results for Fiscal 2025 and Outlook for Fiscal 2026

Results for Fiscal 2025	
Status of sales	The storage battery systems and other businesses within the Energy Solutions Business performed solidly as a result of an increase in needs for captive consumption of renewable energy and subsidy programs, as well as ongoing investments in the industrial and commercial domains as part of accelerated efforts toward carbon neutrality. Demand for capital investment in the Public Transportation System Business remained stable amid recovery in the number of travelers, etc. As a result, net sales increased year on year.
Status of operating income	In addition to continued steady net sales, operating income increased significantly year on year as a result of cost reductions in manufacturing costs and price optimization efforts.
Outlook for Fiscal 2026	
Outlook for sales	In the Energy Solutions Business, with soaring energy prices and ongoing efforts toward carbon neutrality, we expect investment to remain solid. In the Public Transportation System Business, we expect capital investment among customers to remain firm. Given the above, we expect net sales to increase compared to the current fiscal year.
Outlook for operating income	Through increased sales and improved productivity, we expect operating income for the next fiscal year to increase compared to the current fiscal year.

Net sales, Operating Income and Operating Income Margin



Progress in KPIs for Social Value Creation

Solve social issues through
our business
(FY2025 Results)

Storage system
shipment volume
49,700 units

FY2030 Targets

125,000 units

Notes: 1. Due to changes in the management structure within the OMRON Group, the results of OMRON Digital Corporation, which were previously included in SSB, are now classified under head office functions. Accordingly, segment information for fiscal 2025 and fiscal 2024 has been reclassified and presented based on the new management categories.

2. As the OMRON Group intends to voluntarily adopt International Financial Reporting Standards (IFRS) beginning with fiscal 2026, the figures for fiscal year 2026 are presented in accordance with IFRS.

(DSB) Data Solution Business

Sales Composition
Ratio (FY2025)

7%



13 Focus
Businesses

Data Health
(incl. JMDC)

M&S

Corporate Health

IA Data Solution

Growth Strategy Under SF2030

The Data Solution Business (DSB) plays a central role in evolving the OMRON Group's business model from a product-based model focused on manufacturing and sales of standalone products to a solution-oriented model that combines products and services. By leveraging on-site data obtained over many years from various products provided through the Industrial Automation Business, Healthcare Business, and Social Systems, Solutions and Service Business, DSB delivers value by resolving customer issues as part of OMRON's service offerings.

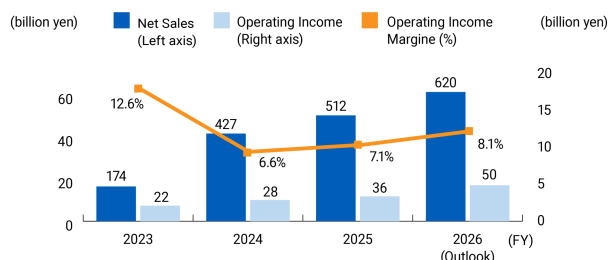
Driving this growth are the expansion of JMDC Inc.'s business and three data service businesses on which DSB focuses: Data Health, Corporate Health, and Management & Services (M&S). In the Data Health business, by utilizing JMDC Inc.'s medical data together with OMRON's vital data, we aim to realize preventive healthcare and expand the market by visualizing individual disease risks and promoting behavioral change. In the Corporate Health business, we provide health and productivity management services by visualizing organizational and individual issues from a management perspective based on employee health data. In the M&S business, through assessments and data solutions utilizing on-site data, we support the advancement of customers' operational processes and provide services that contribute to revenue growth and improved profitability.

Across the OMRON Group, including the IA data solution business promoted by the Industrial Automation Business (IAB) and the digital health business promoted by the Healthcare Business (HCB), we aim to achieve data service business sales of over JPY 100 billion in FY2027.

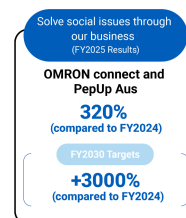
Results for Fiscal 2025 and Outlook for Fiscal 2026

Results for Fiscal 2025	
Status of sales	JMDC continued to see an increase in the number of IDs issued for the Pep Up health information platform. Transactions also continued to increase with pharmaceutical companies and insurance companies that use anonymous data originating from health insurance associations and medical institutions. As a result, net sales increased significantly year on year.
Status of operating income	Despite making steady investments for establishing the Data Solution Business, solid operating income reported by JMDC led to significant year-on-year growth in operating income.
Outlook for Fiscal 2026	
Outlook for sales	In the JMDC business, we expect the trend of medical data use, mainly by pharmaceutical companies, to continue to expand. We also expect demand for services for insurers and consumers to continue growing as individuals become more conscious of health and prevention. Given the above, we expect net sales for the next fiscal year to increase compared to the current fiscal year.
Outlook for operating income	Accompanying the increase in net sales, we expect operating income for the next fiscal year to increase compared to the current fiscal year.

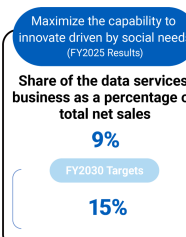
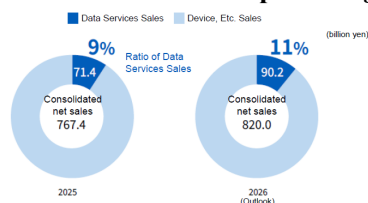
Net sales, Operating income and Operating Income Margin



Progress in KPIs for Social Value Creation



Share of the data services business as a percentage of total net sales



- Note: 1. As OMRON Group will voluntarily adopt IFRS beginning with the fiscal year ending March 31, 2027, the figures for fiscal year 2026 are presented in accordance with IFRS.
2. Net sales from data services businesses is presented as the sum of net sales from businesses operated by the DSB segment and net sales from service businesses outside the DSB segment that use on-site data to solve customer issues.

(2) Status, Analysis and Considerations of Financial Condition and Cash Flows

(i) Financial Condition

Total assets as of the end of the fiscal year amounted to JPY1,516.3 billion, an increase of JPY153.8 billion compared to the end of the previous fiscal year. This result was mainly due to an increase in cash and cash equivalents and prepaid pension costs stemming from an increase in pension assets due to rising share prices and other factors. Total liabilities amounted to JPY515.7 billion, an increase of JPY87.7 billion compared to the end of the previous fiscal year. This result was mainly due to an increase in short-term debt to secure funds for business operations. Total net assets amounted to JPY1,000.6 billion, an increase of JPY66.1 billion compared to the end of the previous fiscal year. This result was mainly due to increases in foreign currency translation adjustments and pension liability adjustments. Shareholders' equity ratio was 55.1%, demonstrating an ongoing strong financial foundation. Total assets and total liabilities include current assets and current liabilities related to DMB (the discontinued operation) of JPY127.2 billion and JPY40.6 billion, respectively.

In terms of liquidity, cash on hand as of the end of the fiscal year amounted to JPY166.5 billion.

Further, OMRON has signed commitment line agreements with financial institutions in the amount of JPY70.0 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

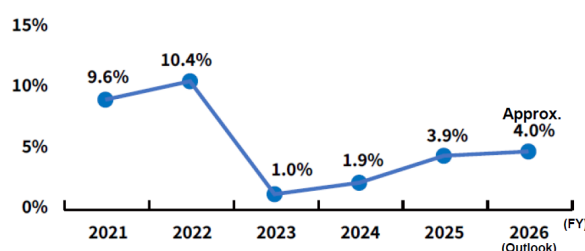
Summary of the Consolidated Balance Sheet as of March 31, 2026

(JPY billions)

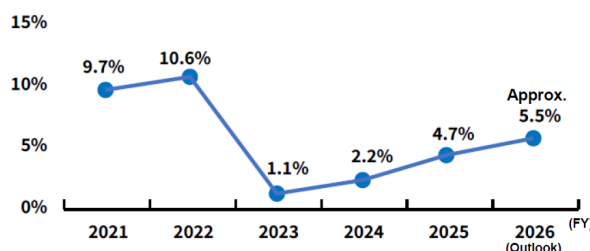
	Year ended March 31, 2025	Year ended March 31, 2026	Change
Total assets	1,362.5	1,516.3	+153.8
Total liabilities	428.0	515.7	+87.7
Shareholders' equity	771.9	835.9	+64.0
Non-controlling interests	162.5	164.7	+2.1
Total net assets	934.4	1,000.6	+66.1
Total liabilities and net assets	1,362.5	1,516.3	+153.8

Return on equity (ROE) and return on invested capital (ROIC) in fiscal 2025 improved from the previous fiscal year, but remained well below our group's cost of capital (The Company's estimate of 8%). In order to achieve further enhancement of corporate value, we are aware of the need to reinvest accumulated cash and future generated cash into strengthening existing businesses and capturing new growth opportunities and to accelerate growth. By continuing to allocate management capital appropriately, we will continue to realize corporate value enhancement by increasing our ability to generate future cash flows and improving capital efficiency as we take efforts to meet the expectations of all shareholders.

ROIC

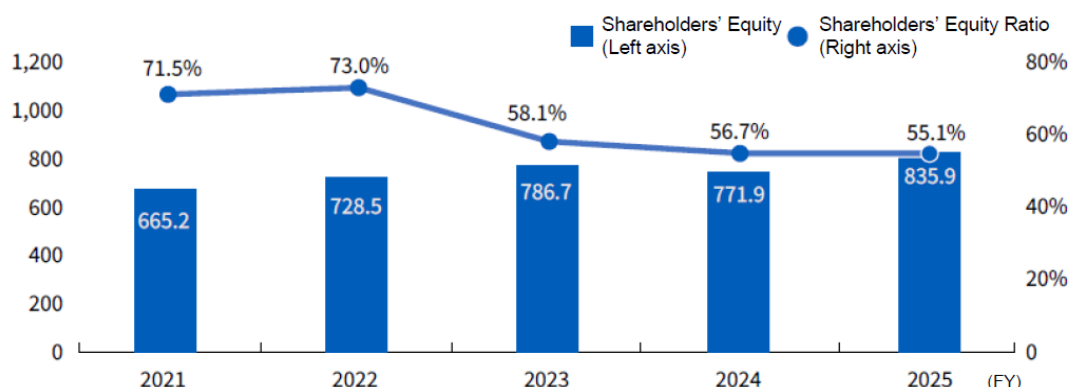


ROE



(Note) ROIC and ROE for fiscal years 2024, 2025, and 2026 are calculated based on net income from continuing operations.

Shareholders' Equity, Shareholders' Equity Ratio



(ii) Status of Cash Flows

Policies for Cash Allocation and Trend

The OMRON Group sets the following cash allocation policy and shareholder return policy.

Cash Allocation Policy

1) Implement a resource allocation strategy centered on business investments to create new value from a medium- to long-term perspective. Our top priority is to invest in the key businesses that drive sustainable growth, with particular emphasis on Industrial Automation Business (IAB), the Company's highest strategic priority.

2) In addition to providing stable and sustainable dividends, we will conduct share repurchases in a flexible manner, taking into comprehensive consideration the Group's future funding requirements, business performance, share price levels, and overall financial position.

3) While the primary sources of funds for investments and shareholder returns will be retained earnings and sustainably generated operating cash flow, we will also actively utilize external financing, particularly for M&A activities. In addition, to ensure access to funding regardless of financial market conditions, we will continue to maintain a sound financial position.

Our shareholder return policy is described in "IV. Information about the Reporting Company 3. Dividend Policy".

Status of Cash Flows for Fiscal 2025

Net cash provided by operating activities amounted to JPY60.9 billion, an increase of JPY5.1 billion compared to the previous fiscal year. This result was mainly due to an increase in net income.

Net cash used in investing activities amounted to JPY70.1 billion, mainly due to capital expenditures. This result was an increase in net cash used of JPY22.2 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 used of JPY9.2 billion, an increase in net cash used of JPY17.0 billion compared to the previous fiscal year.

Net cash provided by financing activities amounted to JPY32.4 billion, an increase of JPY37.0 billion compared to the previous fiscal year. This result was mainly due to an increase in short-term debt.

As a result, cash and cash equivalents from continuing operations at the end of the fiscal year amounted to

JPY166.5 billion, an increase of JPY34.6 billion compared with the end of the previous fiscal year.

Summary of Cash Flows for Fiscal 2025

(JPY billions)

	Year ended March 31, 2025	Year ended March 31, 2026	Change
Cash flow from operating activities	55.8	60.9	+5.1
Cash flow from investing activities	(47.9)	(70.1)	(22.2)
Free cash flow	7.9	(9.2)	(17.0)
Cash flow from financing activities	(4.6)	32.4	+37.0

Basic Approach to Capital Policy

The OMRON Group maintains a basic policy to secure liquidity required for business operation and diverse financing facilities, while enhancing capital efficiency, in order to execute growth investments and achieve stable business operation. Our basic approach to capital policy, including financing, under SF 2nd Stage is as follows.

- (i) To improve shareholder value, the OMRON Group implements management practices by taking into consideration the adequate target growth rate levels for sales growth, return on invested capital (ROIC), return on equity (ROE), and earnings per share (EPS). To achieve sustained improvements in total shareholder return (TSR), we maintain a basic policy of prioritizing growth investments that enhances corporate value from a medium- to long-term perspective and provide stable and continuous dividends. When attractive investment opportunities are limited, we may conduct opportunistic share buybacks using surplus funds based on a comprehensive view of factors including our share price and financial position.
- (ii) When pursuing attractive investment opportunities, the OMRON Group utilizes financial leverage as appropriate while maintaining financial discipline, provided that we maintain financial soundness sufficient to withstand sudden changes in the economic environment and secure funding regardless of market conditions.
To support disciplined financial strategy, we designate net debt-to-equity ratio (Net DER), which measures the balance between capital and debt, EBITDA margin, which measures profitability, and other metrics as key financial discipline indicators and manage these metrics accordingly.
- (iii) When implementing capital policies that may result in significant dilution or changes in control, the Board of Directors conducts a thorough review of the impact on the target levels described above, as well as the rationale and appropriateness of the use of proceeds and recovery plans, before making a decision. The Board also provides appropriate explanations to investors and shareholders.

Rating Information

We have obtained following rating from Rating and Investment Information, Inc. at the time of submitting this report.

	Rating	
	Long-term	Short Term
Rating and Investment Information, Inc.	AA-	a-1+

Corporate Bond Information

For the balance of bonds, please refer to “5. Accounting 1. Consolidated Financial Statements, etc. (1) Notes to Consolidated Financial Statements II. Descriptions and Breakdowns of Major Accounts I. Short-term Debt and Long-term Debt.”

(3) Significant Accounting Estimates and Assumptions Used in Estimates

Consolidated financial statements provided in this Annual Securities Report are prepared in accordance with accounting principles generally accepted in the United States of America. In the preparation of consolidated financial statements, we use various estimates and assumptions that may impact the amounts of assets and liabilities at the end of the fiscal year, the disclosure of contingent assets and liabilities, and income and expenses during the reporting period. Actual results may differ from these estimates. For impairment of long-term assets, impairment of goodwill and unamortized intangible assets, and recoverability of deferred income tax assets, the Company makes estimates and subjective judgments in response to changes in the business environment.

Details are described in “V. Financial Information 1. Consolidated Financial Statements, etc. (1) Consolidated Financial Statements, Notes on Consolidated Financial Statements, I Overview of Significant Accounting Policies, F Accounting Standards.” However, the significant impact on management strategy and consolidated financial statements are as follows.

Valuation of Goodwill and Other Assets Associated With Strategic Investments and the Recoverability of Deferred Tax Assets

The Company is proactively conducting strategic investments as part of an effort to strengthen future business growth. In Industrial Automation Business (IAB) in order to strengthen innovative applications to address issues in manufacturing sites through “innovative-Automation”, we acquired, in the U.S., a motion controller manufacturer, Delta Tau Data Systems, Inc. and a robot manufacturer, Adept Technology, Inc. in 2015, and a code reader manufacturer, Microscan Systems, Inc. in 2017. For goodwill arising from this series of strategic investments, we have designated IAB, excluding the inspection equipment business, as the reporting unit for goodwill. This decision reflects our anticipation that the acquired business will generate synergies as an integral part of the innovative-Automation strategy.

Under Long-term Vision SF2030, we believe it will be important to shift the profit structure to reflect a shift toward data-driven value creation. As a first step toward this transformation, we acquired shares in JMDC, a medical data services company, in February 2022 as part of a capital and business alliance. We subsequently acquired additional shares in October 2023 and made JMDC a consolidated subsidiary. We have designated the Data Solution Business Headquarters (DSB) as the reporting unit for goodwill arising from the business acquired through the consolidation of JMDC as a subsidiary. DSB was established on December 21, 2023, to advance the solutions business through collaboration between existing OMRON businesses and JMDC. In the Healthcare Business (HCB), we invested in AliveCor, Inc. in February 2020 to pursue collaboration in businesses focused on preventing the progression of cerebrovascular and cardiovascular diseases and supporting treatment. AliveCor provides products and services that support the diagnosis and treatment of heart disease, primarily in the United States. Investments in and advances to affiliates as reported in the consolidated balance sheet as of the end of the current fiscal year include goodwill associated with the investment in AliveCor identified at the time of the investment and recognized under the equity method.

The consolidated financial statements as of the end of the current fiscal year include deferred tax assets (before offsetting deferred tax liabilities) of JPY42,681 million attributable to OMRON Corporation. The deferred tax asset balance increased from the end of the previous fiscal year mainly due to the rapid deterioration in operating performance in fiscal 2023, the recognition of expenses related to the NEXT2025 restructuring implemented since fiscal 2024, and continued investment in research and development.

(i) Valuation of Goodwill

The Group does not amortize goodwill, but instead tests goodwill for impairment at least once a year or whenever indicators of impairment are identified.

To test IAB goodwill for impairment, we compare the fair value of the relevant reporting unit, determined using the discounted cash flow method, against the corresponding carrying amount.

In testing DSB goodwill for impairment, we use a valuation derived using the market price method, which incorporates a control premium added to the market price, and a business plan approved by management as the basis for our assessment. For periods beyond the business plan forecast period, we estimate future cash flows using multiples derived from the financial statements of comparable listed companies and discount those cash flows to present value.

We formulate the business plan used in the impairment tests using assumptions regarding macroeconomic conditions, market growth rates, profit margins, capital expenditure plans, and other factors. Cash flows beyond the business plan forecast period are based on assumptions of perpetual growth at the inflation rate of the country in which each business operates and on valuations of comparable companies in public markets. These impairment tests therefore involve significant estimates.

Weighted average cost of capital is calculated using various estimates, such as the risk-free rate, risk premiums reflecting the economic and market conditions of the countries where the businesses operate, inflation rates, costs of debt, the selection of comparable companies, and judgments on whether premiums or discounts should be applied to comparable companies.

The impairment assessment for the current fiscal year indicated that the fair value of all reporting units with goodwill exceeded their carrying amounts. As a result, we did not recognize any impairment losses on goodwill.

Details on goodwill balances of each operating segment in the consolidated balance sheet as of March 31, 2026, and impairment testing methods are stated in “V. Financial Information, 1. Consolidated Financial Statements, etc., (1) Consolidated Financial Statements, Notes on Consolidated Financial Statements, II Descriptions and Breakdowns of Major Accounts, G GOODWILL AND OTHER INTANGIBLE ASSETS.”

(ii) Evaluation of Investments in Affiliates

Investments in and advances to affiliates recorded on the consolidated balance sheet as of March 31, 2026, included JPY8,682 million of equity-method investments for AliveCor, Inc. in the Healthcare Business. The amount exceeded the Company’s proportionate share in the underlying net assets of AliveCor, Inc. by JPY9,118 million, mainly due to equity method goodwill recognized when applying equity method.

The Company evaluates the fair value of investments in affiliates based on the excess earning power of the affiliates. If the decrease in value is other than a temporary decline, a loss in value of an investment is recognized for the excess of the carrying amount of the equity over the proportional fair value of the affiliate. Because AliveCor, Inc. is a start-up company, the fair value was calculated based on the same method as evaluating goodwill, considering uncertainties on the achievement of the future business plan and the importance as the goodwill equivalent amount. As a result of the calculation, loss on valuation is not necessary as the fair value exceeded the carrying amount of the investment.

(iii) Valuation of Deferred Tax Assets

Deferred tax assets recorded in the consolidated financial statements as of the end of the current fiscal year are recognized to the extent that it is probable that future taxable income will be available to utilize those deferred tax assets. Future taxable income projections involve many significant estimates. We assess deferred tax assets based on tax laws and tax rates in effect as of the date of the statement of financial position. We also consider the judgments and best estimates of management regarding future potential tax consequences of items recognized in Company financial statements and tax returns, our ability to implement various tax strategies, forecasts of future results in certain circumstances, business plans, and other projections. Our recoverability assessment for the current fiscal year assumes that we will generate sufficient future taxable income to utilize the deferred tax assets outstanding as of the fiscal year-end.

(4) Production, Ordering, and Sales Results

The sales results by segment in the fiscal year are described in “(1) Status, Analysis and Considerations of Business Environment, Operating Results, etc.” Production and sales items of the OMRON Group are wide-ranging and diverse. Even the same type of products may not have the same capacity, structure, shape, etc. There are also many products that do not adopt the made-to-order production method. As such, we do not provide amounts for production and orders by segment.

(5) Factors That Have a Significant Impact on Operating Results

Factors that have a significant impact on operating results are described in “II. Business Conditions, 3. Risks of Business, etc.”

5. Important Agreements, etc.

(1) Capital and Business Alliance Agreement With JMDC Inc.

Based on the resolution at the Board of Directors meeting on September 8, 2023, the Company entered into an amendment agreement to the capital and business alliance agreement with JMDC Inc. (hereinafter, “JMDC”) as of the said date, as follows.

OMRON Corporation (hereinafter, “OMRON”) purchased additional shares of JMDC and agreed to the amendment to the capital and business alliance agreement with JMDC dated September 8, 2023 with the aim of strengthening the capital and business alliance relationship with JMDC to further resolve social issues and increase business value. Below is an outline of the amendment to the capital and business alliance agreement (including an outline, etc. of the provisions that have not been changed by the amendment to the capital and business alliance agreement in the capital and business alliance agreement dated February 22, 2022) and other related matters.

(A) Areas of Business Alliance Based on the Capital and Business Alliance

(a) Strengthening the Health Data Platform

- Building a health data platform linking the OMRON Group’s data to the JMDC Group
- Sales cooperation for the JMDC Group’s products and services to collect data

(b) Development of Preventive Solutions

- Development of innovative preventive solutions leveraging devices and data, including joint development and social implementation of lifestyle change support services for patients and others in primary through tertiary preventive medicine and nursing care prevention domains, as well as treatment support and guidance for healthcare professionals.
- Development of devices for insurers and supply to the JMDC Group by the OMRON Group

(c) Acceleration of global expansion of the JMDC Group’s business

- Sales support for the JMDC Group’s products and services in overseas
- JMDC Group’s use of the OMRON Group’s overseas business sites

(d) Cross-selling of device services

- Deployment of solutions which link personal health records and devices to healthcare providers, insurers, local governments, companies, etc.
- Mutual transactions between the OMRON Group and the JMDC Group concerning products, services and solutions

(e) Development and social implementation of the OMRON Group’s data solution business

- Establishment and promotion of collaboration themes in the areas of industrial automation and social solutions
- Dispatch of human resources from the JMDC Group to the OMRON Group, and outsourcing from the OMRON Group to the JMDC Group

(B) Secondment of Employees Between Two Companies

With a view to facilitating the capital and business alliance, OMRON and JMDC have agreed under the amendment to the capital and business alliance agreement, that in the case where the other party makes a proposal with respect to the acceptance of secondment of OMRON’s employees to JMDC and JMDC’s employees to OMRON (more than one person is expected for each company), the parties will consult in good faith with each other and will decide on the details of the timing and treatment of the secondment (including the number and selection of employees) after consultation in consideration of the intention of the employees.

(C) Dispatch of Officers

OMRON and JMDC have agreed under the capital and business alliance agreement dated February 22, 2022 that OMRON may nominate one director candidate who is not an executive director of JMDC (hereinafter, "Director Nominated by OMRON") to the nomination and compensation committee of JMDC, and the nomination and compensation committee of JMDC will designate the Director Nominated by OMRON as a candidate for director.

(D) Issuance or Disposition of Shares, etc.

OMRON and JMDC have agreed under the amendment to the capital and business alliance agreement that JMDC may, at its discretion, issue or dispose of the shares, etc. (meaning, collectively, shares, share options, bonds with share options and other rights to acquire shares; the same shall apply hereinafter in this paragraph) in connection with the raising of funds, M&A, etc. and that, in the case where (i) JMDC ceases to be a consolidated subsidiary of OMRON, or (ii) 10% or more dilution occurs due to such issuance or disposition of shares, etc., JMDC shall provide OMRON, in advance or at a reasonable time ex post (provided that JMDC notifies OMRON at least one month prior to the announcement of the issuance or disposition of subscription shares), with the opportunity to acquire additional shares, etc. of JMDC (details of which are reasonably determined by JMDC) to the extent necessary (in the case of (i)) for OMRON to make JMDC a consolidated subsidiary, or (in the case of (ii)) to reinstate the dilution mentioned in (ii) (provided, however, that such obligation to provide such opportunity is subject to OMRON not selling or disposing in any other way any part of the shares of JMDC.)

(E) Handling of Shares of JMDC

OMRON and JMDC have agreed under the capital and business alliance agreement dated February 22, 2022 that in the case where OMRON acquires additional shares, etc. of JMDC, OMRON shall notify JMDC in writing no later than one month prior to the expected final determination date of such additional acquisition, that in case where OMRON wishes to dispose of the shares of JMDC held by OMRON (limited to the case where the ratio of voting rights pertaining to the shares subject to such disposition is more than 5%), OMRON shall notify JMDC in writing no later than three months prior to the expected final determination date of such disposition, and that in the case where JMDC indicates its intention concerning the party to whom the shares of JMDC held by OMRON are disposed of within two months from the date of receipt of such notice, OMRON shall respect such intention to the fullest extent as long as it is broadly equivalent economically.

(2) Execution of an Absorption-Type Company Split Agreement and Share Transfer Agreement for the Devices & Module Solutions Business (DMB)

At a meeting held on March 30, 2026, the OMRON Board of Directors approved a resolution to (1) transfer the DMB business to OMRON Devices Co., Ltd. (the "Succeeding Company"), a subsidiary of OMRON, via absorption-type company split (the "Absorption-Type Split"), (2) transfer the shares and assets related to DMB held by Group companies in various countries and regions, and (3) transfer all shares of the Succeeding Company to TCG2602 Co., Ltd. ("SPC"; the "Share Transfer"), a wholly owned subsidiary of TCG2601 Co., Ltd., which has been established by The Carlyle Group (including group affiliates and other related entities, "Carlyle"). OMRON entered into an absorption-type company split agreement with the Succeeding Company and a share transfer agreement with the SPC on the same date. The Share Transfer is scheduled for October 1, 2026.

(1) Purpose of the Absorption-Type Split and the Share Transfer

To establish an autonomous operating structure for DMB.

(2) Absorption-Type Split

(a) Method of the Absorption-Type Split

Absorption-type company split with OMRON as the splitting company and the Succeeding Company as the successor.

(b) Details of the Allotment Related to the Absorption-Type Split

The Succeeding Company will issue 100 common shares and allocate all such shares to OMRON in connection with the Absorption-Type Split.

(c) Assets and Liabilities Subject to the Split

Item	Book value	Item	Book value
Assets	60,196 million yen	Liabilities	14,288 million yen

(Note) The figures above are as of March 31, 2025, and differ from the actual amounts involved in the split.

(d) Overview of the Succeeding Company After the Absorption-Type Split

Name	OMRON Devices Corporation
Business lines	Manufacture, sale, etc., of electronic components and electrical machinery and equipment
Capital	10 million yen

(iii) Share Transfer

Overview of the Share Transfer counterparty

Name	TCG2602 Co., Ltd. *Established by Carlyle
Business lines	1. Controlling and managing the business activities of companies through the ownership of shares or equity interests 2. All operations incidental or related to the above
Capital	25,000 yen

(3) Acquisition of Matsuya R&D Co., Ltd. Shares

At a meeting held on December 15, 2025, the Board of Directors of OMRON HEALTHCARE CORPORATION ("OMRON HEALTHCARE"), a subsidiary of OMRON, approved a resolution for OMRON HEALTHCARE to acquire Matsuya R&D Co., Ltd. ("Matsuya R&D") share certificates, etc., via tender offer ("Tender Offer") pursuant to the Financial Instruments and Exchange Act. On May 18, 2026, OMRON HEALTHCARE approved the commencement of the Tender Offer by written resolution in lieu of a Board meeting and commenced the Tender Offer on May 19, 2026.

For more information, see 5. Accounting 1. Consolidated Financial Statements, etc. (1) Notes to Consolidated Financial Statements II. Descriptions and Breakdowns of Major Accounts, Z (Subsequent Events).

6. R&D Activities

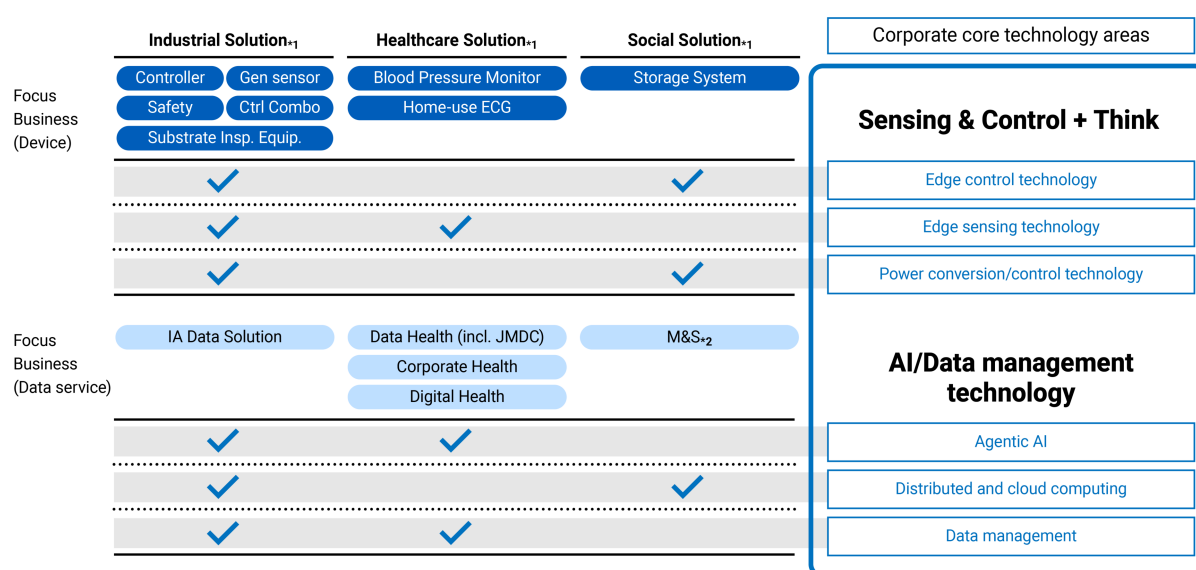
The OMRON Group aims to improve corporate value on a sustainable basis by solving social issues through our businesses. Research and development serve as core initiatives in achieving this goal. The Chief Technology Officer (CTO) leads research and development, a key management foundation of OMRON that directly contributes to customer value creation and the strengthening of business competitiveness.

(1) OMRON Group Research and Development Initiatives in Fiscal 2025

(i) Identification of company-wide core technology domains prioritized under SF 2nd Stage

The OMRON Group developed the SF 2nd Stage roadmap to achieve SF2030. Through this roadmap, we reassessed our target future state and growth scenarios from a customer-centric perspective. We also identified technologies that generate synergies across our 13 focus businesses rather than limiting our focus to technologies directly linked to individual business results. These technologies form the company-wide core technology domains that support medium- to long-term competitiveness. The six company-wide core technology domains are Edge Control Technologies, Edge Sensing Technologies, Power Conversion and Control Technologies, Agentic AI, Distributed and Cloud Computing, and Data Management.

Company-Wide Core Technology Domains

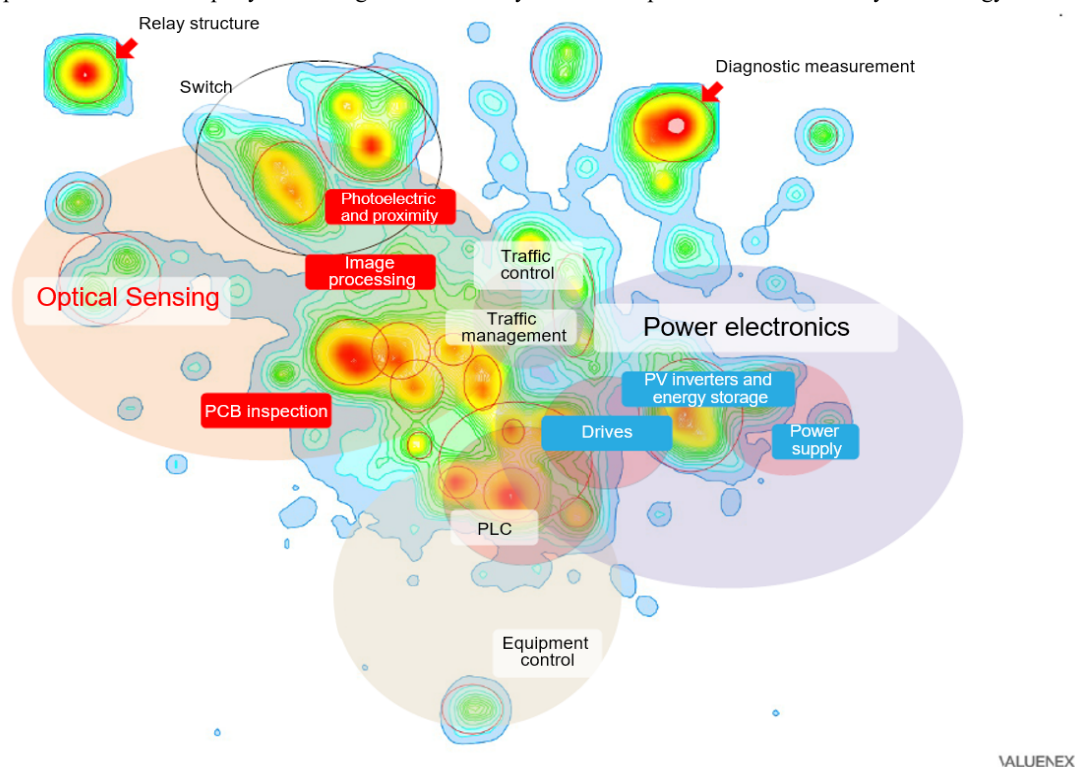


*1: Domain name. Healthcare domain includes part of HCB and DSB business, and Social Solution domain includes part of SSB and DSB.

*2: M&S: Management and Service

The OMRON Group identified the company-wide core technology domains using quantitative analyses of proprietary intellectual property and intangible assets accumulated through our efforts to date to solve social issues. Our analysis of all 52 business units across the Group revealed that 5% to 10% of all patents are concentrated in specific technology domains. These domains include Edge Sensing Technologies, such as photoelectric and proximity sensing and image processing (red-highlighted areas), and Power Conversion and Control Technologies, such as PV inverters, energy storage systems, and power supplies (blue-highlighted areas). The analysis also revealed that these technologies are not limited to a single business but have accumulated across multiple business units.

Example of Intellectual Property and Intangible Asset Analysis: Heat Map of OMRON Patents by Technology Domain^(Note)



Note: OMRON prepared this heat map using VALUENEX Radar, data analytics platform provided by VALUENEX Inc. We analyzed patents held by the Group using text mining techniques and positioned similar technologies in close proximity. Areas with a high concentration of patents are shown in red, while areas with a low concentration are shown in blue. Relay structures and diagnostic and measurement technologies form highly concentrated stand-alone clusters outside the company-wide core technology domains.

OMRON analyzes customers and competitors and uses the results of these internal analyses to engage in ongoing discussions with CxOs (executives responsible for specific corporate functions), including the CFO and CTO, and business divisions on how to deliver customer value. We then determine R&D investment allocation policies for focus business, which form the foundation of our technology management. Looking ahead, we will position the company-wide core technology domains, redefined by linking business and technology, as a common framework for the integrated management of R&D investment, talent allocation, and intellectual property activities. This approach will help prevent research and development from being optimized in isolation and enable sustainable value creation from a company-wide perspective.

(2) Research and Development Structure and Investments

The OMRON Group views research and development as a source of medium- to long-term value creation and will strengthen our six company-wide core technology domains linked to our focus businesses. As we increase the scale of our R&D investment, we will increase the share allocated to our focus businesses to approximately 60% in FY2030 to improve investment efficiency and achieve more reliable sustainable growth.

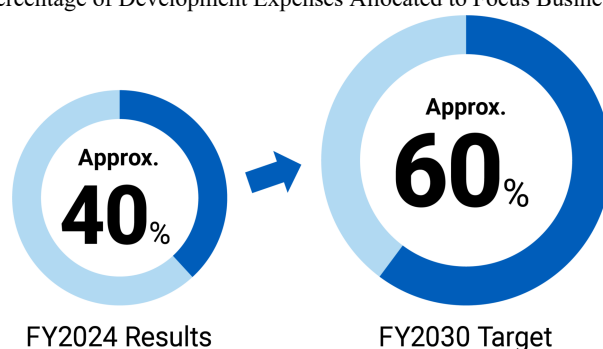
We also established a structure under SF 2nd Stage to oversee research and development from a company-wide perspective in an effort to integrate research and development activities with business strategy.

As part of this structure, we evolved the role of the corporate R&D division into one that delivers customer value through OMRON's focus businesses; develops and executes company-wide technology strategies that create and accelerate sustainable competitive advantages; and takes the initiative in driving business growth. We also changed the name of this division name from the Technology & Intellectual Property Headquarters to the Strategic R&D Initiative Headquarters.

The Strategic R&D Headquarters drives the medium- to long-term competitive advantage of OMRON by implementing a company-wide technology strategy that integrates business and technology, and by creating cutting-edge and foundational technologies. The Strategic R&D Headquarters will also strengthen intellectual property activities that support our focus businesses and create business value, while continuing to enhance business and technology competitiveness through intellectual property.

We intend for this investment policy and structure to support a rigorous research and development management approach focused on selection and concentration, improve development productivity, and create customer value that exceeds market growth through investment in research and development.

Percentage of Development Expenses Allocated to Focus Businesses



i) Key Framework for Company-Wide Oversight of Research and Development (Company-Wide Technology Governance Committee)

We established the Company-Wide Technology Governance Committee, chaired by the Head of the Strategic R&D Headquarters, as the core of our research and development oversight structure. The purpose of this committee is to plan and implement initiatives that improve development productivity from a company-wide perspective. The Company-Wide Technology Governance Committee integrates our business strategy and technology strategy to provide company-wide oversight of research and development themes and investments. Members consist of the Head of the Strategic R&D Headquarters and the technical officers of each business. The integrated team of corporate and business divisions works together to prioritize research and development themes based on our focus businesses and company-wide core technology domains. The Company-Wide Technology Governance Committee reviews the appropriateness of research and development investments and monitors investment progress to enhance the execution and transparency of research and development activities. These efforts help ensure that research and development activities remain aligned with our management strategies.

(iii) Indicators Monitored for Research and Development Activities Under SF 2nd Stage

The OMRON Group establishes indicators to assess the results of research and development activities on an objective and continuous basis. We use these findings to drive improvements.

i) Development Productivity

We regard development productivity as a key management indicator that comprehensively reflects the results of our research and development activities. Under SF 2nd Stage, we target development productivity of 2.5 times the fiscal 2024 level in fiscal 2030.

$$\text{Development Productivity} = \text{Operating Income} / \text{Research and Development Expenses}^{(\text{Note})}$$

Notes: Investments require a certain period to result in products and services and contribute to operating profit after research and development activities begin. The calculation takes this period into account.

We also set intermediate indicators for management purposes to assess the quality and structure of research and development activities and ensure effective improvements in development productivity. These indicators help us assess the degree of selection and concentration in research themes and the extent to which research outcomes contribute to our businesses and intellectual property. We also use the intermediate indicators to monitor the progress of research and development activities and identify challenges on an ongoing basis.

ii) Intellectual Property Investment Efficiency

We defined intellectual property investment efficiency as a new, rigorous proprietary indicator. Rather than measuring activity volume, such as the number of patent applications, this indicator rigorously measures the contribution of intellectual property activities to business profit. This quantitative indicator shows the business contribution (contribution to profit) generated by intangible assets (e.g., patents, brands, and expertise) relative to total investment in intellectual property, including personnel and operating expenses. We set an ambitious target of increasing intellectual property investment efficiency to 2.5 times the fiscal 2024 level by 2030, closely linking this target to improvements in development productivity within our research and development divisions. Through this approach, we strive to transform intellectual property activities into strategic investments that generate profit and directly support the maximization of corporate value.

(iv) Progress in Research and Development Activities

We work with our business divisions to generate research outcomes that create customer value by strengthening the company-wide core technology domains that support the growth in our focus businesses. We engaged in technological development in the Industrial Automation Business to support growth through improvements in the accuracy of distance-measuring sensors, enhanced usability of visual inspection systems, and the miniaturization of power supplies for factory automation applications. We also engaged in technological development that strengthens the competitive advantages of our focus businesses, including the miniaturization of PV inverters in the Social Systems, Solutions and Service Business and improvements in the accuracy of blood pressure monitors and electrocardiograms in the Healthcare Business. Our key research and development and intellectual property initiatives are as follows:

i) Power Electronics Center

We established the Power Electronics Center at the Kyoto Katsuragawa site in October 2025 to strengthen our research and development structure for power conversion and control technologies in the field of power electronics. The center researches foundational technologies and conducts research and development activities that extend to product and solution development. We apply the technologies developed through these activities across multiple businesses, including storage battery systems and power supplies for factory automation applications.

ii) Ambidextrous IP Activities

We pursue ambidextrous intellectual property activities that balance exclusive and collaborative IP approaches based on the characteristics of each business. Our device businesses, including the core Industrial Automation Business (IAB), focus on building patent portfolios that create barriers to entry for competitors (exclusive approach), thereby securing competitive advantages and protecting our control concepts. Our solution businesses, which center on data utilization, aim to protect the value offerings that directly contribute to addressing customers' management challenges and secure advantages in our business models. These businesses encourage ecosystem development and co-creation with partner companies through patent filings (collaborative approach), while executing strategic filing activities aligned with the sources of competitive advantage in each business.

iii) Technology Exploration for Future Uncertainty

We engage in technology exploration to create technologies that address long-term uncertainty. OMRON SINIC X Corporation, which serves as a semi-autonomous research organization within our R&D framework, has established Embodied AI Machines as the company research direction. The company continues research activities focused on new relationships between humans and machines and on the implementation of Embodied AI Machines in society. OMRON SINIC X delivered 28 presentations in fiscal 2025, primarily at international academic conferences. The company also participated in trade shows and conducted technology verification activities aimed at real-world implementation.

(2) R&D Activities by Business Segment

Segment Name	Current fiscal year (From April 1, 2025, to March 31, 2026)
	Amount (JPY millions)
Industrial Automation Business	24,700
Healthcare Business	7,494
Social Systems, Solutions and Service Business	6,243
Data Solution Business	126
Eliminations & Corporate	7,105
Total	45,668

(i) Industrial Automation Business

1) Automation Beyond Human Capabilities, which frees people from physically demanding work and integrates energy control; 2) Advanced Human-Machine Collaboration, in which machines work alongside people to unlock human potential and enable humans and machines to grow together; and 3) Digital Engineering Innovation, which supports the first two concepts by connecting products, people's knowledge, and data at manufacturing sites and integrating these resources into valuable solutions.

Based on these three concepts, we are promoting customer-centric value creation and value communication to global customers in five industries: digital devices, environmental mobility, food and daily necessities, medical care, and logistics. We are shifting from the traditional perspective of things to a bird's-eye view of customer issues and working to create and provide these as "solutions." We maintain a wide range of advanced core technologies, including six company-wide core technology domains, together with an extensive FA product portfolio. Building on this foundation, we systematically combine functional modules, software, applications, and services while strengthening technology and product development to meet the needs of customers and production processes in each industry. We also strengthen efforts to file and utilize patents.

In addition, to acquire new technologies that are lacking within the Company, we are proactively promoting open innovation with global start-up companies, universities, and other partners in industry, government, and academia.

(ii) Healthcare Business

In this segment, the Marketing Division and the R&D Division work together to realize personalized medical care, understand and create true user needs, and further speed up development. For everyone to live healthy and fulfilling lives, the R&D division aims to create new products that can provide new value in the three domains: the cardiovascular business, which aims to reduce the incidence of brain and cardiovascular diseases to zero; the respiratory business, which aims to reduce the progression of serious asthma and COPD patients to zero; and the pain management business, which aims to reduce daily activity constraints due to chronic pain to zero.

One development theme during the current fiscal year in the cardiovascular business was developing a new blood pressure monitor that could significantly reduce the burden on patients during measurement. The business also continued development of an innovative blood pressure monitor equipped with blood pressure, pulse rate, pulse wave, and ECG monitors to detect declining cardiac function and support early disease detection and treatment. Further efforts in the cardiovascular business include the development and enhancement of telemedicine service systems that leverage data management.

The respiratory business is developing a handheld nebulizer capable of administering highly viscous medications, as well as screening technologies for individuals with undiagnosed asthma and COPD.

The pain management business is developing low-frequency therapy equipment that not only addresses shoulder stiffness and lower back pain but also incorporates a new function to help relieve post-exercise muscle fatigue, as well as an EMS function designed to maintain and strengthen muscle function.

(iii) Social Systems, Solutions and Service Business

This segment works to develop products that respond to customer needs in a wide range of terminals and systems, including PV inverters, storage batteries, railway station systems such as automated ticket gates and ticket vending machines, traffic and road management systems, payment systems, and UPS that protect networks.

The Energy Solutions Business continues to develop technologies and create products in response to growing interest in renewable energy. The business develops technologies that use power conversion and control technologies to make products more efficient, compact, and lightweight, primarily for storage battery systems and PV inverters. The business also creates products that meet demand for captive consumption of generated electricity.

The Mobility Solutions Business is developing sensors and systems that incorporate AI and IoT technologies to detect the movement of people and vehicles and contribute to safety, security, and comfort in public spaces such as railway stations and roads.

This business is also strengthening data science technological capabilities, including data management technologies, as demand rises for technologies that enhance labor productivity in social infrastructure in response to the decline in the labor force, a major social issue in recent years.

(iv) Data Solution Business

This segment will continue to invest proactively in human resources and technology and will continue to take on the challenge of developing new initiatives and services that utilize medical big data. We are conducting research and development activities, including collaboration with academia, with the aim of developing services for collecting healthcare data and developing methods for utilizing healthcare data. We are also working on developing a diagnostic assistance platform called "AI-RAD" that will enable the use of a diagnostic assistance engine using AI technology centered on deep learning in daily image reading.

III. Status of Facilities

1. Overview of Capital Investments, etc.

The OMRON Group carefully selected and proactively carried out capital investments necessary to support future growth, including production capacity expansion, site investments, and IT infrastructure modernization. As a result, capital expenditure was JPY54.26 billion (up 7.7% year on year).

Capital expenditure by division was as follows.

Segment	Amount (JPY millions)	Year-on-year change (%)
Industrial Automation Business	9,180	51.6
Healthcare Business	4,057	(21.1)
Social Systems, Solutions and Service Business	6,063	34.3
Data Solution Business	2,344	(39.4)
Eliminations and Others	24,011	(0.2)
Total of continuing operations	45,655	4.6
Device & Module Solutions Business (Discontinued operations)	8,604	27.4
Total	54,259	7.7

Note: 1. "Eliminations and Others" includes the head office divisions and subsidiaries that do not belong to the above segments.

2. "Device & Module Solutions Business" is classified as a discontinued operation in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic No.205-20, "Presentation of Financial Statements-Discontinued Operations", in connection with the execution of a transfer agreement with an affiliate of The Carlyle Group during the current period.

2. Status of Major Facilities

The major facilities in the Group are as follows. Note that the carrying amount is shown as listed on the financial statements of the Reporting Company and subsidiaries.

(1) Reporting Company

As of March 31, 2026

Name of business site (Principal location)	Segment	Facility details	Carrying amount (JPY millions)					Emp- loyees (people)
			Land (thousand m ²)	Buildings and structures	Machinery, equipment and vehicles	Other	Total	
Kusatsu Factory (Kusatsu-shi, Shiga)	Industrial Automation Business	Production of control equipment and R&D facilities	2,817 (69)	3,761	2,058	1,422	10,058	904
Ayabe Factory (Ayabe-shi, Kyoto)	Industrial Automation Business	Production of control equipment	1,417 (163)	1,367	781	548	4,113	178
Kyoto Office (Head Office) (Shimogyo-ku, Kyoto-shi)	Head Office	Facilities for companywide management operations	—	792	88	1,329	2,209	1,127
Keihanna Open Innovation Center (Kizugawa-shi, Kyoto)	Head Office	Facilities related to development, patents and technical information on new technologies and new products	3,789 (72)	3,269	318	387	7,763	246
Katsura Factory (Muko-shi, Kyoto)	Head Office	Facilities for companywide management operations	—	2,953	1	243	3,197	98

Notes: 1. Other in the carrying amount is the total of tools, furniture and fixtures, and construction in progress.

2. Land within the carrying amount is the amount revaluated by application of the “Act on Revaluation of Land” (Act No. 34 of March 31, 1998) and the “Partial Amendment to the Act on Revaluation of Land” (Act No. 94 of June 29, 2001).

3. The area of land in the carrying amount shown in parentheses is the portion owned by the Company.

4. Segment titles state principal operating segments.

5. Employees are the number of workers.

6. In addition to the above table, the details of principal leased facilities from other than consolidated companies are as follows.

Name of business site (Address)	Segment	Facility details	Lease period	Annual lease fee (JPY millions)
Kyoto Office (Head Office) (Shimogyo-ku, Kyoto-shi)	Head Office	Buildings	Until March 2027	1,080
Tokyo Office (Minato-ku, Tokyo)	Head Office	Buildings	Until December 2030	967

(2) Domestic Subsidiaries

As of March 31, 2026

Company name	Name of business site (Principal location)	Segment	Facility details	Carrying amount (JPY millions)					Employees (people)
				Land (thousand m ²)	Buildings and structures	Machinery, equipment and vehicles	Other	Total	
OMRON HEALTHCARE Co., Ltd.	(Muko-shi, Kyoto)	Healthcare Business	Health equipment R&D and sales and management facilities, and production facilities	2,194 (34)	3,669	828	345	7,036	627
OMRON ASO Co., Ltd.	(Aso-shi, Kumamoto)	Social Systems Solutions and Service Business	Manufacture, sale and development of energy generation and energy saving equipment	218 (60)	496	603	157	1,474	215

- Notes: 1. Other in the carrying amount is the total of dies and construction in progress.
2. The area of land in the carrying amount shown in parentheses is the portion owned by the Company.
3. Segment titles state principal operating segments.
4. Employees are the number of workers.

(3) Overseas Subsidiaries

As of March 31, 2026

Company name	Name of business site (Principal location)	Segment	Facility details	Carrying amount (JPY millions)					Employees (people)
				Land (thousand m ²)	Buildings and structures	Machinery, equipment and vehicles	Other	Total	
OMRON (SHANGHAI) CO., LTD.	(Shanghai, China)	Industrial Automation Business	Control equipment production facilities	— [54]	2,196	2,793	1,381	6,370	1,261
OMRON DALIAN CO., LTD.	(Dalian, China)	Healthcare Business	Health equipment production facilities	— [34]	5,570	886	314	6,770	1,276

- Notes: 1. Other in the carrying amount is the total of dies and construction in progress.
2. The area of land in the carrying amount shown in parentheses is the portion leased by the Company.
3. Segment titles state principal operating segments.
4. Employees are the number of workers.

3. Plans for Installation, Retirement, etc. of Facilities

The principal plans for facilities as of March 31, 2026 are as follows.

(1) New Facilities

The Group's capital investments are planned with comprehensive consideration of economic conditions, demand trends and investment efficiency, etc. for the purpose of enhancing future competitiveness.

The amount of capital investment scheduled for the coming fiscal year is JPY35,600 million, and the Company plans to allocate the funds to its own funds with external funds if necessary.

(2) Retirement of Material Facilities

Nothing to report.

IV. Information about the Reporting Company

1. Company's Shares, etc.

(1) Total Number of Shares, etc.

(i) Total Number of Shares

Class	Total number of authorized shares
Common shares	487,000,000
Total	487,000,000

(ii) Issued Shares

Class	Number of issued shares as of the end of the fiscal year (March 31, 2026)	Number of current issues as of the submission date (June 22, 2026)	Listing financial instruments and exchange, or name of registerable financial or commercial trade collaboration organization	Content
Common shares	206,244,872	206,244,872	Tokyo Stock Exchange Prime Market	These are shares with full voting rights and are standard shares of the Company with no restrictions on rights. Number of shares per unit: 100
Total	206,244,872	206,244,872	—	—

(2) Status of Share Options

(i) Stock Option Plans

Not applicable.

(ii) Rights Plans

Not applicable.

(iii) Status of Other Share Options

Not applicable.

(3) Status of Corporate Bond Certificates, etc. with Share Options Subject to Exercise Value Change

Not applicable.

(4) Changes in Number of Issued Shares, Common Stock, etc.

Date	Changes in total number of issued shares (Thousand shares)	Balance of total number of issued shares (Thousand shares)	Changes in share capital (JPY millions)	Balance of share capital (JPY millions)	Changes in legal capital surplus (JPY millions)	Balance of legal capital surplus (JPY millions)
November 29, 2019 (Note)	(7,713)	206,245	—	64,100	—	88,771

Note: Decrease due to cancellation of treasury shares.

(5) Status of Shareholders

As of March 31, 2026

Classification	Status of shares (number of shares per unit: 100)								Status of shares below unit
	National government and local governments	Financial institutions	Financial instruments business operators	Other corporations	Foreign corporations, etc.		Individuals and others	Total	
					Not individuals	Individuals			
Number of shareholders (persons)	—	69	46	445	505	114	40,401	41,580	—
Number of shares held (units)	—	821,636	59,216	98,339	725,522	225	354,684	2,059,622	282,672
Percentage of shares held (%)	—	39.89	2.88	4.77	35.23	0.01	17.22	100.00	—

Notes: 1. Of the balance of 8,880,146 treasury shares on the shareholder registry as of March 31, 2026, 88,801 units are included in the “Individuals and others” column and 46 shares are included in “Status of shares below unit.”

2. The “Other corporations” column above includes 2 units of shares in the name of Japan Securities Depository Center, Incorporated.

(6) Major Shareholders

As of March 31, 2026

Name	Address	Number of shares held (Thousand shares)	Percentage of shares held to the total number of issued shares (excluding treasury shares) (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	Akasaka Intercity AIR, 1-8-1 Akasaka, Minato-ku, Tokyo	42,412	21.49
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	20,393	10.33
The Bank of Kyoto, Ltd. (Standing proxy: Custody Bank of Japan, Ltd.)	700 Yakushimae-cho, Karasuma-dori, Matsubara-agaru, Shimogyo-ku, Kyoto-shi, Kyoto (1-8-12 Harumi, Chuo-ku, Tokyo)	7,069	3.58
STATE STREET BANK AND TRUST COMPANY 505103 (Standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (Shinagawa Intercity Tower A, 2-15-1 Konan, Minato-ku, Tokyo)	4,875	2.47
MOXLEY AND CO LLC (Standing proxy: MUFG Bank, Ltd.)	383 MADISON AVENUE, FLOOR 11 NEW YORK, NEW YORK 10179 U.S.A. (Transaction Services Division, 1-4-5 Marunouchi, Chiyoda-ku, Tokyo)	4,474	2.27
JAPAN ACTIVATION CAPITAL I L.P. (Standing proxy: MUFG Bank, Ltd.)	C/O WALKERS CORPORATE LIMITED, 190 ELGIN AVENUE, GEORGE TOWN, GRAND CAYMAN, KY1-9008, CAYMAN ISLANDS (Transaction Services Division, 1-4-5 Marunouchi, Chiyoda-ku, Tokyo)	4,386	2.22
OMRON Employee Stockholding Association	801, Minami Fudondocho, Shiokoji-dori, Horikawa Higashi-iru, Shimogyo-ku, Kyoto-shi, Japan	4,032	2.04
Nippon Life Insurance Company (Standing proxy: The Master Trust Bank of Japan, Ltd.)	Within Securities Operations Department, 1-6-6 Marunouchi, Chiyoda-ku, Tokyo (Akasaka Intercity AIR, 1-8-1 Akasaka, Minato-ku, Tokyo)	3,640	1.84
JAPAN ACTIVATION CAPITAL II L.P. (Standing proxy: MUFG Bank, Ltd.)	C/O WALKERS CORPORATE LIMITED, 190 ELGIN AVENUE, GEORGE TOWN, GRAND CAYMAN, KY1-9008, CAYMAN ISLANDS (Transaction Services Division, 1-4-5 Marunouchi, Chiyoda-ku, Tokyo)	3,388	1.72
JP MORGAN CHASE BANK 385781 (Standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (Shinagawa Intercity Tower A, 2-15-1 Konan, Minato-ku, Tokyo)	2,818	1.43
Total	—	97,487	49.39

Notes: 1. The Company holds 8,880,000 treasury shares (4.31% of total number of issued shares), but has been excluded from the above major shareholders.

2. On July 22, 2025, Mitsubishi UFJ Financial Group, Inc. filed an amendment to the major shareholding status report, which is open to public, stating that its three group companies held 8,645 thousand shares of the Company (representing 4.19% of the total number of shares issued) as of July 14, 2025. However, we have been unable to confirm the number of shares beneficially owned by Mitsubishi UFJ Financial Group, Inc., and have therefore excluded the company in the above list of major shareholders.

3. On September 3, 2025, Nomura Asset Management Co., Ltd. filed an amendment to the major shareholding status report, which is open to public, stating that its two group companies held 15,898 thousand shares of the Company (representing 7.71% of the total number of shares issued) as of August 29, 2025. However, we have been unable to confirm the number of shares beneficially owned by Nomura Asset Management Co., Ltd., and have therefore excluded the company in the above list of major shareholders.
4. On September 3, 2025, BlackRock Japan Co., Ltd. filed an amendment to the major shareholding status report, which is open to public, stating that its six group companies held 10,917 thousand shares of the Company (representing 5.29% of the total number of shares issued) as of August 29, 2025. However, we have been unable to confirm the number of shares beneficially owned by BlackRock Japan Co., Ltd., and have therefore excluded the company in the above list of major shareholders.
5. On September 19, 2025, Sumitomo Mitsui Trust Asset Management Co., Ltd. filed an amendment to the major shareholding status report, which is open to public, stating that its two group companies held 16,747 thousand shares of the Company (representing 8.12% of the total number of shares issued) as of September 15, 2025. However, we have been unable to confirm the number of shares beneficially owned by Sumitomo Mitsui Trust Asset Management Co., Ltd., and have therefore excluded the company in the above list of major shareholders.

(7) Status of Voting Rights

(i) Issued Shares

As of March 31, 2026

Classification	Number of shares	Number of voting rights	Content
Non-voting shares	—	—	—
Shares with restricted voting rights (treasury shares, etc.)	—	—	—
Shares with restricted voting rights (other)	—	—	—
Shares with full voting rights (treasury shares, etc.)	Common shares 8,880,100	—	Standard shares of the Company with no restrictions on rights
Shares with full voting rights (other)	Common shares 197,082,100	1,970,821	Same as above
Shares less than one unit	Common shares 282,672	—	Same as above
Total number of issued shares	206,244,872	—	—
Voting rights of all shareholders	—	1,970,821	—

Notes: 1. “Number of shares” and “Number of voting rights” under “Shares with full voting rights (other)” include 200 shares and 2 voting rights in the name of Japan Securities Depository Center, Incorporated.

2. “Number of shares” and “Number of voting rights” under “Shares with full voting rights (other)” include 735,330 shares and 7,353 units of the Company’s shares held in the BIP Trust and ESOP Trust.

(ii) Treasury Shares, etc.

As of March 31, 2026

Name of owner	Address of owner	Number of shares held in own name	Number of shares held in other party’s name	Total number of shares held	Percentage of number of shares held to total number of issued shares (%)
(Treasury shares) OMRON Corporation	801, Minami Fudondocho, Shiokoji Horikawa Higashi- iru, Shimogyo-ku, Kyoto-shi, Japan	8,880,100	—	8,880,100	4.31
Total	—	8,880,100	—	8,880,100	4.31

(8) Details of Officer and Employee Share Ownership Plans

At a meeting of the Board of Directors held on May 8, 2025, the Company resolved to partially revise the performance-linked and share-based incentive plan introduced in fiscal 2017 for Company Directors, Executive Officers, and Directors of the Company's subsidiaries who concurrently serve as Executive Officers of the Company (collectively, the "Directors, etc."; the "Plan" in below). The Company subsequently obtained approval for a proposal relating to the Plan at the 88th Annual General Meeting of Shareholders held on June 24, 2025.

The Company will continue adopting and partially revising the Plan as an incentive plan for Directors, etc. as a way of clarifying the link between the remuneration, etc. of Directors, etc. and the value of its shares. The objective of the incentive plan is to heighten the motivation of Directors, etc. to both achieve the performance targets and contribute to the continuous enhancement of corporate value (value of the shares) through the ownership of shares.

The Plan for Company Directors and directors of the Company's subsidiaries who concurrently serve as Executive Officers of the Company (collectively, the "Eligible Directors") adopts the framework of a Board Incentive Plan (BIP) trust (the "BIP Trust"). In addition, the Plan for Executive Officers of the Company who are not eligible for the BIP Trust (the "Eligible Executive Officers") adopts the framework of an Employee Stock Ownership Plan (ESOP) trust (the "ESOP Trust").

(i) BIP Trust

i) Outline of the Plan

A BIP Trust is a stock-based compensation plan for directors under which the Company delivers and pays ("Delivery, etc.") Company shares and cash equivalent to the proceeds from the sale of Company shares (collectively, the "Company Shares, etc.") to directors based on position and degree of achievement of performance targets in a manner similar to performance share plans and restricted stock plans commonly adopted in Europe and the United States. The Company has established two BIP Trusts for the respective categories of eligible participants described below ("BIP Trust I" and "BIP Trust II," below; collectively, the "Trusts";).

BIP Trust I: Directors of the Company

BIP Trust II: Directors of the Company's subsidiaries who also assume positions of executive officers of the Company

The Trust is a share-based compensation system covering two years from fiscal 2025 to fiscal 2026 (hereinafter referred to as "the covered period") by which the Company's shares, etc. are granted as compensation for Directors covered by the Plan depending on their executive position and the degree of achievement of performance targets, etc. The Trust consists of the performance-linked portion and the nonperformance-linked portion. The performance-linked portion is aimed at motivating the Directors, etc. to achieve the performance targets for the covered period and strengthening the linkage of the compensation for Directors, etc. with the medium- to long-term corporate performance. The non-performance-linked portion in turn is intended to promote alignment of interests of the Directors covered by the Plan with those of other shareholders of the Company through ownership of the Company's shares. The performance-linked portion and the non-performance-linked portion account for 60% and 40%, respectively. Outside directors will be eligible for only the non-performance-linked portion.

ii) Details of the Trust Agreement

• Trust type	Monetary trust other than an individually operated designated money trust (third-party benefit trust)
• Purpose of trust	Provide Directors covered by the Plan with incentives
• Settlor	The Company
• Trustee	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)
• Beneficiaries	Directors covered by the Plan who meet the beneficiary requirements
• Trust administrator	A third party who has no interest in the Company (e.g., certified public accountant)
• Date of trust agreement	August 1, 2017
• Trust period	August 1, 2017 through August 31, 2027
• Commencement date of the Plan	August 1, 2017
• Exercise of voting rights	No voting rights will be exercised during the trust period.
• Type of shares to be acquired	Common stock of the Company
• Amount of additional trust money	BIP Trust I: 1,540 million yen (including trust fees and trust expenses) BIP Trust II: 280 million yen (including trust fees and trust expenses)
• Time period for acquiring shares	August 2025

- Method of share acquisition To be acquired from the stock market
- Rights holder The Company
- Residual assets The Company, as the rights holder, may receive residual assets within the extent of the reserve for trust expenses, which is calculated by deducting funds to acquire the Company's shares from trust money.

iii) Total Upper Limit of Shares That Can Be Acquired by Eligible Directors

BIP Trust I: 534,000 shares (including 20,000 shares for outside directors)

BIP Trust II: 100,000 shares

If the Trust is extended, the upper limit for the total number of the Company's shares, etc. to be granted from BIP Trust I will be 267,000 shares (including 10,000 shares for outside directors) multiplied by the number of years of the new trust period, and the upper limit of the Company's shares, etc. to be granted from BIP Trust II will be 50,000 shares multiplied by the number of years of the new trust period.

iv) Scope of Beneficiaries

BIP Trust I: The Company's Directors who meet beneficiary requirements

BIP Trust II: Directors of the Company's subsidiaries with the status of an Executive Officer of the Company who meet beneficiary requirements

(ii) ESOP Trust

i) Outline of the Plan

An ESOP Trust is an employee incentive plan using a trust fund based on the Employee Stock Ownership Plan employed in the U.S. Based on the covered period, the Company will set up the ESOP Trust, wherein Executive Officers covered by the Plan who meet beneficiary requirements are beneficiaries. The ESOP Trust acquires an estimated number of the Company's shares to be granted to Executive Officers covered by the Plan from the stock market in accordance with the share granting rules established in advance. In accordance with the share granting rules, the ESOP Trust grants the Company's shares, etc. to Executive Officers covered by the Plan according to executive position and the status of achievement of performance targets, etc. Similar to BIP Trusts I and II, the ESOP Trust consists of a performance-linked portion and a non-performance-linked portion. The performance-linked portion is aimed at motivating the Executive Officers covered by the Plan to achieve the performance targets for the covered period and strengthening the linkage of economic benefits with medium- to long-term performance. The non-performance-linked portion is intended to promote alignment of interests of the Executive Officers covered by the Plan with those of other shareholders of the Company through ownership of the Company's shares. The performance-linked portion and the non-performance-linked portion account for 60% and 40%, respectively.

ii) Details of the Trust Agreement

- Trust type Monetary trust other than an individually operated designated money trust (third-party-benefit trust)
- Purpose of trust Provide Executive Officers covered by the Plan with incentives
- Settlor The Company
- Trustee Mitsubishi UFJ Trust and Banking Corporation
(Co-trustee: The Master Trust Bank of Japan, Ltd.)
- Beneficiaries Executive Officers covered by the Plan who meet the beneficiary requirements
- Trust administrator A third party who has no interest in the Company (e.g., certified public accountant)
- Date of trust agreement August 1, 2017
- Trust period August 1, 2017 to August 31, 2027
- Commencement date of the Plan August 1, 2017
- Exercise of voting rights No voting rights will be exercised during the trust period.
- Type of shares to be acquired Common stock of The Company
- Amount of additional trust money 320 million yen (tentative) (includes trust fees and trust expenses)
- Time period for acquiring share August 2025
- Method of share acquisition To be acquired from the stock market
- Rights holder The Company

- Residual assets

The Company, as the rights holder, may receive residual assets within the extent of the reserve for trust expenses, which is calculated by deducting funds to acquire the Company's shares from trust money.

iii) Scope of Beneficiaries

Eligible Executive Officers who meet beneficiary requirements

2. Acquisition and Disposal of Treasury Shares

[Class of shares, etc.] Acquisition of common shares pursuant to Article 155-7 of the Companies Act

(1) Status of Acquisition by Resolution of the General Meeting of Shareholders

Not applicable.

(2) Status of Acquisition by Resolution of the Board of Directors Meeting

Not applicable.

(3) Content of Those Not Based on a Resolution of the General Meeting of Shareholders or a Resolution of the Board of Directors Meeting

Acquisition pursuant to Article 155-7 of the Companies Act

Classification	Number of shares	Total value (JPY)
Treasury shares acquired in current fiscal year	48,171	7,425,438
Treasury shares acquired during the acquisition period	156	853,839

Note: The treasury shares acquired during the acquisition period do not include treasury shares acquired due to the purchase of shares of less than one unit from June 1, 2026 until the submission date of the Annual Securities Report.

(4) Status of Disposition and Status of Holding of Acquired Treasury Shares

Classification	Fiscal year ended March 31, 2026		Acquisition period	
	Number of shares	Total value of disposition (JPY)	Number of shares	Total value of disposition (JPY)
Acquired treasury shares subject to solicitation to subscribe	—	—	—	—
Acquired treasury shares subject to cancellation	—	—	—	—
Acquired treasury shares subject to transfer due to merger, share exchange, share delivery or company split	—	—	—	—
Other	—	—	—	—
Number of treasury shares held	8,880,146	—	8,880,302	—

Notes: 1. The number of treasury shares held during the acquisition period do not include treasury shares disposed of or held due to the purchase or sale of shares less than one unit from June 1, 2026 until the submission date of the Annual Securities Report.
2. The number of treasury shares held do not include the shares held by the BIP Trust and the ESOP Trust.

3. Dividend Policy

OMRON maintains a basic policy of paying dividends from surplus twice a year, consisting of an interim dividend and a year-end dividend. The Company submits matters relating to the determination of dividends from surplus and other distributions to the General Meeting of Shareholders for approval, except for interim dividends, which the Board of Directors resolves pursuant to the provisions of the Articles of Incorporation.

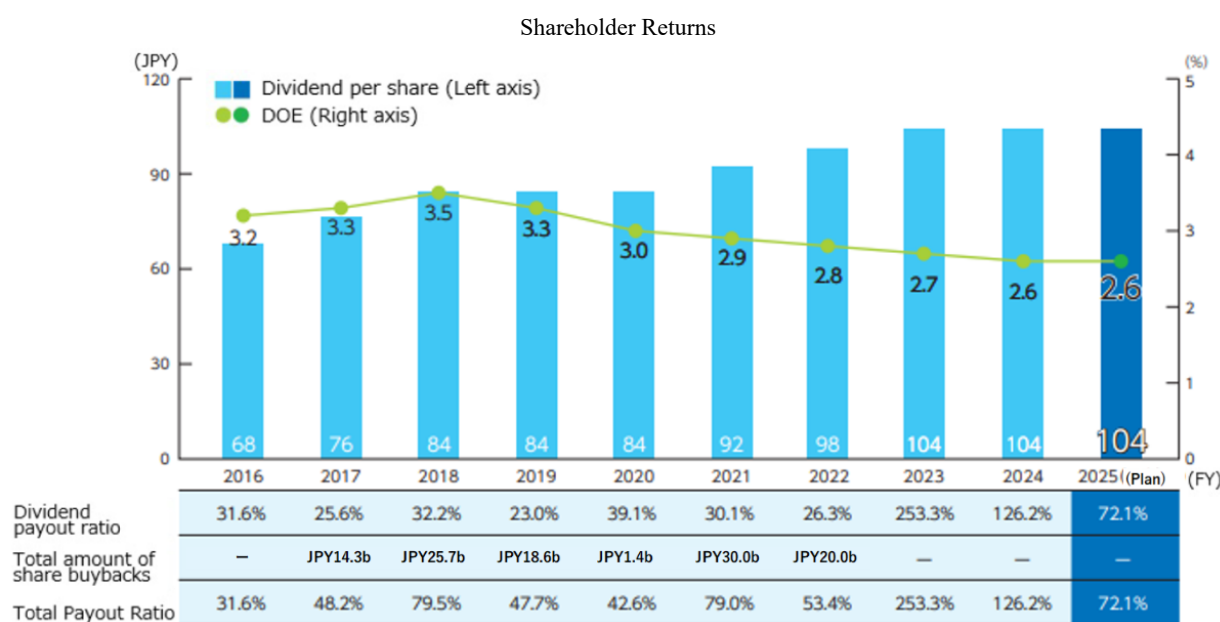
We apply the following basic policy regarding the distribution of profits, including returns to shareholders.

Shareholder Returns Policy

- (i) 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.
- (ii) Having engaged in the investments and allocation of profits described above, we will distribute retained earnings accumulated over the long term to shareholders through opportunistic share buybacks and other measures.

Based on the earnings performance, after considering the DOE standard and past dividend levels, the year-end dividend per share for the fiscal year ended March 31, 2026, was set at JPY52, reflecting OMRON's approach to maintain a stable and sustainable dividend level. Combined with the interim dividend per share of JPY52 implemented on December 2, 2025, the total annual dividend per share is JPY104.

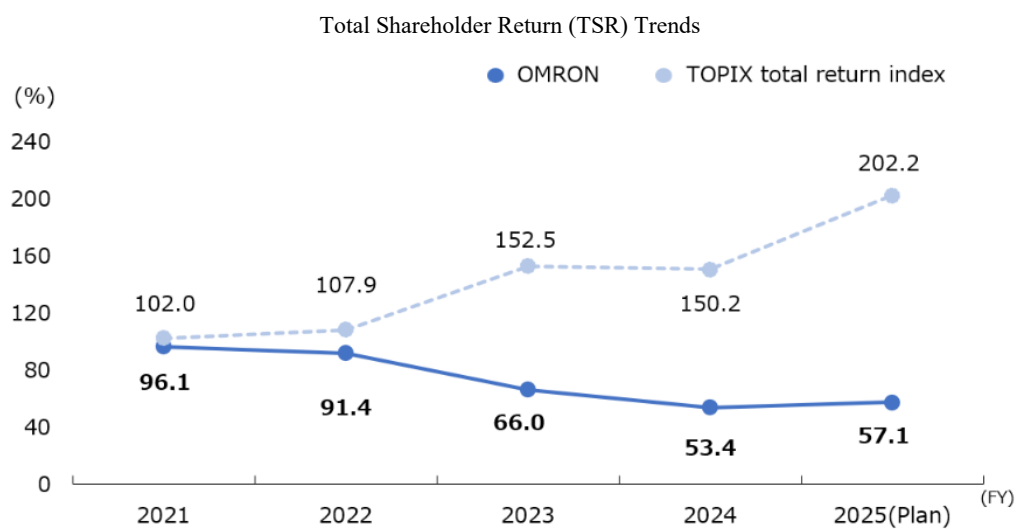
Regarding the annual dividend per share for the fiscal year ended March 31, 2027, based on the growth in earnings for the previous and current fiscal years, we plan to increase the dividend by JPY6 from the current fiscal year to JPY110. The interim dividend per share and year-end dividend per share for the next fiscal year are to be determined.



- Notes: 1. The Company has specified in its articles of incorporation that "An interim dividend with September 30 as the reference date may be paid every year by resolution of the Board of Directors."
2. The formula for calculating the Total Payout Ratio is as follows. Total Payout Ratio = (Cash dividends paid + Amount of treasury shares repurchased) / Net income (loss) attributable to OMRON shareholders (excluding purchases of shares constituting less than one trading unit and acquisitions of treasury shares through the Board Incentive Plan (BIP) Trust and the Employee Stock Ownership Plan (ESOP) Trust).

5. The dividends of surplus for the fiscal year ended March 31, 2026, are as follows.

Resolution date	Total amount of dividends (JPY millions)	Dividend per share (JPY)
November 7, 2025 Resolution of the Board of Directors	10,263	52.00
June 23, 2026 Resolution of the Ordinary General Meeting of Shareholders (Plan)	10,263	52.00



Note: TSR is calculated based on stock prices as of the end of fiscal 2020.

4. Corporate Governance, etc.

(1) Outline of Corporate Governance

(i) Basic Stance for Corporate Governance of the Company

At the OMRON Group, corporate governance is defined as the system of processes and practices based on the Omron Principles and the Omron Management Philosophy. The system is intended to ensure transparency and fairness in business and speed up management decisions and practices. This is done by connecting the entire process from oversight and supervision all the way to business execution in order to boost the OMRON Group's competitive edge. OMRON's corporate governance also involves building such a system and maintaining its proper function. The ultimate objective is to achieve sustainable enhancement of corporate value by earning the support of all stakeholders.

In accordance with this basic stance, the OMRON Group has set forth the following corporate governance policies as the foundation for the Group's pursuit of continuous enhancement of its corporate governance.

See the following URL for the OMRON Corporate Governance Policies

URL: https://www.omron.com/global/en/assets/file/about/corporate/governance/policy/20260513_governance_policies_e.pdf

OMRON Principles

See "II. Business Conditions 1. Management Policy, Management Environment, and Issues to be Addressed" for details on the OMRON Principles and the OMRON Management Philosophy.

(ii) Overview of the Corporate Governance Structure and Reasons for Adopting the Structure

• Overview of the Corporate Governance Structure

The Company operates as a company with an Audit & Supervisory Board and has established four advisory committees: the CEO Selection Advisory Committee, Personnel Advisory Committee, Compensation Advisory Committee, and Corporate Governance Committee. These committees help strengthen the oversight function of the Board of Directors and enhance the transparency and objectivity of management.

The Board of Directors determines basic management policies and other important matters and oversees management execution to ensure appropriate governance. Through these functions, the Board works to improve corporate value over the medium to long term.

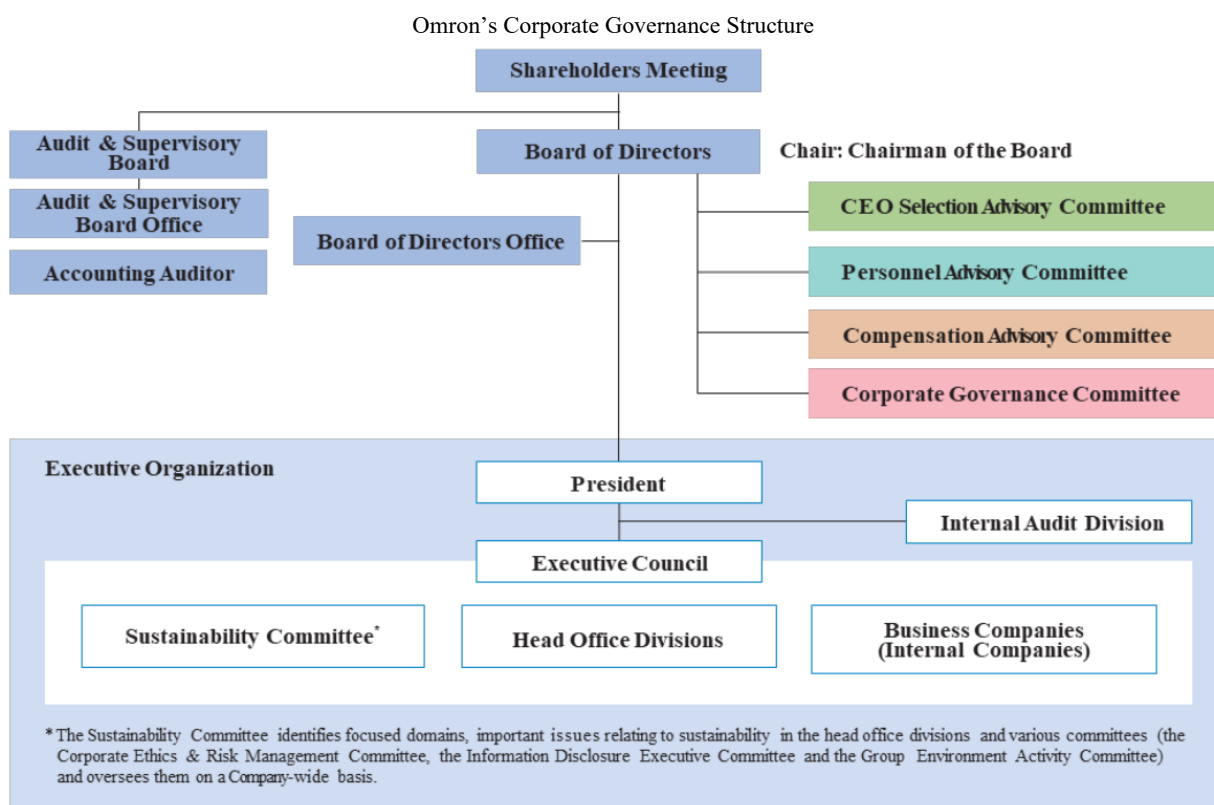
The Audit & Supervisory Board and Audit & Supervisory Board Members audit the execution of duties by Directors and the performance of the Board of Directors' oversight responsibilities from the perspectives of legality and appropriateness. These audits help ensure sound corporate management and protect the common interests of shareholders. In addition, each Audit & Supervisory Board Member exercises authority independently under the principle of individual authority, which strengthens internal controls.

The Company also established four advisory committees to strengthen the oversight function of the Board of Directors. An Independent Outside Director chairs each committee, and Independent Outside Directors constitute a majority of the members of each committee. The President and CEO does not sit on any of the committees. The CEO Selection Advisory Committee focuses on the appointment and dismissal of the President CEO and deliberates on candidates for the President and CEO for the following fiscal year, contingency plans for the position in emergency situations, and the Succession Plan. The Corporate Governance Committee discusses measures to continuously enhance corporate governance from a medium- to long-term perspective and increase management transparency and fairness.

• Reasons for Adopting the Current Corporate Governance Structure

The Company adopts a hybrid corporate governance structure based on our status as a company with an Audit & Supervisory Board while incorporating elements of a Company with a Nominating Committee, etc. We believe this structure effectively supports our corporate governance and provides the optimal framework for sound and efficient management.

The Company will continue enhancing the operation of the Board of Directors as a monitoring board that supports the enhancement of corporate value and further strengthen our governance practices.



(iii) Board of Directors

1) Roles and Responsibilities of the Board of Directors

The Board of Directors recognizes fiduciary responsibilities, exercises authority appropriately, and assumes responsibility for the sustainable enhancement of corporate value. The Board of Directors fulfills these responsibilities and ensures fairness and transparency of management by exercising oversight functions over the overall management, including the election of Directors, Audit & Supervisory Board Members and Executive Officers; the determination of compensation for Directors and Executive Officers; and decision-making on important business operations. Furthermore, we separate management oversight and business execution and maintain a Board composition in which a majority of Directors do not engage in business execution. Independent Outside Directors account for at least one-third of the Board. A Chairman who does not hold representative authority serves as Chairman of the Board of Directors and oversees management from a position independent of execution and from the perspective of stakeholders.

The Board of Directors determines and discloses important management visions and policies, including those listed below:

- Sustainability policy, material sustainability issues, and related targets
(including initiatives to address climate change risks based on the TCFD and other frameworks)
- Key business strategies for priority domains (including the business portfolio)
- Technology strategy, intellectual property strategy, human capital strategy, and other strategies

The Board of Directors proactively identifies important management visions and policies as priority themes in response to changes in the business environment and oversees management accordingly. The Board also requests timely explanations when Audit & Supervisory Board Members, the Independent Auditor, or the Internal Audit Department identify misconduct or point out deficiencies or other issues.

2) Policy regarding Composition of the Board of Directors

In order to strengthen the supervision function of the Board of Directors, at the Company, management oversight and business execution are kept separate, and a majority of the Board of Directors shall consist of Directors who are not involved with business execution. In addition, at least one-third of the Board of Directors shall consist of Outside Directors. Regarding Outside Directors and Outside Audit & Supervisory Board Members, from the perspective of ensuring their independence, they are elected in accordance with the Company's "Independence Requirements for Outside Executives." Based on the above, the Board of Directors shall consist of diverse members who possess the experience, specialized knowledge, and insights necessary to realize the OMRON Group's management vision and shall ensure diversity without distinction as to gender, nationality, international experience, or age.

3) Policy regarding Appointment of Directors and Audit & Supervisory Board Members

- Directors, Audit & Supervisory Board Members, and Executive Officers are composed of diverse members who possess the experience, specialized knowledge and insights necessary to realize the OMRON Group's management vision and shall ensure diversity without distinction as to gender, nationality, international experience, or age.
- To swiftly respond to the need for global-scale growth and greater competitive strength, as well as significant changes in the business environment, the Personnel Advisory Committee shall work to ensure diversity in the Board of Directors, Audit & Supervisory Board, and among Executive Officers in terms including work experience, specialized knowledge, insights, gender, nationality, international experience, and age.
- The experience, specialized knowledge, and insight necessary for the realization of the OMRON Group's management vision related to Directors and Audit & Supervisory Board Members is presented in the skill matrix.

[Criteria for Appointment of Outside Directors]

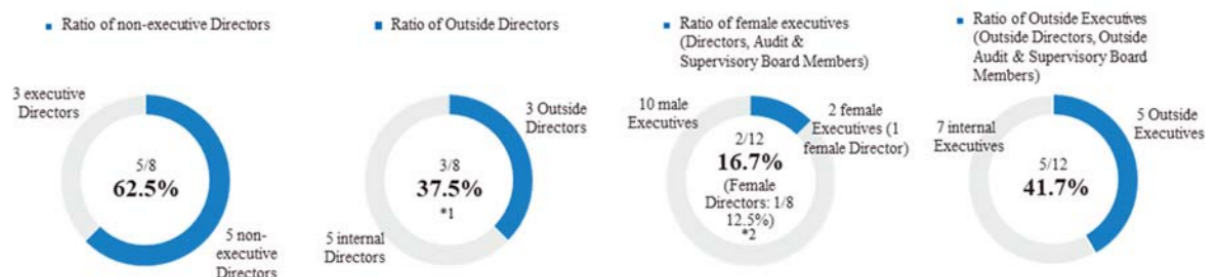
- Outside Directors are deeply involved in the CEO Selection Advisory Committee, which specializes in matters such as the appointment of the President, which is the top-priority matter in management oversight. In order to establish a highly transparent and objective system for appointing a President and CEO, Outside Directors must have management experience or equivalent experience.

[Criteria for Appointment of Outside Audit & Supervisory Board Members]

- Audit & Supervisory Board Members must possess the necessary insight, high ethical standards, fairness, and integrity as an Audit & Supervisory Board Member, as well as specialized knowledge in law, finance, accounting, management, or other areas.

4) Composition of the Board of Directors

- The composition of the Board of Directors as of the filing date of the Annual Securities Report (June 22, 2026) is as follows.
- The Company has proposed the election of eight Directors as an agenda item (matter for resolution) at the Ordinary General Meeting of Shareholders scheduled for June 23, 2026. Approval of this proposal will not result in any changes to the composition of the Board of Directors.



^{*1} The Company's policy is to increase the ratio of Outside Directors to higher than 50% by 2027.

^{*2} The Company's policy is to increase the ratio of female Directors to 20% or higher by 2027.

5) Main Areas of Expertise and Specialization of Directors and Audit & Supervisory Board Members (Skill Matrix)

Areas of expertise and specialization (skills) required for Directors and Audit & Supervisory Board Members for the realization of the long-term vision “SF2030” are as follows.

Areas of expertise and specialization (skills)	Definitions of skills
Corporate Management	Experience as Chairman/President or equivalent experience (experience as Representative Director, etc.)
Sustainability, ESG	Possesses business, management experience, and specialized knowledge related to sustainability and ESG
New business creation, innovation	Possesses business, management experience, and specialized knowledge related to new business and innovation
Technology, production, quality	Possesses business, management experience, and specialized knowledge related to technology, production, and quality
DX, IT	Possesses business, management experience, and specialized knowledge related to DX and IT
Human resource development, diversity, human resource management	Possesses business, management experience, and specialized knowledge related human resource development, diversity, and human resource management
Financial accounting	Qualified as a CPA, CFO experience, business experience in financial institutions and accounting departments, and listed company management experience
Legal affairs, compliance, internal control	Qualified as an attorney, experience as an auditor, work experience in legal and internal audit departments
Global experience	Global experience, overseas business experience

*Three years of experience or more is required in principle.

- The Skill Matrix of Directors and Audit & Supervisory Board Members as of the filing date of the Annual Securities Report (June 22, 2026) is as follows.
- The Company has proposed the election of eight Directors as an agenda item (matter for resolution) at the Ordinary General Meeting of Shareholders scheduled for June 23, 2026. Approval of this proposal will not result in any changes to the Directors or Audit & Supervisory Board Members.

Position and name	Corporate management	Sustainability ESG	New business creation innovation	Technology Production Quality	DX IT	Human resource development, diversity, human resource management	Financial accounting	Legal affairs, compliance, internal control	Global experience	Background and Qualifications
Chairman of the Board Yoshihito Yamada	●	●					●		●	
Representative Director, President and CEO Junta Tsujinaga	●			●	●				●	
Representative Director, Executive Officer and Executive Vice President Kiichiro Miyata	●		●	●	●				●	
Director, Senior Managing Executive Officer, CHRO・CRO Masahiko Tomita		●				●			●	
Director Shiruto Yukumoto		●	●		●				●	
Outside Director Takehiro Kamigama	●	●	●	●	●		●		●	Manufacturing industry
Outside Director Izumi Kobayashi	●	●	●			●	●		●	Finance and international organization
Outside Director Yoshihisa Suzuki	●	●	●	●	●		●		●	General trading company
Audit & Supervisory Board Member Toshio Hosoi			●		●			●		
Audit & Supervisory Board Member Hiroto Iwasa		●				●			●	
Outside Audit & Supervisory Board Member Hiroshi Miura	●						●	●	●	Certified Public Accountant
Outside Audit & Supervisory Board Member Yumiko Ichige		●				●		●		Lawyer

6) Activities of the Board of Directors in Fiscal 2025

During fiscal 2025, the Board of Directors was operated under the following Board of Directors Operation Policy and focus themes, and fully exercised its oversight functions by discussing, for each theme, issues that arose and the ideal direction to take, among other matters.

Board of Directors Operation Policy for Fiscal 2025

The Board of Directors will strengthen discussions on growth strategies with the aim of enhancing corporate value from a medium- to long-term perspective.

Focus Themes

- Formulation of a roadmap for achieving the long-term vision and strengthening of implementation capabilities
- Strengthening of the ability to respond to changes arising from geopolitical risks and opportunities
- Accomplishing of the structural reform program

Results of evaluation of the Board of Directors' effectiveness for fiscal 2025

The evaluation of the Board of Directors' effectiveness for fiscal 2025 was led by the Corporate Governance Committee. In addition to the conventional self-evaluations^(Note), the Committee engaged a third-party evaluation agency, Board Advisors Japan, Inc. (hereinafter referred to as "the evaluation organization"), to enhance objectivity and provide a multifaceted evaluation. Based on the results of the evaluation by the evaluation agency, it was confirmed that the effectiveness of the Company's Board of Directors has been ensured. In addition, the following were cited as characteristics (strengths) of the Company's Board of Directors: "a sincere commitment to corporate governance is maintained," "the CEO Selection Advisory Committee is functioning effectively," and "open and frank discussions are taking place."

Meanwhile, based on the results of the third-party evaluation and self-evaluations, the following issues were recognized as necessary for the Company's Board of Directors to advance further and sustainably enhance corporate value and achieve medium- to long-term growth.

- Further enhancement of the Board of Directors' supervisory functions
- Further evolution of constructive dialogue and discussion between the "supervisory" side and the "executive" side, contributing to enhancement of corporate value
- Enhancement of discussions of the Board of Directors from a medium- to long-term perspective

Going forward, we will continue working to enhance the operation of the Board of Directors as a monitoring board that contributes to the enhancement of corporate value. At the same time, as we proceed with our consideration of a transition to an organizational structure including a company with a Nominating Committee, etc., we will evolve the role, composition, and nature of discussions of the Board of Directors and strive to further improve governance.

(Note) The conventional self-evaluation criteria included "results of Board of Directors review" "monthly questionnaires to Directors and Auditors & Supervisory Board Members," and "minutes of Board of Directors meetings."

Details of issues identified by the evaluation of the Board of Directors' effectiveness for fiscal 2025

Further enhancement of the Board of Directors' supervisory functions

- The Company's Board of Directors has evolved in its pursuit of becoming a monitoring board. However, with a view to achieving medium- to long-term enhancement of corporate value through the implementation of the Medium-Term Roadmap SF 2nd Stage, we have come to recognize the need to further enhance the supervisory functions and delegate greater authority to the executive side in order to expedite decision-making. Accordingly, we have shared the view that consideration should not be limited to the sophistication of operations based on the current organizational structure (a company with an audit & supervisory board), but should also encompass the nature of the organizational structure to be adopted.

- It was pointed out that while the executive side has high expectations for the Board of Directors' advice on medium- to long-term strategies, the Board of Directors is strongly focused on risk management. Such differences in perception and perspective sometimes influence how discussions proceed and where priorities are placed.

Further evolution of constructive dialogue and discussion between the "supervisory" side and the "executive" side, which contribute to the enhancement of corporate value

- We recognized the importance of further developing not only discussions between explainers and questioners, but also discussions among the members of the Board of Directors (many-to-many discussion).

- While site visits by Outside Directors are considered valuable, there was a shared view that there is room for innovation beyond the established framework.

Enhancement of discussions of the Board of Directors based on a medium- to long-term perspective

- We have deepened our understanding of the importance of further enhancing discussions looking to the future, including discussions on growth strategies and risks from a medium- to long-term perspective.
- We shared the understanding that further efforts are needed to optimize the level of detail and granularity of the materials and to tailor the framing of agenda items according to the theme.
- In addition to enhancing discussions from investors' perspectives, we confirmed the importance of providing Directors with timely and appropriate information regarding the Company's valuation in the capital markets and incorporating the views of the capital markets into our discussions.

Themes to be addressed in fiscal 2026 based on the effectiveness evaluation

Further enhancement of the Board of Directors' supervisory functions

- We will proceed with considering a transition to an organizational structure including a company with a Nominating Committee, etc.
- Based on the division of roles between "supervision" and "execution," we will further evolve this approach.
- We will work to further delegate authority to the executive side and strengthen governance of execution to facilitate swift and decisive decision-making.

Further evolution of constructive dialogue and discussion between the "supervisory" side and the "executive" side, which contribute to the enhancement of corporate value

- We will enhance opportunities for communication between the "supervisory" side and the "executive" side.
- We will work to improve meeting procedures to facilitate discussions among Directors, and further enhance the opinions and advice from Outside Directors from a medium- to long-term and comprehensive perspective.
- We will strengthen the secretariat that supports the Board of Directors.

Further evolution of constructive dialogue and discussion between the "supervisory" side and the "executive" side, which contribute to the enhancement of corporate value

- We will further enhance discussions that contribute to the enhancement of corporate value from the perspective of capital markets and investors, and strengthen mechanisms for understanding and utilizing the information necessary for such discussions.
- We will set agendas around company-wide key initiatives aimed at achieving the roadmap.

7) Board of Directors Operational Policy for Fiscal 2026

The Board of Directors discussed and determined the Board of Directors' Operation Policy and focus themes for fiscal 2026 based on the results of the evaluation of the effectiveness of the Board of Directors in fiscal 2025

Board of Directors Operational Policy for Fiscal 2026

To enhance OMRON's corporate value from a medium- to long-term perspective, the Board of Directors will expedite evolving into a monitoring board by upgrading monitoring for the progress of OMRON's medium-term roadmap, "SF 2nd Stage," as well as strengthening its oversight functions.

Focus Themes

- Validating the medium-term roadmap, "SF 2nd Stage" and monitoring progress
 - 13 core businesses for rebuilding the business portfolio
 - 10 company-wide measures to accomplish the above
- Capital policy aimed at enhancing corporate value
- Evolving governance for supporting corporate value improvement
- Preparation for management risks and uncertainties

Reference: Overview of initiatives towards improving the Board of Directors' effectiveness

In order to ensure transparency and fairness in business management and speed up management decisions and practices so as to achieve sustained growth and enhance corporate value over the medium to long term, the Company reinforces the supervisory functions of the Board of Directors.

The Company performs the evaluation of the Board of Directors' effectiveness for the purpose of examining actual contribution made by the Board of Directors, identifying issues, devising countermeasures and promoting improvement, in order to ensure that corporate governance effectively functions. This evaluation is conducted by the Corporate Governance Committee chaired by an Outside Director and comprising Outside Directors and Outside Audit & Supervisory Board Members (hereinafter "Outside Executives"), as well as non-executive internal Directors.

Furthermore, in light of not only these evaluation results but also the business environment, etc., the Board of Directors determines the operation policy and focus themes of the Board of Directors for the next fiscal year. The Board of Directors formulates annual plans based on this operation policy and conducts its activities accordingly.

In this way, by establishing a PDCA cycle (evaluation → consideration of improvement measures → plan formulation → execution → re-evaluation), the Company will continuously strive to enhance the Board of Directors' supervisory functions and promote the evolution of governance that contributes to the enhancement of corporate value.

For details on the discussion of each key topic at the Board of Directors meetings and efforts to improve effectiveness, please refer to the "FY2025 Initiatives towards improving Board of Directors' effectiveness." below.

https://www.omron.com/global/en/assets/file/about/corporate/governance/chart/20260602_governance_effectiveness_e.pdf

The Board of Directors held 12 meetings in Fiscal 2025, and the attendance record for each director is as follows.

Attendance at the Board of Directors Meetings During Fiscal 2025

Position	Name	Attendance
Chairman of the Board	Yoshihito Yamada	100% (12/12 times)
Representative Director	Junta Tsujinaga	100% (12/12 times)
Representative Director	Kiichiro Miyata	100% (12/12 times)
Director	Masahiko Tomita	100% (12/12 times)
Director	Shizuto Yukumoto	100% (12/12 times)
Outside Director	Takehiro Kamigama	100% (12/12 times)
Outside Director	Izumi Kobayashi	100% (12/12 times)
Outside Director	Yoshihisa Suzuki	100% (12/12 times)
Audit & Supervisory Board Member	Shuji Tamaki	100% (3/3 times)
Audit & Supervisory Board Member	Toshio Hosoi	100% (12/12 times)
Audit & Supervisory Board Member	Hiroto Iwasa	100% (9/9 times)
Outside Audit & Supervisory Board Member	Tadashi Kunihiro	100% (3/3 times)
Outside Audit & Supervisory Board Member	Hiroshi Miura	100% (12/12 times)
Outside Audit & Supervisory Board Member	Yumiko Ichige	100% (9/9 times)

(Note) Mr. Shuji Tamaki and Mr. Tadashi Kunihiro resigned as Audit & Supervisory Board Members at the conclusion of the 88th Ordinary General Meeting of Shareholders held on June 24, 2025. Mr. Hiroto Iwasa and Ms. Yumiko Ichige were newly appointed as Audit & Supervisory Board Members at the Ordinary General Meeting of Shareholders.

8) Support Structure for the Board of Directors

The Company has established a Board Secretariat to support the Board of Directors. The Board Secretariat works closely with the Chairman of the Board of Directors to support effective Board operations through the preparation of the annual Board schedule and annual plans for matters to be brought before the Board. To ensure sufficient discussion of each agenda item, the Board Secretariat allocates adequate time for deliberations and, in principle, distributes materials and provides advance briefings at least four days before each Board meeting. The Board Secretariat provides Directors, including Independent Outside Directors, with timely and appropriate information necessary for decision-making. In addition, the Board Secretariat shares Executive Council minutes, consolidated reports, press releases, and other materials with Independent Outside Directors and provides opportunities for Independent Outside Directors to observe Executive Council meetings to help these individuals better understand the Company's management and business execution.

(iv) Audit & Supervisory Board

Activities of the Audit & Supervisory Board are as described in "IV. Information about the Reporting Company 4. Corporate Governance, etc. (3) Status of Auditing."

The Company established an Audit & Supervisory Board Secretariat, staffed by dedicated personnel, to assist Audit & Supervisory Board Members in performing duties and other related activities.

(v) Advisory Committees, etc.

1) Structure of the Advisory Committees, etc.

The Company established the CEO Selection Advisory Committee, Personnel Advisory Committee, Compensation Advisory Committee, and Corporate Governance Committee under the Board of Directors.

The CEO Selection Advisory Committee, the Personnel Advisory Committee, and the Compensation Advisory Committee are chaired by an Independent Outside Director, and the majority of each committee is composed of Independent Outside Directors. The Corporate Governance Committee is chaired by an Independent Outside Director and comprises Independent Outside Directors, Independent Outside Audit & Supervisory Board Members, and non-executive internal Directors. The President and CEO does not sit on any of the committees.

The CEO Selection Advisory Committee focuses on the appointment and dismissal of the President and CEO and deliberates on candidates for the President and CEO for the following fiscal year, contingency plans for the position in emergency situations, and the Succession Plan. The Personnel Advisory Committee sets criteria and policies for the selection of personnel for Directors, Audit & Supervisory Board Members, and Executive Officers, and deliberates on candidates. The Compensation Advisory Committee deliberates on compensation policies for Directors and Executive Officers, as well as compensation levels and amounts. The Corporate Governance Committee discusses measures to continuously enhance corporate governance from a medium- to long-term perspective and to increase management transparency and fairness.

2) Advisory Committee Members

- The composition of the Advisory Committee, etc., as of the filing date of the Annual Securities Report (June 22, 2026) is as follows.
- The Company has proposed the election of eight Directors as an agenda item (matter for resolution) at the Ordinary General Meeting of Shareholders scheduled for June 23, 2026. Neither this proposal nor the matters relating to officer positions and membership of the advisory committees to be considered at the Board of Directors meeting scheduled immediately thereafter will result in any change to the composition of the advisory committees.

Title	Name	Ceo selection advisory committee	Personnel Advisory Committee	Compensation Advisory Committee	Corporate Governance Committee
Chairman of the Board	Yoshihito Yamada	□			○
Representative Director	Junta Tsujinaga				
Representative Director	Kiichiro Miyata			□	
Director	Masahiko Tomita (Note 2)		□		
Director	Shizuto Yukumoto (Note 2)	○	○	○	□
Outside Director	Takehiro Kamigama ◆	◎	□	□	◎
Outside Director	Izumi Kobayashi ◆	□	◎	□	□
Outside Director	Yoshihisa Suzuki ◆	□	□	◎	□
Audit & Supervisory Board Member	Toshio Hosoi				
Audit & Supervisory Board Member	Hiroto Iwasa				
Outside Audit & Supervisory Board Member	Hiroshi Miura ◆				□
Outside Audit & Supervisory Board Member	Yumiko Ichige ◆				□

Notes: 1 ◎ Chairperson ○ Vice-Chairperson □ Committee Member ◆ Independent under Tokyo Stock Exchange rules

2 Mr. Masahiko Tomita is planned to be appointed as Director in charge of human rights and Mr. Shizuto Yukumoto as Director in charge of environment.

3) Activities of the Advisory Committees in Fiscal 2025

- Activities of the Advisory Committees in Fiscal 2025 are as follows.

CEO Selection Advisory Committee	
Members	Five members (three Outside Directors and two internal Directors)
Chairman	Mr. Takehiro Kamigama, the lead Outside Director
Committee composition	-The majority shall be Outside Directors -The two internal Directors shall be non-executive Directors (the President and CEO is not a member of the committee)
Number of meetings held	1 time
Matters deliberated and matters reported	- Deliberation on candidates for CEO - Deliberation on a CEO successor candidate in the event of a crisis in fiscal 2026 - Succession planning for the President and CEO
Comments from the chair	President Tsujinaga has successfully implemented the structural reform program and has now reached the stage where he must shift into high gear to move on to the next phase. I would like him to demonstrate even greater leadership in this regard.

Personnel Advisory Committee	
Members	Five members (three Outside Directors and two internal Directors)
Chairman	Ms. Izumi Kobayashi, Outside Director
Committee composition	-The majority shall be Outside Directors -The Chairman of the Board of Directors and the President and CEO are not members of the committee
Number of meetings held	6 times
Matters deliberated and matters reported	- Deliberation on the members of each Advisory Committee for fiscal 2025 - Deliberation on appointment/dismissal of Senior Executive Officers - Deliberation on updating the talent pool list of Outside Director candidates and the way forward - Deliberation on the selection criteria for Executives for fiscal 2026 (90th term) - Deliberation on the selection of Director candidates and the Alternative Audit & Supervisory Board Member candidate to be submitted to the 89th Ordinary General Meeting of Shareholders - Deliberation on the selection of Senior Executive Officer candidates for fiscal 2026 and reporting on the appointment of Executive Officers - Reporting on succession planning for management executives (CFO, CTO, CHRO) for fiscal 2026 - Reporting on Outside Directors' assumption of office as outside executive of other companies - Reporting on Outside Director candidates
Comments from the chair	At meetings of the Personnel Advisory Committee for fiscal 2025, discussions were held and resolutions were passed regarding the future executive structure, specifically the composition of Outside Directors and a review of the candidate pool based on that composition, as well as a review of the selection criteria for Executive Officers to better align with changes in business and society. Furthermore, we exchanged opinions on the CXO training plan proposed by the executive side and considered how to establish a management system that can respond to future business and environmental changes.

Compensation Advisory Committee	
Members	Five members (three Outside Directors and two internal Directors)
Chairman	Mr. Yoshihisa Suzuki, Outside Director
Committee composition	-The majority shall be Outside Directors -The Chairman of the Board of Directors and the President and CEO are not members of the committee
Number of meetings held	6 times
Matters deliberated and matters reported	- Deliberation on bonus amounts for Directors for fiscal 2024 and reporting on bonus amounts for Executive Officers for fiscal 2024 - Deliberation on the number of shares for stock compensation to Directors for the fiscal years from fiscal 2021 to fiscal 2024 and reporting on the number of dilutive shares. - Deliberation on the compensation tables for Directors and Executive Officers for fiscal 2025 - Deliberation on the revision of the rules regarding congratulatory and condolence payments for Directors and Audit & Supervisory Board Members. - Deliberation on the revision of the share granting rules (from fiscal 2025 to fiscal 2026) - Reporting on the number of shares of stock compensation for Executive Officers for fiscal years from fiscal 2021 to fiscal 2024 - Reporting on the results of share acquisitions related to the performance-linked stock grant plan - Deliberation on the evaluation criteria for Director bonuses and reporting on the evaluation criteria for Executive Officer bonuses for fiscal 2025 - Deliberation on the Director compensation and Executive Officer compensation tables for fiscal 2026
Comments from the chair	We believe that the compensation plan has played its role appropriately during the structural reform period. In fiscal 2026, taking into account the transition to an organizational structure being considered toward the achievement of SF2030 2nd Stage, we will proceed with the consideration of a compensation plan that will contribute to OMRON's renewed growth and enhancement of corporate value.

Corporate Governance Committee	
Members	Seven members (three Outside Directors, two Outside Audit & Supervisory Board Members and two non-executive internal Directors)
Chairman	Mr. Takehiro Kamigama, the lead Outside Director
Committee composition	-The majority shall be Outside Directors and Outside Audit & Supervisory Board Members -Directors engaged in business executions are not members of the committee
Number of meetings held	5 times
Matters deliberated	- Deliberation on final draft of the evaluation of the Board of Directors' effectiveness in fiscal 2024 - Discussion on the Board of Directors Operational Policy and Focus Themes (draft) for fiscal 2025 - Discussion on "evolution of OMRON's Corporate Governance" - Deliberation on revising the Independence Requirements for Outside Executives
Comments from the chair	With a view to further evolving into a monitoring board, we have begun considering the transition to a new organizational structure. By delegating authority to the executive side, we aim to further accelerate the process and build a governance system that is even better suited to OMRON.

- Attendance at the Advisory Committees during fiscal 2025 are as follows.

Position	Name	Meetings Held and Attendance			
		CEO Selection Advisory Committee	Personnel Advisory Committee	Compensation Advisory Committee	Corporate Governance Committee
Chairman of the Board	Yoshihito Yamada	1/1			○ 5/5
Representative Director	Junta Tsujinaga				
Representative Director	Kiichiro Miyata			6/6	
Director	Masahiko Tomita		6/6		
Director	Shizuto Yukumoto	○ 1/1	○ 6/6	○ 6/6	5/5
Outside Director	Takehiro Kamigama	◎ 1/1	6/6	6/6	◎ 5/5
Outside Director	Izumi Kobayashi	1/1	◎ 6/6	6/6	5/5
Outside Director	Yoshihisa Suzuki	1/1	6/6	◎ 6/6	5/5
Outside Audit & Supervisory Board Member	Hiroshi Miura				5/5
Outside Audit & Supervisory Board Member	Yumiko Ichige				4/4
Outside Audit & Supervisory Board Member	Tadashi Kunihiro				1/1
Attendance Rate		100%	100%	100%	100%

Notes: 1. ◎ indicates the Chairperson and ○ indicates the Vice Chairperson.

2. Mr. Junta Tsujinaga, President and CEO, does not sit on any of the committees to maintain the independence of the advisory committees.
3. Ms. Yumiko Ichige was appointed as a committee member on June 24, 2025. Mr. Tadashi Kunihiro retired as a committee member on June 24, 2025.

(vi) Status of Establishment of Internal Control Systems

The Company has established an internal control system and takes precise action by constantly clarifying a variety of internal and external risks that may impede sustained enhancement of corporate value. As an internal auditing function, the Global Internal Auditing Headquarters directly reporting to the President periodically conducts internal audits of the accounting, operations, business risks, compliance, etc. of each head office division and each business company, and provides specific advice aimed at operational improvements.

A diagram of system for monitoring business execution and management, and the status of establishment of the internal control system is shown in Omron's Corporate Governance Structure.

(vii) Status of Compliance and Risk Management Initiatives

The OMRON Group has promoted integrated compliance and risk management activities through the Corporate Ethics & Risk Management Committee. The OMRON Group has reinforced its capabilities to respond to change through a department directly under the President that promotes and thoroughly enforces such activities.

a. Compliance

The OMRON Group has familiarized its officers and employees with the OMRON Group Rules, which are the common management basis for the Group, and conducted the necessary trainings. In particular, the month of October was designated Corporate Ethics Month, and various initiatives have been implemented including sending messages from the President to the officers and employees in Japan and overseas, offering compliance training for such things as cartel prevention and bribery prevention, and familiarizing officers and employees with the whistle-blower system. Whistle-blower hotlines have been established and are in operation at the major bases in Japan and overseas. Additionally, the Information Disclosure Executive Committee convened regular meetings in order to ensure the accuracy, timeliness and completeness of disclosures, while trainings were held for the prevention of insider trading. Furthermore, the internal audit department conducted operational audits on the divisions of the OMRON Group on a risk basis.

b. Risk management

Based on the OMRON Group Rules for Integrated Risk Management, risks influencing the OMRON Group are identified each year from a global perspective, and upon analyzing such risks, critical risks for the OMRON Group are designated by the Executive Committee. The OMRON Group confirmed the progress made on risk countermeasures with the Corporate Ethics & Risk Management Committee on a quarterly basis and systematically promoted its risk management initiatives. Additionally, concerted efforts were made by the field and management in order to implement measures to respond to changes in the internal and external environments, namely the appointment of risk managers at the Group companies in Japan and overseas, who utilized the global network to share daily risk information and to quickly organize response to risks.

During the fiscal year under review, we focused on strengthening “defensive governance” to reinforce the foundation that supports risk-taking necessary to realize the strategies outlined in the Medium-Term Roadmap SF 2nd Stage. Specifically, we established the position of Chief Risk & Compliance Officer to oversee “integrated risk management,” “internal control,” “compliance,” and “monitoring,” and to ensure that these functions operate in a coordinated manner. Through such coordination, we developed a framework in which the internal control system functions in an integrated and effective manner. Furthermore, to ensure the proper and effective operation of the internal control system, we formulated the “Policy on the Operation of Internal Control System” and clarified the roles and responsibilities of the three lines of defense.

(viii) Outline of Agreements Limiting Liability

In order to enable Outside Directors and Outside Audit & Supervisory Board Members to fulfill their expected roles, the Company has established provisions in the articles of incorporation on agreements limiting liability with Outside Directors and Outside Audit & Supervisory Board Members. The outline of the content of the agreements limiting liability concluded with all Outside Directors and Outside Audit & Supervisory Board Members pursuant to the provisions of the articles of incorporation are as follows.

a. Agreements Limiting Liability of Outside Directors

Outside Directors are liable for compensation of damages up to the higher of JPY10 million or the minimum liability amount specified in Article 425-1 of the Companies Act for liability under Article 423-1 of the Companies Act if performing duties in good faith and without gross negligence.

b. Agreements Limiting Liability of Outside Audit & Supervisory Board Members

Outside Audit & Supervisory Board Members are liable for compensation of damages up to the higher of JPY10 million or the minimum liability amount specified in Article 425-1 of the Companies Act for liability under Article 423-1 of the Companies Act if performing duties in good faith and without gross negligence.

(ix) Outline of Indemnity Agreements

In order to enable Directors and Audit & Supervisory Board Members to fulfill their expected roles, the Company has concluded indemnity agreements with them indemnifying the expenses under Article 430-2, paragraph 1, item 1 and losses under item 2 of the same paragraph within the scope specified by laws and regulations. However, there are certain exemptions such as not indemnifying losses arising as a result of an act performed with the knowledge that it is an illegal act.

(x) Outline of Directors and Officers Liability Insurance Contracts

The Company has concluded a Directors and Officers Liability Insurance Contracts pursuant to Article 430-3, paragraph 1 insuring all Directors, Audit & Supervisory Board Members and Executive Officers of the Company and subsidiaries; the Company and some of its subsidiaries pays all insurance premiums. The insurance policy covers compensation for damages and litigation expenses borne by the insured in cases where the insured is subject to a claim for compensation for damages from a shareholder or a third party. As a measure to ensure the appropriate execution of duties of the insured is not impaired, compensation for damages arising as a result of an intentional or criminal act by the insured is excluded from insurance claims.

(xi) Number of Directors, etc.

The Company has specified the number of Directors in the articles of incorporation. Furthermore, the quorum for appointment resolutions has been lowered in the articles of incorporation for the appointment of Directors. The content of the articles of incorporation is as follows.

a. Number of Directors

The number of Directors of the Company shall be ten (10) or less.

b. Method of Election of Directors

- The directors of the Company shall be elected at a General Meeting of Shareholders.
- A resolution electing directors shall be adopted by a majority of votes of the shareholders present at a General Meeting of Shareholders at which shareholders representing not less than one-third of the voting rights of shareholders entitled to exercise voting rights are present.
- A resolution to elect directors of the Company shall not be made by cumulative voting.

(xii) Organ Determining Acquisition of Treasury Shares

The Company stipulates in the articles of incorporation that it may acquire treasury shares through market transactions and the like pursuant to the provisions of Article 165, paragraph 2 of the Companies Act, in order to enable the flexible execution of management according to changes in economic conditions.

(xiii) Organ Determining Interim Dividends

The Company stipulates in the articles of incorporation that interim dividends may be paid by resolution of the Board of Directors with September 30 as the reference date pursuant to the provision of Article 454, paragraph 5 of the Companies Act to flexibly return profits to shareholders.

(xiv) Requirements for Special Resolutions of the General Meeting of Shareholders

In order to be able to flexibly pass special resolutions, the Company stipulates in its articles of incorporation that resolutions of the General Meeting of Shareholders specified in Article 309, paragraph 2 of the Companies Act shall be passed with one-third or more of the votes of shareholders eligible to vote present and two-thirds or more of those votes cast in favor.

(2) Officers

(i) List of Officers

The status of Directors and Audit & Supervisory Board Members as of the filing date of the Annual Securities Report (June 22, 2026) is as follows:

The Company has proposed the election of eight Directors and one substitute Audit & Supervisory Board Member as agenda items (matters for resolution) at the Ordinary General Meeting of Shareholders scheduled for June 23, 2026. Approval of these proposals will not result in any changes to the Directors or Audit & Supervisory Board Members. Upon approval of these proposals, the Directors and Audit & Supervisory Board Members and their respective terms of office will be as follows. The following table also includes the resolutions to be adopted at the Board of Directors meeting to be held immediately after the Ordinary General Meeting of Shareholders.

10 male, 2 female (16.7% of officers are female)

Position	Name	Date of birth	Career summary	Term of office	Number of shares of the Company owned (thousands of shares) (Note 7)
Chairman of the Board	Yoshihito Yamada	November 30, 1961	April 1984 Joined the Company June 2008 Appointed Executive Officer, and President and CEO of OMRON HEALTHCARE Co., Ltd. March 2010 Appointed Senior General Manager of Corporate Strategic Planning HQ June 2010 Appointed Managing Executive Officer June 2011 Appointed Representative Director and President June 2013 Appointed CEO June 2023 Appointed Chairman of the Board (to present)	(Note 3)	66
Representative Director, President and CEO	Junta Tsujinaga	April 5, 1966	April 1989 Joined the Company March 2016 Appointed Senior General Manager of Product Business Division HQ, Industrial Automation Company April 2017 Appointed Executive Officer April 2019 Appointed Managing Executive Officer March 2021 Appointed Company President of Industrial Automation Company April 2023 Appointed President and CEO (to present) June 2023 Appointed Representative Director (to present)	(Note 3)	16
Representative Director, Executive Officer and Executive Vice President, CTO	Kiichiro Miyata	July 24, 1960	April 1985 Joined Tateisi Institute of Life Science, Inc. (currently OMRON HEALTHCARE Co., Ltd) March 2010 Appointed President and CEO of OMRON HEALTHCARE Co., Ltd. (Retired in March 2015) June 2010 Appointed Executive Officer of the Company June 2012 Appointed Managing Executive Officer April 2015 Appointed Chief Technology Officer (CTO) (to present) Appointed Senior General Manager of Technology & Intellectual Property HQ April 2017 Appointed Senior Managing Director June 2017 Appointed Representative Director (to present) March 2018 Appointed Senior General Manager of Innovation Exploring Initiative HQ April 2023 Appointed Executive Officer and Executive Vice President (to present)	(Note 3)	31

Position	Name	Date of birth	Career summary	Term of office	Number of shares of the Company owned (thousands of shares) (Note 7)
Director, Senior Managing Executive Officer, CHRO,CRO, Senior General Manager, Global Human Resources and Administration HQ	Masahiko Tomita	August 20, 1966	April 1989 Joined the Company March 2012 Appointed General Manager of Corporate Planning Department, Global Strategy HQ April 2014 Appointed Executive Officer March 2017 Appointed Senior General Manager of Global Human Resources and Administration HQ (Retired in September 2024) April 2019 Appointed Managing Executive Officer April 2023 Appointed Senior Managing Executive Officer and CHRO (to present) June 2023 Appointed Director (to present) March 2026 Appointed CRO (to present) Appointed Senior General Manager, Global Human Resources and Administration HQ (to present)	(Note 3)	15
Director	Shizuto Yukumoto	December 25, 1961	April 1985 Joined the Company April 2009 Appointed President & CEO of OMRON EUROPE B.V. June 2010 Appointed Executive Officer March 2012 Appointed Senior General Manager of Environmental Solutions Business HQ March 2014 Appointed Senior General Manager of Environmental Business HQ April 2014 Appointed Managing Executive Officer February 2017 Appointed Company President of Electronic and Mechanical Components Company (currently Device & Module Solutions Company) June 2023 Appointed Director (to present)	(Note 3)	19
Outside Director	Takehiro Kamigama	January 12, 1958	April 1981 Joined TDK Corporation June 2002 Appointed Corporate Officer of TDK Corporation June 2003 Appointed Senior Vice President of TDK Corporation June 2004 Appointed Director & Executive Vice President of TDK Corporation June 2006 Appointed President & Representative Director of TDK Corporation June 2016 Appointed Chairman & Representative Director of TDK Corporation June 2017 Appointed Outside Director of the Company (to present) June 2018 Appointed Mission Executive of TDK Corporation July 2021 Appointed Chief Consultant, Contemporary Ampere Technology Japan KK (to present)	(Note 3)	—

Position	Name	Date of birth	Career summary	Term of office	Number of shares of the Company owned (thousands of shares) (Note 7)
Outside Director	Izumi Kobayashi	January 18, 1959	April 1981 Joined Mitsubishi Chemical Industries Limited (currently Mitsubishi Chemical Corporation) June 1985 Joined Merrill Lynch Futures Japan Inc. December 2001 Appointed President and Representative Director of Merrill Lynch Japan Securities Co., Ltd. (currently BofA Securities Japan Co., Ltd.) November 2008 Appointed Executive Vice President of Multilateral Investment Guarantee Agency, The World Bank Group April 2015 Appointed Vice Chairperson of Japan Association of Corporate Executives June 2016 Appointed Governor of Japan Broadcasting Corporation June 2020 Appointed Outside Director of the Company (to present)	(Note 3)	3
Outside Director	Yoshihisa Suzuki	June 21, 1955	April 1979 Joined ITOCHU Corporation June 2003 Appointed Executive Officer of ITOCHU Corporation April 2006 Appointed Managing Executive Officer of ITOCHU Corporation April 2007 Appointed President (CEO) of ITOCHU International Inc. June 2012 Appointed Representative Director, President & CEO of JAMCO CORPORATION June 2016 Appointed Representative Director and Senior Managing Executive Officer of ITOCHU Corporation April 2018 Appointed President & Chief Operating Officer of ITOCHU Corporation April 2020 Appointed President & Chief Operating Officer and CDO・CIO of ITOCHU Corporation April 2021 Appointed Member of the Board and Vice Chairman of ITOCHU Corporation April 2022 Appointed Vice Chairman of ITOCHU Corporation June 2022 Appointed Outside Director of the Company (to present) April 2023 Appointed Senior Vice Representative for External Affairs, ITOCHU Corporation April 2024 Appointed Advisory Member of ITOCHU Corporation (to present)	(Note 3)	3
Audit & Supervisory Board Member	Toshio Hosoi	December 25, 1961	April 1984 Joined the Company April 2011 Appointed Managing Director and Senior General Manager of Solutions Business HQ of OMRON SOCIAL SOLUTIONS Co., Ltd. June 2011 Appointed Executive Officer of the Company March 2015 Appointed President and CEO of OMRON SOCIAL SOLUTIONS Co., Ltd. April 2015 Appointed Managing Executive Officer June 2023 Appointed Audit & Supervisory Board Member (to present)	(Note 4)	22

Position	Name	Date of birth	Career summary	Term of office	Number of shares of the Company owned (thousands of shares) (Note 7)
Audit & Supervisory Board Member	Hiroto Iwasa	January 27, 1966	April 1991 March 2013 March 2017 March 2021 April 2023 June 2025 Joined the Company Appointed CEO of Omron Healthcare (China) Appointed General Manager, Global HR Development Department of Global Human Resources and Administration HQ Appointed Senior General Manager, Board of Directors Office Appointed Executive Officer Appointed Audit & Supervisory Board Member (to present)	(Note 6)	8
Outside Audit & Supervisory Board Member	Hiroshi Miura	April 16, 1959	April 1985 August 1989 June 2006 July 2009 October 2013 July 2021 June 2024 Joined Eiwa Audit Corporation (currently KPMG AZSA LLC) Registered as Certified Public Accountant Appointed Representative Partner of KPMG AZSA & Co. (currently KPMG AZSA LLC) Seconded to KPMG London Office (Head of EMA Global Japanese Practice (GJP)) Appointed Executive Board Member of KPMG AZSA LLC Appointed Representative CPA of Global Management Advisory Office (to present) Appointed Outside Audit & Supervisory Board Member of the Company (to present)	(Note 5)	0
Outside Audit & Supervisory Board Member	Yumiko Ichige	March 13, 1961	April 1989 Dec. 2007 April 2009 April 2014 June 2025 Registered as attorney with Daini Tokyo Bar Association Joined IBM Japan, Ltd Appointed Partner, Nozomi Sogo Attorneys at Law (to present) Appointed Vice Chairman of Daini Tokyo Bar Association Appointed Executive Director of Japan Federation of Bar Associations Appointed Outside Audit & Supervisory Board Member of the Company (to present)	(Note 6)	0
Total					183

- Notes: 1. Directors Takehiro Kamigama, Izumi Kobayashi and Yoshihisa Suzuki are Outside Directors.
2. Audit & Supervisory Board Members Hiroshi Miura and Yumiko Ichige are Outside Audit & Supervisory Board Members.
3. The term of office is from the time of the conclusion of the 88th Ordinary General Meeting of Shareholders until the time of the conclusion of the 89th Ordinary General Meeting of Shareholders.
4. The term of office is from the time of the conclusion of the 86th Ordinary General Meeting of Shareholders until the time of the conclusion of the 90th Ordinary General Meeting of Shareholders.
5. The term of office is from the time of the conclusion of the 87th Ordinary General Meeting of Shareholders until the time of the conclusion of the 91st Ordinary General Meeting of Shareholders.
6. The term of office is from the time of the conclusion of the 88th Ordinary General Meeting of Shareholders until the time of the conclusion of the 92nd Ordinary General Meeting of Shareholders.
7. The above numbers of shares held include the effective number of shares held in the name of the OMRON Officers' Stock Ownership Plan. The effective number of shares owned as of May 31, 2026 is shown because the number of shares acquired by the OMRON Officers' Stock Ownership Plan for June 2026 cannot be confirmed as of the submission date (June 22, 2026).
8. The Company elects one Alternate Audit & Supervisory Board Member as prescribed in Article 329, paragraph (3) of the Companies Act in case of a vacancy in the number of Audit & Supervisory Board Members prescribed by law. The career summary of the Alternate Audit & Supervisory Board Member is as follows.

Name	Date of birth	Career summary	Number of shares of the Company owned (thousands of shares)
Toru Watanabe	February 2, 1966	April 1993 Registered as attorney with the Osaka Bar Association Joined Kitahama Partners (currently Kitahama Partners - Foreign Law Joint Enterprise) January 1998 Appointed Partner of Kitahama Partners (to present) January 2020 Appointed Representative of Kitahama Partners (Legal professional corporation) (to present) April 2025 Appointed Representative Partner of Kitahama Partners (to present)	—

(ii) Outside Officers

Outside Directors comprise one-third or more of the Board of Directors to strengthen oversight functions.

The Company currently has three Outside Directors and two Outside Audit & Supervisory Board Members.

1. Personal Relationships, Capital Relationships and Business Relationships Outside Directors and Audit & Supervisory Board Members Have with the Company

Mr. Yoshihisa Suzuki is the Advisory Member of ITOCHU Corporation. Although the OMRON Group and the ITOCHU Group have business relationships such as the sale of products, the percentage of the value of transactions was less than 1% of consolidated net sales for both the OMRON Group and the ITOCHU Group in fiscal 2025, and, as such, there are no issues with his independence. There are no other notable relationships between companies where Outside Executives hold significant concurrent positions and the Company.

The Outside Executives of the Company satisfy the “Independence Requirements for Outside Executives” (Note) specified by the Company, and all Outside Executives have been registered as Independent Officers because there is no risk of the occurrence of a conflict of interests with general shareholders.

Note: The Company’s “Independence Requirements for Outside Executives” are stated in “3. OMRON’s Independence Requirements for Outside Directors and Audit & Supervisory Board Members and Approach to the State of Election”

2. Functions and Roles of Outside Directors and Audit & Supervisory Board Members in OMRON’s Corporate Governance

Functions and Roles of Independent Outside Directors

- Independent Outside Directors perform the function of supervising execution, advisory functions and the function of supervising conflicts of interest based on their independent positions, in addition to reflecting the opinions of stakeholders in the Board of Directors.
- Independent Outside Directors exchange opinions on the Company’s management with the Audit & Supervisory Board.
- Independent Outside Directors demand information to the Company as needed to fulfill their roles.

Functions and Roles of Independent Outside Audit & Supervisory Board Member

- Independent Outside Audit & Supervisory Board Members provide appropriate opinions to the President and the Board of Directors based on their independent positions.
- Independent Outside Audit & Supervisory Board Members endeavor to actively establish an auditing environment including exercising their auditing authority pursuant to laws and regulations.

3. OMRON’s Independence Requirements for Outside Directors and Audit & Supervisory Board Members and Approach to the State of Election

Independence Requirements for Outside Directors and Audit & Supervisory Board Members

In addition to the requirements of Japan’s Companies Act, the Company has formulated its own “Independence Requirements for Outside Executives” and as we select all Outside Executives using these requirements as our standard, we judge them to be sufficiently independent, and register all of our Outside Executives as Independent Officers. When determining that all Outside Executives are Independent Officers, we consult with our Corporate Governance Committee (which is composed of Outside Executives and non-executive internal Directors) and confirm that the “Independence Requirements for Outside Executives” are appropriate as independence criteria for Outside Executives before they are resolved by the Board of Directors.

“Independence Requirements for Outside Executives” (Revised on February 5, 2026)

In selecting new Outside Executive nominees, the Company has set the following independence requirements to define relations between the OMRON Group and the nominees as well as companies or organizations to which they belong. Outside Executives shall maintain the following independence requirements after appointment as well, and if there is an appointment to a principal position, independence shall be reviewed based on these independence requirements by the Personnel Advisory Committee.

- a. Nominees for Outside Executives shall not be Directors (excluding Outside Directors), Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members, Executive Officers or employees of the OMRON Group ^(Note1)) and they shall not have been Directors (excluding Outside Directors), Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members), Executive Officers or employees of the OMRON Group in the past.
- b. They shall not have been large shareholders of the OMRON Group ^(Note2), or executive Directors, Statutory Executive Officers, Executive Officers or employees of a company in which the OMRON Group is a large shareholder in any of the past five fiscal years.
- c. They shall not be executive Directors, Statutory Executive Officers, Executive Officers or employees at significant transaction partners ^(Note3) of the OMRON Group.
- d. They shall not be executive Directors, Statutory Executive Officers, Executive Officers or employees of a corporation, organization, etc. receiving large donations ^(Note4) from the OMRON Group.
- e. Companies or organizations to which the nominee belongs must not have appointed designated executive Directors, Statutory Executive Officers or Executive Officers to the OMRON Group or vice versa.
- f. They shall not have been representative partners, staff members, partners or employees at the Accounting Auditors serving the OMRON Group in any of the past five fiscal years.
- g. They shall not be legal specialists, certified public accountants, consultants, etc., that receive large amounts of money ^(Note5) or other assets from the OMRON Group besides compensation of Directors or Audit & Supervisory Board Members.
- h. They shall not be a spouse, family member within the second degree of relationship, family member that lives in the same residence, or a dependent of any of the following parties.
 - (1) Directors, Audit & Supervisory Board Members, Executive Officers or principal employees ^(Note6) of the OMRON Group
 - (2) Parties that were Directors, Audit & Supervisory Board Members, Executive Officers or principal employees of the OMRON Group in any of the past five fiscal years
 - (3) Parties that are restricted from appointment based on items b. through g. above
- i. In addition, there shall be nothing questionable regarding the independence in performing duties as an Outside Executive.

Notes: 1. The above term 'OMRON Group' means OMRON Corporation and its subsidiaries.

2. A large shareholder refers to a company, etc. with a shareholding ratio exceeding 10% of total voting rights.

3. A significant transaction partner refers to a company whose payments or received transaction amount in business with the OMRON Group in the previous fiscal year and the past three fiscal years represent more than 2% of the consolidated net sales of the Group or the transaction partner (including its parent company and significant subsidiaries).

4. Large donations refer to donations of JPY 10 million per year or donations that represent more than 2% of the consolidated net sales or total income of the donation recipient, whichever amount is larger, based on the average for the past three fiscal years.

5. Large amounts of money refer to JPY 10 million per year in the cases of an individual or an amount that represents more than 2% of the consolidated net sales in the case of an organization based on the average for the past three fiscal years.

6. Principal employees refer to employees at the Senior General Manager level or above.

Status of Election and Reasons for Election of Outside Directors and Outside Audit & Supervisory Board Members

The reasons for the election of Outside Directors and Outside Audit & Supervisory Board Members as of the filing date of the Annual Securities Report (June 22, 2026) are as follows.

The Company has proposed the election of eight Directors and one substitute Audit & Supervisory Board Member as agenda items (matters for resolution) at the Ordinary General Meeting of Shareholders scheduled for June 23, 2026. Approval of these proposals will not result in any changes to Outside Directors or Outside Audit & Supervisory Board Members.

	Name	Reasons for election
Outside Director	Takehiro Kamigama	Having served in management positions at a global company, Outside Director Takehiro Kamigama has a considerable track record of management achievements and superior insight into innovation, technology, DX and IT, and appropriately supervises corporate management in the Medium-Term Roadmap SF 2nd Stage as an Outside Director with an aim of realizing the long-term vision SF2030. In addition, Mr. Kamigama shares his experience and insight as management expert, and actively comments as Chairman of the CEO Selection Advisory Committee and Corporate Governance Committee, and as a member of the Personnel Advisory Committee and Compensation Advisory Committee, to contribute to increasing transparency and fairness in the management of the Company. Based on these factors, the Company believes that he is a suitable person for supervising management for sustained improvements in corporate value and has therefore selected him as an Outside Director.
	Izumi Kobayashi	Outside Director Izumi Kobayashi has abundant experience and international insight cultivated through her service as a representative for private financial institutions and an international development financial institution. Furthermore, she has expertise in sustainability, ESG and diversity, and appropriately supervises corporate management in the Medium-Term Roadmap SF 2nd Stage as an Outside Director with an aim of realizing the long-term vision SF2030. In addition, Ms. Kobayashi shares her experience and insight as management expert, and actively comments as Chairman of the Personnel Advisory Committee, and as a member of the CEO Selection Advisory Committee, Corporate Governance Committee, and Compensation Advisory Committee to contribute to increasing transparency and fairness in the management of the Company. Based on these factors, the Company believes that she is a suitable person for supervising management for sustained improvements in corporate value and has therefore selected her as an Outside Director.
	Yoshihisa Suzuki	Having served in management positions at a global general trading company, Outside Director Yoshihisa Suzuki has a considerable track record of international management achievements and superior insight into innovation, technology, DX and IT, and appropriately supervises corporate management in the Medium-Term Roadmap SF 2nd Stage as an Outside Director with an aim of realizing the long-term vision SF2030. In addition, Mr. Suzuki shares his experience and insight as management expert, and actively comments as Chairman of the Compensation Advisory Committee and as a member of the CEO Selection Advisory Committee, Personnel Advisory Committee and Corporate Governance Committee to contribute to increasing transparency and fairness in the management of the Company. Based on these factors, the Company believes that he is a suitable person for supervising management for sustained improvements in corporate value and has therefore selected him as an Outside Director.
Outside Audit & Supervisory Board Member	Hiroshi Miura	Outside Audit & Supervisory Board Member Hiroshi Miura has years of international work experience both in Japan and overseas as a certified public accountant at auditing firms and has considerable knowledge regarding finance and accounting. He has expertise in international accounting standards, such as IFRS, and superior insight into governance and risk management. Based on these achievements and extensive experience, the Company believes that he is a suitable person for an Outside Audit & Supervisory Board Member and has therefore selected him as an Outside Audit & Supervisory Board Member.

	Name	Reasons for election
Outside Audit & Supervisory Board Member	Yumiko Ichige	Outside Audit & Supervisory Board Member Yumiko Ichige started out her career as a corporate attorney and possesses highly specialized expertise and work experience in the fields of corporate governance, including group governance, compliance, diversity, and intellectual property, which she gained through her experience as a lawyer. She has served as Outside Director and Outside Audit & Supervisory Board Member at multiple entities, including listed companies, and has served in various important positions at a bar association, a federation of bar associations, and public-interest corporations in the past. Based on these achievements and extensive experience, the Company believes that she is a suitable person for an Outside Audit & Supervisory Board Member and has therefore selected her as an Outside Audit & Supervisory Board Member.

(iii) Mutual Coordination between Supervision and Audits by Outside Directors and Audit & Supervisory Board Members and Internal Audits, Audits by Audit & Supervisory Board Members and Audits by the Accounting Auditor, and the Relationship with Internal Audit Divisions

As mentioned above, Outside Directors attend monthly meetings of the Board of Directors, are present at committee meetings, and supervise management, in addition to entering into annual dialogues with the Audit & Supervisory Board in order to exchange opinions on the Company's management. The internal audit department reports annually to Outside Directors with an annual summary of the fiscal year. In addition, Outside Directors hold a biannual meeting with the Accounting Auditor to exchange opinions, where they share their viewpoints and directly exchange risk information with the Company.

The situation with regard to Outside Audit & Supervisory Board Members is as described in "IV. Information about the Reporting Company 4. Corporate Governance, etc. (3) Status of Auditing."

(3) Status of Auditing

(i) Status of Auditing by Audit & Supervisory Board Members

1. Organization and Personnel

The Audit & Supervisory Board of the Company consists of four members, namely two Audit & Supervisory Board Members and two Outside Audit & Supervisory Board Members.

Audit & Supervisory Board Members are selected from candidates with appropriate experience and abilities, as well as the necessary experience in areas related to finance, accounting, and legal affairs. One criterion is that there be at least one person with considerable knowledge of finance and accounting in particular.

The Audit & Supervisory Board Office is staffed by employees with the necessary knowledge and abilities to assist the Audit & Supervisory Board Members in the performance of their duties. Personnel matters related to Audit & Supervisory Board Office staff require the consent of the Audit & Supervisory Board Members.

The composition of the Audit & Supervisory Board is as follows.

Name	Position	Appointed	Expert Knowledge
Toshio Hosoi	Audit & Supervisory Board Member	2023	Business experience related to New Business, innovation, DX and internal control
Hiroto Iwasa	Audit & Supervisory Board Member	2025	Corporate governance and personal development
Hiroshi Miura	Outside Audit & Supervisory Board Member	2024	Finance and accounting, corporate management, governance & risk management
Yumiko Ichige	Outside Audit & Supervisory Board Member	2025	Legal affairs, compliance, and diversity

Note: The career summaries of Audit & Supervisory Board Members as of the submission date of the Annual Securities Report are shown in the “IV. Information about the Reporting Company 4. Corporate Governance, etc. (2) Officers (i) List of Officers” item.

2. Operations of the Audit & Supervisory Board

The Audit & Supervisory Board resolves, deliberates, reports, and discusses important matters related to audits in accordance with the provisions of laws and regulations, the Articles of Incorporation, and the Regulations of the Audit & Supervisory Board. During the fiscal year under review, the Audit & Supervisory Board operated as follows. In addition to the Audit & Supervisory Board, we have set up informal meetings to promote free and open discussions and improve the effectiveness of the Audit & Supervisory Board.

Frequency	13 times. Prior to the meeting of the Board of Directors, it is held on a monthly basis and as needed		
FY2025 Attendance rate at meetings of the Audit & Supervisory Board	Position	Name	Attendance rate for the current fiscal year
	Audit & Supervisory Board Member	Toshio Hosoi	100% (13/13times)
	Audit & Supervisory Board Member	Hiroto Iwasa	100% (9/9times) (*)
	Audit & Supervisory Board Member	Shuji Tamaki	100% (4/4times) (*)
	Outside Audit & Supervisory Board Member	Hiroshi Miura	100% (13/13times)
	Outside Audit & Supervisory Board Member	Yumiko Ichige	100% (9/9times) (*)
	Outside Audit & Supervisory Board Member	Tadashi Kunihiro	100% (4/4times) (*)
Main matters discussed	Resolutions: 15 (Audit Implementation Report, Audit Policy and Plan, Audit Report of the Audit & Supervisory Board, Disclosure to Business Reports, Consent to the Appointment of Audit & Supervisory Board members, Evaluation of the Accounting Auditor and Consent to Audit Remuneration, etc.) Deliberations: 6 (Audit & Supervisory Board’s Evaluation of Effectiveness, Audit		

	Implementation Report, Audit Policy and Plan, etc.) Discussions: 1 (Distribution of remuneration for Audit & Supervisory Board Members) Reports: 32 (Status of job execution by Audit & Supervisory Board Members, reports on the Executive Council meetings (**), Report from Head of Global Internal Audit HQ, etc.)
Major themes of informal meeting	FY2025 Audit execution plans, Audit & Supervisory Board milestones through FY2030, vision for the Audit & Supervisory Board, the evolution of corporate governance, reports on the results of site visits and discussions with management
Time spent	Audit & Supervisory Board Meeting: 17 hours; Informal meetings: 17.5 hours

Notes: 1. Shuji Tamaki and Tadashi Kunihiro resigned and Hiroto Iwasa and Yumiko Ichige were appointed at the 88th Ordinary General Meeting of Shareholders held on June 24, 2025. Mr. Tamaki's and Mr. Kunihiro's attendance at the Audit & Supervisory Board meetings is prior to the 88th Ordinary General Meeting of Shareholders, and Mr. Iwasa's and Ms. Ichige's attendance at the 88th Ordinary General Meeting of Shareholders.

2. Executive Council meetings: Management Committee chaired by the president and attended by Executive Officers

3. Activities of Audit & Supervisory Board Members

In light of the transition to the Medium-Term Roadmap SF 2nd Stage, the Audit & Supervisory Board has newly established its mission, vision, and principles of conduct.

Mission	The Audit & Supervisory Board bears in mind its fiduciary responsibility to shareholders and works to secure the integrity of the OMRON Group toward sustainable enhancement of corporate value, and acts for the common interests of the shareholders.
Vision	1. Building on compliance audits (Audit Ver. 1.0) and risk-based audits (Audit Ver. 2.0), we identify the root causes of management issues, including those related to corporate culture, and propose solutions (Audit Ver. 3.0) (with a view to incorporating future-oriented audits (Audit Ver. 4.0) in the future). 2. We propose and promote the integrated establishment of “Management Audit (1)” and “Internal Control System (2)” (1) Proactive management audits that encourage risk-taking for growth (2) Establishing an internal control system that facilitates organic coordination of the three-way audits and addresses increasingly sophisticated risks
Principles of Conduct	1. By leveraging the “single-person system of Audit & Supervisory Board Members,” the “expertise of Outside Audit & Supervisory Board Members,” and the “information-gathering capabilities of full-time Audit & Supervisory Board Members,” we will work as a team to achieve results that contribute to the Company's sound growth. 2. Maintaining high ethical standards and integrity, we build relationships of trust through dialogue with management and frontline staff, and encourage proactive behavioral change. 3. Being mindful of the diverse perspectives of stakeholders, we identify the root causes of management issues and support actions that shape the future of management.

The following is an overview of the main activities and audit activities for priority audit items during the current fiscal year.

Priority Audit Matters	Overview of Audit Activities
Monitoring the progress of the structural reform program	In addition to attending important meetings, in fiscal 2025, Audit & Supervisory Board Members particularly expanded dialogue with the heads of key divisions of BCs, and confirmed the progress, results, and issues of structural reforms from the perspectives of “stopping,” “changing,” and “deciding” as an evaluation of management's decision-making ability.
Monitoring the progress of the medium- to long-term strategy	Through discussions at Board of Directors meetings, etc., the Audit & Supervisory Board reviewed the progress of the medium-term management plan and the issues, and considered the ideal governance structure for realizing the growth strategy.

Monitoring enhancement of the internal control system	Through the exchange of opinions with the CEO and the Director in charge, the Audit & Supervisory Board considered initiatives to strengthen the structure and confirmed the status of the establishment and implementation of the internal control system. Furthermore, a three-way audit meeting (Audit & Supervisory Board Members, Accounting Auditors, and internal audit division) was held quarterly to deepen the shared recognition of risks.
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(■ Attendance based on role ○ Attendance as observer △ Voluntary attendance)

	Main activities	Frequency	Audit & Supervisory Board Member	Outside Audit & Supervisory Board Member
(i)	Attendance at Board of Directors meetings	13 times	■	■
(ii)	Exchanged opinions with Directors	11 times	■	■
(iii)	Attendance at committee meetings (Corporate Governance Committee, Compensation Advisory Committee, etc.)	13 times	○	■
(iv)	Attendance at important company-wide meetings, including Executive Council meetings	12 times	○	△
(v)	Dialogue with the General Managers of BC (Business Companies) and the Heads of Major Divisions	44 times	■	■
(vi)	Visits by Audit & Supervisory Board Members (3 domestic companies, 17 overseas companies, 15 external companies)	35 companies	■	△
(vii)	Discussion and sharing of information with Global Internal Auditing Headquarters	22 times	■	△
(viii)	Discussion and sharing of information with Accounting Auditor	9 times	■	△

4. Status of Coordination With Global Internal Auditing Headquarters

Global Internal Auditing Headquarters verifies the development and operation status of the OMRON Group's internal controls from the following perspectives: "Effectiveness and efficiency of operations," "Reliability of financial reporting," "Compliance with laws and regulations related to business activities," and "Preservation of assets," evaluates the validity and effectiveness of risk management and provides advice and recommendations for improvement.

The Audit & Supervisory Board invite the head of Global Internal Auditing Headquarters to the monthly meeting to check the status of company-wide operational audits and internal control audits and exchange opinions.

5. Status of Coordination With the Accounting Auditor

The Audit & Supervisory Board meets regularly with the accounting auditors to be informed on the status of priority areas for auditing, procedures for dealing with risks, and the status of group audits, as well as matters discovered during the period. Finance and accounting manager and internal audit manager also participate in the regular meetings, which allow time for open discussion and a dynamic exchange of ideas.

Key Audit Matters (KAMs) were thoroughly reviewed by the accounting auditors, and Audit & Supervisory Board Members also discussed their findings in detail with the accounting auditor.

Audit & Supervisory Board Members further expanded deliberations on key issues and strengthened the sharing of risk perceptions at Three-way audit meeting (Audit & Supervisory Board Members, Accounting Auditors, and internal audit division)

The main reports and considerations in the audit of financial statements for the current fiscal year are as follows.

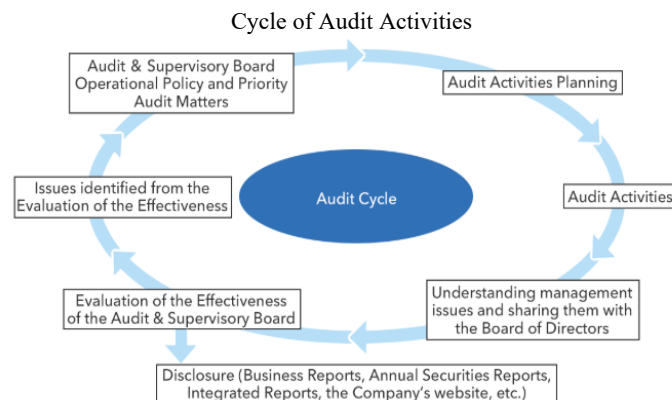
Main Reports and Considerations	Month											
	7	8	9	10	11	12	1	2	3	4	5	6
Basic Audit Policy and Audit Plan		■						■		■		
Priority Audit Domains and KAM		■			■			■		■	■	■
Interim Report, Interim Review, Audit Results and Opinions		■			■			■		■	■	■
J-SOX audits and internal control audits		■						■		■	■	■
Group Audits (Issues and Findings)					■			■			■	
Independence of Auditors (including non-assurance work)		■			■			■		■	■	■
Matters Concerning the Execution of Duties by the Accounting Auditor		■			■						■	
Three-way Audit Meetings			■		■			■	■		■	

6. Evaluation of Effectiveness of the Audit & Supervisory Board

■ Cycle of Audit Activities and Evaluation of Effectiveness

The Audit & Supervisory Board is working to enhance the effectiveness of the Audit & Supervisory Board Members by sharing and discussing management issues that each Audit & Supervisory Board member has identified through its annual activities and making recommendations to the Board of Directors. The effectiveness of these measures is evaluated at the end of the fiscal year.

Based on the evaluation results, the Audit & Supervisory Board formulates policies, priority audit items, and audit plans for the next fiscal year. In addition to the annual securities report, the evaluation results are also actively disclosed, such as in business reports, integrated reports, and on the Company's website.



■ Results of the Audit & Supervisory Board's Effectiveness Evaluation

The evaluation methodology involved confirming the degree of achievement of the Audit & Supervisory Board's priority audit items, mission, vision, and operational status. In addition, eight indicators were established to assess the evolution of the Audit & Supervisory Board from multiple perspectives: (1) appropriateness of the audit plan, (2) advancement of audit quality and methodologies, (3) quality of discussions at Audit & Supervisory Board meetings, (4) organizational insight, (5) integration with internal and external audits, (6) influence on and communication with the Board of Directors, (7) contribution to corporate value, and (8) enhancement of Audit & Supervisory Board effectiveness. Based on these indicators, the Audit & Supervisory Board Members conducted a self-assessment of the degree of achievement.

The Audit & Supervisory Board also received comments from the Board of Directors and took them into consideration.

After comprehensive evaluation of the status of initiatives for priority audit items, coordination among the Audit & Supervisory Board Members, and the status of dialogue with Directors and executive divisions, it was judged that the Company's Audit & Supervisory Board's effectiveness is generally ensured.

It was confirmed that information sharing and coordination among Audit & Supervisory Board Members are appropriately in place, that constructive dialogue with Directors and executive divisions is taking place, and that audits of the priority audit items are conducted appropriately as described in the table below.

Results of evaluation of the Audit & Supervisory Board's effectiveness for fiscal 2025 and focus areas

	Focus areas for fiscal 2025	FY2025 Audit & Supervisory Board Effectiveness Evaluation Results	Focus areas for fiscal 2026
Structural reform program / Medium- to long-term strategy	As the Company is implementing the structural reform program and medium- to long-term growth strategies, confirm the status of on-site reforms (especially, a customer-oriented organizational culture) from the perspectives of "stopping," "changing," and "deciding," etc.	- With regard to the structural reform program and medium- to long-term growth strategies, progress, results, and issues were grasped through the Board of Directors, etc., and the Audit & Supervisory Board had in-depth discussions. - Discussions were held with Directors on management issues grasped through on-site visits and dialogue with executive divisions, and the recognition of issues related to implementation capabilities and corporate culture was shared. - The Audit & Supervisory Board considered the ideal governance structure for realizing the growth strategy and made recommendations to the Board of Directors.	- Continue to monitor the issues following the structural reform program and confirm the effectiveness of the medium- to long-term strategy. - Regarding the management issues for which the recognition has been shared, confirm whether they contribute to behavioral changes on the executive side and to outcomes. - Express opinions from the perspective of strengthening governance toward evolution into a monitoring board.
Enhancement of the internal control system	Confirm the progress of organizational enhancement, such as clarification of the roles and responsibilities of executive divisions involved in the internal control system, the implementation status by executive divisions, and the effectiveness of the internal control system.	Discussions were held with the CEO and the Director in charge regarding the establishment of a structure based on the appointment of a CRO to enhance the internal control system, as well as the division of roles across each line of business and the strengthening of the first line (business execution divisions), and the basic approach and the outline were organized. In addition, to the method of coordination for the three-way audits and the future direction were shared among the three parties.	In line with the progress of the detailed design of the internal control system and the formulation and implementation of the execution plan, confirm whether each line is evolving and whether the system is becoming firmly established in day-to-day operations. In addition, monitor whether it contributes to business performance and risk mitigation.

(ii) Status of Internal Auditing

The Company's internal audit functions are handled by the head office Global Internal Auditing Headquarters (with a staff of 14 as of the submission date) under the guidance of the President, supervising Internal Audit offices established in each region of North America, Europe, Greater China and Asia-Pacific, and periodically implementing internal audits on accounting, operations and compliance from a risk management perspective. Internal audits are implemented at the departmental level, and the results are reported to the President and to the Audit & Supervisory Board periodically, with an annual summary report being submitted to the Board of Directors.

With regard to mutual coordination between internal audits, audits by Audit & Supervisory Board Members, and accounting audits, the head of the Global Internal Auditing Headquarters attends monthly meetings of the Audit & Supervisory Board to report audit results and exchange opinions on strengthening internal audits, and regular meetings with the Accounting Auditor are held to share information on each other's activities. The Global Internal Auditing Headquarters also coordinates on a regular basis with internal control divisions such as legal, accounting, and finance, sharing information on risk assessments and other matters, as appropriate.

The Global Internal Auditing Headquarters also lists countermeasures, monitoring, and other activities in relation to the significant Group risks identified by the Corporate Ethics & Risk Management Committee, visualizes company-wide residual risks, selects material residual risks, and conducts theme-based audits from a governance perspective.

In order to improve the completeness of internal audits, we make use of CAAT (Computer Assisted Audit Techniques) and periodically analyze global companywide accounting data and domestic decision making document data to identify deficiencies and risks and encourage improvement to each department.

Management candidates are seconded from divisions to the Global Internal Auditing Headquarters, and through audit activities they acquire a management perspective and sensitivity to risk in the expectation that they will make further contributions in future in their original divisions after these assignments end. This development program is implemented on an ongoing basis.

(iii) Status of Accounting Audit

1. Name of Audit Firm

Deloitte Touche Tohmatsu LLC

The Company has requested Deloitte Touche Tohmatsu LLC to perform accounting audits pursuant to the Companies Act and accounting audits pursuant to the Financial Instruments and Exchange Act, but there are no special interests between the Company and the audit firm or the engagement partners of the audit firm engaged in the audit.

Furthermore, steps are taken to ensure engagement partners of the audit firm are not involved in the Company's accounting audits for more than a specific period. The Company has concluded an audit agreement with the audit firm for auditing under the Companies Act and auditing under the Financial Instruments and Exchange Act, and pays compensation pursuant to this.

2. Continuous Audit Period

58 years

3. Names of Certified Public Accountants Engaged in Operations

Designated Limited Liability Partners, Engagement Partners: Yasuhiko Haga, Takeshi Kawazoi, Tomomi Tsuji

4. Composition of Assistants Involved in Audit Activities

37 certified public accountants, 12 persons who have passed the certified public accountant examination, and 37 others

5. Policy and Reason for Selection of the Audit Firm

The current Accounting Auditor was appointed because it was determined that it has the expertise, independence and internal management systems required as the Accounting Auditor of the Company, and also a system enabling an integrated audit of the Company's global activities.

The Audit & Supervisory Board determines the content of proposals on the dismissal or refusal of reappointment of the Accounting Auditor that are submitted to the General Meeting of Shareholders as necessary such as when the execution of duties of the Accounting Auditor is impeded. Furthermore, the Audit & Supervisory Board may dismiss the Accounting Auditor with the consent of all Audit & Supervisory Board Members if it is found that the Accounting Auditor falls under any of the items of Article 340, paragraph (1) of the Companies Act.

6. Evaluation of the Audit Firm by Audit & Supervisory Board Members and the Audit & Supervisory Board

The Audit & Supervisory Board monitors the independence and appropriateness of audits by the Accounting Auditor, receives audit plans and reports on the results, and works closely with the Audit & Supervisory Board to exchange information and opinions. The Audit & Supervisory Board conducts a questionnaire to the Audit & Supervisory Board Members at its regular quarterly meeting to evaluate and provide feedback to the Accounting Auditor. In addition, at the end of the fiscal year, we look back on each fiscal year in detail and comprehensively evaluate it with reference to the opinions of the internal audit and accounting departments. The advice received from the Accounting Auditor is reflected in the audit plan for the next fiscal year.

(iv) Content of Audit Fees, etc.

1. Audit fees for Certified Public Accountant, etc.

(JPY millions)

Classification	Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026	
	Fees for audit services	Fees for non-audit services	Fees for audit services	Fees for non-audit services
Reporting company	301	44	560	—
Consolidated subsidiaries	63	—	56	—
Total	364	44	616	—

Non-auditing services provided to the Reporting Company and consolidated subsidiaries in the previous fiscal year were primarily advisory services related to financial reporting. To ensure the independence of the Accounting Auditor, certain restrictions are placed on compensation for non-auditing services pursuant to the Company's own provisions

There were no non-audit services in Fiscal year ended March 31, 2026. The content of auditing services in the Reporting Company includes primarily advisory services related to comparative year under International Financial Reporting Standards (IFRS).

2. Audit fees for the Same Network as the Certified Public Accountant, etc. (Deloitte Touche Tohmatsu and Its Member Firms) (Excluding 1.)

(JPY millions)

Classification	Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026	
	Fees for audit services	Fees for non-audit services	Fees for audit services	Fees for non-audit services
Reporting company	—	—	—	—
Consolidated subsidiaries	594	6	604	3
Total	594	6	604	3

The content of non-auditing services in fiscal year ended March 31, 2025 is consolidated subsidiaries is primarily tax-related services. To ensure the independence of the Accounting Auditor, certain restrictions are placed on compensation for non-auditing services pursuant to the Company's own provisions.

The content of non-auditing services in fiscal year ended March 31, 2026 is consolidated subsidiaries is primarily tax-related services. To ensure the independence of the Accounting Auditor, certain restrictions are placed on compensation for non-auditing services pursuant to the Company's own provisions.

3. Content of Other Significant Audit Fees

Not applicable.

4. Policy for Determining Audit Fees

The Company's audit fees for the certified public accountant, etc. for audits is negotiated with the certified public accountant, etc. for audits based on the content of the audit such as the audit team, on-site audit content, number of audit days, etc. included in the annual audit plan, and determined with the consent of the Audit & Supervisory Board in accordance with the provisions of Article 399 of the Companies Act.

5. Reason for the Audit & Supervisory Board Consenting to the Compensation etc. for the Accounting Auditor

As a result of confirming and deliberating on the accounting audit plan for the fiscal year under review explained by the Accounting Auditor and relevant internal divisions, audit performance of the previous fiscal year, the status of execution of auditing by the Accounting Auditor and the grounds for calculation of compensation estimates, the Audit & Supervisory Board determined them to be appropriate, and consented to the amount of compensation, etc. of the Accounting Auditor.

(4) Officer Compensation

1. Details of Officer Compensation

[Director Compensation Policy]

(1) Basic Policy

- The Company shall provide compensation sufficient to recruit as directors exceptional people who are capable of putting the OMRON Principles into practice.
- The compensation structure shall be sufficient to motivate directors to contribute to sustainable enhancement of corporate value.
- The compensation structure shall maintain a high level of transparency, fairness, and rationality to ensure accountability to shareholders and other stakeholders.

(ii) Policy on Determination of Amounts of Compensation of Officers or the Method of Calculation Thereof

The Company has a Compensation Advisory Committee to increase objectivity and transparency with respect to the compensation of Directors. The Compensation Advisory Committee is composed of members the majority of whom are Outside Directors, and is chaired by an Outside Director. The Company determines the Compensation Policy for Directors by resolution of the Board of Directors based on discussions by and recommendations from the Compensation Advisory Committee. The amount of compensation for each Director is determined by resolution of the Board of Directors, within the scope of the aggregate amount of compensation, etc. for Directors set by resolution of the General Meeting of Shareholders, in light of discussions by and recommendations from the Compensation Advisory Committee based on the above policy. In addition, the amount of compensation for each Audit & Supervisory Board Member is determined by discussions among Audit & Supervisory Board Members, based on the Compensation Policy for Audit & Supervisory Board Members, which has been set forth through discussions among Audit & Supervisory Board Members, within the scope of the aggregate amount of compensation, etc. for Audit & Supervisory Board Members set by resolution of the General Meeting of Shareholders.

The maximum limits of compensation resolved by the General Meeting of Shareholders are as follows:

	Base salary for Directors	Short-term performance-linked compensation (bonuses)	Medium-to-long-term performance-linked compensation (stock compensation)	Base salary for Audit & Supervisory Board Members
Upper limit	JPY35 million per month	JPY600 million per year	Maximum contribution amount: JPY1.6 billion Maximum number of shares: 534,000 (Note)	JPY11 million per month
Date of resolution	June 27, 2000: Resolution of the 63rd Ordinary General Meeting of Shareholders	June 19, 2018: Resolution of the 81st Ordinary General Meeting of Shareholders	June 24, 2025: Resolution of the 88th Ordinary General Meeting of Shareholders	June 19, 2018: Resolution of the 81st Ordinary General Meeting of Shareholders
Number of individuals covered by the resolution	7	5	8	4

Note: A resolution was made to set the maximum limits, for the two fiscal years from fiscal 2025 to fiscal 2026, on the amount of money to be contributed by the Company and on the number of shares to be granted to eligible persons and delivered, and for which the proceeds from their sale will be paid (hereinafter referred to as “granting, etc.”).

Overview of Compensation Structure for Directors

(1) Compensation Composition Ratio

Compensation for Directors and Executive Officers consists of a base salary (fixed compensation) and compensation according to Company performance, namely short-term performance-linked compensation (bonuses) and medium-to-long-term, performance-linked compensation (stock compensation). The ratio of compensation consisting of performance-linked compensation compared to base salary has been determined for each role:

$$\text{Base salary} : \text{Short-term performance-linked compensation (bonuses)} : \text{Medium-to-long-term, performance-linked compensation (stock compensation)} = 1 : 1 : 1.7^*$$

* Referring to President and CEO, the ratio is based on the assumption that the performance targets are set as 100% for each performance-linked compensation

(2) Base Salary

A base salary is paid monthly to Directors and Executive Officers as fixed compensation. Base salaries are determined for each role by taking into account the salary levels of officers at other companies (benchmarked companies of the same industry and scope selected by the Compensation Advisory Committee), as surveyed by a specialized outside organization.

(3) Short-Term Performance-Linked Compensation (Bonuses)

Bonuses are paid as a lump sum after the fiscal year concludes to Directors excluding Outside Directors as short-term performance-linked compensation, which is linked to yearly performance indicators and the degree of achievement of performance targets. Director bonuses vary according to the achievement of operating income, net income, and ROIC targets defined in the annual operating plan.

$$\text{Base amount for each position} \times \left(\text{Performance score (Operating income 50\%, net income 50\%)} \times \text{ROIC score} \right) = \text{Short-term performance-linked compensation (bonuses)}$$

(4) Medium-to-Long-Term, Performance-Linked Compensation (Stock Compensation)

Stock compensation is paid as medium-to-long-term, performance-linked compensation to Directors. Stock compensation comprises the performance-linked component (60%), which is linked to the degree of achievement of the performance targets for the covered period, and the non-performance-linked component (40%), which aims for retention and motivation to improve share prices over the medium- to long-term, and is paid under the condition of a certain term of service. (Outside Directors receive non-performance-linked compensation only.) Stock component is paid after the Director retires.

The performance-linked component varies within a certain range depending on the degree of achievement of performance targets, etc., in the covered period.

$$\text{Base amount for each position} \times \left(\text{Corporate value evaluation: 80\%} + \text{Sustainability evaluation: 20\%} \right) = \text{Performance-linked component}$$

(5) Performance Indicators of Performance-Linked Compensation

The performance indicators for short-term performance-linked compensation (bonuses) were set from the short-term management plan's indicators for financial targets. The performance indicators for medium- to long-term performance-linked compensation (stock compensation) were set from the indicators for corporate value evaluation and sustainability evaluation toward the realization of medium- to long-term, sustainable corporate development.

Compensation Policy for Audit & Supervisory Board Members

1) Basic Policy

- Compensation shall be sufficient to recruit exceptional people who are capable of performing the duties of Audit & Supervisory Board Members entrusted by shareholders.
- The compensation structure shall maintain a high level of transparency, fairness, and rationality to ensure accountability to shareholders and other stakeholders.

2) Structure of Compensation

- Compensation for Audit & Supervisory Board Members shall consist of a base salary only, reflecting their roles and the need for maintaining independence.

3) Base Salary

- The amount of a base salary, paid monthly, shall be determined by taking into account the salary levels of other companies, as surveyed by a specialized outside organization.

4) Governance of Compensation

- The amount of compensation for each Audit & Supervisory Board Member shall be determined through discussions by Audit & Supervisory Board Members.

For more information on Officer Compensation, please refer to the website below.

<https://www.omron.com/global/en/about/corporate/governance/compensation/>

2. Determination of Performance-Linked Compensation for Fiscal Year 2025 (From April 1, 2025 to March 31, 2026)

• Short-term performance-linked compensation (bonuses)

The amount of short-term performance-linked compensation (bonuses) is calculated based on the targets and actual results of operating income, net income attributable to OMRON shareholders, and ROIC for the 89th term (fiscal year ended March 31, 2026), and determined by resolution of the Board of Directors based on discussions by and recommendations from the Compensation Advisory Committee. See the table below for the target and actual values of each indicator. Results for each indicator include DMB (Devices & Module Solutions Business), a discontinued operation.

	Target	Actual
Operating income (JPY billions)	600	636
Net income attributable to shareholders (JPY billions)	290	285
Return on invested capital (ROIC) (%)	3.0	3.0

• Medium-to-Long-term, Performance-Linked Compensation (Stock Compensation)

We calculated the amount of stock compensation for each Director based on targets and results for a corporate value indicators (relative TSR) and sustainability indicators (greenhouse gas emissions reduction and engagement survey indicators) from fiscal 2025 to fiscal 2026. The Board of Directors determines the amount by resolution after considering the deliberations and recommendations of the Compensation Advisory Committee.

The table below shows the target values for each indicator.

	Evaluation weight	Evaluation Indicators	Target value (for the end of FY2026)
Corporate value evaluation	80%	Relative TSR ^(Note 1)	100%
Sustainability evaluation	20%	Reduction of greenhouse gas emissions (internal target)	Down 33% ^(Note 2) from FY2016
		Employee engagement score (global) ^(Note 3) of the employee engagement survey ^(Note 4) Evaluation based on the average of the results for FY2025 and FY2026	67.5 points

Notes: 1. Indicator that compares total shareholder return (TSR) of OMRON in the covered period to the percentage change of TOPIX, dividends included (Relative TSR = TSR ÷ Percentage change of TOPIX, dividends included)

2. The reduction ratio has been recalculated based on the new standards following a review of the scope of data included in the base year.

3. The “employee engagement score (global)” is the average percentage of positive responses in the three categories, “fulfilment,” “inclusion,” and “well-being,” (a total of 9 questions) of the employee engagement survey VOICE, multiplied by 100.

4. A survey designed to measure the level of employee engagement and the factors that influence it

3. The Content of Officer Compensation, Etc. for the Fiscal Year Ended March 31, 2026 is as Follows.

(i) Total amount of compensation by officer type, total amount by type of compensation, and number of eligible officers

Officer type	Total amount of compensation, etc. (JPY millions)	Total amount by type of compensation (JPY millions)			Number of eligible officers
		Base salary	Short-term performance linked compensation (bonuses)	Medium-to long-term, performance linked compensation (stock compensation)	
Directors (Excluding Outside Directors)	1,051 [452]	297	302	452 [452]	5
Audit & Supervisory Board Members (Excluding Outside Audit & Supervisory Board Members)	84	84	—	—	3
Outside Directors	67 [11]	56	—	11 [11]	3
Outside Audit & Supervisory Board Members	36	36	—	—	3
Total amount	1,238 [463]	473	302	463 [463]	14

Notes: 1. The figures in brackets indicate the amounts of non-monetary compensation included in total compensation.

With respect to stock compensation, points are granted to Directors based on a prescribed formula, and the Company's shares corresponding to such points are delivered by the trust at a predetermined time. The amount of stock compensation represents the expense recognized for the points granted during the fiscal year under review.

2. The amounts include compensation paid to two (2) Audit & Supervisory Board Members who retired at the close of the 88th Ordinary General Meeting of Shareholders held on June 24, 2025.

(ii) Total Amount of Compensation, Etc. for Persons Whose Total Compensation, Etc. Is JPY100 Million or More

Name (Officer type)	Total amount of compensation, etc.	Company	Total amount by type of compensation		
			Base salary	Short-term performance linked compensation (bonuses)	Medium-to long-term, performance linked compensation (stock compensation)
Yoshihito Yamada (Director)	240 [101]	Omron Corporation	77	61	101 [101]
Junta Tsujinaga (Director)	369 [178]	Omron Corporation	83	109	178 [178]
Kiichiro Miyata (Director)	190 [74]	Omron Corporation	57	60	74 [74]
Masahiko Tomita (Director)	142 [55]	Omron Corporation	42	45	55 [55]
Shizuto Yukumoto (Director)	107 [45]	Omron Corporation	35	27	45 [45]

Notes: 1. The amounts of medium-to-long-term, performance-linked stock compensation are the amounts of expenses recorded for points granted in the fiscal year ended March 31, 2026.

2. Amounts of compensation, etc. in brackets are non-monetary compensation, etc.

(5) Status of Shareholdings

(i) Standard and Approach for the Classification of Investment Shares

The Company does not hold shares for pure investment purposes and all shares are classified as equity investments for purposes other than pure investment. “Pure investment” means that the sole purpose is to earn profit from fluctuations in the value of stocks or dividends related to stocks. All other shares are deemed as being held for purposes other than pure investment.

(ii) Investment Shares Held for Any Purpose Other Than Pure Investment

1. Method of examining shareholding policies and the rationale of shareholdings, and details related to verifying the appropriateness of holdings of specific shares by the Board of Directors

The Company will only hold shares for the purpose of further collaboration to create social value, thereby sustainably enhancing the Company’s corporate value.

Moreover, specific investment shares that are held for purposes other than pure investment shall be examined from a medium- to long-term perspective regarding their purpose and the rationale for holding them. The Board of Directors will annually review the appropriateness of holding these shares. In verifying the appropriateness of holding the shares, the Company will consider the status of collaboration with the investee company, the impact on the business, the ROE of the investee company, and the contribution of transactions to Company profits. Upon review, the Company will proceed with the sale of shares for which the purpose and rationale of holding them is weak, while considering the impact on the business and the market. With regard to the exercise of voting rights, the Committee for Exercising Voting Rights, chaired by the CFO, shall comprehensively assess the pros and cons of the voting rights from the viewpoint of improving the corporate value of the investee company over the medium to long term, and engage in dialogue with the investee company as necessary.

The ratio of investment shares held for purposes other than net investment to net assets on the consolidated balance sheet decreased significantly from 10.2% as of March 31, 2015 to 0.2% as of March 31, 2026.

2. Number of issues and the amount recorded on the balance sheet

	Number of issues (issues)	Total amount recorded on the balance sheet (JPY millions)
Unlisted shares	39	2,062
Shares other than unlisted shares	—	—

(Issues whose number of shares increased in the current fiscal year)

	Number of issues (issues)	Total amount of acquisition value related to increase in number of shares (JPY millions)	Reason for increase in number of shares
Unlisted shares	1	3	Transfer from a subsidiary
Shares other than unlisted shares	—	—	Not applicable

(Issues whose number of shares decreased in the current fiscal year)

	Number of issues (issues)	Total amount of sale value related to decrease in number of shares (JPY millions)
Unlisted shares	—	—
Shares other than unlisted shares	1	39

3. Information on the number and balance sheet figures of specific investment shares and deemed shares held for each issue

Issue	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Purpose of holding, quantitative effect of holding and reasons for increase in number of shares	Holding of the Company's shares
	Number of shares	Number of shares		
	Amount recorded on the balance sheet (JPY millions)	Amount recorded on the balance sheet (JPY millions)		
Mental Health Technologies Co., Ltd.	—	49,200	Held with the objective of co-creating solutions, in the healthcare data business, for the area of mental health care. All stocks were sold.	No
	—	43		

Deemed Shares Held

Issue	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Purpose of holding, quantitative effect of holding and reasons for increase in number of shares	Holding of the Company's shares
	Number of shares	Number of shares		
	Amount recorded on the balance sheet (JPY millions)	Amount recorded on the balance sheet (JPY millions)		
Kyoto Financial Group, Inc.	2,112,368	6,112,368	- The Company contributed shares to a retirement benefit trust and has the right to direct the exercise of voting rights. - Quantitative effect of holding (Note 3)	Yes
	8,578	13,909		
SCREEN Holdings Co., Ltd.	85,000	341,434	- The Company contributed shares to a retirement benefit trust and has the right to direct the exercise of voting rights. - Quantitative effect of holding (Note 3)	Yes
	1,520	3,276		
Konica Minolta, Inc.	621,000	621,000	- The Company contributed shares to a retirement benefit trust and has the right to direct the exercise of voting rights. - Quantitative effect of holding (Note 3)	No
	319	312		
Mitsubishi UFJ Financial Group, Inc.	—	3,349,000	The Company contributed shares to a retirement benefit trust and has the right to direct the exercise of voting rights. All stocks were sold.	Yes
	—	6,735		
ROHM Co., Ltd.	—	1,872,000	The Company contributed shares to a retirement benefit trust and has the right to direct the exercise of voting rights. All stocks were sold.	Yes
	—	2,674		
Sumitomo Mitsui Financial Group, Inc.	—	205,800	The Company contributed shares to a retirement benefit trust and has the right to direct the exercise of voting rights. All stocks were sold.	Yes
	—	781		

Notes: 1. When calculating the largest equity holdings in value terms as recorded on the balance sheet, specific investment shares and deemed shares are not included.

2. As the total number of specific investment shares and deemed shares is less than 60 issues, all holdings are shown here.

3. For reasons pertaining to business, the quantitative effects of the deemed shares held are not disclosed. However, the rationale behind the holdings has been reviewed in a similar manner to that of specific investment shares, and it has been determined to be sufficient.

(iii) Investment Shares Owned for Pure Investment Purposes

Not applicable.

(Reference) The status of specific investment shares and deemed shares of the Group as of the end of the current fiscal year is as follows.

• Specific investment shares and deemed shares (Consolidated)

	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025
	Number of issues (issues)	Number of issues (issues)
	Total amount recorded on the balance sheet (JPY millions)	Total amount recorded on the balance sheet (JPY millions)
Specific investment shares	2	4
	17,576	2,402
Deemed shares	9	12
	12,561	29,840

Note: The amount recorded on the balance sheet increased compared with the previous fiscal year as previously held unlisted shares became publicly listed.

5. Employees

(1) Basic Policy on Human Capital Strategy, etc.

(i) Basic Policy on Human Capital Strategy

Our basic policy on the Group human capital strategy is described in “II. Business Conditions 2 Fundamental Policy and Initiatives for Sustainability, (2) Initiatives related to human capital.”

(ii) Policy for Determining Compensation for Employees of Consolidated Companies

The OMRON Group aims to maximize corporate value and achieve sustainable growth of people and organizations under SF2030. With this goal in mind, we have established a compensation system based on a policy of providing fair and reasonable treatment that reflects the roles, responsibilities, and achievements of each employee and encourages sustained motivation for career development and results achievement.

We determine salaries based on the scope of each employee's roles and responsibilities, achievements against objectives, and behavior and expertise that support sustainable growth. We also take into account social and inflation trends and external labor market benchmarks. Compensation is determined based on evaluation results regardless of age, length of service, gender, nationality, or other attributes.

The design of these systems does not differentiate based on gender. Employees with the same role and evaluation results receive the same compensation regardless of gender under the compensation system. The primary reason for the difference in compensation between male and female regular employees (75.1% for OMRON Corporation on a standalone basis) is the relatively low representation of women in higher-level positions, which generally carry higher compensation.

We will continue reforming our evaluation and compensation systems so that employees are appropriately rewarded based on their roles, responsibilities, and achievements and further encourage each employee to take on new challenges proactively in support of the business growth set out in our roadmap. We will also provide timely and dynamic opportunities for employees who take the initiative to meet new challenges. We will generously reward those employees who deliver outstanding performance.

(2) Employees

(i) Information About the Consolidated Companies

As of March 31, 2026

Segment	Employees (persons)
Industrial Automation Business	8,778
Healthcare Business	4,004
Social Systems, Solutions and Service Business	2,311
Device & Module Solutions Business (Discontinued operations)	6,122
Data Solution Business	2,603
Head Office	2,232
Total	26,050

Note: The number of employees is the number of workers (excluding those seconded to the Group from outside the Group, including those who are seconded from outside the Group to the Group).

(ii) Information About the Reporting Company

As of March 31, 2026

Employees (persons)	Average age (years old)	Average years of service (years)	Average annual salary (JPY thousands)	Year-on-year change in average annual salary(%)
3,855	44.5	14.8	8,882	8.3

Notes: 1. The number of employees is the number of workers (excluding those seconded from the Company to outside the Company, including those who are seconded from outside the Company to the Company).

2. Average annual salary includes bonuses and nonstandard wages.

As of March 31, 2026

Segment	Employees (persons)
Industrial Automation Business	2,105
Healthcare Business	—
Social Systems, Solutions & Service Business	—
Device & Module Solutions Business (Discontinued operations)	741
Data Solution Business	67
Head Office	942
Total	3,855

Note: The number of employees is the number of workers (excluding those seconded from the Company to outside the Company, including those who seconded from outside the Company to the Company).

(iii) Labor Union

As of March 31, 2026

Name	Omron Group Trade Unions Association (Japanese Electrical Electronic & Information Union)
Year of formation	April 1978
Union members (persons)	6,145

There are no notable matters between the Company and the labor union.

(iv) Indicators Related to Diversity

The Company

Current fiscal year				
Percentage of female workers in managerial positions (%) (Note 1)	Male workers Childcare leave acquisition rate (%) (Note 2)	Difference in wages between male and female workers (%) (Note 1) (Note 4)		
		All workers	Regular Employee	Part-time/fixed-term workers
13.4	86.2	76.2	75.1	65.0

Consolidated Subsidiaries

Current fiscal year					
Name	Percentage of female workers in managerial positions (%) (Notes) 1.	Male workers Childcare leave acquisition rate (%) (Note 2)	Difference in wages between male and female workers (%) (Notes) 1.		
			All workers	Regular Employee	Part-time/fixed-term workers
OMRON HEALTHCARE Co., Ltd.	7.5	60.0	73.7	72.4	70.3
OMRON SOCIAL SOLUTIONS Co., Ltd.	9.1	85.7	71.2	68.5	89.0
OMRON FIELD ENGINEERING Co., Ltd.	4.4	100.0	71.6	76.3	48.2
OMRON DIGITAL Co., Ltd.	11.6	84.6	78.2	76.8	74.2
OMRON ASO Co., Ltd.	4.3	80.0	63.6	64.7	70.0
OMRON RELAY AND DEVICES CO., LTD.	18.2	80.0	61.0	72.3	58.2
OMRON AMUSEMENT Corporation.	0.0	33.3	56.8	64.5	64.3
F.A. TECHNO Co., Ltd.	0.0	*	71.6	68.4	*
OMRON KIRIN TECHNOSYSTEM Co., Ltd.	10.3	100.0	74.8	73.6	88.4
OMRON EXPERT LINK Co., Ltd.	24.0	*	65.8	76.6	63.1
OMRON Expert Engineering Co., Ltd.	—	100.0	71.3	86.0	70.0
iCARE Co., Ltd.	34.8	66.7	54.0	69.7	36.3
JMDC Inc.	15.6	78.6	68.3	70.9	227.4
NS LIYANDO Co., Ltd.	39.1	0.0	95.8	97.1	150.5
CANCER SCAN Inc.	11.8	83.3	68.8	71.2	69.0
DOCTOR NET Inc.	16.7	80.0	65.6	73.0	*
NS INNOVATIONS CO., LTD.	22.2	*	55.0	67.9	32.0
HERO INNOVATION Inc.	0.0	100.0	65.1	72.0	93.9
Dream Catcher Inc.	20.0	0.0	87.8	88.4	99.6

(Note) 1 Calculation based on the provisions of the Act on Promotion of Women's Participation and Advancement in the Workplace (Act No. 64 of 2015). This includes the submitting company and consolidated subsidiaries with 101 or more full-time employees. Please note that "-" indicates that the number of workers counted at the company of origin.

2 Based on the provisions of the "Law concerning the Welfare of Workers Who Take Care of Children or Other Family Members, Including Child Care Leave and Family Care Leave" (Law No. 76 of 1991), the rate of child care leave taken is calculated under Article 71-6, Item 1 of the "Ordinance for Enforcement of the Law concerning the Welfare of Workers Who Take Care of Children or Other Family Members, Including Child Care Leave and Family Care Leave" (Ministry of Labor Ordinance No. 25 of 1991). This includes the submitting company and consolidated subsidiaries with 101 or more full-time employees.

3 "*" indicates that no employees are eligible.

4 With regard to the gender wage gap, the Act on Promotion of Women's Participation and Advancement in the Workplace (Act No. 64 of 2015) requires disclosure of information for companies with 301 or more full-time employees. However, we have gone beyond the legal requirement and disclosed information for consolidated subsidiaries with 101 or more full-time employees.

V. Financial Information

1. Methods for Preparation of Consolidated and Non-consolidated Financial Statements

- (i) The Company's consolidated financial statements are prepared in accordance with the accounting principles generally accepted in the United States of America, pursuant to Paragraph 3, Supplementary Provisions of the "Cabinet Office Ordinance for Partial Revision of the Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements", the Ordinance of the Cabinet Office No. 11 of 2002.
- (ii) The Company's non-consolidated financial statements are prepared under the "Regulations Concerning Terminology, Forms and Preparation Method of Financial Statements" (Ministerial Ordinance No. 59 of the Ministry of Finance of 1963; hereinafter referred to as "Financial Statements Regulations").
In addition, the Company falls under the category that requires it to submit special financial statements. As such, it prepares financial statements in accordance with the provisions of Article 127 of the Financial Statements Regulations.

2. Audit Certification

Under the provision of Article 193-2, paragraph (1) of the Financial Instruments and Exchange Law, the Company received an audit of consolidated financial statements for the fiscal year (from April 1, 2025 to March 31, 2026) and the non-consolidated financial statements for the fiscal year (from April 1, 2025 to March 31, 2026) by Deloitte Touche Tohmatsu LLC.

3. Special Efforts to Ensure the Appropriateness of Consolidated Financial Statements

The Company makes special efforts to ensure the appropriateness of its consolidated financial statements. To be specific, in order to gain a proper understanding of accounting standards and maintain a system to ensure the appropriateness of consolidated financial statements, the Company has joined the Financial Accounting Standards Foundation and attends trainings provided by the Accounting Standards Board of Japan.

1. Consolidated Financial Statements, etc.

(1) Consolidated Financial Statements

(i) Consolidated Balance Sheets

		JPY millions			
		March 31,			
ASSETS	Note Number	2025	%	2026	%
CURRENT ASSETS:					
Cash and cash equivalents	(Note I-C, F, II-Y)	131,951		166,541	
Notes and accounts receivable – trade	(Note II-A, E, Y)	157,718		169,633	
Allowance for doubtful receivables	(Note I-F)	(877)		(1,047)	
Inventories	(Note I-F, II-B, Y)	140,773		154,215	
Current assets of discontinued operations	(Note I-B, II-Y)	67,687		127,242	
Other current assets	(Note II-A, S, T, U)	42,461		59,524	
Total current assets		539,713	39.6	676,108	44.6
PROPERTY, PLANT, AND EQUIPMENT, NET:	(Note I-B, F, II-F, H, U, Y)	97,658	7.2	103,072	6.8
INVESTMENTS AND OTHER ASSETS:					
Right-of-use assets under operating leases	(Note I-F, II-J, Y)	39,342		44,649	
Goodwill	(Note I-B, F, II-G, U)	361,065		374,211	
Other intangible assets	(Note I-B, F, II-G)	114,344		130,375	
Investments in and advances to affiliates	(Note I-D, II-D)	15,799		13,034	
Investment securities	(Note I-B, F, II-C, U)	41,107		48,665	
Leasehold deposits		7,175		7,110	
Prepaid pension costs	(Note I-B, F, II- K)	64,247		97,218	
Deferred income taxes	(Note I-F, II-O, Y)	24,122		14,067	
Long-term assets of discontinued operations	(Note I-B, II-Y)	49,456		—	
Other assets		8,431		7,754	
Total investments and other assets		725,088	53.2	737,083	48.6
TOTAL		1,362,459	100.0	1,516,263	100.0

		JPY millions March 31,			
<u>LIABILITIES AND NET ASSETS</u>	<u>Note Number</u>	<u>2025</u>	<u>%</u>	<u>2026</u>	<u>%</u>
CURRENT LIABILITIES:					
Notes and accounts payable – trade	(Note II-Y)	78,020		86,677	
Short-term debt	(Note II-I)	20,372		121,668	
Accrued expenses	(Note II-Y)	39,950		44,120	
Income taxes payable		5,463		10,063	
Short-term operating lease liabilities	(Note I-F, II-J, Y)	11,490		12,521	
Current liabilities of discontinued operations	(Note I-B, II-Y)	25,341		40,553	
Other current liabilities	(Note I-B, F, II-A, K, N, O, S, T, U, V)	52,858		54,647	
Total current liabilities		233,494	17.1	370,249	24.4
DEFERRED INCOME TAXES	(Note I-F, II-O, Y)	13,752	1.0	14,403	0.9
TERMINATION AND RETIREMENT BENEFITS	(Note I-B, F, II-K)	6,969	0.5	4,952	0.3
LONG-TERM DEBT	(Note II-I, S)	119,088	8.7	75,910	5.0
LONG-TERM OPERATING LEASE LIABILITIES	(Note I-F, II-J, Y)	27,041	2.0	31,110	2.1
LONG-TERM LIABILITIES OF DISCONTINUED OPERATIONS	(Note I-B, II-Y)	9,411	0.7	—	—
OTHER LONG-TERM LIABILITIES	(Note II-A, N, V)	18,272	1.4	19,077	1.3
Total liabilities		428,027	31.4	515,701	34.0
NET ASSETS:	(Note I-B, F, II-L)				
Common stock, no par value:					
authorized, 487,000,000 shares in 2025 and 2026;					
issued, 206,244,872 shares in 2025 and 2026		64,100	4.7	64,100	4.2
Capital surplus		100,161	7.4	99,932	6.6
Legal reserve		29,471	2.1	32,313	2.1
Retained earnings		550,485	40.4	555,680	36.6
Accumulated other comprehensive income	(Note I-F, II-R)	97,632	7.2	154,358	10.2
Treasury stock, at cost, 9,350,366 shares and 9,615,476 shares in 2025 and 2026, respectively (Note)	(Note I-C)	(69,964)	(5.1)	(70,498)	(4.6)
Total		771,885	56.7	835,885	55.1
Noncontrolling interests		162,547	11.9	164,677	10.9
Total net assets		934,432	68.6	1,000,562	66.0
TOTAL		1,362,459	100.0	1,516,263	100.0

Notes: 1. The number of treasury stocks includes 518,391 shares and 735,330 shares of the Company's shares held as BIP Trust or an ESOP Trust at the end of March 31, 2025 and 2026, respectively.

2. The Company classified the DMB (Devices & Module Solutions Business) as a discontinued operation. Accordingly, we have reclassified the consolidated balance sheets for the previous fiscal year. For more details on the discontinued operation, see (Note II-Y).

(ii) Consolidated Statements of Income

		JPY millions			
		Year Ended March 31,			
	Note Number	2025	%	2026	%
NET SALES	(Note I-F, II-A)	715,379	100.0	767,351	100.0
COSTS AND EXPENSES:	(Note II-J, P)				
Cost of sales	(Note II-R)	385,092		416,350	
Selling, general and administrative expenses	(Note I-F, II-Z)	236,881		245,398	
Research and development expenses	(Note II-N)	39,960		45,668	
Restructuring expenses	(Note II-H, K, W)	23,795		2,617	
Loss on impairment of goodwill	(Note II-G)	11,725		—	
Other expense (income), net	(Note I-F, II-C, H, K, M, N, R, T)	(15,205)		4,747	
Total		682,248	95.4	714,780	93.1
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND EQUITY IN LOSS OF AFFILIATES		33,131	4.6	52,571	6.9
INCOME TAXES	(Note I-F, II-O, R)	15,356	2.1	13,466	1.8
SHARE OF LOSS OF ENTITIES ACCOUNTED FOR USING EQUITY METHOD	(Note I-D)	679	0.1	2,123	0.3
INCOME FROM CONTINUING OPERATIONS LOSS FROM DISCONTINUED OPERATIONS	(Note I-B, II-Y)	17,096 (2,223)	2.4 (0.3)	36,982 (5,705)	4.8 (0.7)
NET INCOME		14,873	2.1	31,277	4.1
NET INCOME (LOSS) ATTRIBUTABLE TO NONCONTROLLING INTERESTS		(1,398)	(0.2)	2,790	0.4
NET INCOME ATTRIBUTABLE TO OMRON SHAREHOLDERS		16,271	2.3	28,487	3.7
		JPY			
		2025		2026	
PER SHARE DATA:	(Note II-Q)				
Basic:					
Net income attributable to OMRON Corporation shareholders from continuing operations		93.92		173.80	
Net loss attributable to OMRON Corporation shareholders from discontinued operations		(11.29)		(29.00)	
Net income attributable to OMRON Corporation shareholders		82.63		144.80	
Diluted:					
Net income attributable to OMRON Corporation shareholders from continuing operations		—		—	
Net loss attributable to OMRON Corporation shareholders from discontinued operations		—		—	
Net income attributable to OMRON Corporation shareholders		—		—	

Note: The Company classified the DMB (Devices & Module Solutions Business) as a discontinued operation. Accordingly, we have reclassified the consolidated statements of operations for the previous fiscal year. For more details on the discontinued operation, see (Note II-Y).

(iii) Consolidated Statements of Comprehensive Income

	Note Number	JPY millions	
		Year Ended March 31,	
		2025	2026
NET INCOME		14,873	31,277
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX:	(Note II-R)		
Foreign currency translation adjustments:			
Foreign currency translation adjustments arising during the year		(7,621)	34,230
Reclassification adjustment for the portion realized in net income		—	(136)
Net unrealized gain (loss)		(7,621)	34,094
Pension liability adjustments:			
Pension liability adjustments arising during the year		(4,665)	21,852
Reclassification adjustment for the portion realized in net income		503	1,079
Net unrealized gain (loss)		(4,162)	22,931
Net gains on derivative instruments:			
Reclassification adjustment for the portion realized in net income		(21)	—
Net unrealized loss		(21)	—
OTHER COMPREHENSIVE INCOME (LOSS)		(11,804)	57,025
COMPREHENSIVE INCOME	(Note I-F)	3,069	88,302
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO NONCONTROLLING INTERESTS		(1,438)	3,089
COMPREHENSIVE INCOME ATTRIBUTABLE TO OMRON SHAREHOLDERS		4,507	85,213

(iv) Consolidated Statements of Equity

JPY millions

	Number of Common Shares Issued	Common Stock	Capital Surplus	Legal Reserve	Retained Earnings	Accumulated Other Compre- hensive Income	Treasury Stock	Total	Noncon- trolling Interests	Total Net Assets
BALANCE, MARCH 31, 2024	206,244,872	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 (Note)					(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
Share-based compensation			1,376				13	1,389		1,389
Transfer to legal reserve				2,014	(2,014)			—		—
Other comprehensive income (loss)						(11,764)		(11,764)	(40)	(11,804)
Acquisition of treasury stock and other			(15)				(8)	(23)		(23)
BALANCE, MARCH 31, 2025	206,244,872	64,100	100,161	29,471	550,485	97,632	(69,964)	771,885	162,547	934,432
Net income					28,487			28,487	2,790	31,277
Cash dividends paid to OMRON Corporation shareholders (Note)					(20,450)			(20,450)		(20,450)
Cash dividends paid to noncontrolling interests								—	(1,268)	(1,268)
Equity transactions with noncontrolling interests and other			(143)					(143)	175	32
Increase in consolidated subsidiaries - noncontrolling interests								—	134	134
Share-based compensation			(85)				788	703		703
Transfer to legal reserve				2,842	(2,842)			—		—
Other comprehensive income						56,726		56,726	299	57,025
Acquisition of treasury stock and other			(1)				(1,322)	(1,323)		(1,323)
BALANCE, MARCH 31, 2026	206,244,872	64,100	99,932	32,313	555,680	154,358	(70,498)	835,885	164,677	1,000,562

Note: Cash dividends per share is JPY 104 and JPY 104 for the years ended March 31, 2025 and 2026, respectively.

(v) Consolidated Statements of Cash Flows

	JPY millions Year Ended March 31,	
	2025	2026
OPERATING ACTIVITIES:		
Net income	14,873	31,277
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	33,450	33,778
Share-based compensation expense	1,376	685
Net loss on sales and disposals of property, plant, and equipment	1,293	1,312
Net loss (gain) on valuation of investment securities	(12,313)	271
Loss on impairment of goodwill	11,725	—
Impairment losses on long-lived assets	1,292	4,416
Loss (gain) related to sale of business	(2,956)	4,470
Termination and retirement benefits and prepaid pension costs	(4,414)	(2,106)
Deferred income taxes	(5,325)	(7,844)
Share of loss of entities accounted for using equity method	679	2,123
Changes in assets and liabilities:		
Increase in notes and accounts receivable – trade	(1,542)	(4,076)
Increase in inventories	(449)	(6,401)
Decrease (increase) in other assets	5,265	(8,416)
Increase in notes and accounts payable – trade	7,835	5,990
Increase in income taxes payable	362	3,777
Increase in accrued expenses and other current liabilities	4,397	2,687
Other, net	236	(1,024)
Total adjustments	40,911	29,642
Net cash provided by operating activities	55,784	60,919
INVESTING ACTIVITIES:		
Proceeds from sale or maturities of investment securities	6,258	664
Purchase of investment securities	(2,042)	(4,018)
Capital expenditures	(48,993)	(53,105)
Business and company acquisitions (net of cash acquired)	(6,316)	(12,377)
Proceeds from sales of property, plant, and equipment	1,497	617
Payments for loans receivable	(753)	(786)
Collection of loans receivable	2,206	1,366
Increase in investment in and loans to affiliates, net	(2,617)	(1,008)
Proceeds from sales of business and company, net of cash paid	2,410	(2,264)
Other, net	461	840
Net cash used in investing activities	(47,889)	(70,071)
FINANCING ACTIVITIES:		
Increase in short-term debt with maturities of three months or less, net	9,209	54,262
Proceeds from short-term debt with maturities longer than three months	1,500	1,160
Repayments of short-term debt with maturities longer than three months	(17,083)	(1,210)
Proceeds from long-term debt	72,195	5,745
Repayments of long-term debt	(48,089)	(4,773)
Dividends paid by OMRON Corporation	(20,474)	(20,462)
Dividends paid to noncontrolling interests	(1,466)	(1,268)
Proceeds from sales of treasury stock	—	263
Payments of acquisition of treasury stock	(9)	(1,322)
Other, net	(391)	(33)
Net cash provided by (used in) financing activities	(4,608)	32,362
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	2,650	11,106
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	5,937	34,316
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	143,086	149,023
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	149,023	183,339
CASH AND CASH EQUIVALENTS FROM DISCONTINUED OPERATIONS AT END OF THE YEAR (DEDUCT)	17,072	16,798
CASH AND CASH EQUIVALENTS FROM CONTINUING OPERATIONS AT END OF THE YEAR	131,951	166,541
ADDITIONAL CASH FLOWS INFORMATION FROM OPERATING ACTIVITIES		
Interest expense payable	1,660	1,925
Taxes payable for current fiscal period	13,102	20,845
ADDITIONAL NON-CASH FLOW INFORMATION FROM INVESTMENT AND FINANCING ACTIVITIES		
Liabilities related to capital expenditures	5,305	7,502

Notes: In the Consolidated Statements of Cash Flows, cash flows for discontinued operations are not separately stated but stated combined with cash flows for continuing operations. For more details on the discontinued operation, see (Note II-Y).

Notes on Consolidated Financial Statements

I Overview of Significant Accounting Policies

A Nature of Operations and Preparation Standards for Consolidated Financial Statements

1 Nature of Operations

The Company is a multinational manufacturer of automation components, equipment and systems with advanced computer, communications, and control technologies. The Company conducts business in more than 130 countries around the world.

Products, classified by type and market, are organized into operating segments as described below.

Industrial Automation Business (IAB) manufactures and sells programmable controllers, motion controllers, sensing devices, industrial camera/code reader devices, inspection systems, safety devices and industrial robots. With the vision of “Enriching the Future for People, Industries and the Globe by Innovative-Automation,” IAB has contributed to the development of industry by innovating the manufacturing industry around the world with advanced automation, based on the core technology of “Sensing & Control + Think” that OMRON has cultivated thus far. Setting our unique “Innovative-Automation” value creation concept, our aim is to solve rapidly changing social issues mainly in the manufacturing industry with innovative solutions, based on the widest range of control devices in the industrial market, and create social value that contributes to the realization of happiness for working people along with the sophistication of industry.

Healthcare Business (HCB) products such as Digital blood pressure monitors, nebulizers, low-frequency therapy equipment, ECGs, oxygen generators, digital thermometers, body composition monitors, pedometers and activity meters, electric toothbrushes, pulse oximeters, massagers, blood glucose monitors, vascular screening devices, remote patient monitoring systems and telemedicine services. The mission of HCB is “To help realize healthy and comfortable lives for people around the world.” By living up to this mission, we provide healthcare products and services with a focus on usability and accuracy of readings. With the business vision of “Going for Zero—Preventive Care for the Health of Society,” we provide devices and services globally in the fields of cardiovascular and respiratory diseases, as well as pain that affects daily life, leveraging the technology and expertise we have cultivated over the years. OMRON sells devices certified for medical use in various countries and regions, including blood pressure monitors, digital thermometers, and nebulizers (devices that deliver asthma medication through inhalation by patients), in more than 130 countries across the world. Furthermore, in the field of telemedicine, which has been gaining global traction in recent years, we are rolling out remote patient monitoring services (physicians remotely monitor vital signs data collected by patients on a daily basis to facilitate better treatment), primarily in Europe and the United States.

Social Systems, Solutions and Service Business (SSB) provides products such as energy business (storage battery systems, PV inverters), Mobility business (railway station service systems, traffic and road management systems), IoT business (UPS, infrastructure monitoring), M&S business (operations management and maintenance) The mission of SSB is “Creating a society in which the people of the world live in safety, security, and comfort,” and we conduct business that underpins social infrastructure. We provide a wide range of products and systems, including energy-related products, such as storage battery systems and PV inverters; railway station service systems such as automated ticket gates and ticket vending machines; traffic and road management systems; and uninterruptible power supply (UPS) and infrastructure monitoring systems. Furthermore, through our management and service (M&S) solutions, providing integrated services ranging from engineering to operations management and maintenance, we contribute to the stable operation of social infrastructure.

Data Solution Business (DSB) provides products such as Data healthcare business, corporate health business, smart M&S (management and service solutions) business, data-based solutions business, and self-reliance support business. The mission of DSB is “Transcending the boundaries of physical products. Transforming OMRON and creating true customer value,” the Data Solution Business is driving the evolution of the entire OMRON Group from manufacturing to a data-driven solutions business. By combining the vast amounts of field data generated by each business unit from devices and components with the data management and solution development capabilities of JMDC Inc., which joined the Group in October 2023, we will address the three social issues outlined in SF2030—“Achievement of Carbon Neutrality,” “Realization of a Digital Society,” and “Extension of Healthy Life Expectancy”—thereby creating new growth businesses.

2 Basis of Consolidated Financial Statements

The Company's consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States of America.

The Company conducted capital increases through public offerings at market value on February 7, 1970 in Europe, and on October 13, 1973 in Hong Kong. On March 30, 1978, the Company submitted to the Minister of Finance an "Application for Approval in Accordance with Regulation 86 of the Consolidated Financial Statement Regulations" on the grounds that the Company had prepared its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America from the fiscal year ended March 31, 1967, in line with deposit agreements of the time. The Company received approval pursuant to Ministry Certification No. 496 dated March 31, 1978 to prepare consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. As such, the Company's consolidated financial statements have been presented in conformity with accounting principles generally accepted in the United States of America since the fiscal year ended March 31, 1978.

The Company is not registered with the US Securities and Exchange Commission.

B Significant differences between Financial Statements are prepared in accordance with the accounting standards generally accepted in the US and that in Japan

1 Investments

The Company adopts “Accounting Standard for Financial Instruments” to the valuation of securities in the financial statement. The Company conform with the Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standard Codification (ASC) No. 321: Investments - Equity Securities in the consolidated financial statements. The impact on income from continuing operations before income taxes and equity in loss of affiliates was JPY7,605 million gain and JPY89 million loss for the years ended March 31, 2025 and 2026, respectively.

2 Termination and retirement benefits

The Company apply the “Accounting Standards for Retirement Benefits” in the financial statement. The Company record compensation in accordance with the provisions of FASB ASC 715: “Compensation - Retirement Benefits” in the consolidated financial statements. The impact on income from continuing operations before income taxes and equity in loss of affiliates was JPY4,280 million loss and JPY1,855 million loss for the years ended March 31, 2025 and 2026, respectively.

3 Liabilities of compensated absences

The Company accrue personnel costs for employees’ unused paid vacation in accordance with FASB ASC 710-10-25: “Compensation - Compensated Absence.” in the consolidated financial statements. The impact on income from continuing operations before income taxes and equity in loss of affiliates was JPY132 million loss and JPY762 million loss for the years ended March 31, 2025 and 2026, respectively.

4 Goodwill and other intangible assets

Goodwill and intangible assets with indefinite useful lives are tested for impairment at least once a year in place of amortization, as recorded in the Company’s consolidated financial statements, in accordance with FASB ASC 350: “Intangible Assets - Goodwill and Others.” In accordance with Japan’s consolidated financial statements principles and Consolidated Financial Statement Regulations, given a goodwill amortization period of five years, the impact on income from continuing operations before income taxes and equity in loss of affiliates was JPY52,828 million gain and JPY65,788 million gain for the years ended March 31, 2025 and 2026, respectively.

5 Long-lived assets

The Company conform with the “Act on Revaluation of Land” (Act No. 34 of March 31, 1998) and the “Partial Amendment to the Act on Revaluation of Land” (Act No. 94 of June 29, 2001). Regarding the impairment of fixed assets in the financial statements, the Company conform with the “Accounting Standard for Impairment of Fixed Assets” (Opinion Regarding Accounting Standard for Impairment of Fixed Assets (Accounting Standards Board of Japan, August 9, 2002)) and the “Guidelines for the Application of Accounting Standards Pertaining to the Impairment of Fixed Assets” (Accounting Standards Board of Japan, Guidance No. 6, October 31, 2003) in the financial statements. The Company’s consolidated financial statements have been prepared in accordance with FASB ASC 360: “Tangible Fixed Assets.” If events or changes in circumstances occur that threaten to prevent the recovery of the carrying amount of long-lived assets and certain identifiable intangible assets, a review for impairment shall be conducted. If the Company determines that an impairment has occurred, the amount by which the carrying amount exceeds the fair value shall be recognized as an impairment. There is no impact to income from continuing operations before income taxes and equity in loss of affiliates for the years ended March 31, 2025 and 2026.

6 Stock compensation

The Company conform with the “Practical Handling of Transactions Where Company Shares are Issued to Employees, Etc., Through a Trust” (Practical Solutions Report No. 30 of December 25, 2013, revised March 26, 2015) in the financial statements.

The Company apply the provisions of FASB ASC 718: “Compensation - Stock Compensation” in the consolidated financial statements. The impact on income from continuing operations before income taxes and equity in loss of affiliates was JPY23 million loss and JPY483 million gain for the years ended March 31, 2025 and 2026, respectively.

7 Shareholders' equity per share

Shareholders' equity per share is required to be disclosed under Japan's Consolidated Financial Statement Regulations, although not required by accounting principles generally accepted in the United States of America. It amounted to JPY3,920.30 and JPY4,251.07 as of March 31, 2025 and 2026, respectively.

8 Unrecognized tax benefits

Pursuant to FASB ASC 740: "Corporate Tax," the Company recognize that the impact of tax benefits greater than 50% are likely to be disallowed and subject to a tax audit in the consolidated financial statements. Further, the Company recognizes interest and penalties accrued related to unrecognized tax benefits in income taxes in the consolidated statements of income.

9 Corporate bond issuance costs

The Company conform with the "Tentative Solution on Accounting for Deferred Assets" (Practical Solutions Report No. 19 of August 11, 2006, revised February 19, 2010) in the financial statements.

The Company deduct costs incurred in relation to issuance of corporate bonds directly from the face value of the bonds and amortize the costs over their remaining life in accordance with FASB ASC 835: "Interest" in the consolidated financial statements. The impact on income from continuing operations before income taxes and equity in loss of affiliates was JPY111 million gain and JPY31 million loss for the years ended March 31, 2025 and 2026, respectively.

10 Capitalization of interest

The Company capitalize borrowing costs incurred in relation to acquisition of qualifying assets in accordance with FASB ASC 835: "Interest" in the consolidated financial statements. The impact on income from continuing operations before income taxes and equity in loss of affiliates was JPY62 million gain and JPY266 million gain for the years ended March 31, 2025 and 2026, respectively.

11 Discontinued Operation

In accordance with FASB Codification Topic No. 205-20, "Presentation of Financial Statements-Discontinued Operations", the Company presents discontinued operations separately on the consolidated balance sheets and consolidated statements of operations. See Note II-Y for disclosures regarding discontinued operations. The Company has made certain reclassifications to the notes to the consolidated financial statements for the fiscal year ended March 31, 2025.

C Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

Investments in which the Companies do not exert control but have a 20% to 50% interest (affiliates) are accounted for using the equity method.

The consolidated financial statements include all of the Company's subsidiaries.

Subsidiaries	March 31, 2025	OMRON HEALTHCARE Co., Ltd., OMRON EUROPE B.V. and others.	Total:154 companies
	March 31, 2026	OMRON HEALTHCARE Co., Ltd., OMRON EUROPE B.V. and others.	Total:163 companies

The Companies have introduced a performance-based share compensation plan using structures called a BIP Trust and an ESOP Trust starting from the fiscal year ended March 31, 2018. The Companies acquired the Company's shares from the stock market and grant the Company's shares and cash in the amount of the converted value of such shares to the members of the Board of Directors and Executive Officers according to their executive position and degree of achievement of performance targets.

The Companies have the power to direct the activities that most significantly impact the trusts' economic performance through the establishment of their plans. The Companies have the potential obligation since the Companies may entrust additional money to the trusts for use in acquisition of additional shares of the Company. As a result, the Companies are considered to be the primary beneficiaries of the trusts and therefore consolidate the trusts as variable interest entities; however, the trusts are not included in the number of the Company's subsidiaries.

The carrying amounts of assets and net assets of the trusts which are included in the consolidated balance sheet as of March 31, 2025 and 2026 were JPY205 million and JPY79 million of cash and cash equivalents and JPY3,356 million and JPY3,883 million of treasury stock, respectively.

The names of major consolidated subsidiaries, their main business activities, and ownership percentages of voting rights are listed in "4. Information about the Affiliates" in "Part I Overview of the Company."

D Application of Equity Method

Investments in the Company's all affiliates and limited partnerships, etc. in which the Company holds a 3% or more equity are accounted for using the equity method.

Equity method affiliates	March 31, 2025	AliveCor, Inc. and others.
	March 31, 2026	AliveCor, Inc. and others.

The names of major affiliates that are accounted for using the equity method, their main business activities, and ownership percentages of voting rights are listed in "4. Information about the Affiliates" in "I Overview of the Company."

The excess of the cost of an investment over the amount of underlying equity of the fair value of the net assets including contingent liabilities on the acquisition date of the affiliates is recorded as equity method goodwill and intangible assets, and is included in the carrying amount of investment.

As for investments in affiliates, the Company comprehensively takes into account qualitative factors including progress of business plans and the business environment, and quantitative factors such as comparison between the value of the investments calculated using the discounted cash flow method based on the excess earning power of the affiliates or from the market price in the stock market and the carrying amount. If there is a loss in value that is other than temporary, a loss in value of an investment is recognized for the excess of the carrying amount of the equity over the proportional fair value of the affiliates.

If the main assumptions used to calculate the amount recorded in the consolidated balance sheet for the year ended March 31, 2026 deviate significantly from the situation as of March 31, 2026, and the carrying amount of the investment in the affiliate exceeds its valuation using the discounted cash flow method or if a decline in market prices that was judged to be temporary becomes other than temporary, the situation may have a significant impact on the amount of investment in affiliates.

In the fiscal year ended March 31, 2025, no valuation loss was recorded.

In the fiscal year ended March 31, 2026, iCare, Inc became a consolidated subsidiary from an equity method affiliate, as a result, the Company recorded JPY969 million of loss due to revaluation of shares based on the acquisition cost specified in

the share purchase agreement.

E Differing Fiscal Year-Ends

There are 18 and 20 subsidiaries as of March 31, 2025 and 2026, respectively, which have different fiscal year-ends from that of the Company.

All subsidiaries used the March 31 year-end financial statements for the purpose of the Company's consolidation as of March 31, 2026. No subsidiary was consolidated based on its respective year end.

F Accounting Standards

1 Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Estimates and judgments are made with respect to impairment of long-lived assets, goodwill and non-amortizable intangible assets, and the recoverability of deferred tax assets, taking into account the impact of rising raw material prices and the geopolitical developments in the Middle East.

In making estimates, we considered the impact of the estimated economic implications will continue to have a certain impact for the current fiscal year, and from the next fiscal year on. For more information about these balances as of current fiscal year, see Consolidated Financial Statements and Related Notes to Consolidated Financial statements.

2 Cash and Cash Equivalents

Cash equivalents consist of highly liquid investments with original maturities of three months or less, including time deposits, commercial paper, securities purchased with resale agreements and money market instruments.

3 Allowance for Doubtful Receivables

An allowance for doubtful receivables is established in amounts considered to be appropriate based primarily upon the Companies' past credit loss experience and an evaluation of potential losses within the outstanding receivables.

4 Investments

The Companies measure equity securities listed on active markets at fair values with changes recognized in "Other expense (income), net" in the income statement. Equity securities traded on markets that are not active are measured using quoted market prices for identical assets with changes recognized in "Other expense (income), net" in the income statement. Equity securities without readily determinable fair values are accounted for at cost, minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer or at other reasonable methods with changes recognized in "Other expense (income), net". Realized gains and losses are determined by the average cost method.

5 Inventories

Inventories are mainly stated at the lower of cost, determined by the moving-average method, or net realizable value.

6 Property, Plant, and Equipment

Property, plant, and equipment are stated at cost. Depreciation of property, plant, and equipment is computed principally by the straight-line method based upon the estimated useful lives of the assets. The estimated useful lives primarily range from 3 to 50 years for buildings and from 2 to 15 years for machinery and equipment. Depreciation expense was JPY13,396 million and JPY 13,403 million for the years ended March 31, 2025 and 2026, respectively.

7 Goodwill and Other Intangible Assets

The Companies account for goodwill and other intangible assets in accordance with the FASB ASC 350, “Intangibles - Goodwill and Other,” which requires that goodwill is not to be amortized, but instead tested for impairment annually during the fourth quarter of the fiscal year and between annual tests if an event occurs or circumstances change that would indicate the carrying amount may be impaired. Impairment testing for goodwill is done at the reporting unit level. Reporting units are operating segments or one level below the operating segments. Impairment testing for goodwill is comparing the fair value of reporting units with the book value including goodwill. The fair value is calculated by discounting the estimated future cash flow based on a business plan that has been approved by the management to the present value using a discount rate calculated based on the weighted-average cost of capital. If the carrying amount of a reporting unit exceeds its fair value, a loss on impairment of goodwill is recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit. Intangible assets with finite lives are amortized over their respective estimated useful lives.

8 Long-Lived Assets

Property, plant, and equipment, right-of-use and intangible assets which are amortized (“long-lived assets”) are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset might be unrecoverable. Long-lived Assets are reviewed for impairment for each asset group. An asset group is the unit of accounting for a long-lived asset or assets to be held and used, which represents the lowest level for which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities. The recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to undiscounted cash flows expected to be generated by the asset. If such assets are considered to be potentially impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds its fair value. The Companies use present values of the expected future cash flows which is based on forecasts of the respective assets or observable market prices to estimate the fair value of these assets. Estimates of future cash flows are based on the remaining useful life of the primary asset of the group. Assets to be disposed of other than by sale are considered held and used until disposed. Assets to be disposed of by sale are reported at the lower of the carrying amount or fair value, less selling costs.

9 Leases

The Companies have various operating and finance leases for right of land, buildings, warehouses, corporate housings, and cars. Right-of-use assets and lease liabilities are recognized at the start of the lease contracts.

The Companies determine if a contract is, or contains, a lease at the inception of each contract. The Companies determine the contract is, or contains a lease if the identified asset exists and having the right to control the use of asset. Some of the contracts include options to extend or to terminate the lease. The Companies take such options into account to determine the lease term when it is reasonably certain that it will exercise these options. The Companies’ lease arrangements do not contain material residual value guarantees or material restrictive covenants. As the rate implicit in the majority of the Companies’ leases cannot be determined, the Companies use their incremental borrowing rate based on the information available at commencement to determine the present values of lease payments. The Companies have lease contracts with lease and non-lease components, which are accounted for separately. The Companies allocate the consideration in the lease contract to the lease and non-lease components based upon the estimated standalone prices. The Companies elect not to recognize right-of-use assets and lease liabilities for short-term leases of which the lease term is 12 months or less. Lease expenses for lease payments are recognized on a straight-line basis over the term of the lease. The Companies do not have any material finance lease agreements for the year ended March 31, 2025 and the year ended March 31, 2026.

10 Termination and Retirement Benefits

Termination and retirement benefits are accounted for and are disclosed in accordance with ASC 715, “Compensation - Retirement Benefits,” based on the fiscal year end fair value of plan assets and the projected benefit obligations of employees. The provision for termination and retirement benefits includes amounts for directors and corporate auditors of subsidiaries.

11 Revenue Recognition

Revenue from contracts with customers is recognized when, or as, control of promised goods or services transfers to customers in an amount that reflects the consideration to which the Companies expects to be entitled in exchange for transferring these goods or services by applying the following five steps model:

Step 1: Identify the contracts with customers

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when, or as, the entity satisfies a performance obligation

The transaction price is the amount of consideration in a contract to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, less any discounts, rebates or other similar items. The Companies consider all the information (historical, current, and forecast) that is reasonably available to estimate the amount of variable consideration.

As a practical expedient which is provided in ASC 606, "Revenue recognition," the Companies do not adjust the promised amount of consideration for the effects of a significant financing component if the entity expects, at contract inception, that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

12 Advertising Costs

Advertising costs are charged as incurred and included in "Selling, general and administrative expenses." Advertising expense was JPY11,099 million, and JPY12,104 million for the years ended March 31, 2025, and 2026 respectively.

13 Shipping and Handling Charges

Shipping and handling charges are included in "Selling, general and administrative expenses." Shipping and handling charges were JPY13,813 million, and JPY14,157 million for the years ended March 31, 2025, and 2026 respectively.

14 Income Taxes

Income taxes related to continuing operations are presented under income taxes, while income taxes related to discontinued operations are presented as loss from discontinued operations.

Deferred income taxes reflect the tax consequences on future years of differences between the tax bases of assets and liabilities and their financial reporting amounts, operating loss carryforwards, and tax credit carryforwards. Carrying amounts of deferred tax assets require a reduction by a valuation allowance if, based on available evidence, it is more likely than not that such assets will not be realized prior to expiration. Accordingly, the need to establish a valuation allowance for deferred tax assets is assessed periodically with appropriate consideration given to all positive and negative evidence related to the realization of the deferred tax assets. Management's judgments related to this assessment consider, among other matters, the nature, frequency and severity of current and cumulative losses on an individual tax jurisdiction basis, forecasts of future profitability, excess of appreciated asset value over the tax basis of net assets, the duration of statutory carryforward periods, the future availability of net operating loss carryforwards and tax credits carryforwards. The Companies believe that it is highly likely that the currently recorded deferred tax assets will be recovered based on past taxable income levels and forecasts of future taxable income during the deductible period of deferred tax assets. However, if factors that affect the forecast of taxable income change, such as market trends and exchange fluctuations surrounding the Companies, and the uncertainty of the forecast of taxable income increases, it might affect the recoverability of estimates of deferred tax assets. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Companies apply the guidance ASC 740, "Accounting for Uncertainty in Income Taxes." In evaluating the tax benefits based on available information at the reporting date, the Company records a tax benefit using a more likely than not threshold.

The Company and certain domestic subsidiaries have applied Japanese Group Relief System as permitted by Japanese tax regulations.

15 Product Warranties

A liability for estimated warranty-related costs is included in “Other current liabilities.” The liability is established using historical information, including the nature, frequency, and average cost of past warranty claims.

16 Derivatives

Derivative instruments and hedging activities are accounted for in accordance with ASC 815, “Derivatives and Hedging.” This standard establishes accounting and reporting standards for derivative instruments and for hedging activities and requires that an entity recognize all derivatives as either assets or liabilities in the consolidated balance sheets and measure those instruments at fair value.

For certain forward exchange contracts and commodity swap contracts, on the date the derivative contract is entered into, the Companies designate the derivative as a hedge of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability (cash flow hedge). The Companies formally document all relationships between hedging instruments and hedged items, as well as their risk management objective and strategy for undertaking various hedge transactions. This process includes linking all derivatives that are designated as cash flow hedges to specific assets and liabilities in the consolidated balance sheet or to specific firm commitments or forecasted transactions. The Companies assess whether or not derivative instruments designated as hedges are highly effective in offsetting changes in cash flows of hedged items at the inception of the hedge, and subsequently on a regular basis.

Changes in fair value of a derivative that is highly effective and that is designated and qualifies as a cash flow hedge are recorded in “Other comprehensive income” until earnings are affected by the variability in cash flows of the designated hedged item. These amounts are transferred to the same profit or loss category as the hedged item in the period in which it is recognized as revenue or expense. In addition, changes in fair value of derivative instruments that are not designated as hedges are recorded immediately in revenue or expense.

17 Cash Dividends

Cash dividends are reflected in the consolidated financial statements at proposed amounts in the year to which they are applicable, even though payment is not approved by shareholders until the annual general meeting of shareholders held early in the following fiscal year. Corresponding dividends payable are included in other current liabilities in the consolidated balance sheets.

18 Share-Based Compensation

The Companies apply ASC 718, “Compensation - Stock Compensation,” and measure stock-based compensation costs based on the fair value at the grant date and recognize the costs over the vesting period.

19 Translation of Financial Statement Items of the Company’s Subsidiaries Located Outside of Japan into Japanese yen

Financial statements of the Company’s subsidiaries located outside of Japan are translated in accordance with ASC 830, “Foreign Currency Matters.” Assets and liabilities of the subsidiaries are translated into Japanese yen at the rate of exchange in effect at the balance sheet date. Income and expense items are translated at the average exchange rates prevailing during the year. Gains and losses resulting from translation of financial statements are reported in accumulated other comprehensive income as foreign currency translation adjustments. However, financial statements of subsidiaries located outside of Japan that are in the hyperinflationary economy are included in the Company’s financial statements after they are remeasured as if the functional currency were the reporting currency, and monetary assets and liabilities are remeasured at the new functional currency for each reporting period with changes in the value recorded in the consolidated statements of income.

20 Comprehensive Income

The Companies apply ASC 220, “Comprehensive Income.” Comprehensive income is composed of net income, changes in foreign currency translation adjustments, changes in pension liability adjustments and changes in net gains (losses) on derivative instruments and disclosed within the consolidated statements of comprehensive income.

21 Reclassifications

Certain reclassifications have been made to the prior years’ consolidated financial statements to make a consistent with the current year’s presentation.

G New Accounting Standards

Newly adopted accounting standards

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which includes amendments that further enhance income tax disclosures, primarily through standardization and disaggregation of tax rate reconciliation categories and income taxes paid by jurisdiction. The Company has applied this standard starting with the fiscal year beginning April 1, 2025, without retroactive application. There is no impact of the adoption of the standard on the OMRON Group's operating results and financial position.

Recently issued unapplied accounting standards

The Company plans to voluntarily adopt International Financial Reporting Standards (IFRS), in place of the accounting principles generally accepted in the United States of America, beginning with the first quarter of the next fiscal year (April 1, 2026 to March 31, 2027). We are adopting IFRS to improve the international comparability of financial information and for other purposes. Accordingly, disclosures regarding recently issued unapplied the accounting principles generally accepted in the United States of America have been omitted.

II Descriptions and Breakdowns of Major Accounts

A REVENUE

1. Disaggregation of Revenue

Effective as of the current fiscal year, the financial results of Omron Digital Co., Ltd., which had been included under SSB, will be included under Eliminations & Corporate. This change reflects changes within the OMRON Group management structure. As a result, we have reclassified segment information results for the previous fiscal year to reflect this new management classification.

Due to the classification of DMB as a discontinued operation during the current fiscal year, we have reclassified business segment information to reflect results from continuing operations and exclude the discontinued operation. The results of certain consolidated subsidiaries that were included in DMB are now included in "Eliminations and Others." As a result, we have reclassified segment information results for the previous fiscal year to reflect this new management classification. In addition, we reclassified "intersegment sales" as "sales to external customers".

Sales for the fiscal years ended March 31, 2025 and 2026 consisted of the following:

FY2024 (JPY millions)

Segments	IAB	HCB	SSB	DSB	Total	Eliminations and Others	Consolidated
Sales:							
Sales to external customers	364,698	145,866	143,585	42,738	696,887	18,492	715,379
Intersegment sales	823	333	7,733	439	9,328	(9,328)	—
Total	365,521	146,199	151,318	43,177	706,215	9,164	715,379
Major regional market (External customers):							
Japan	117,250	24,743	142,903	41,952	326,848	8,256	335,104
Americas	40,447	28,175	—	—	68,622	199	68,821
Europe	74,705	31,971	—	—	106,676	—	106,676
Greater China	85,440	42,242	70	4	127,756	1,625	129,381
Southern Asia and Others	46,856	18,223	—	—	65,079	8,412	73,491
Direct Exports	0	512	612	782	1,906	—	1,906
Total	364,698	145,866	143,585	42,738	696,887	18,492	715,379

FY2025 (JPY millions)

Segments	IAB	HCB	SSB	DSB	Total	Eliminations and Others	Consolidated
Sales:							
Sales to external customers	409,478	145,258	144,257	51,151	750,144	17,207	767,351
Intersegment sales	1,422	146	8,961	250	10,779	(10,779)	—
Total	410,900	145,404	153,218	51,401	760,923	6,428	767,351
Major regional market (External customers):							
Japan	123,787	24,110	142,793	50,580	341,270	7,368	348,638
Americas	43,615	29,507	—	—	73,122	161	73,283
Europe	81,987	34,783	—	—	116,770	—	116,770
Greater China	105,468	37,310	1	0	142,779	1,352	144,131
Southern Asia and Others	54,621	19,092	—	—	73,713	8,326	82,039
Direct Exports	0	456	1,463	571	2,490	—	2,490
Total	409,478	145,258	144,257	51,151	750,144	17,207	767,351

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

(1) Americas: The United States of America, Canada, Brazil

(2) Europe: The Netherlands, Great Britain, Germany, France, Italy, Spain

- (3) Greater China: ... China, Hong Kong, Taiwan
- (4) Southeast Asia and Others: Singapore, South Korea, India, Australia
- (5) Direct Exports: ... Direct delivery exports

2. Sufficient Information to Enable Users to Understand the Relationship of Disaggregated Revenue

In IAB and HCB, the Companies recognize revenue from domestic sales of goods when goods are delivered at customer's sites, unless stated otherwise in a contract. The revenue from export sales for such businesses is recognized when the transfer of the risk of loss to customer is complete based on the trade terms and conditions such as incoterms.

In the provision of products and services involving installation and on-site adjustment work, the Companies identifies the delivery of the products and the installation and on-site adjustment work of these products as a single performance obligation, which is deemed to be satisfied at the time when the Companies completed installation and on-site adjustment work of the products. Accordingly, revenues are recognized at the time when the performance obligation is satisfied.

In addition, the Companies provide for an estimate of rebates for customers based on the quantities sold to promote the sales of its products. As the amount of the rebate is included in variable consideration and can be reasonably estimated, it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Therefore, the estimate of variable consideration is not constrained. The product of the Company or subsidiaries does not include any right of return.

In SSB, performance obligations are deemed to be satisfied largely at the time when inspection is performed by customers. Accordingly, revenues are recognized at the time when the performance obligation is satisfied. In some transactions, performance obligations are deemed to be satisfied at the time when products reach the customer. Accordingly, revenues are recognized at the time when the performance obligation is satisfied.

Certain trades include long-term service for which revenue is recognized over a certain period. Consideration for such service rendered is received in approximately three months. There are some contracts where the Companies receive an advance payment for future products or services from a customer, in which case a contract liability is recorded in other current liabilities or other long-term liabilities. In addition, for some long-term contracts for construction work, etc., the Companies estimate the progress toward fulfilling its performance obligations and recognize revenue over a certain period based on the progress. Contract assets are the Companies' right, excluding any amounts presented as a receivable, to consideration in exchange for goods that the Companies have transferred to a customer based on contracts in which performance obligations are satisfied over time and are recorded as other current assets.

Promised consideration for transactions is largely received within three months after the satisfaction of performance obligations. No significant financing component is included in the amount of consideration.

In DSB, revenue is recognized at a point in time or over time in accordance with a contract for each transaction. As for revenue recognition at a point in time, revenue is recognized at the time when control of a good or service is transferred to a customer and a performance obligation is satisfied through completion of the service or customer's inspection for the good or service. As for revenue recognition over time, revenue is recognized over a contract period as a customer receives benefits from a service over the contract period and a performance obligation for the service is satisfied over the passage of time.

Consideration is largely received within two months after the satisfaction of performance obligations in general, and includes no material financial component, significant variability of consideration, significant estimate of variable consideration, etc.

3. Information Relevant to Understanding Revenue Figures for the Current and Subsequent Fiscal Years

(1) Contract Balances

The beginning and the ending balances of contract assets and contract liabilities for the fiscal year ended March 31, 2025 were as follows:

(JPY millions)

	Notes and Accounts Receivable	Contract Assets	Contract Liabilities		
		Other Current Assets	Other Current Liabilities	Other Long-Term Liabilities	Total
Balance at beginning of year	156,254	1,008	5,131	11,596	16,727
Balance at ending of year	157,718	365	7,925	12,304	20,229

For the year ended March 31, 2025, revenue of JPY4,397 million was recognized from contract liabilities at the beginning of the year.

The beginning and the ending balances of contract assets and contract liabilities for the fiscal year ended March 31, 2026 were as follows:

(JPY millions)

	Notes and Accounts Receivable	Contract Assets	Contract Liabilities		
		Other Current Assets	Other Current Liabilities	Other Long-Term Liabilities	Total
Balance at beginning of year	157,718	365	7,925	12,304	20,229
Balance at ending of year	169,633	1,228	9,336	13,755	23,091

For the year ended March 31, 2026, revenue of JPY6,713 million was recognized from contract liabilities at the beginning of the year.

(2) Transaction Price Allocated to Remaining Performance Obligations

As of March 31, 2026, the aggregate amount of the transaction price allocated to the remaining performance obligation was JPY13,994 million and are mainly relevant to SSB. These are mainly expected to be recognized as revenue within 1 to 15 years and approximately 60% of the balance is expected to be satisfied within five years and approximately 30% of the balance is expected to be satisfied after five years but no more than ten years and approximately 10% of the balance is expected to be satisfied after ten years but no more than fifteen years. We have not disclosed information about transaction price allocated to remaining performance obligations that have expected original contract durations of one year or less.

B INVENTORIES

Inventories at March 31, 2025 and 2026 consisted of:

(JPY millions)

	FY2024	FY2025
Finished products	70,799	87,460
Work in process	10,512	13,197
Materials and supplies	59,462	53,558
Total	140,773	154,215

C INVESTMENTS

The unrealized holding gains or losses and realized gains or losses on equity securities for the years ended March 31, 2025 and 2026 were as follows:

	(JPY millions)	
	FY2024	FY2025
Net losses (gains) recognized during the period on equity securities	(12,313)	271
Net losses (gains) realized during the period on equity securities sold during the period	961	(199)
Unrealized losses (gains) recognized during the period on equity securities held at March 31	(13,274)	470

A part of equity securities without readily determinable fair values are accounted for at cost, minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer.

The Companies did not record impairment loss based on unobservable inputs obtained from issuer, and a gain of JPY76 million and a loss of JPY211 million as other adjustments resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer during the year ended March 31, 2025.

The Companies recorded impairment loss of JPY90 million based on unobservable inputs obtained from issuer, and a gain of JPY47 million as other adjustments resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer during the fiscal year ended March 31, 2026.

The aggregate amount of these investments at March 31, 2025 and 2026 was JPY5,577 million and JPY8,206 million, respectively.

D INVESTMENTS IN AFFILIATES

Investments in and advances to affiliates recorded on the consolidated balance sheet as of March 31, 2025 included the equity method investments for AliveCor, Inc. in the Healthcare Business of JPY9,721 million.

The equity method investments for AliveCor, Inc. in the Healthcare Business of JPY9,721 million exceeded its proportionate share in the underlying net assets of AliveCor, Inc. by JPY9,349 million and the amount is primarily related to the balance of equity-method goodwill.

As a result of comprehensively taking into account qualitative and quantitative factors, no loss in value that is other than temporary occurred, and the Company has judged that it is not necessary to record a valuation loss. This consideration includes assessment of the investee's operating results and the environment surrounding it as well as comparison between the value amount calculated using the discounted cash flow method and the carrying amount.

Investments in and advances to affiliates recorded on the consolidated balance sheet as of March 31, 2026 included the equity method investments for AliveCor, Inc. in the Healthcare Business of JPY8,682 million.

The equity method investments for AliveCor, Inc. in the Healthcare Business of JPY8,682 million exceeded its proportionate share in the underlying net assets of AliveCor, Inc. by JPY9,118 million and the amount is primarily related to the balance of equity-method goodwill.

As a result of comprehensively taking into account qualitative and quantitative factors, no loss in value that is other than temporary occurred, and the Company has judged that it is not necessary to record a valuation loss. This consideration includes assessment of the investee's operating results and the environment surrounding it as well as comparison between the value amount calculated using the discounted cash flow method and the carrying amount.

For the fiscal years ended March 31, 2025 and 2026, the summarized combined financial information of equity method affiliates is omitted as it is immaterial.

E NOTES AND ACCOUNTS RECEIVABLE

The Companies have entered into different types of transactions with affiliates through the ordinary course of business. There are no significant amount of accounts receivable with affiliates resulting from these transactions for the year ended March 31, 2025 and the year ended March 31, 2026.

F PROPERTY, PLANT, AND EQUIPMENT

Property, Plant, and Equipment at March 31, 2025 and 2026 consisted of:

(JPY millions)

	FY2024	FY2025
Land	20,104	23,509
Buildings	119,419	126,125
Machinery and equipment	107,813	121,892
Construction in progress	3,348	2,530
Total acquisition cost	250,684	274,056
Accumulated depreciation	(153,026)	(170,984)
Total	97,658	103,072

G GOODWILL AND OTHER INTANGIBLE ASSETS

The components of acquired intangible assets, excluding goodwill, at March 31, 2025 and 2026 were as follows:

(JPY millions)

	FY2024		FY2025	
	Gross Amount	Accumulated Amortization	Gross Amount	Accumulated Amortization
Intangible assets subject to amortization:				
Software	100,256	77,873	91,059	69,192
Customer-related asset	17,122	4,450	17,845	5,671
Technology-based asset	37,090	11,065	37,102	15,314
Other	5,610	4,500	6,628	4,745
Total	160,078	97,888	152,634	94,922

Major intangible assets subject to amortization acquired during the fiscal year ended March 31, 2026 were Software of JPY8,009 million and Other intangible assets of 1,155 million, and the weighted-average amortization period is approximately 5 years. There were no material Intangible assets subject to amortization acquired the fiscal year ended March 31, 2026 other than these.

Aggregation of amortization expense related to intangible assets was JPY13,181 million and JPY13,442million, for the years ended March 31, 2025 and 2026, respectively. Estimated amortization expenses for the next five years ending March 31 are as follows:

Years Ending March 31	JPY millions
2026	11,636
2027	10,582
2028	9,339
2029	8,038
2030	6,626

Intangible assets not subject to amortization recognized as of March 31, 2026 mainly consist of Software in progress amounted to JPY72,511 million.

The carrying amounts of goodwill in each segment at March 31, 2025, and changes in their carrying amounts for the year ended March 31, 2025 were as follows:

(JPY millions)

	IAB	HCB	SSB	DSB	Eliminations and Others	Total
Balance at beginning of year:						
Goodwill	52,276	5,878	—	312,634	1,475	372,263
Accumulated impairment losses	(5,739)	(3,384)	—	—	(1,475)	(10,598)
Total	46,537	2,494	—	312,634	—	361,665
Acquisition	—	2,896	—	3,924	—	6,820
Completion of allocation	—	—	—	5,411	—	5,411
Impairment	—	—	—	(11,725)	—	(11,725)
Sales of businesses	—	—	—	(468)	—	(468)
Foreign currency translation adjustments and other	(593)	(45)	—	—	—	(638)
Balance at end of year:						
Goodwill	51,683	8,729	—	321,501	—	381,913
Accumulated impairment losses	(5,739)	(3,384)	—	△11,725	—	(20,848)
Total	45,944	5,345	—	309,776	—	361,065

The carrying amounts of goodwill in each segment at March 31, 2026, and changes in their carrying amounts for the year ended March 31, 2026 were as follows:

(JPY millions)

	IAB	HCB	SSB	DSB	Eliminations and Others	Total
Balance at beginning of year:						
Goodwill	51,683	8,729	—	321,501	—	381,913
Accumulated impairment losses	(5,739)	(3,384)	—	(11,725)	—	(20,848)
Total	45,944	5,345	—	309,776	—	361,065
Acquisition	—	199	—	9,130	—	9,329
Sales of businesses	—	—	—	(96)	—	(96)
Foreign currency translation adjustments and other	3,238	675	—	—	—	3,913
Balance at end of year:						
Goodwill	54,921	9,603	—	330,535	—	395,059
Accumulated impairment losses	(5,739)	(3,384)	—	(11,725)	—	(20,848)
Total	49,182	6,219	—	318,810	—	374,211

The fair value calculation for the impairment test for major goodwill is as follows, and the Company noted no impairment loss for the year ended March 31, 2026.

IAB Goodwill

The fair value is calculated by discounting the estimated future cash flows, which are based on the business plan approved by management and based on the assumption of perpetual growth at an inflationary rate from the projected business plan period onwards, to their present value using a discount rate calculated based on the weighted average cost of capital.

DSB Goodwill

The fair value is calculated using the market price method, which is based on the average market share price over a period of time plus a control premium, and an estimate of future cash flows based on the business plan approved by management and calculated using multiples calculated from the financial statements of similar listed companies for the forecast period of the business plan and beyond. The amount is calculated based on a valuation calculated by discounting the amount to present value using a discount rate calculated based on the weighted average cost.

The business plan is based on assumptions regarding the increase in added value in the health big data business and the increase in sales in the expansion of data types.

In the fiscal year ended March 31, 2025, impairment losses of JPY11,725 million was recognized as a result of measuring goodwill related to DSB at fair value, taking into account the most recent changes in the market price of JMDC Inc. These impairment losses are presented as “Loss on impairment of goodwill” within the consolidated statements of income.

H IMPAIRMENT LOSSES ON LONG-LIVED ASSETS

The Companies recognized impairment losses on long-lived assets for the fiscal year ended March 31, 2025. Of these, JPY830 million was due to decreasing profitability of business assets related to some service businesses in the Healthcare Business and JPY244 million was due to decreasing profitability of certain business assets in the Social Systems, Solutions and Service Business. In addition, the Companies recognized impairment losses of JPY153 million due to the closure of facilities as a result of structural reform and JPY65 million due to decreasing profitability of certain business assets in the Industrial Automation Business. The fair values were estimated using the present value of expected future cash flows.

The Companies recognized impairment losses on long-lived assets of JPY2,693 million due to the decreasing profitability of certain business assets in the Industrial Automation Business during the fiscal year ended March 31, 2026. Under Eliminations & Corporate, the Companies recognized impairment losses on long-lived assets Of these, JPY721 million was due to decreasing profitability of certain business assets and JPY207 million was due to the closure of facilities in connection with restructuring. The Companies recognized impairment losses on long-lived assets of JPY471 million due to decreasing profitability of certain business assets in the Healthcare Business. The Companies recognized impairment losses of JPY246 million on long-lived assets due to decreasing profitability of certain business assets in the Social Systems, Solutions, and Service Business. The Companies recognized impairment losses of JPY78 million for long-lived assets due to decreasing profitability of business assets related to some service businesses in the Data Solution Business. The fair values were estimated using the present value of expected future cash flows.

For the fiscal year ended March 31, 2025, these impairment losses are included JPY397 million in "Restructuring expenses" and JPY895 million in "Other expense (income), net" within the consolidated statements of income.

For the fiscal year ended March 31, 2026, these impairment losses are included JPY441 million in "Restructuring expenses" and JPY3,975 million in "Other expenses(income), net" within the consolidated statements of income.

I SHORT-TERM DEBT AND LONG-TERM DEBT

The amounts and weighted-average interest rate of short-term debt on March 31, 2025 and 2026 were as follows:

(JPY millions)

	FY2024	FY2025
Short-term borrowings	16,276	70,498
Current portion of long-term borrowings	4,096	51,170
Short-term debt	20,372	121,668

The weighted-average interest rate on short-term borrowings on March 31, 2025 and 2026 was 0.61% and 0.83%, respectively.

The amounts and interest rate of long-term debts on March 31, 2025 and 2026 were as follows:

(JPY millions)

	FY2024	FY2025
Long-term borrowings	83,295	87,160
(Interest rate)	(0.30%~1.70%)	(0.75%~3.00%)
Corporate bonds		
Unsecured Straight Bonds due 2028 (0.94%)	19,944	19,960
Unsecured Straight Bonds due 2030 (1.096%)	19,945	19,960
Total of corporate bonds	39,889	39,920
Total	123,184	127,080
Deduct: Current portion of long-term borrowings	4,096	51,170
Long-term debt	119,088	75,910

For major short-term borrowings and long-term borrowings, a general agreement such as the following is made with banks that are the lenders. That is, it is stipulated that at the bank's request, a collateral or guarantor shall be provided with regard to current or future borrowings, and banks shall have the right to offset bank deposits with borrowings that have become due, or in case of default of the agreement, all the borrowings.

The repayment schedule for long-term borrowings and redemption schedule for corporate bonds as of March 31, 2026 were as follows.

(JPY millions)		
FY	Long-term borrowings	Corporate bonds
2026	51,170	—
2027	6,933	20,000
2028	5,559	—
2029	19,609	20,000
2030	3,889	—
Thereafter	—	—
Total	87,160	40,000

The amounts of assets used as collateral for borrowings on March 31, 2025 and 2026 were as follows:

(JPY millions)		
	FY2024	FY2025
Cash and cash equivalents	437	465
Land	710	547
Buildings	556	541
Investment in Subsidiary (Before consolidated elimination adjustment)	10	10
Total	1,713	1,563

The amounts of secured debt for borrowings on March 31, 2025 and 2026 were as follows:

(JPY millions)		
	FY2024	FY2025
Current portion of long-term borrowings	42	42
Long-term borrowings	1,071	969
Total	1,113	1,011

The amounts of assets pledged as collateral for third-party borrowings on March 31, 2025 and 2026 were as follows:

(JPY millions)		
	FY2024	FY2025
Investment securities	200	200

J LEASES

Lessee

Supplemental income statement information for the fiscal years ended March 31, 2025 and 2026 is as follows:

Lease costs are included in cost of sales or selling, general and administrative expenses in the consolidated statement of income.

(JPY millions)

	FY2024	FY2025
Finance lease cost: Amortization of right-of-use assets	234	266
Operating lease cost	13,258	14,075
Short-term lease cost	580	553
Other lease cost	360	125
Total lease cost	14,432	15,019

Operating Lease Cash Flow

Supplemental cash flow information for the fiscal years ended March 31, 2025 and 2026 is as follows:

(JPY millions)

	FY2024	FY2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	13,465	13,672
Noncash activity - Right-of-use assets obtained in exchange for operating lease liabilities:		
Operating leases	8,273	16,591

Maturity Analysis

The following is a schedule by year of the future minimum lease payments under operating leases at March 31, 2026:

	FY2025 (JPY millions)
FY2026	12,927
FY2027	11,085
FY2028	6,972
FY2029	4,621
FY2030	2,927
Thereafter	8,258
Total future minimum lease payments	46,790
Less imputed interest	(3,158)
Total lease liabilities	43,632

Remaining Lease Term and Discount Rate

The following is remaining lease term and discount rate under operating leases at March 31, 2025 and 2026:

	FY2024	FY2025
Weighted-average remaining lease term – operating leases	65 months	74 months
Weighted-average discount rate – operating leases	1.4%	1.8%

Lessor

As there are no significant contracts to disclose, their disclosure has been omitted.

K TERMINATION AND RETIREMENT BENEFITS

In the first quarter of March 31, 2020, the Company and certain domestic subsidiaries decided to switch from the defined benefit pension plan and lump-sum payment plan (the “Plans”) to the defined contribution pension plan (the “DC”) for future service rendered on or after July 1, 2019. The Company also decided to amend the Plans and switch certain parts of the Plans for service rendered prior to June 30, 2019 to the DC over a period required by the regulation.

The Companies recognized the decrease in PBO from the payment to the DC as a result of the switch to the DC was included in “Settlements,” and the difference between the PBO decrease and the payment to the DC was included in “Settlements loss”.

The Company and its domestic subsidiaries had sponsored termination and retirement benefit plans which cover substantially all domestic employees (the “funded contributory termination and retirement plan in Japan”) until the switch to the DC was decided. Benefits had been based on a point-based benefits system, under which benefits are calculated mainly based on accumulated points awarded to employees each year according to their job classification and performance. If termination is involuntary, employees are usually entitled to greater payments than in the case of voluntary termination.

The Company and its domestic subsidiaries fund a portion of the obligation under these plans. The general funding policy is to contribute amounts computed in accordance with actuarial methods acceptable under Japanese tax law.

1. Funded contributory termination and retirement plan in Japan

(1) Obligations and Funded Status

The reconciliation of beginning and ending balances of the benefit obligations and the fair value of the plan assets at March 31, 2025 and 2026 were as follows:

(JPY millions)

	FY2024	FY2025
Change in benefit obligation:		
Benefit obligation at beginning of year	148,537	125,305
Interest cost	2,423	2,606
Actuarial gain	(6,000)	(8,071)
Benefits paid	(10,696)	(7,650)
Settlements	(8,959)	(4,064)
Benefit obligation at end of year	125,305	108,126
Change in plan assets:		
Fair value of plan assets at beginning of year	153,155	137,804
Actual return on plan assets	563	9,281
Benefits paid	(7,781)	(6,804)
Settlements	(8,133)	(3,496)
Fair value of plan assets at end of year	137,804	136,785
Fair value of assets in retirement benefit trust at beginning of year	57,419	49,229
Actual return (loss) on assets in retirement benefit trust	(8,190)	17,353
Fair value of assets in retirement benefit trust at end of year	49,229	66,582
Status at end of year	61,728	95,241

Amounts recognized in the consolidated balance sheets at March 31, 2025 and 2026, consisted of:

(JPY millions)

	FY2024	FY2025
Prepaid pension costs	64,112	97,039
Other current liability	(523)	(483)
Termination and retirement benefit	(1,861)	(1,315)
Total	61,728	95,241

Amounts recognized in accumulated other comprehensive income at March 31, 2025 and 2026, before tax, consisted of:

(JPY millions)

	FY2024	FY2025
Net actuarial loss	8,365	(23,677)
Prior service benefit	(13,006)	(12,586)
Total	(4,641)	(36,263)

The accumulated benefit obligation at March 31, 2025 and 2026 was as follows:

(JPY millions)

	FY2024	FY2025
Accumulated benefit obligation	125,305	108,126

The accumulated benefit obligation and fair value of plan assets for plans with accumulated benefit obligations in excess of plan assets, and the projected benefit obligation and fair value of plan assets for plans with projected benefit obligations in excess of plan assets at March 31, 2025 and 2026 was as follows:

(JPY millions)

	FY2024	FY2025
Plans with accumulated benefit obligations in excess of plan assets		
Accumulated benefit obligations	(2,384)	(1,798)
Fair value of plan assets	—	—
Plans with projected benefit obligations in excess of plan assets		
Projected benefit obligations	(2,384)	(1,798)
Fair value of plan assets	—	—

(2) Components of Net Periodic Benefit Cost

The cost recorded for the contributory termination and retirement benefit plans for the years ended March 31, 2025 and 2026 included the following components:

(JPY millions)

	FY2024	FY2025
Interest cost on projected benefit obligation	2,423	2,606
Expected return on plan assets	(3,143)	(2,968)
Amortization	713	(402)
Settlements loss	974	668
Net periodic benefit cost	967	(96)

(Notes) 1. In accordance with ASC 715, "Compensation - Retirement Benefits," the unrecognized prior service benefit occurred in the fiscal year ended March 31, 2020 is amortized on a straight-line basis over the average remaining life expectancy years of 37 years. The unrecognized actuarial gains and losses are amortized on a straight-line basis of 15 years, within the average remaining life expectancy years, that exceed 10% of the larger of the projected benefit obligation or plan assets.

2. Retirement benefit costs for the fiscal year ended March 31, 2025 were recorded at JPY (28) million in "Restructuring expenses" and at JPY995 million in "Other expense (income), net."

Retirement benefit costs for the fiscal year ended March 31, 2026 were recorded in "Other expense (income), net."

(3) Measurement Date

The Company and some of its domestic subsidiaries which cover the majority of the projected benefit obligation and plan assets of the termination and retirement benefits use March 31 as the measurement date.

(4) Assumptions

Weighted-average assumptions used to determine the benefit obligations at March 31, 2025 and 2026 were as follows:

	FY2024	FY2025
Discount rate	2.08%	2.96%

Weighted-average assumptions used to determine termination and retirement benefit costs for the years ended March 31, 2025 and 2026 were as follows:

	FY2024	FY2025
Discount rate	1.69%	2.08%
Expected long-term rate of return on plan assets	2.20%	2.20%

The expected return on plan assets is determined by estimating the future rate of return on each category of plan assets considering actual historical returns and current economic trends and conditions.

Since the Company and certain domestic subsidiaries decided to switch from the existing the Plans to the DC for future service rendered on or after July 1, 2019, compensation increase rate is no longer required.

(5) Plan Assets

The Company's investment policies are designed to ensure that adequate plan assets are available to provide future payments of pension benefits to eligible participants. Taking into account the expected long-term rate of return on plan assets, the Company formulates a model portfolio composed of the optimal combination of equity, debt securities, life insurance general account assets, and other assets in order to yield a total return that will match the expected return on a mid-term to long-term basis.

The Company evaluates the gap between long-term expected return and actual return of invested plan assets to determine if such differences necessitate a revision in the formulation of the model portfolio. In the event that the Company determines the need for a revision of the model portfolio to accomplish the expected long-term rate of return on plan assets, the Company revises the model portfolio to the extent necessary.

The target allocation of plan assets is 20.0% equity securities, 51.0% debt securities and life insurance general account assets, and 29.0% other. The plan assets include joint trusts which invest in equity, debt securities, alternatives and other assets.

Equity securities are mainly composed of stocks that are listed on various securities exchanges. The Company has investigated the business condition of investee companies and appropriately diversified the equity investments by type of industry, brand, and other relevant factors. Debt securities are primarily composed of government bonds, public debt instruments, and corporate bonds. The Company has investigated the quality of the debt issued, including credit rating, interest rate, and repayment dates and appropriately diversified the debt investments. For investments in life insurance general account assets, contracts with the insurance companies include a guaranteed interest and return of capital. Other assets are mainly joint trusts composed of alternative and appropriately diversified.

The fair values of the Company's pension plan assets by asset category as of March 31, 2025 were as follows:

(JPY millions)

	Amount of Fair Value Measurements (Notes:3)			
	Level 1	Level 2	Level 3	Total
Equity securities (Notes:1)	29,839	—	—	29,839
Life insurance general account assets	—	26,793	—	26,793
Other assets (Notes:2)	11,489	1,525	—	13,014
Investments measured at Net Asset Value (NAV) (Notes:3)	—	—	—	117,387
Total	41,328	28,318	—	187,033

(Notes) 1. Equity securities are domestic stocks that by retirement benefit trusts hold. No common stock of the Company is included in Domestic stocks.

2. Other assets are mainly cash deposits hold by retirement benefit trusts.

3. Investments measured at NAV include JPY111,011 million of joint trusts and JPY6,376million of Security investment trust beneficiary securities. Investments measured at NAV are joint trusts. Certain assets evaluated by net asset value per share (or its equivalent) are not categorized in the fair value hierarchy. Total amounts in the above table are presented to reconcile the amounts in the fair value hierarchy to the amounts stated on the consolidated balance sheets.

Equity securities included in joint trusts invest in listed equity securities at a ratio of 30% Japanese companies and 70% foreign companies for the fiscal year ended March 31, 2025.

Debt securities included in joint trusts invested at a ratio of approximately 30% in domestic bonds and 70% in foreign bonds for the fiscal year ended March 31, 2025.

Level 1 assets are composed principally of cash in bank and equity securities which are valued using unadjusted quoted market prices in active markets with sufficient volume and frequency of transactions.

Level 2 assets are composed principally of life insurance general account assets. Life insurance general account assets are valued based on the sum of original value and return.

The fair values of the Company's pension plan assets by asset category as of March 31, 2026 were as follows:

(JPY millions)

	Amount of Fair Value Measurements (Notes:3)			
	Level 1	Level 2	Level 3	Total
Equity securities (Notes:1)	12,561	—	—	12,561
Life insurance general account assets	—	26,003	—	26,003
Other assets (Notes:2)	17,428	29,663	—	47,091
Investments measured at Net Asset Value (NAV) (Notes:3)	—	—	—	117,712
Total	29,989	55,666	—	203,367

(Notes) 1. Equity securities are domestic stocks that by retirement benefit trusts hold. No common stock of the Company is included in Domestic stocks.

2. Other assets are mainly cash deposits and call loan hold by retirement benefit trusts.

3. Investments measured at NAV include JPY110,782 million of joint trusts and JPY6,930million of Security investment trust beneficiary securities. Certain assets evaluated by net asset value per share (or its equivalent) are not categorized in the fair value hierarchy. Total amounts in the above table are presented to reconcile the amounts in the fair value hierarchy to the amounts stated on the consolidated balance sheets.

Equity securities included in joint trusts invest in listed equity securities at a ratio of approximately 30% Japanese companies and 70% foreign companies for the fiscal year ended March 31, 2026.

Debt securities included in joint trusts invested at a ratio of approximately 30% in domestic bonds and 70% in foreign bonds for the fiscal year ended March 31, 2026.

Level 1 assets are composed principally of cash in bank and equity securities which are valued using unadjusted quoted market prices in active markets with sufficient volume and frequency of transactions.

Level 2 assets are composed principally of life insurance general account assets by pension plan assets and call loan by retirement benefit trusts. Life insurance general account assets are valued based on the sum of original value and return and call loan are valued based on the sum of original value.

(6) Cash Flows

Contributions

The Companies do not expect to contribute to their domestic termination and retirement benefit plans in the year ending March 31, 2027.

Benefit payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as follows:

FY	JPY millions
2026	8,189
2027	7,598
2028	7,043
2029	6,066
2030	5,455
2031 – 2035	23,202

2. Termination plans excluding the funded contributory termination and retirement plan in Japan

The aggregate liability for the termination plans, excluding the funded contributory termination and retirement plan in Japan, as of March 31, 2025 and 2026 was JPY 5,108 million and JPY 3,637 million, respectively. The aggregate net periodic benefit cost for such plans for the fiscal years ended March 31, 2025 and 2026 was JPY 220 million and JPY 431 million, respectively.

The termination plans excluding the funded contributory termination and retirement plan in Japan, include the termination and retirement benefit plans in European subsidiaries, and the Companies' other termination and retirement benefit plans. Certain employees of European subsidiaries are covered by a defined benefit pension plan. The projected benefit obligation for the plan and related fair value of plan assets in European subsidiaries were JPY 8,398 million and JPY 8,109 million, respectively, at March 31, 2025, and JPY 9,052million and JPY 8,733million, respectively, at March 31, 2026. The projected benefit obligation and related fair value of the Companies' other termination and retirement benefit plans, which provide lump-sum termination payment at the employee's termination, were not material at March 31, 2025 and 2026. Other termination and retirement benefit plans primarily provide lump-sum retirement benefits upon employee retirement.

3. Defined contribution plans

The defined contribution expenses for the years ended March 31, 2025 and 2026 were as follows:

(JPY millions)

	FY2024	FY2025
Defined contribution expenses	7,153	6,900

L EQUITY

The Companies Act requires that all shares of common stock be issued with no par value and at least 50% of the issue price of new shares is required to be recorded as common stock, while the remaining net proceeds are required to be presented as additional paid-in capital, which is included in capital surplus. The Companies Act permits Japanese companies, upon approval of the board of directors, to issue shares to existing shareholders without consideration by way of a stock split. Such issuance of shares generally does not give rise to changes within equity.

The Companies Act also requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the total of aggregate amount of legal reserve and additional paid-in capital equals 25% of the common stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation of such threshold. The Companies Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus, and retained earnings can be transferred among the accounts under certain conditions upon resolution of the shareholders.

The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the board of directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by a specific formula.

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders' meeting. For companies that meet certain criteria, such as: (1) having a board of directors; (2) having independent auditors; (3) having a Board of Corporate Auditors; and (4) the term of service of the directors is prescribed as one year rather than two years of normal term by its articles of incorporation, the board of directors may declare dividends (except for dividends in kind) if the Company has prescribed so in its articles of incorporation. The Company meets all the above criteria.

The Companies Act permits companies to distribute dividends in kind (noncash assets) to shareholders subject to a certain limitation and additional requirements.

Semiannual interim dividends may also be paid once a year upon resolution of the board of directors if it is stipulated by the articles of incorporation of the Company. Under the Companies Act, certain limitations are imposed on the amount of capital surplus and retained earnings available for dividends. The Companies Act also provides certain limitations on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of net assets after dividends must be maintained at no less than JPY3 million. Such amount available for dividends under the Companies Act was JPY93,760 million at March 31, 2026, based on the amount recorded in the Company's general books of account.

M OTHER EXPENSE (INCOME), NET

Other expense (income), net, for the years ended March 31, 2025 and 2026 consisted of the following:

(JPY millions)

	FY2024	FY2025
Net loss on sales and disposals of property, plant, and equipment	1,184	884
Impairment losses on long-lived assets	895	3,975
The costs associated with product quality	771	890
Net loss (gain) on valuation of investment securities	(12,313)	271
Gain related to sale of business	(2,956)	—
Interest income, net	(1,949)	(739)
Foreign exchange loss, net	1,459	2,365
Foreign exchange gain due to liquidation of foreign investments	—	(28)
Dividend income	(239)	(151)
Net periodic benefit costs	995	(192)
Government grants	(1,090)	(908)
Compensation income	(480)	(198)
Litigation expenses	92	—
Reversal of allowance for doubtful accounts	—	(419)
Other, net	(1,574)	(1,003)
Total	(15,205)	4,747

N GOVERNMENT GRANTS

Government grants are mainly grants provided by Chinese government (based on the provisions of the 15th Five-Year Plan) and grants for acquisition of property, plant, and equipment.

Grants related to revenue are recognized as net income or loss over the coverage period of the grants. Grants recognized as net income or loss are mainly deducted from the related expenses. In addition, grants for the acquisition of assets are recognized as deferred revenue and in net income or loss over the useful life of facilities that are subject to the grants.

The balances of deferred revenue at March 31, 2025 and 2026 are JPY600 million and JPY751 million, respectively, and are included in “Other current liabilities” and “Other long-term liabilities” in the consolidated balance sheet.

Government grants of JPY (1,735) million and JPY (1,538) million were recognized for fiscal years ended March 31, 2025 and 2026, respectively, and mostly included in “Other expense (income), net” and “Research and development expenses” in the consolidated statements of income.

O INCOME TAXES

The Company adopted FASB ASU 2023-09 (Topic 740), “Improvements to Income Tax Disclosures,” during the current fiscal year. We have applied this standard prospectively.

The following provides a breakdown of income before income taxes, net income before deduction of share of loss of entities accounted for using the equity method, and share of loss of entities accounted for using the equity method for the fiscal year ended March 31, 2026.

(JPY millions)			
	FY2025		
	Japan	Overseas	Total
Income before income taxes and equity in loss of affiliates	16,927	35,644	52,571
Share of loss of entities accounted for using equity method	(2,123)	—	(2,123)

The provision for income taxes for the years ended March 31, 2025 and 2026 consisted of the following:

(JPY millions)	
	FY2024
Current income tax expense	20,523
Deferred income tax expenses, exclusive of the following	(8,183)
Change in the valuation allowance	3,016
Total	15,356

	FY2025		
	Japan	Overseas	Total
Current income tax expense	12,731	10,203	22,934
Deferred income tax expenses, exclusive of the following	(9,980)	(256)	(10,236)
Change in the valuation allowance	190	578	768
Total	2,941	10,525	13,466

The Company and its domestic subsidiaries are subject to a number of taxes based on income. The statutory effective tax rate is 30.5% for the fiscal years ended March 31, 2025 and 2026.

Following the enactment of the “Act on Partial Revision of the Income Tax Act, etc.” (Act No. 13 of 2025) by the Diet on March 31, 2025, “special corporate tax for defense” will be imposed from the fiscal year beginning on or after April 1, 2026. In association with this tax imposition, the statutory effective tax rate of the Company and its main domestic subsidiaries was 31.4% to calculate deferred tax assets and deferred tax liabilities related to temporary differences, etc. that are expected to be reversed on or after the fiscal year beginning April 1, 2026.

The effective income tax rates of the Companies differ from the Japanese statutory effective tax rates for the years ended March 31, 2025 and 2026, as follows: The effective statutory tax rate in Japan is the sum of national and local taxes, which were 24.6% and 5.9%, respectively, in the fiscal year ended March 31, 2026.

(%)

	FY2024
Japanese statutory effective tax rates	30.5
Reason for increase (decrease)	
Increase in taxes resulting from permanently nondeductible items	5.4
Tax credit for research and development expenses	(8.7)
Losses of subsidiaries for which no tax benefit was provided	1.7
Difference in subsidiaries' tax rates	(14.6)
Change in the valuation allowance	7.6
Taxes on undistributed earnings	11.3
Unrecognized tax benefits	(0.1)
Share of loss (profit) of entities accounted for using equity method	0.3
Impairment losses on goodwill	11.0
Other, net	2.9
Effective income tax rates	47.3

	FY2025	
	FY2025 (Millions of yen)	Tax rate (%)
Japanese statutory effective tax rates	15,387	30.5
Reason for increase (decrease)		
Tax impact of foreign subsidiaries		
China		
Difference in effective statutory tax rates between China and Japan	(1,822)	(3.6)
Other	(239)	(0.5)
Singapore		
Difference in effective statutory tax rates between Singapore and Japan	(795)	(1.6)
Other	(561)	(1.1)
Other	254	0.5
Increase in taxes resulting from permanently nondeductible items	1,412	2.8
Tax credit		
R&D tax credit	(1,264)	(2.5)
Foreign tax credit	(769)	(1.5)
Other	(618)	(1.2)
Retained earnings of foreign subsidiaries	2,619	5.2
Other, net	(138)	(0.3)
Effective income tax rates	13,466	26.7

Taxes paid for the fiscal year ended March 31, 2026, by tax paying jurisdictions are as follows:

	FY2025 (Millions of yen)
Japan	8,183
Overseas	
China	8,572
The Netherlands	1,024
Other	3,066
Overseas Total	12,662
Total	20,845

The approximate effect of temporary differences and tax credit and loss carryforwards that gave rise to deferred tax balances at March 31, 2025 and 2026 were as follows:

(JPY millions)

	FY2024		FY2025	
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Inventory valuation	7,920	—	9,291	—
Accrued bonuses and compensated absences	7,329	—	8,539	—
Termination and retirement benefits	592	8,776	606	12,458
Investment securities	—	3,009	—	3,741
Property, plant, and equipment and intangible assets	4,591	12,133	5,744	12,209
Taxes on undistributed earnings	—	7,667	—	9,840
Unearned revenue	4,038	—	4,448	—
Research and development tax credit	5,160	—	5,316	—
Research and development cost - IRC Section 174	3,468	—	1,077	—
Investments in discontinued operations	—	—	—	7,758
Other temporary differences	12,772	292	13,348	230
Net operating loss carryforwards	8,385	—	9,905	—
Total	54,255	31,877	58,274	46,236
Valuation allowance	(12,008)	—	(12,374)	—
Total, net of valuation allowance	42,247	31,877	45,900	46,236

The total valuation allowance increased by JPY2,374 million in FY2024 and increased by JPY366 million in FY2025.

Research and development tax credit will expire by 2046, except for those that can be carried forward indefinitely.

As of March 31, 2026, the Companies had net operating loss carryforwards for corporate income taxes JPY86,084 million in Japan and JPY17,340 million in overseas. Most of which will expire in Japan by 2034. In overseas, the deduction expires will be due in 2045, except for those that can be carried forward indefinitely.

The Company has not provided deferred tax liabilities on unremitted earnings of certain foreign subsidiaries to the extent that they are believed to be indefinitely reinvested. As a result, unrecognized deferred tax liabilities corresponding to the retained earnings of foreign subsidiaries amounted to JPY9,129 million as of the end of the fiscal year ended March 31, 2026 (JPY8,658 million as of the end of the fiscal year ended March 31, 2025). Dividends received from domestic subsidiaries are expected to be substantially free of tax.

A reconciliation of beginning and ending amounts of unrecognized tax benefits was as follows:

(JPY millions)

	FY2024	FY2025
Balance at beginning of year	437	1,476
Additions based on tax positions related to the prior year	1,044	58
Subtractions based on tax positions related to the prior year	(5)	—
Subtractions upon approval of provisional agreements with tax authorities	—	(1,070)
Balance at end of year	1,476	464

The total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate was JPY457 million and JPY464 million for the years ended March 31, 2025 and 2026, respectively.

Based on the information available as of March 31, 2026, a change to the unrecognized tax benefits within the next 12 months will not have a material effect on the Companies' financial condition and operating results.

The Companies recognize interest and penalties accrued related to unrecognized tax benefits in income taxes in the consolidated statements of income.

The Companies file income tax returns in Japan and foreign jurisdictions. With few exceptions, tax examinations in Japan and in foreign countries for years on or prior to March 31, 2025 and 2015, respectively, have been completed.

P SHARE-BASED PAYMENTS

(1) Share-based payment plan for the board of directors and executive officers

The Companies introduced a performance share plan (hereinafter the “Plan”) for the members of the board of directors and executive officers in the fiscal year ended March 31, 2018.

The Plan is consisted of two structures, a BIP Trust and an ESOP Trust. The BIP Trust is established for an executive incentive program similar to the performance share and restricted stock plans in the U.S. and Europe. It is designed to grant the Company’s shares acquired by the BIP Trust and cash in the amount of the converted value of such shares to directors and executive officers according to executive position and their degree of achievement of performance targets. The ESOP Trust is used for an employee incentive program using a trust fund based on the Employee Stock Ownership Plan in the U.S. The shares held by the BIP Trust and the ESOP Trust are accounted for as treasury stock.

Vesting conditions are subject to individuals holding the position of directors and executive officers and meeting other specific requirements. The rights of granted points (1 point = 1 share) will be awarded to directors and executive officers on the last day of each fiscal year during the term of a new medium-term management plan according to their positions and the degree of achievement of performance targets. The number of performance-linked points due to directors and executive officers will be awarded after the term of the Plan, and non-performance-linked points will be awarded over a specified period each year during the term of the Plan. Directors and executive officers will receive the Company’s shares and cash, which are awarded based on their points upon completion of certain settlement procedures.

The following table summarizes the unvested points activity in FY2024 and FY2025:

	FY2024		FY2025	
	Number of Points	Weighted-Average Grant-Date Fair Value (JPY)	Number of Points	Weighted-Average Grant-Date Fair Value (JPY)
Outstanding at beginning of year	158,055	8,928	217,864	8,813
Granted	59,809	8,515	135,606	3,947
Vested	—	—	(217,864)	8,813
Outstanding at ending of year	217,864	8,813	135,606	3,947

Note: The weighted average grant date fair value is calculated by adjusting the market price of the Company's shares taking into account expected dividends, excluding new points granted in the fiscal year ended March 31, 2026. New points granted in the fiscal year ended March 31, 2026 are calculated based on the market price of the Company's shares.

Share-based payment expense recognized in the consolidated statement of income was JPY509 million, JPY535 million for the fiscal years ended March 31, 2025 and 2026, respectively.

(2) Share-based payment plan for employees

Restricted stock plan through the Employee Stockholding Association

The Company resolved in the fiscal year ended March 31, 2022 to introduce the plan, and has introduced a restricted stock plan for employees of the Company and the Company's domestic subsidiaries.

Based on the long-term vision "SF2030," this plan is to pay monetary claims as a special incentive for granting restricted stock (hereinafter referred to as "Special Incentive") to employees of the Company and the Company's subsidiaries who consent to the plan (hereinafter referred to as "eligible employees") in order to realize the "Maximization of corporate value (financial and non-financial value)," with the aim to bring management and employees together to work as one to enhance corporate value and to allow all to share in the results. The eligible employees contribute the Special Incentive to the Employee Stockholding Association, and the Employee Stockholding Association receives the issuance or disposal of the Company's common shares as restricted stock by using the Special Incentive contributed by eligible employees to make a contribution the Company.

On the condition that eligible employees would remained a member of the Employee Stockholding Association during the transfer restriction period, their restriction on transfer is lifted on the business day following the day when the transfer restriction period expires, for all the allotted shares in the number corresponding to the share of restricted stock held by eligible employees, according to the level of achievement of the Company's performance targets and changes of their employee category. In the case where certain events occur, the Company acquires the allotted shares without compensation. Changes in the number of shares of restricted stock and weighted-average grant-date fair value are as follows.

	FY2024		FY2025	
	Number of shares	Weighted-average grant-date fair value (JPY)	Number of shares	Weighted-average grant-date fair value (JPY)
Outstanding at beginning of the fiscal year	180,606	7,744	23,626	6,916
Vested	(102,259)	7,936	(10,629)	6,916
Acquired by the Company	(21,361)	7,744	(12,997)	6,916
Change in accounting estimate	(33,360)	7,744	—	—
Outstanding at ending of the fiscal year	23,626	6,916	—	—

Note: The weighted-average grant-date fair value is calculated based on the market value of the Company's shares.

Share-based payment expense recognized in the consolidated statement of income was JPY747 million and JPY118 million for the fiscal years ended March 31, 2025, and 2026, respectively. There are no unrecognized compensation costs at the fiscal year ended March 31, 2026.

Q PER SHARE DATA

The Company calculates its net income (loss) per share in accordance with ASC 260, "Earnings Per Share."

The Company introduced a Medium-term Incentive Plan using restricted stock for the Employee Stockholding Association for manager-level employees of the Company and domestic subsidiaries of the Company. In addition, the Company introduced a Stockholding Association Stimulation Plan using restricted stock for the Employee Stockholding Association for general-level employees of the Company and domestic subsidiaries of the Company. Among the shares related to these plans, the shares that are not yet vested are distinguished from common shares as participation certificates. The common shares and participation certificates have equal rights with respect to net income attributable to shareholders.

The numerators and denominators of the computations for net income (loss) attributable to shareholders per share are each shown below.

The diluted net income attributable to shareholders and the diluted average number of issued shares during the period were not stated since there were no potentially dilutive securities as of March 31, 2025 and 2026.

Numerator

(JPY millions)

	FY2024	FY2025
Net income from continuing operations attributable to OMRON shareholders	18,494	34,192
Net income from continuing operations attributable to participating securities	12	2
Net income from continuing operations attributable to OMRON common shareholders	18,482	34,190
Net loss from discontinued operations attributable to OMRON shareholders	(2,223)	(5,705)
Net loss from discontinued operations attributable to participating securities	(1)	(0)
Net loss from discontinued operations attributable to OMRON common stockholders	(2,222)	(5,705)
Net income attributable to shareholders	16,271	28,487
Net income attributable to participating securities	11	2
Net income attributable to common shareholders	16,260	28,485

Denominator

	FY2024	FY2025
Weighted-average common shares outstanding	196,900,793	196,738,303
Weighted-average participation securities outstanding	122,097	9,037
Weighted-average common shares outstanding	196,778,696	196,729,266

Note: The Company's shares held through the BIP Trust and the ESOP Trust are included in the number of treasury stock shares to be deducted in calculation of the weighted-average shares for the earnings per share computation (519,791 shares and 638,039 shares as of March 31, 2025 and 2026, respectively.).

R OTHER COMPREHENSIVE INCOME(LOSS)

Tax effects allocated to each component of other comprehensive income (loss), including other comprehensive income attributable to noncontrolling interests and reclassification adjustments for the years ended March 31, 2025 and 2026 were as follows:

(JPY millions)

	FY2024			FY2025		
	Before-Tax Amount	Tax (Expense) Benefit	Net-of-Tax Amount	Before-Tax Amount	Tax (Expense) Benefit	Net-of-Tax Amount
Foreign currency translation adjustments:						
Beginning balance	97,263	(1,496)	95,767	89,817	(1,631)	88,186
Foreign currency translation adjustments arising during the year	(7,486)	(135)	(7,621)	40,548	(6,318)	34,230
Reclassification adjustment for the portion realized in net income	—	—	—	(136)	—	(136)
Net unrealized gain (loss)	(7,486)	(135)	(7,621)	40,412	(6,318)	34,094
Less: Other comprehensive income(loss) attributable to noncontrolling interests	(40)	—	(40)	299	—	299
Ending balance	89,817	(1,631)	88,186	129,930	(7,949)	121,981
Pension liability adjustments:						
Beginning balance	7,307	6,301	13,608	1,303	8,143	9,446
Pension liability adjustments arising during the year	(6,728)	2,063	(4,665)	31,863	(10,011)	21,852
Reclassification adjustment for the portion realized in net income	724	(221)	503	1,547	(468)	1,079
Net unrealized gain (loss)	(6,004)	1,842	(4,162)	33,410	(10,479)	22,931
Ending balance	1,303	8,143	9,446	34,713	(2,336)	32,377
Net gains on derivative instruments:						
Beginning balance	46	(25)	21	—	—	—
Reclassification adjustment for the portion realized in net income	(46)	25	(21)	—	—	—
Net unrealized gain (loss)	(46)	25	(21)	—	—	—
Ending balance	—	—	—	—	—	—
Total						
-Accumulated other comprehensive income:						
Beginning balance	104,616	4,780	109,396	91,120	6,512	97,632
Unrealized holding gain arising during the year	(14,214)	1,928	(12,286)	72,411	(16,329)	56,082
Reclassification adjustment for the portion realized in net income	678	(196)	482	1,411	(468)	943
Net unrealized gain (loss)	(13,536)	1,732	(11,804)	73,822	(16,797)	57,025
Less: Other comprehensive income(loss) attributable to noncontrolling interests	(40)	—	(40)	299	—	299
Ending balance	91,120	6,512	97,632	164,643	(10,285)	154,358

The reclassification adjustments for the portion realized in net income (loss) for the period that relate to continuing operations are included in the following, respectively. The reclassification adjustment related to foreign currency translation adjustments for the portion realized in net income is included in “other expense (income), net”. Reclassification adjustments for realized pension liability adjustments are included in “other expense (income), net” and “restructuring expenses” for the fiscal year ended March 31, 2025. The corresponding amounts for the fiscal year ended March 31, 2026, are included in “other expense (income), net.” The reclassification adjustment related to net gains on derivative instruments for the portion realized in net income is included in “cost of sales” and “other expense (income), net.”

In addition, reclassification adjustments for realized amounts in net income related to discontinued operations are included in net loss from discontinued operations.

Income tax effects related to continuing operations are presented under income taxes, while income tax effects related to discontinued operations are presented as a component of net loss.

S FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair Value of Financial Instruments

The carrying amounts and estimated fair values as of March 31, 2025 and 2026 of the Companies' financial instruments were as follows:

(JPY millions)

	FY2024		FY2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
(Except derivatives)				
Bonds payable				
Long-term debt	(39,889)	(39,608)	(39,920)	(39,188)
(Derivatives)				
Forward exchange contracts:				
Other current assets	668	668	5,380	5,380
Other current liabilities	(1,988)	(1,988)	(2,115)	(2,115)

The following methods and assumptions were used to estimate the fair values of each class of financial instrument for which it is practicable to estimate its value.

The definitions of Level 1, Level 2, and Level 3, which are hierarchical classifications of fair value, are described in Note II-U. FAIR VALUE MEASUREMENTS.

Derivatives

The fair value of derivatives generally reflects the estimated amounts that the Companies would receive or pay to terminate the contracts at the reporting date, thereby taking into account the current unrealized gains or losses on open contracts. Dealer quotes are available for most of the Companies' derivatives. For the rest of the Companies' derivatives, valuation models are applied to estimate fair value.

The Companies do not use derivatives for trading purposes.

In addition, information on the fair value of derivative transactions by level is described in Note II-U. FAIR VALUE MEASUREMENTS.

Nonderivatives

- (1) Cash and cash equivalents, notes and accounts receivable, leasehold deposits, notes and accounts payable, short-term debt:

The carrying amounts approximate fair value. Cash and cash equivalents are classified as Level 1, while others are classified as Level 2.

- (2) Investment securities:

Fair values of equity securities listed on active markets are principally valued using quoted market prices. Fair values of equity securities traded on markets that are not active are principally valued using quoted market prices. In addition, equity securities without readily determinable fair values, those which are accounted for at cost, minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer, or using other reasonable methods are included in "Investment securities." (See Note II-U. about equity securities measured at fair value on a recurring basis.)

- (3) Long-term debt:

Long-term debt consists of long-term borrowings and bonds. We estimate that the fair value of long-term borrowings approximates the carrying amount, and classify this borrowings as Level 2. Since fair values of corporate bonds are valued using publicly disclosed quoted market prices, they are classified as Level 2.

T DERIVATIVES AND HEDGING ACTIVITIES

The Companies enter into forward exchange contracts to hedge changes in foreign currency exchange rates (primarily the U.S. dollar, the Euro, and the Chinese yuan). The Companies do not use derivatives for trading purposes. The Companies are exposed to credit risk in the event of nonperformance by counterparties to derivatives, but the Company considers the exposure to such risk to be minimal since the counterparties maintain good credit ratings.

Changes in the fair value of certain forward exchange contracts designated and qualifying as cash flow hedges are reported in accumulated “Accumulated other comprehensive income”. Gains and losses on forward exchange contracts are subsequently reclassified into “Other expense (income), net” in the same period as and when the hedged items affect earnings.

Furthermore, forward exchange contracts that have not been designated as hedges are also considered effective as hedges from an economic perspective. Changes in fair value of these forward exchange contracts are immediately recorded in “Other expense (income), net.”

The notional amounts of outstanding contracts to forward exchange and commodity swap at March 31, 2025 and 2026 were as follows:

(JPY millions)		
	FY2024	FY2025
Forward exchange contracts	108,613	129,113

The fair values of derivatives at March 31, 2025 and 2026 were as follows:

Derivatives designated as hedges

The balance was nil.

Derivatives not designated as hedges

Assets

(JPY millions)			
	Account	FY2024	FY2025
Forward exchange contracts	Other current assets	668	5,380

Liabilities

(JPY millions)			
	Account	FY2024	FY2025
Forward exchange contracts	Other current liabilities	(1,988)	(2,115)

The effects on the consolidated statements of income for the year ended March 31, 2025 were as follows:

Derivatives designated as hedges

Cash flow hedge

(JPY millions)

	Unrealized Gain (Losses) in Other Comprehensive Income (Hedge Effective Portion)	Transfer from Other Comprehensive Income to Loss (Hedge Effective Portion)
Forward exchange contracts	—	(1)

The amount of hedge effectiveness was immaterial.

Derivatives not designated as hedges

(JPY millions)

	Loss recognized from derivatives
Forward exchange contracts	(1,584)

The effects on the consolidated statements of income for the year ended March 31, 2026 were as follows:

Derivatives designated as hedges

The balance was nil.

Derivatives not designated as hedges

(JPY millions)

	Income recognized from derivatives
Forward exchange contracts	3,078

U FAIR VALUE MEASUREMENTS

ASC 820, “Fair Value Measurements and Disclosures,” defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value as follows:

Level 1 Inputs are quoted prices in active markets for identical assets or liabilities.

Level 2 Inputs are quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable, and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 Inputs are significant to measure fair value of assets or liabilities and unobservable.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The assets and liabilities that are measured at fair value on a recurring basis at March 31, 2025 were as follows:

(JPY millions)

	Amount of Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
Assets				
Investment securities				
Equity securities	3,414	13,983	7,450	24,847
Derivatives				
Forward exchange contracts	—	669	—	669
Liabilities				
Derivatives				
Forward exchange contracts	—	1,988	—	1,988

Investment Securities

Investment securities consist of stocks. Since fair values of marketable securities are valued using quoted market prices in active markets for identical assets and can be observed, these are classified as Level 1. Since fair values of marketable securities traded in an inactive market are valued using quoted market prices for identical assets and can be observed, these are classified as Level 2. Since fair values of nonmarketable securities without readily determinable fair values are estimated using information mainly obtained from the investee companies, and considering its non-liquidity, such securities are classified as Level 3 because unobservable inputs are used in their measurement.

Derivatives

Derivatives consist of forward exchange contracts. Since fair value of derivatives is determined using the observable market data, such as foreign exchange rates, these are classified as Level 2.

A reconciliation of Level 3 assets measured at fair value on a recurring basis for the years ended March 31, 2025 was as follows:

(JPY millions)

	Investment Security
Balance at beginning of year	5,657
Amount included in net income:	
Other expense (income), net	1,565
Purchases	857
Sales	(309)
Transfer to Level 1 (Note)	(303)
Other	(17)
Balance at end of year	7,450

Note: Due to the transfer of holdings to Level 1 due to the initial listing of stocks.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

The assets and liabilities that are measured at fair value on a nonrecurring basis at March 31, 2025 were as follows:

(JPY millions)

	Total Amount of Loss	Amount of Fair Value Measurements			
		Level 1	Level 2	Level 3	Total Amount of Fair Value
Assets					
Investment securities	(135)	—	526	—	526
Long-lived assets	(1,292)	—	—	0	0
Goodwill	(11,725)	—	—	309,776	309,776

Investment securities measured by observable price in the orderly transactions of an identical or similar investment of the same issuer are classified as Level 2.

Long-lived assets listed above are classified as Level 3, as most of these assets are measured based on unobservable inputs resulting recognition of impairment. The fair value for the major assets was measured using the discounted future cash flows method.

The goodwill is goodwill involved in the Data Solution Business. Since the goodwill is measured based on unobservable inputs, this asset is classified as Level 3. The fair value of the reporting unit is determined based on two valuation methods. One is the discounted cash flow method, in which the estimated future cash flows, based on the business plan approved by management, are discounted to present value using a discount rate calculated based on the weighted average cost of capital. The other is the market price method, which reflects market prices adjusted by a control premium.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The assets and liabilities that are measured at fair value on a recurring basis at March 31, 2026 were as follows:

(JPY millions)

	Amount of Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
Assets				
Investment securities				
Equity securities	18,501	—	10,038	28,539
Derivative:				
Forward exchange contracts	—	5,380	—	5,380
Liabilities				
Derivatives				
Forward exchange contracts	—	2,115	—	2,115

Investment Securities

Investment securities consist of stocks. Since fair values of marketable securities are valued using quoted market prices in active markets for identical assets and can be observed, these are classified as Level 1. Since fair values of nonmarketable securities without readily determinable fair values are estimated using information mainly obtained from the investee companies, and considering its non-liquidity, such securities are classified as Level 3 because unobservable inputs are used in their measurement.

Derivatives

Derivatives consist of forward exchange contracts. Since fair value of derivatives is determined using the observable market data, such as foreign exchange rates, these are classified as Level 2.

A reconciliation of Level 3 assets measured at fair value on a recurring basis for the years ended March 31, 2026 was as follows:

(JPY millions)

	Investment Security
Balance at beginning of year	7,450
Amount included in net income:	
Other expense (income), net	71
Purchases	686
Acquisition through a business combination	1,831
Balance at end of year	10,038

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

The assets and liabilities that are measured at fair value on a nonrecurring basis at March 31, 2026 were as follows:

(JPY millions)

	Total Amount of Loss	Amount of Fair Value Measurements			
		Level 1	Level 2	Level 3	Total Amount of Fair Value
Assets					
Investment securities	(43)	—	3,057	0	3,057
Long-lived assets	(4,338)	—	—	0	0

Investment securities are classified as Level 2 if they are valued at observable prices in orderly transactions involving the same or similar investments of the same issuer. Such securities are classified as Level 3 if they are valued based on unobservable inputs presented by the issuer.

Long-lived assets listed above are classified as Level 3, as most of these assets are measured based on unobservable inputs resulting recognition of impairment. The fair value for the major assets was measured using the discounted future cash flows method.

V COMMITMENTS AND CONTINGENT LIABILITIES

Commitment

The Companies have non-cancelable contracts mainly for certain information technology-related services and materials. The amounts of outstanding contracts as of March 31, 2025 and 2026 was JPY9,492 million and JPY8,574 million, respectively.

Concentrations of Credit Risk

Financial instruments that potentially subject the Companies to concentrations of credit risk consist principally of short-term cash investments and notes and accounts receivable. The Companies place their short-term cash investments with high credit quality financial institutions. As approximately 45% of total sales are concentrated in Japan, concentrations of credit risk with respect to notes and accounts receivable are limited due to the large number of well-established customers and their dispersion across many industries.

Product Warranties

The Companies issue contractual product warranties under which they generally guarantee the performance of products delivered and services rendered for a certain period or term. Changes in accrued product warranty cost for the years ended March 31, 2025 and 2026 was summarized as follows:

	(JPY millions)	
	FY2024	FY2025
Balance at beginning of year	1,572	2,008
Additions	1,781	1,743
Utilizations	(1,345)	(1,410)
Balance at end of year	2,008	2,341

Unused Committed Lines

The Companies have a total of JPY30,000 million and JPY70,000 million in unused committed lines of credit at March 31, 2025 and 2026, respectively.

Deferred Revenue

The Companies provide extended warranties for certain products, and the revenue is recognized using the straight-line method over the warranty term. The costs from the extended warranties are charged to earnings as incurred. The deferred revenue for the years ended March 31, 2025 and 2026 was JPY13,837 million and JPY14,792 million, respectively, and recorded in other current liabilities and other long-term liabilities.

Lawsuits

The Company and some of its subsidiaries are facing several petitions and lawsuits arising from the normal course its business and appropriate accounting is performed according to the progress. However, based upon the information currently available to both the Company and its legal counsel, management of the Company believes that damages from such petitions and lawsuits, if any, would not have a material effect on the consolidated financial statements.

W RESTRUCTURING EXPENSES

The Company has designated the period from April 2024 to September 2025 as a period to focus on restoring business performance and restructuring its foundation for earnings and growth. To work on more fundamental solutions to our essential issues, we are implementing the Structural Reform Program NEXT2025.

The Structural Reform Program NEXT 2025 includes activities such as rebuilding of the Industrial Automation Business, portfolio optimization, headcount and capacity optimization, fixed cost productivity improvement, and introduction and operation of customer-driven management system.

Changes in obligations related to the structural reforms for the fiscal year ended March 31, 2025 were as follows.

Classification	Fiscal year ended March 31, 2025 (JPY millions)			
	Retirement-related costs	Non-cash impairment and amortization, and net losses on disposal	Other related expenses	Total
Balance at beginning of year	—	—	—	—
Incurred restructuring expenses	18,331	3,145	2,319	23,795
Payment/settlement made through cash payments	(16,711)	—	(1,922)	(18,633)
Non-cash expenses	—	(3,145)	—	(3,145)
Changes in pension liability adjustments	29	—	—	29
Foreign currency translation adjustments	(85)	—	(7)	(92)
Balance at ending of year	1,564	—	390	1,954

Restructuring costs for the fiscal year ended March 31, 2025, were mainly one-time costs associated with headcount and capacity optimization, one of the management measures of Structural Reform Program NEXT2025. These costs were included under "restructuring expenses" for the fiscal year ended March 31, 2025.

Changes in obligations related to the structural reforms for the fiscal year ended March 31, 2026 were as follows.

Classification	Fiscal year ended March 31, 2026 (JPY millions)			
	Retirement-related costs	Non-cash impairment and amortization, and net losses on disposal	Other related expenses	Total
Balance at beginning of year	1,564	—	390	1,954
Incurred restructuring expenses	1,321	662	634	2,617
Payment/settlement made through cash payments	(1,635)	—	(928)	(2,563)
Non-cash expenses	—	(662)	—	(662)
Foreign currency translation adjustments	48	—	14	62
Balance at ending of year	1,298	—	110	1,408

Restructuring costs for the fiscal year ended March 31, 2026, were mainly one-time costs associated with headcount and capacity optimization, one of the management measures of Structural Reform Program NEXT2025. These costs were included under "restructuring expenses" for the fiscal year ended March 31, 2026.

Restructuring expenses by segment for the fiscal year ended March 31, 2025 were as follows.

Classification	Fiscal year ended March 31, 2025 (JPY millions)			
	Retirement-related costs	Non-cash impairment and amortization, and net losses on disposal	Other related expenses	Total
IAB	11,890	1,366	1,893	15,149
HCB	997	—	45	1,042
SSB	2,602	1,776	136	4,514
DSB	46	—	1	47
Head Office Divisions, etc.	2,796	3	244	3,043
Consolidated total	18,331	3,145	2,319	23,795

Retirement-related costs for each segment in the above table are mainly non-recurring costs associated with headcount and capacity optimization, one of the management measures of the Structural Reform Program NEXT 2025.

In IAB, the Company implemented various structural reform activities, including the IAB Revival Plan “IAB Future Reboot Project” (abbreviated name: IFR). As a result, restructuring expenses of JPY15,149 million were recorded in the fiscal year ended March 31, 2025, including costs related to headcount and capacity optimization and site consolidation.

Restructuring expenses by segment for the fiscal year ended March 31, 2026 were as follows.

Classification	Fiscal year ended March 31, 2026 (JPY millions)			
	Retirement-related costs	Non-cash impairment and amortization, and net losses on disposal	Other related expenses	Total
IAB	678	—	427	1,105
HCB	524	319	173	1,016
SSB	0	122	—	122
Head Office Divisions, etc.	119	221	34	374
Consolidated total	1,321	662	634	2,617

Retirement-related costs for each segment in the above table are mainly non-recurring costs associated with headcount and capacity optimization, one of the management measures of the Structural Reform Program NEXT 2025.

The IAB retirement-related costs in the above table mainly represent non-recurring costs associated with the continued implementation of restructuring activities in North America, including headcount and capacity optimization.

X 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 President and CEO, the Company's chief operating decision maker (CODM), in deciding how to allocate resources and in assessing performance. The CODM uses segment profit and loss to allocate resources to each segment and to assess comparison between plans and actual results in evaluating business performance of segments.

The Company discloses operating segment information in four operating segments: "IAB," "HCB," "SSB," 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.

In connection with the decision to transfer the DMB, the Company classified DMB as a discontinued operation and removed the business from the segment information for the fiscal years ended March 2025 and 2026.

The primary products included in each segment are as follows:

(1) IAB:

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

(2) HCB:

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

(3) SSB:

.....Energy business (storage battery systems, PV inverters for solar power generation), mobility business (railway station service systems, traffic and road management systems), IoT business (UPS, infrastructure monitoring) solutions, M&S business (operations management, repair and maintenance), etc.

(4) DSB:

.....Data healthcare business, corporate health business, M&S 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 profit" is presented by subtracting "Cost of sales", "Selling, general and administrative expenses", "Research and development expenses" from "Net sales." We do not deduct "Restructuring expenses", "Loss on impairment of goodwill", "Other expense (income), net", "income taxes", and "Share of loss of entities accounted for using equity method".

Operating segment information as of and for the year ended March 31, 2025 was as follows:

(JPY millions)

	IAB	HCB	SSB	DSB	Total	Eliminations and Others	Consolidated
Sales							
1. Sales to external customers	364,698	145,866	143,585	42,738	696,887	18,492	715,379
2. Intersegment sales	823	333	7,733	439	9,328	(9,328)	—
Total	365,521	146,199	151,318	43,177	706,215	9,164	715,379
Materials costs	48,030	58,215	36,302	957	143,504	8,202	151,706
Labor costs	97,232	25,898	25,835	17,152	166,117	30,267	196,384
Other operating expenses	183,983	44,604	73,833	22,240	324,660	(10,817)	313,843
Segment profit	36,276	17,482	15,348	2,828	71,934	(18,488)	53,446
Assets	567,267	158,990	137,743	428,130	1,292,130	(46,814)	1,245,316
Depreciation and amortization	7,193	3,879	3,278	5,621	19,971	6,606	26,577
Capital expenditures	6,057	5,144	4,513	3,870	19,584	24,049	43,633

Operating segment information as of and for the year ended March 31, 2026 was as follows:

(JPY millions)

	IAB	HCB	SSB	DSB	Total	Eliminations and Others	Consolidated
Sales							
1. Sales to external customers	409,478	145,258	144,257	51,151	750,144	17,207	767,351
2. Intersegment sales	1,422	146	8,961	250	10,779	(10,779)	—
Total	410,900	145,404	153,218	51,401	760,923	6,428	767,351
Materials costs	59,671	60,014	36,393	1,403	157,481	6,545	164,026
Labor costs	101,857	25,221	26,013	19,843	172,934	29,831	202,765
Other operating expenses	206,585	44,749	71,067	26,544	348,945	(8,320)	340,625
Segment profit	42,787	15,420	19,745	3,611	81,563	(21,628)	59,935
Assets	615,651	168,273	156,291	442,972	1,383,187	5,834	1,389,021
Depreciation and amortization	7,232	3,839	3,183	6,137	20,391	6,454	26,845
Capital expenditures	9,180	4,057	6,063	2,344	21,644	24,011	45,655

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

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

3. “Other operating expenses” include expenses included in “Selling, general and administrative expenses” and “Research and development expenses,” and expenses other than “Materials costs” and “Labor costs” included in “Cost of sales.”

4. Effective as of the current fiscal year, the financial results of Omron Digital Co., Ltd., which had been included under SSB, will be included under Eliminations & Corporate. This change reflects changes within the OMRON Group management structure. As a result, we have reclassified segment information results for the previous fiscal year to reflect this new management classification.

5. Due to the classification of DMB as a discontinued operation during the current fiscal year, we have reclassified business segment information to reflect results from continuing operations and exclude the discontinued operation. The results of certain consolidated subsidiaries that were included in DMB are now included in "Eliminations and Others." As a result, we have reclassified segment information results for the previous fiscal year to reflect this new management classification. In addition, we reclassified “intersegment sales” as “sales to external customers”.

A reconciliation between segment profit and income from continuing operations before income taxes and equity in loss of affiliates for the years ended March 31, 2025 and 2026 was as follows:

(JPY millions)

	FY2024	FY2025
Total amount of segment profit	71,934	81,563
Restructuring expenses (Note 1)	23,795	2,617
Loss on impairment of goodwill (Note 2)	11,725	—
Other expense (income), net	(15,205)	4,747
Eliminations and Others	(18,488)	(21,628)
Income from continuing operations before income taxes and equity in loss of affiliates	33,131	52,571

(Note 1) Restructuring expenses by segment are described in Note II-W.

(Note 2) Impairment losses on goodwill for the fiscal year ended March 31, 2025 is impairment losses on goodwill related to JMDC Inc. which was acquired in the Data Solution Business.

Geographic Information

Information on the Companies' sales to external customers and property, plant, and equipment by major geographic areas as of and for the years ended March 31, 2025 and 2026 was as follows:

FY2024

(JPY millions)

	Japan	Americas	Europe	Greater China	Southeast Asia and Others	Direct Exports	Consolidated
Sales to external customers	335,104	68,821	106,676	129,381	73,491	1,906	715,379
Property, plant, and equipment	68,229	5,661	3,726	13,105	6,937	—	97,658

FY2025

(JPY millions)

	Japan	Americas	Europe	Greater China	Southeast Asia and Others	Direct Exports	Consolidated
Sales to external customers	348,638	73,283	116,770	144,131	82,039	2,490	767,351
Property, plant, and equipment	75,657	2,485	4,004	13,888	7,038	—	103,072

- Notes:
1. Classification of countries or areas is based upon physical geographic proximity.
 2. Major countries or areas belonging to segments other than Japan are as follows:
 - (1) Americas: The United States of America, Canada, Brazil
 - (2) Europe: The Netherlands, Great Britain, Germany, France, Italy and Spain
 - (3) Greater China: ... China, Hong Kong and Taiwan
 - (4) Southeast Asia and Others: Singapore, South Korea, India and Australia
 - (5) Direct Exports: Direct delivery exports
 3. For sales and property, plant, and equipment, there were no material amounts specific to a particular country, except for Japan and China that require separate disclosure as of and for the years ended March 31, 2025 and 2026. Sales in China was JPY108,744 million, and JPY114,917 million. Property, plant, and equipment in China was JPY12,913 million, and JPY13,712 million for the years ended March 31, 2025 and 2026.
 4. For sales to external customers, there were no amounts specific to particular customers that require separate disclosure for the years ended March 31, 2025 and 2026.

Y DISCONTINUED OPERATION

Overview of Discontinued Operation

At a meeting held March 30, 2026, the Company's Board of Directors approved a resolution to (1) transfer the DMB business to subsidiary OMRON Devices Co., Ltd., ("Succeeding Company") via absorption-type company split, (2) transfer the shares, equity interests, and assets related to DMB currently held by Group companies in various countries and regions worldwide, and (3) transfer all shares of the Succeeding Company to TCG2602 Co., Ltd. ("SPC (2)"), a wholly owned subsidiary of TCG2601 Co., Ltd. ("SPC(1)"), which has been established by The Carlyle Group. The Company subsequently signed an absorption-type company split agreement with the Succeeding Company and a share transfer agreement with SPC (2).

The execution date of this share transfer is scheduled for October 1, 2026.

In addition, on November 28, 2025, the Company transferred all shares of Company subsidiary OMRON AUTOMOTIVE ELECTRONICS ITALY S.R.L. to Fair Cap for the purpose of portfolio optimization, one of the management measures under Structural Reform Program NEXT2025. In connection with this transaction, the Company recorded a loss on transfer of JPY4,470 million. This loss is included in restructuring expenses within the operating results of discontinued operations. OMRON AUTOMOTIVE ELECTRONICS ITALY S.R.L. was included in DMB until the share transfer.

These transactions constitute a strategic shift that will have a major effect on the Group's business operations, financial position, and results of operations. Therefore, in accordance with FASB Codification Topic No. 205-20, the results of operations of the DMB, the gain or loss on the sale of the business associated with this transaction, and the costs related to the transfer have been presented separately as discontinued operations in the consolidated statement of operations for the fiscal year ended March 31, 2026 and reclassified for the fiscal year ended March 31, 2025.

In addition, the consolidated balance sheet as of the fiscal year ended March 31, 2025, has been reclassified, with assets and liabilities presented separately as current assets of discontinued operations, long-term assets of discontinued operations, current liabilities of discontinued operations, and long-term liabilities of discontinued operations.

The consolidated statements of cash flows do not present cash flows from discontinued operations separately, but are rather combined with cash flows from continuing operations.

The financial position and results of operations of DMB, presented under reclassification, are as follows.

Financial Position of the Discontinued Operation

	FY2024 (as of March 31, 2025)	FY2025 (as of March 31, 2026)
Classification	Amount (Millions of yen)	Amount (Millions of yen)
Cash and cash equivalents	17,072	16,798
Notes and accounts receivable-trade	15,249	17,285
Inventories	32,180	35,507
Property, plant and equipment, net	37,419	40,804
Right-of-use assets under operating leases	7,681	8,531
Deferred income taxes	3,381	3,085
Other	4,161	5,232
Total Assets of Discontinued Operation	117,143	127,242
Notes and accounts payable-trade	13,600	16,575
Accrued expenses	5,320	5,745
Operating lease liabilities	6,212	6,990
Deferred income taxes	2,521	2,197
Other	7,099	9,046
Total Liabilities of Discontinued Operation	34,752	40,553

Operating Results of Discontinued Operation

	FY2024 (April 1, 2024 - March 31, 2025)	FY2025 (April 1, 2025 - March 31, 2026)
Classification	Amount (Millions of yen)	Amount (Millions of yen)
Net sales	86,374	100,811
Cost of sales	59,519	69,407
Selling, general and administrative expenses	21,884	22,422
Research and development expenses	4,379	5,327
Restructuring expenses	3,986	6,976
Other expense, net	736	1,497
Net loss from discontinued operations before income taxes and share of loss of entities accounted for using the equity method	(4,130)	(4,818)
Income taxes	(1,907)	887
Net loss from discontinued operations	(2,223)	(5,705)

Even after the transfer of DMB's shares, the Company continues to have a continuing involvement with DMB through a transition service agreement and the ongoing purchase and sale of products.

In addition, the Company plans to make an equity investment in SPC(1) after the share transfer. This equity investment will result ultimately in the Company owning 5% of Succeeding Company shares indirectly.

Depreciation of property, plant and equipment and amortization of intangible assets and capital expenditures of the relevant disposal group, which have been reclassified and presented as discontinued operations, are as follows.

	FY2024 Amount (Millions of yen)	FY2025 Amount (Millions of yen)
Depreciation of property, plant and equipment and amortization of intangible assets	6,873	6,933
Capital expenditures	6,754	8,604

Z SUBSEQUENT EVENTS

The Companies have evaluated subsequent events in accordance with ASC 855, Subsequent Events.

(Acquisition of Matsuya R&D Co., Ltd.)

At a meeting held on December 15, 2025, the Board of Directors of the Company's subsidiary OMRON HEALTHCARE Co., Ltd. ("OMRON HEALTHCARE") approved a resolution for OMRON HEALTHCARE to acquire Matsuya R&D Co., Ltd. ("Matsuya R&D") share certificates, etc., via tender offer ("Tender Offer") pursuant to the Financial Instruments and Exchange Act. In addition, on May 18, 2026, the Board of Directors approved a written resolution in lieu of a Board of Directors Meeting to commence the Tender Offer. OMRON HEALTHCARE conducted the Tender Offer from May 19, 2026, through June 15, 2026, and as a result, on June 19, 2026 ("Tender Offer Settlement Commencement Date"), Matsuya R&D became a consolidated subsidiary of OMRON HEALTHCARE. Matsuya R&D is scheduled to become a wholly owned subsidiary of the Company in the second quarter of the fiscal year ending March 31, 2027, through a squeeze-out procedure subsequent to the Tender Offer.

(1) Outline of business combination

(a) Name and business of the acquired company

Name of acquired company	Matsuya R&D Co., Ltd.
Description of Business	Development, manufacturing and sale of automotive safety device sewing systems; development, manufacturing and sale of laser cutting machines; manufacturing of arm cuffs for blood pressure-meter sensors; production of car seat covers; and other related businesses

(b) Acquisition date

June 19, 2026

(c) Percentage of voting equity securities held after acquisition

Percentage of voting equity securities held immediately prior to Tender Offer	14.64%
Percentage of voting equity securities acquired via Tender Offer	81.24%
Percentage of equity securities with voting rights held after Tender Offer	95.88%
Percentage of voting equity securities to be acquired via squeeze-out	4.12%
Percentage of equity securities with voting rights held after Tender Offer and squeeze out	100%

(d) Principal reasons for the business combination and background to the acquisition of control, etc.

OMRON HEALTHCARE believe in the necessity to ensure a stable supply of blood pressure cuffs, develop new products more quickly, and pursue lower-cost blood pressure monitor production lines. Accordingly, the Company entered into friendly discussions with Matsuya R&D starting in April 2025, desiring the potential synergies from sharing management resources with Matsuya R&D in joint projects.

At the same time, OMRON HEALTHCARE only owns a certain amount of Matsuya R&D shares, and given the current situation in which OMRON HEALTHCARE and Matsuya R&D operate independently, the two entities must consider the usefulness and objective fairness of any transactions to Matsuya R&D, should the OMRON HEALTHCARE group and the Matsuya R&D group seek to share management resources, expertise, or information, including the interests of Matsuya R&D stakeholders, including general shareholders. Amid an increasingly competitive environment, Matsuya R&D must promptly and proactively implement measures required to address its management issues as quickly as possible. However, if the shares of Matsuya R&D remain publicly traded, even bold strategic investments, structural reforms, or organizational restructuring to enhance shareholder value over the medium to long term could impair shareholder value in the short term due to a temporary decline in profit levels, deterioration in cash flows, or other factors. Accordingly, such measures would likely prove difficult to adopt as a strategy from the perspective of protecting the interests of the Matsuya R&D general shareholders and would also require considerable time for decision-making. OMRON HEALTHCARE therefore concluded that it would be difficult to rapidly strengthen the partnership while Matsuya R&D remained a publicly traded entity. Furthermore, if Matsuya R&D maintained general shareholders other than OMRON HEALTHCARE, a conflict of interest might arise between OMRON HEALTHCARE and such shareholders, making the full and free sharing of information, including trade secrets, difficult. Accordingly, in mid-June 2025, OMRON HEALTHCARE determined that the optimal approach to flexibly and swiftly advance various initiatives to enhance competitiveness and profitability over the medium to long term would be to make Matsuya R&D a wholly owned subsidiary of OMRON HEALTHCARE, after which the entities could pursue measures aimed at corporate growth for Matsuya R&D. OMRON HEALTHCARE plans to make the transaction a two-step acquisition via cash tender offer and subsequent squeeze-out procedure. The total purchase price is expected to be JPY20,477million.

Expenses incurred in connection with the acquisition of shares amounted to JPY173 million for the fiscal year ended March 31,

2026. These expenses have been included in selling, general and administrative expenses in the consolidated statements of operations.

(2) Other

The consolidated statement of operations for the year ended March 31, 2026 does not include revenues and profits of the acquired company after the date of acquisition. The fair value of the previously held equity interest immediately before the business combination, the gain or loss recognized from remeasuring the equity interest in Matsuya R&D previously held by OMRON HEALTHCARE at fair value as of the acquisition date, the fair value of the assets acquired and liabilities assumed, as well as pro forma information related to this business combination, have not been disclosed, as the accounting for this business combination has not been completed at this time.

(Partial Return of Retirement Benefit Trust)

The Company has established a retirement benefit trust for the purpose of providing for future retirement benefits. However, a portion of the retirement benefit trust was returned as the balance of pension assets, including the retirement benefit trust assets, exceeded the retirement benefit obligations and is expected to remain so in the future.

(1) Date of the return

April 1, 2026

(2) Amount of the return

JPY41,600 million

(3) Impact of the return

The return will have no impact on the consolidated statement of income for the year ending March 31, 2027. Cash and cash equivalents in the consolidated balance sheet are expected to increase by JPY41,600 million and prepaid pension costs are expected to decrease by JPY 41,600 million.

(vi) Consolidated Supplementary Schedules

Schedule of Bonds

This information is presented in the notes to the consolidated financial statements under “II: Descriptions and Breakdowns of Major Accounts, I: Short-term Debt and Long-term Debt.”

Schedule of Borrowings

This information is presented in the notes to the consolidated financial statements under “II: Descriptions and Breakdowns of Major Accounts, I: Short-term Debt and Long-term Debt.”

Schedule of Asset Retirement Obligations

As the amount of asset retirement obligations at the beginning and end of the current fiscal period are a hundredth or less of the sum of liabilities and net assets each of the said period, it has been omitted in accordance with the provisions of Article 92-2 of the Regulations for Consolidated Financial Statements.

(2) Other

Interim information for the fiscal year ended March 31, 2026

(Cumulative)	Six months ended September 30, 2025	Fiscal year ended March 31, 2026
Net sales (JPY millions)	345,847	767,351
Income from continuing operations before income taxes and equity in loss of affiliates (JPY millions)	20,951	52,571
Net income attributable to shareholders (JPY millions)	9,047	28,487
Basic net income attributable to shareholders (JPY)	45.96	144.80

2. Non-consolidated Financial Statements, etc.

(1) Non-consolidated Financial Statements

(i) Non-consolidated Balance Sheets

(JPY millions)

	FY2024 (as of March 31, 2025)	FY2025 (as of March 31, 2026)
Assets		
Current assets		
Cash and deposits	25,996	44,134
Notes receivable - trade	389	657
Accounts receivable - trade	*1 46,007	*1 63,280
Merchandise and finished goods	14,504	15,824
Raw materials	15,312	13,992
Work in process	3,802	5,336
Supplies	291	217
Short-term loans receivable to subsidiaries and affiliates	*1 4,651	*1 2,901
Accounts receivable - other	*1 17,507	*1 16,841
Income taxes refund receivable	807	2,155
Other accounts receivable	*1 6,118	*1 6,178
Other	*1 8,206	15,831
Allowance for doubtful accounts	(3)	(0)
Total current assets	143,587	187,346
Non-current assets		
Property, plant and equipment		
Buildings	21,685	21,312
Structures	830	770
Machinery and equipment	5,074	5,018
Vehicles	2	4
Tools, furniture and fixtures	4,906	5,752
Land	11,892	11,892
Leased assets	569	422
Construction in progress	1,219	1,087
Total property, plant and equipment	46,177	46,257
Intangible assets		
Leasehold interests in land	480	480
Software	8,073	7,627
Right to use facilities	46	39
Technological asset	4,129	3,504
Software in progress	49,537	68,133
Other	91	67
Total intangible assets	62,356	79,850
Investments and other assets		
Investment securities	*2 7,081	*2 7,569
Shares of subsidiaries and affiliates	245,833	257,318
Investments in other securities of subsidiaries and affiliates	1,906	2,164
Investments in capital of subsidiaries and affiliates	22,837	20,039
Long-term loans receivable from subsidiaries and affiliates	*1 7,428	*1 8,876
Leasehold and guarantee deposits	4,363	4,304
Prepaid pension costs	25,709	28,782
Deferred tax assets	17,388	32,950
Other	5,309	4,963
Allowance for doubtful accounts	(6)	(6)
Total investments and other assets	337,848	366,959
Total non-current assets	446,381	493,066
Total assets	589,968	680,412

(JPY millions)				
		FY2024 (as of March 31, 2025)		FY2025 (as of March 31, 2026)
Liabilities and equity				
Current liabilities				
Notes payable - trade	*1	6,956	*1	6,245
Accounts payable - trade	*1	30,600	*1	34,213
Short-term borrowings		14,776		69,038
Short-term borrowings from subsidiaries and affiliates	*1	155,187	*1	181,699
Current portion of long-term borrowings		—		45,315
Lease liabilities		152		164
Accounts payable - other	*1	10,794	*1	12,485
Accrued expenses		9,497		9,905
Income taxes payable		484		245
Advances received		2,909		30
Deposits received	*1	1,278	*1	1,011
Provision for bonuses for directors (and other officers)		228		248
Provision for share awards		733		14
Other		8,055		10,057
Total current liabilities		241,649		370,669
Non-current liabilities				
Bonds payable		40,000		40,000
Long-term borrowings		45,315		—
Lease liabilities		365		267
Provision for share awards		943		1,771
Deferred tax liabilities for land revaluation		985		985
Other		2,575		2,042
Total non-current liabilities		90,183		45,065
Total liabilities		331,832		415,734
Net assets				
Shareholders' equity				
Share capital		64,100		64,100
Capital surplus				
Legal capital surplus		88,771		88,771
Other capital surplus		—		42
Total capital surplus		88,771		88,813
Retained earnings				
Legal retained earnings		6,774		6,774
Other retained earnings				
Reserve for dividends		3,400		3,400
Reserve for special account		1,252		1,252
General reserve		73,500		73,500
Retained earnings brought forward		93,918		100,631
Total retained earnings		178,844		185,557
Treasury shares		(69,964)		(70,498)
Total shareholders' equity		261,751		267,972
Valuation and translation adjustments				
Valuation difference on available-for-sale securities		727		1,048
Revaluation reserve for land		(4,342)		(4,342)
Total valuation and translation adjustments		(3,615)		(3,294)
Total net assets		258,136		264,678
Total liabilities and net assets		589,968		680,412

(ii) Non-consolidated Statements of Income

(JPY millions)

	FY2024 (April 1, 2024 to March 31, 2025)		FY2025 (April 1, 2025 to March 31, 2026)	
Net sales	*1, *2	254,027	*1, *2	293,308
Cost of sales	*2	178,767	*2	201,787
Gross profit		75,260		91,521
Selling, general and administrative expenses	*2, *3	99,436	*2, *3	109,925
Operating loss		(24,176)		(18,404)
Non-operating income				
Interest and dividend income	*2	102,095	*2	45,192
Foreign exchange gains		898		232
Other	*2	2,963	*2	3,687
Total non-operating income		105,956		49,111
Non-operating expenses				
Interest expenses	*2	5,346	*2	4,457
Commission expenses		27		98
Loss on investments in partnerships		614		696
Quality handling expenses		769		422
Transfer pricing taxation adjustment		1,810	*2	5,210
Other	*2	296	*2	253
Total non-operating expenses		8,862		11,136
Ordinary profit		72,918		19,571
Extraordinary income				
Gain on sale of non-current assets	*4	59	*4	1
Gain on sale of investment securities		4,195		—
Gain on liquidation of subsidiaries and affiliates		—	*2	126
Total extraordinary income		4,254		127
Extraordinary losses				
Loss on sale and retirement of non-current assets	*5	1,160	*5	518
Loss on sale of investment securities		—		21
Loss on valuation of investment securities		210		90
Restructuring expenses	*6	9,981	*6	6,146
Loss on valuation of shares of subsidiaries and affiliates	*7	110,322		—
Expenses associated with sale of businesses		—		1,838
Impairment losses		—		721
Other		0		—
Total extraordinary losses		121,673		9,334
Profit (loss) before income taxes		(44,501)		10,364
Income taxes - current		(3,292)		(1,169)
Income taxes - deferred		(4,100)		(15,709)
Total income taxes		(7,392)		(16,878)
Net income (loss)		(37,109)		27,242

(iii) Non-consolidated Statements of Changes in Net Assets

FY2024 (April 1, 2024 to March 31, 2025)

(JPY millions)

	Shareholders' equity								
	Share capital	Capital surplus		Retained earnings					
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings				Total retained earnings
					Reserve for dividends	Reserve for special account	General reserve	Retained earnings brought forward	
Balance at beginning of period	64,100	88,771	88,771	6,774	3,400	1,252	73,500	151,561	236,487
Changes during period									
Dividends of surplus			—					(20,532)	(20,532)
Net loss			—					(37,109)	(37,109)
Purchase of treasury shares			—						—
Disposal of treasury shares			—					(2)	(2)
Net changes in items other than shareholders' equity			—						—
Total changes during period	—	—	—	—	—	—	—	(57,643)	(57,643)
Balance at end of period	64,100	88,771	88,771	6,774	3,400	1,252	73,500	93,918	178,844

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	(69,968)	319,390	4,469	(4,314)	155	319,545
Changes during period						
Dividends of surplus		(20,532)			—	(20,532)
Net loss		(37,109)			—	(37,109)
Purchase of treasury shares	(9)	(9)			—	(9)
Disposal of treasury shares	13	11			—	11
Net changes in items other than shareholders' equity		—	(3,742)	(28)	(3,770)	(3,770)
Total changes during period	4	(57,639)	(3,742)	(28)	(3,770)	(61,409)
Balance at end of period	(69,964)	261,751	727	(4,342)	(3,615)	258,136

FY2025 (April 1, 2025 to March 31, 2026)

(JPY millions)

	Shareholders' equity									
	Share capital	Capital surplus			Retained earnings					
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings				Total retained earnings
						Reserve for dividends	Reserve for special account	General reserve	Retained earnings brought forward	
Balance at beginning of period	64,100	88,771	—	88,771	6,774	3,400	1,252	73,500	93,918	178,844
Changes during period										
Dividends of surplus				—					(20,529)	(20,529)
Net income				—					27,242	27,242
Purchase of treasury shares				—						—
Disposal of treasury shares			42	42						—
Net changes in items other than shareholders' equity				—						—
Total changes during period	—	—	42	42	—	—	—	—	6,713	6,713
Balance at end of period	64,100	88,771	42	88,813	6,774	3,400	1,252	73,500	100,631	185,557

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	(69,964)	261,751	727	(4,342)	(3,615)	258,136
Changes during period						
Dividends of surplus		(20,529)			—	(20,529)
Net income		27,242			—	27,242
Purchase of treasury shares	(1,322)	(1,322)			—	(1,322)
Disposal of treasury shares	788	830			—	830
Net changes in items other than shareholders' equity		—	321		321	321
Total changes during period	(534)	6,221	321	—	321	6,542
Balance at end of period	(70,498)	267,972	1,048	(4,342)	(3,294)	264,678

Notes

(Significant Accounting Policies)

1 Valuation standards for securities are as follows.

Shares of subsidiaries and affiliates

- • • Cost accounting method using the moving average method

Investments in other securities of subsidiaries and affiliates

- • • For Investment Limited Liability Partnerships, the net value of equities is given based on the most recent financial statements available prepared in accord with the reporting dates stipulated in the respective partnership agreements

Other securities

Shares, etc. other than those without market value

- • • Market value method based on the market value, etc. at the end of the fiscal year (Valuation differences are directly charged or credited to shareholders' equity, and the cost of securities sold is calculated using the moving-average method)

Shares, etc. without market value

- • • Cost accounting method using the moving average method

2 Derivatives are valued using the market value method.

3 Valuation standard and method for inventories are as follows.

Finished goods

- • • The weighted average method or the moving average method (The values in the non-consolidated balance sheet were calculated using the book-value write-down method based on the decline of profitability)

Work in process and Raw materials

- • • The weighted average method (The values in the non-consolidated balance sheet were calculated using the book-value write-down method based on the decline of profitability)

4 The depreciation method for fixed assets is as follows.

Property, plant and equipment (Excluding leased assets)

- • • Straight-line method (Useful lives of buildings is generally 15 to 50 years)

Intangible fixed assets (Excluding leased assets)

- • • Straight-line method (Useful life of software estimated at 3 to 10 years)

Leased assets

Lease assets from finance lease trade other than ownership transfer

- • • Straight-line method depreciation over the lease period, assuming the residual value is zero

5 Deferred assets are treated in full as expenses when incurred or paid.

6 Allowance for doubtful accounts is recorded based on the estimated historical default rate for normal loans, as well as individually assessed amounts for doubtful accounts, bankruptcy claims, reorganization claims, etc.

7 Provision for bonuses for directors (and other officers) is recognized based on the amount estimated to be paid at the end of the fiscal period.

- 8 Provision for retirement benefits are recognized based on the estimated amount of the benefit obligation and the plan assets at the year-end.

Prior service costs are amortized by the straight-line method over a period within the average remaining service period for employees (10.9 years) at the time of recognition.

Actuarial gains and losses are amortized over the average remaining service period of the employees (10.9 years), using the straight-line method, from the following term when the difference is recognized.

As the estimated value of pension assets at the end of the current fiscal year then exceeds the amount of retirement benefit obligation after adjustment based on unrecognized past service costs and unrecognized actuarial gains and losses, the difference is accounted for as prepaid pension costs on the non-consolidated balance sheet.

- 9 Provision for share awards is recorded based on the expected amount of payment at the end of the current fiscal year in order to prepare for the issuance of Company's shares to directors and executive officers in line with share granting regulations, etc.

- 10 Revenue and expenses are recognized as follows.

Revenue arising from contracts with customers is recognized based on the following five-step approach, when, or as, the control of a product or service is transferred to the customer.

Step 1: Identify the contracts with customers

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when, or as, the entity satisfies a performance obligation

Revenue is recognized from domestic sales of goods when goods are delivered at a customer's site, unless stated otherwise in a contract. The revenue from export sales for such businesses is recognized when the transfer of the risk of loss to customer is complete based on the trade terms and conditions such as Incoterms.

In the provision of products and services involving installation and on-site adjustment work, the Company identifies the delivery of the products and the installation and on-site adjustment work of these products as a single performance obligation, which is deemed to be satisfied at the time when the Company completes installation and on-site adjustment work of the products. Accordingly, revenues are recognized at the time when the performance obligation is satisfied.

In addition, the Company provides for an estimate of rebates for customers based on the quantities sold to promote the sales of its products. The amount of rebates is included in variable consideration. As it can be reasonably estimated, a significant reversal in the amount of cumulative revenue recognized is unlikely to occur. Therefore, the estimate of variable consideration will not be constrained. The products of the Company do not include any right of return.

Promised consideration for transactions is largely received within three months after the satisfaction of performance obligations. No significant financing component is included in the amount of consideration.

- 11 Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates prevailing at the end of the fiscal period.
- 12 The group tax sharing system is being applied. Also, in accordance with ASBJ Practical Issues Task Force Report No. 42, 'Treatment of Accounting and Disclosure for Applying the Group Tax Sharing System' (August 12, 2021), the Company is conducting accounting and disclosure for corporate and municipal taxes as well as the accounting treatment for tax-effect accounting related to these taxes.

(Significant Accounting Estimates)

FY2024(as of March 31,2025)

(Valuation of Shares of subsidiaries and affiliates)

1 Amount recorded in financial statements for the fiscal year ended March 31, 2025

(JPY millions)

	Fiscal year ended March 31, 2025
Shares of subsidiaries and affiliates (Of which, shares with market value)	245,833 [97,867]

2 Information on significant accounting estimates related to identified items

(i) Method of calculating amount recorded in financial statements for the fiscal year ended March 31, 2025

Shares and investments in affiliates without market value are recorded as the acquisition cost on the balance sheet. In the valuation of these shares, if the substantial value drops significantly due to the deterioration of the issuing company's financial position, a corresponding reduction in value will be made, and the difference will be treated as a loss for the current period.

A deterioration in financial position is defined, in principle, as a decline of 50% or more in the value of net assets per share compared to the value at the time of the acquisition. However, if the substantial value of shares and investments without market value is substantiated by sufficient evidence of recoverability, the valuation difference shall not be treated as a loss for the period. Further, as part of the Company's strategic investment in healthcare business growth during the VG2020 period, it invested in AliveCor, Inc., which provides definitive diagnosis and monitoring services for atrial fibrillation in the United States. The investment is valued as its real value, reflecting factors like the excess earning capacity of the company. In this case, the deterioration of financial condition is defined as when the real value falls by 50% or more compared to the value at the time of acquisition.

(ii) Key assumptions used in calculating the amounts recorded in financial statements for the fiscal year ended March 31, 2025

The real value of investment in AliveCor, Inc., which does not have a market price, was calculated by discounting the estimated future cash flow based on the business plans that have been approved by management to the present value using a discount rate calculated based on the weighted-average cost of capital. The business plans are formulated using assumptions such as macroeconomic conditions, market growth rates, profit margins, and capital expenditures plans. Cash flows in business plans are calculated based on the growth rate estimated within the range of the long-term average growth rate of the market to which the affiliate belongs.

(iii) Impact on financial statements for the following fiscal year

If key assumptions used in calculating the amounts recorded in the financial statements for the current fiscal year deviate significantly from the situation at the end of said fiscal year, it may affect their valuation and have a significant impact on share-related values.

FY2025(as of March 31,2026)

(Recoverability of deferred tax assets)

1 Amount recorded in the financial statements for the fiscal year ended March 31, 2026

(JPY millions)

	Fiscal year ended March 31, 2026
Deferred tax assets (before offsetting deferred tax liabilities)	42,681

2 Information on significant accounting estimates related to identified items

(i) Method of calculating amount recorded in financial statements for the fiscal year ended March 31, 2026

The Company recognizes deferred tax assets for tax loss carryforwards and future deductible temporary differences to the extent that they are expected to reduce future tax liabilities, based on estimates of future taxable income.

The Company applied to the Japanese Group Relief System. Accordingly, the recoverability of deferred tax assets related to corporate income tax and local corporate income tax is assessed by treating the entire tax sharing group as a single tax-paying entity. In addition, inhabitant and enterprise taxes are recorded based on the Company's estimate of taxable income based on future earning capacity.

(ii) Key assumptions used in calculating the amounts recorded in financial statements for the fiscal year ended March 31, 2026

The future taxable income used by the Company to assess the recoverability of deferred tax assets is based on business plans for the following fiscal year and thereafter, as approved by the Board of Directors, as well as on forecasts of future taxable income in accordance with tax planning. Business plans are based on sales growth and gross profit margin improvements. Tax planning is based on the impact of future asset sales and other factors incorporated as key assumptions.

(iii) Impact on financial statements for the following fiscal year

These assumptions may be affected by future changes amid uncertain economic conditions. Results differing from initial estimates may have a significant impact on the Company's financial statements, including the need for additional recognition or reversal of deferred tax assets in the following fiscal year or later.

(Accounting Standards and Other Guidances Not Yet Applied)

- Accounting Standard for Leases (ASBJ Statement No. 34, September 13, 2024, Accounting Standards Board of Japan)
- Implementation Guidance on Accounting Standard for Leases (ASBJ Guidance No. 33, issued by the Accounting Standards Board of Japan on September 13, 2024), Etc.

1 Overview

As part of efforts to make Japanese GAAP internationally consistent, the Accounting Standards Board of Japan (ASBJ) developed an accounting standard for leases under which lessees recognize assets and liabilities for all leases. The ASBJ conducted deliberations based on international accounting standards, producing a basic policy to base the standard on the single accounting model under IFRS 16. However, rather than adopting all of the provisions of IFRS 16, the standard incorporates only the major provisions. Accordingly, lease accounting standards and related guidance were issued with the aim of providing a simple and practical framework while generally eliminating the need for adjustments when the provisions of IFRS 16 are applied to non-consolidated financial statements.

For lessee accounting, as under IFRS 16, a single accounting model is applied to the allocation of lease costs, whereby depreciation of right-of-use assets and interest equivalents on lease liabilities are recognized for all leases, regardless of whether such leases are classified as finance leases or operating leases.

2 Scheduled date of application

Effective as of the beginning of the fiscal year ending March 31, 2028.

3 Impact of the application of these accounting standards and related guidance

The Company is currently evaluating the impact of the application of Accounting Standard for Leases and other related accounting standards on the Company's financial statements.

Changes in Accounting Estimates

(Change in amortization period of actuarial gains and losses and past service costs)

When accounting for retirement benefits, the Company previously amortized actuarial gains and losses and past service costs over a period of 11.0 years within the average remaining service period of employees; since it has become shorter in this fiscal year, the Company amortizes them over a period of 10.9 years from this fiscal year.

In addition, the impact of this change on the non-consolidated financial statements is immaterial.

(Additional Information)

(Matters Related to Shares)

1 Overview of Transactions

The Company has implemented a performance-linked share compensation plan as a part of directors, etc. compensation.

Under this system, points are granted to directors, etc. according to the Company's prescribed standards. After the conclusion of the medium-term management plan and upon retirement, shares of the Company shares corresponding to the points, as well as cash equivalent to the value of the shares, are issued and paid through the Officer Compensation BIP Trust and the Stock-granting ESOP Trust.

The accounting treatment for such trusts is subject to the application of the gross price method, in accordance with "Practical Handling of Transactions Where Company Shares are Issued to Employees, Etc., Through a Trust" (Practical Solutions Report No. 30 of December 25, 2013, revised March 26, 2015).

2 Own Shares Remaining Officer Compensation BIP Trust and Stock-granting ESOP Trust

The shares of the Company remaining in the Officer Compensation BIP Trust and the Stock-granting ESOP Trust are accounted for as treasury stock in the net assets section. The number and carrying amount of such shares, as of the end of the preceding fiscal year, were 518,391 shares and JPY3,356 million, and at the end of the current fiscal year were 735,330 shares and JPY3,883 million; the current fiscal year 121,561 shares of the Company are being paid to directors, etc. In addition, the dividends for own shares held by the Officer Compensation BIP Trust and the Stock-granting ESOP Trust were JPY54 million in the previous fiscal year and JPY65 million in the current fiscal year.

(Business succession by absorption-type company split)

Based on a resolution of the Board of Directors at a meeting held on March 30, 2026, the Company plans to transfer the business operated by the Device & Module Solutions Company (DMB) to Company subsidiary OMRON Devices Co., Ltd. (Succeeding Company) by way of an absorption-type company split, effective July 1, 2026.

1 Overview of the absorption-type company split

(1) Name of the post-split company

OMRON Devices Co., Ltd.

(2) Description of post-split business

Manufacture, sale, etc., of electronic components and electrical machinery and equipment

(3) Reason for the absorption-type company split

In addition to the absorption-type company split, the Company's Board of Directors approved a resolution at a meeting held March 30, 2026, to (1) transfer the DMB business to the Succeeding Company, and (2) transfer all shares of the Succeeding Company to TCG2602 Co., Ltd., a wholly owned subsidiary of TCG2601 Co., Ltd., which will be established by The Carlyle Group.

The Company has been considering ways to establish an autonomous business management structure for DMB and achieve its sustainable growth. However, we also recognize the need to make investments more promptly and on a larger scale than initially anticipated, which has led us to the conclusion that it would be optimal to sell DMB to Carlyle. This transfer will not only create the optimal growth environment for DMB, but will also enable the Company to concentrate investments for growing focus domains.

(4) Date of absorption-type company split

July 1, 2026 (tentative)

(5) Overview of the transaction, including legal format

An absorption-type company split in which OMRON Corporation is the splitting company and OMRON Devices Co., Ltd. is the succeeding company.

2 Overview of accounting treatment

The transaction is expected to be accounted for as a transaction under common control pursuant to the Accounting Standard for Business Combinations (ASBJ Statement No. 21, January 16, 2019) and the Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10, January 16, 2019).

(Balance Sheet-related)

*1 Monetary claims and monetary debts with subsidiaries and affiliates

(JPY millions)

	FY2024 (as of March 31, 2025)	FY2025 (as of March 31, 2026)
Short term monetary claims held against subsidiaries and affiliates	60,992	68,548
Long term monetary claims held against subsidiaries and affiliates	7,428	8,876
Short term monetary debts owed to transactions with subsidiaries	180,017	207,668

*2 Pledged assets

(JPY millions)

	FY2024 (as of March 31, 2025)	FY2025 (as of March 31, 2026)
Investment securities	200	200

Note: Investment securities are pledged in accordance with the debt of investee.

3 Guaranteed debt

(JPY millions)

Main guaranteed party	FY2024 (as of March 31, 2025)	FY2025 (as of March 31, 2026)
OMRON ELETRONICA DO BRASIL LTDA.	11	72
OMRON MEXICO, S.A. DE C.V.	133	101
OMRON AUTOMATION PVT LTD.	3	1
Total	147	174

(Statements of Income-related)

*1 Indication of sales classifications

FY2024 (April 1, 2024 to March 31, 2025)	FY2025 (April 1, 2025 to March 31, 2026)
Sales items of the Company include products and goods of the same type, and due to the difficulty in classifying them, the sale of goods has been included in sales.	Sales items of the Company include products and goods of the same type, and due to the difficulty in classifying them, the sale of goods has been included in sales.

*2 Volume of transactions with subsidiaries and affiliates

(JPY millions)

	FY2024 (April 1, 2024 to March 31, 2025)	FY2025 (April 1, 2025 to March 31, 2026)
Sales	176,115	208,993
Amount purchased	139,264	149,438
Volume of other sales transactions	10,767	12,846
Volume of transactions other than sales transactions	109,953	55,578

- *3 The approximate ratio of expenses attributable as selling expenses was 14% in the previous fiscal year and 12% this fiscal year; the approximate ratio of expenses attributable as general and administrative expenses was 86% in the previous fiscal year and 88% this fiscal year.

The major items and amount of SG&A expenses are as shown below.

(JPY millions)

	FY2024 (From April 1, 2024 to March 31, 2025)	FY2025 (From April 1, 2025 to March 31, 2026)
Commission expenses	25,582	27,287
Salaries, allowances and bonuses	25,013	25,872
Depreciation	5,038	5,200
Retirement benefit expenses	(2,966)	(1,735)
Research and development expenses	27,875	33,726

*4 Main breakdown of gain on sale of non-current assets

(JPY millions)

	FY2024 (April 1, 2024 to March 31, 2025)	FY2025 (April 1, 2025 to March 31, 2026)
Buildings	0	—
Machinery and equipment	21	0
Tools, furniture and fixtures	31	0
Vehicles	0	—
Software	1	0
Construction in progress	6	—

*5 Main breakdown of loss on disposal of non-current assets

(JPY millions)

	FY2024 (April 1, 2024 to March 31, 2025)	FY2025 (April 1, 2025 to March 31, 2026)
Buildings	19	41
Structures	1	0
Machinery and equipment	173	139
Tools, furniture and fixtures	49	72
Construction in progress	69	114
Software	834	136
Facility usage rights	11	11
Telephone subscription right	4	5

*6 Restructuring expenses

FY2024 (April 1, 2024 to March 31, 2025)

Restructuring expenses are mainly JPY7,746 million of special retirement payments in association with a voluntary retirement offer.

FY2025 (April 1, 2025 to March 31, 2026)

Restructuring charges mainly consist of JPY5,270 million for the transfer of all shares of OMRON Automotive Electronics Italy S.r.l. held by the Company to FairCap Group.

*7 Loss on valuation of shares of subsidiaries and affiliates

In the valuation of shares of affiliates with market value, when the valuation based on the market value has declined significantly, such valuation based on the market value is deemed to be the carrying amount and the valuation difference is recognized as an impairment loss on the investment, unless the valuation is expected to recover. In principle, “declined significantly” is defined as a decline of 50% or more compared to the carrying value in the balance sheet. However, in the case where the valuation has declined by roughly 30% or more compared to the carrying value in the balance sheet and it is considered to have declined significantly based on objective information available, the valuation difference shall be treated as a loss for the current period.

As for investment in JMDC Inc., since the market value has declined more than 50% compared to the carrying amount on the non-consolidated balance sheet, this was deemed a “declined significantly,” and the Company also reasonably assessed the possibility of recovery to around the acquisition cost within roughly one year after the fiscal year-end, using objective information such as the closing price as of the balance sheet date, operating results, and analyst reports. As a result, a loss on valuation of shares of subsidiaries and affiliates of JPY110,322 million was recorded in the previous fiscal year, using the share price of JMDC Inc. as the market value.

(Securities-related)
FY2024 (as of March 31, 2025)
Shares of subsidiaries and affiliates, etc.

(JPY millions)

	Amount recorded on the non-consolidated balance sheet	Market value	Difference
Shares of subsidiaries	97,867	97,867	—
Total	97,867	97,867	—

Note: Carrying amounts of shares of subsidiaries and affiliates, etc., which have no quoted market price and are not included in the above, are as shown below.

(JPY millions)

	Amount recorded on the non-consolidated balance sheet
Shares of subsidiaries	133,287
Shares of affiliates	14,679
Investments in other securities of subsidiaries and affiliates	1,906
Total	149,872

FY2025 (as of March 31, 2026)
Shares of subsidiaries and affiliates, etc.

(JPY millions)

	Amount recorded on the non-consolidated balance sheet	Market value	Difference
Shares of subsidiaries	97,867	114,887	17,020
Total	97,867	114,887	17,020

Note: Carrying amounts of shares of subsidiaries and affiliates, etc., which have no quoted market price and are not included in the above, are as shown below.

(JPY millions)

	Amount recorded on the non-consolidated balance sheet
Shares of subsidiaries	147,365
Shares of affiliates	12,086
Investments in other securities of subsidiaries and affiliates	2,164
Total	161,615

(Tax Effect Accounting-related)

1. Breakdown of major causes of deferred tax assets and deferred tax liabilities

	(JPY millions)	
	FY2024 (as of March 31, 2025)	FY2025 (as of March 31, 2026)
Deferred tax assets		
Allowance for doubtful receivables	3	2
Inventories	1,298	1,194
Unpaid bonuses	1,824	2,008
Retirement benefit trusts	9,456	17,311
Investment securities	1,691	1,532
Shares of subsidiaries and affiliates, etc.	43,594	51,154
Contingent debt	1,438	1,560
Depreciation and amortization assets	2,806	3,142
Tax loss carryforwards	3,566	3,875
Other	5,161	5,057
Deferred tax assets, Subtotal	70,837	86,835
Valuation allowance	(44,808)	(44,154)
Deferred tax assets, Total	26,029	42,681
Deferred tax liabilities		
Valuation difference on other securities	345	482
Prepaid pension costs	8,072	9,037
Other	224	212
Deferred tax liabilities, Total	8,641	9,731
Net deferred tax assets	17,388	32,950

2. Breakdown of major items causing a difference between the income tax rates and effective income tax rates

	FY2024 (as of March 31, 2025)	FY2025 (as of March 31, 2026)
Statutory effective tax rates	—%	30.5%
(Adjusted)		
Dividend income amount	—	(123.7)
Valuation allowance	—	(4.3)
Outflows such as entertainment expenses	—	4.9
Tax credits, etc., for testing and research expenses	—	(11.5)
Foreign withholding tax	—	24.4
Foreign tax credit	—	(6.2)
Adjustment of carrying amount of investments in shares of subsidiaries	—	(75.0)
Effect of tax rate change	—	(5.7)
Income taxes for prior periods	—	7.9
Other	—	(4.2)
Effective income tax rates	—	(162.9)

Note: Information of previous fiscal year is not provided due to the recording of a loss before income taxes for the year.

(Revenue Recognition-related)

For sufficient information to enable users to understand the relationship of disaggregated revenue, notes have been omitted as the same information is given under “Notes on Consolidated Financial Statements II Descriptions and Breakdowns of Major Accounts - A. REVENUE 2. Sufficient Information to Enable Users to Understand the Relationship of Disaggregated Revenue.”

(Subsequent Events)

(Partial Return of Retirement Benefit Trust Assets)

The Company has established a retirement benefit trust for the purpose of providing for future retirement benefits. However, the Company received a portion of the retirement benefit trust assets, as the balance of pension assets, including the retirement benefit trust assets, exceeded the retirement benefit obligations and is expected to remain so in the future.

1. Date of return

April 1, 2026

2. Amount returned

41,600 million yen

3. Impact on financial results

In conjunction with the partial return of the retirement benefit trust assets, the Company recognizes as one-time gains or losses the portion of unrecognized actuarial gains and losses as of the return date corresponding to the amount returned. As a result, the Company expects to record JPY21,712 million gain on the return of retirement benefit trust assets under extraordinary income and JPY6,818 million in income taxes - deferred (loss) on the statement of operations for the fiscal year ending March 31, 2027. The Company also expects that cash and cash equivalents on the balance sheet will increase by JPY41,600 million, prepaid pension costs will decrease by JPY19,888 million, and deferred tax assets will decrease by JPY6,818 million.

(iv) Supplementary Schedules

Property, Plant and Equipment, Etc., Schedule

(JPY millions)

Classification	Type of asset	Balance at beginning of this year	Amount of increase this year	Amount of decrease this year	Balance at end of this year	Cumulative depreciation	Amortization this year	Deduction balance at end of this year
Property, plant and equipment	Buildings	65,459	1,444	1,585 (207)	65,318	44,006	1,668	21,312
	Structures	5,250	27	17	5,260	4,490	87	770
	Machinery and equipment	13,404	1,233	565	14,072	9,054	1,119	5,018
	Vehicles	10	3	—	13	9	1	4
	Tools, furniture and fixtures	15,469	2,338	624 (1)	17,183	11,431	1,417	5,752
	Land	[3,357] 11,892	—	—	[3,357] 11,892	—	—	[3,357] 11,892
	Leased assets	1,011	74	48	1,037	615	214	422
	Construction in progress	1,219	2,575	2,707	1,087	—	—	1,087
	Total	113,714	7,694	5,546 (208)	115,862	69,605	4,506	46,257
Intangible fixed assets	Leasehold interests in land	480	—	—	480	—	—	480
	Software	40,295	1,866	1,175	40,986	33,359	2,173	7,627
	Right to use facilities	309	20	174	155	116	16	39
	Technological asset	7,787	66	6	7,847	4,343	691	3,504
	Software in progress	49,537	20,221	1,625 (721)	68,133	—	—	68,133
	Other	219	—	4	215	148	20	67
	Total	98,627	22,173	2,984 (721)	117,816	37,966	2,900	79,850

- Notes: 1. The amount within parenthesis () on the "Amount of decrease this year" section is the recorded amount of impairment loss.
2. The amount within parenthesis [] is the difference with the carrying amount prior to the land reevaluation that was conducted pursuant to the Act on Revaluation of Land (Act No. 34 of 1998).
3. The amount of increase this year in software and software in progress is mainly due to the development, etc., of core corporate systems.

Statement of Reserves

(JPY millions)

Account	Balance at beginning of this year	Amount of increase this year	Amount of decrease this year	Balance at end of this year
Allowance for doubtful accounts (current)	3	—	3	0
Allowance for doubtful accounts (fixed)	6	—	—	6
Provision for bonuses for directors (and other officers) (current)	228	248	228	248
Provision for share awards (current)	733	14	733	14
Provision for share awards (fixed)	943	842	14	1,771

(2) Content of Main Assets and Liabilities

Description has been omitted because the consolidated financial statements have been prepared.

(3) Other

Not applicable.

VI. Outline of Share-Related Administration of the Reporting Company

Fiscal year	April 1 to March 31
Ordinary General Meeting of Shareholders	During June
Record date	March 31
Record date for dividends of surplus	March 31, September 30
Number of shares per unit	100 shares
Purchase and sale of shares below one unit	
Handling office	(Special Account) 1-4-5, Marunouchi, Chiyoda-ku, Tokyo Stock Transfer Agency Department, Mitsubishi UFJ Trust and Banking Corporation
Shareholder registry administrator	(Special Account) 1-4-5, Marunouchi, Chiyoda-ku, Tokyo Mitsubishi UFJ Trust and Banking Corporation
Handling location	-
Purchasing / selling fee	Free of charge
Method of public notice	The Company uses the method of electronic publication for publications. However, in the event of it not being possible to make a publication electronically due to accident or other unavoidable reason, a notification shall be published in the Nihon Keizai Shimbun and the Kyoto Shimbun, which is issued in Kyoto. It should be noted that the address (URL) of the website containing publications is https://www.omron.com/jp/ja/ .
Shareholder benefits	Not applicable

Note: In accordance with the provisions of the Company's articles of incorporation, the shareholders with shares below one unit are not entitled to other than the following rights: the rights stipulated in each item of Article 189-2 of the Companies Act of Japan; the right to demand what is stipulated under Article 166-1 of the Companies Act of Japan; the right to receive an allotment of offered shares and offered share acquisition rights in proportion to the number of shares held; and the right to demand the Company should sell shares below one unit.

VII. Reference Information about the Reporting Company

1. Information about the Parent Company, etc. of the Reporting Company

The Company does not have a parent company, etc.

2. Other Reference Information

The following documents were submitted in the period from the start date of the current fiscal year through to the submission date of the Annual Securities Report.

(1)	Securities report, attached documents, and confirmation letter	Fiscal year FY2024	(April 1, 2024 to March 31, 2025)	June 23, 2025 Reported to Director of Kanto Local Finance Bureau
(2)	Internal control report and attached documents			June 23, 2025 Reported to Director of Kanto Local Finance Bureau
(3)	Semiannual securities report and confirmation letter	Fiscal year (In the middle of FY2025)	April 1, 2025 to September 30, 2025	November 14, 2025 Reported to Director of Kanto Local Finance Bureau
(4)	Extraordinary report	An extraordinary report based on Article 19, paragraph (2), item (xii) and (xix) (Event With Potentially Serious Effects on the Finances, Business Results and Cash Flows of the Reporting Company and Consolidated Subsidiary Companies) of the Cabinet Office Ordinance on the Disclosure of Corporate Information, Etc.		May 8, 2025 Reported to Director of Kanto Local Finance Bureau
		An extraordinary report based on Article 19, Paragraph (2), Item (ix-ii) (Results of the Exercising of Voting Rights at Meeting of Shareholders) of the Cabinet Office Ordinance on the Disclosure of Corporate Information, Etc.		June 25, 2025 Reported to Director of Kanto Local Finance Bureau
		An extraordinary report based on Article 19, Paragraph (2), Items (iii),(vii),(xii) and (xix) (Change in Specified Subsidiary, Absorption-Type Company Split, and Event With Potentially Serious Effects on the Finances, Business Results and Cash Flows of the Reporting Company and Consolidated Subsidiary Companies) of the Cabinet Office Ordinance on the Disclosure of Corporate Information, Etc.		March 30, 2026 Reported to Director of Kanto Local Finance Bureau
		An extraordinary report based on Article 19, Paragraph (2), Item (ii-ii) (Disposal of Treasury Stock as a Performance linked Incentive Plan for the Employee Stockholding Association) of the Cabinet Office Ordinance on the Disclosure of Corporate Information, Etc.		May 13, 2026 Reported to Director of Kanto Local Finance Bureau

- (5) Shelf registration statement (share certificates, bonds, etc.) and attached documents

January 20, 2026

Reported to Director of Kanto Local Finance Bureau

- (6) Amended shelf registration statement

March 30, 2026

Reported to Director of Kanto Local Finance Bureau

May 15, 2026

Reported to Director of Kanto Local Finance Bureau

Part II Information about the Reporting Company's Guarantor, etc.

Not applicable.

NOTE TO READERS:

Following is an English translation of the Independent Auditor's Report filed under the Financial Instruments and Exchange Act of Japan. Readers should be aware that this report is presented merely as supplemental information.

Readers should be particularly aware of the differences between an audit of internal control over financial reporting ("ICFR") under the Financial Instruments and Exchange Act ("ICFR under FIEA") and one conducted under the standards of the Public Company Accounting Oversight Board (the United States of America) ("ICFR under PCAOB");

- In an audit of ICFR under FIEA, the auditors express an opinion on management's report on ICFR, and do not express an opinion on the Company's ICFR directly. In an audit of ICFR under PCAOB, the auditors express an opinion on the Company's ICFR directly.
- In an audit of ICFR under FIEA, there is detailed guidance on the scope of an audit of ICFR, such as quantitative guidance on business location selection and/or account selection. In an audit of ICFR under PCAOB, there is no such detailed guidance. Accordingly, regarding the scope of assessment of internal control over business processes, the Company selected locations and business units to be tested, and the companies whose combined sales and other balances reaches two thirds of total sales and other balances for the prior year on a consolidation basis were selected as "significant locations and/or business units."

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

June 22, 2026

To the Board of Directors of
OMRON Corporation:

Deloitte Touche Tohmatsu LLC
Kyoto office

Designated Engagement Partner,
Certified Public Accountant:

Yasuhiko Haga

Designated Engagement Partner,
Certified Public Accountant:

Takeshi Kawazoi

Designated Engagement Partner,
Certified Public Accountant:

Tomomi Tsuji

<Audit of Consolidated Financial Statements>

Opinion

Pursuant to the first paragraph of Article 193-2 of the Financial Instruments and Exchange Act, we have audited the consolidated financial statements of OMRON Corporation and its consolidated subsidiaries (the "Company") included in the Financial Section,

namely, the consolidated balance sheet as of March 31, 2026, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of equity and consolidated statement of cash flows for the fiscal year from April 1, 2025 to March 31, 2026, and the related notes, and consolidated supplementary schedules.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of March 31, 2026, and its consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America pursuant to the provisions of the third paragraph of the Supplementary Provisions of the Cabinet Office Ordinance for Partial Amendment of the Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements (No.11 of the Cabinet Office Ordinance in 2002).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

The Company aims to create a better society by solving social issues through its business activities, and in the midst of the demand for technological advancements, is accelerating innovation through alliances, mergers and acquisitions, and investments with technologically capable companies, including startup companies.

The Company has implemented the structural reform program "NEXT2025" since April 1, 2024. This program aims to ensure sustainable sales growth accompanied by profitability and achieve continuous enhancement of corporate value. From fiscal year 2026 onward, based on the "Medium-Term Roadmap SF 2nd Stage," the Company plans to proceed with a shift to a business portfolio that delivers growth and to further enhance corporate value through sustainable growth accompanied by profits.

Also, in fiscal year ended March 31, 2024, the Company made JMDC Inc. ("JMDC") a consolidated subsidiary and established a new business division, the Data Solution Business Headquarters ("DSB"), which includes JMDC, on December 21, 2023. Collaboration with JMDC within DSB has been progressing.

The key audit matter of the consolidated financial statements in the current period is a matter related to goodwill in the Data Solution Business Headquarters, taking into account changes in the relative risks and quantitative importance considering the changes in the Company's business.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Impairment of goodwill in the Data Solution Business Headquarters	○	
Evaluation of goodwill of the Data Solution Business Headquarters		○

Evaluation of goodwill in the Data Solution Business Headquarters	
Key Audit Matter Description	How the Key Audit Matter Was Addressed in the Audit
As disclosed in Note II.G "Goodwill and Other Intangible Assets" of the consolidated financial statements, the balance of goodwill allocated to DSB is JPY 318,810 million, which represents 21.0% of total assets. The Company performs an impairment test at least once a year or when impairment indicators are identified for the evaluation of goodwill. As a result of the impairment test, if the carrying amount of the reporting unit, including goodwill, exceeds its fair value, any excess is recognized as impairment loss, which is limited to the amount of allocated goodwill to the reporting unit. The Company did not record any impairment losses in the current fiscal year. For the evaluation of fair value in the impairment test, as disclosed in Note II.G " Goodwill and Other Intangible Assets" of the consolidated financial statements the Company determines fair value using two valuation techniques, market approach and discounted cash flow approach. Under the market approach, the fair value is measured by adjusting the stock price of JMDC, a listed company included in DSB, with a control premium. The evaluation method includes the following significant judgments made by management based on assumptions used in accounting estimates. 1.The period used for the average stock price, determined in consideration of the high volatility of the stock price of JMDC. 2.The valuation amount of the control premium Under the discounted cash flow approach, the fair value is measured by the five-year future business plan approved by the management. The evaluation method includes the following significant judgments made by management based on assumptions used in accounting estimates. 1. Revenue growth from data expansion and value enhancement in Healthcare Big Data business and the expansion of the transaction market that included in the future business plan. 2. Adoption of the "exit multiple method" for calculating the terminal exit value after the business plan ends, and selection of comparable companies as the underlying calculation. 3. A discount rate calculated based on a weighted average cost of capital. We determined the valuation of goodwill was a key audit matter, considering that the uncertainty and subjectivity in assumptions used in accounting estimates and judgments made by management underlying the accounting estimates and the quantitative importance of goodwill related to DSB.	In testing the reasonableness of the fair value measured by the Company for evaluation of goodwill related to DSB, we performed the following, among others. •We evaluated the design and operating effectiveness of the internal controls related to the Company's impairment test, which are mainly related to testing reasonableness of the period used for the average stock price, the valuation amount of the control premium and assumptions and significant judgments made by management in the discounted cash flow approach. •We performed the following procedures for testing on significant judgments and decisions made by management in the market approach with the assistance of our valuation specialists. 1.Performed a volatility analysis of market prices over a certain period in the past and tested reasonableness of using the recent average stock price and the period used for the average stock price. 2.Evaluated the consistency of the control premium selected by the Company as of the acquisition date and for the past Takeover Bid ("TOB") cases. •We performed the following procedures in testing the significant judgments made by management in discounted cash flow approach: 1.Inquired with management and obtained external market data, and considered the market's growth, competitor's situation, and past performance growth rate, in testing the reasonableness of revenue growth. 2.With the assistance of our valuation specialists, tested the reasonableness of using the exit multiple method based on the size of JMDC and the market environment at the end of the business plan and the similarity between the comparable companies used and JMDC. 3.With the assistance of our valuation specialists, compared data with available external data for the testing the reasonableness of the discount rate used. •We confirmed that there is no significant inconsistency between the valuation results measured by the market approach and discounted cash flow approach for testing on the fair value evaluation.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Annual Securities Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in the United States of America.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting principles generally accepted in the United States of America, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Audit & Supervisory Board members and the Audit & Supervisory Board, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

<Audit of Internal Control>

Opinion

Pursuant to the second paragraph of Article 193-2 of the Financial Instruments and Exchange Act, we have audited management's report on internal control over financial reporting of OMRON Corporation as of March 31, 2026.

In our opinion, management's report on internal control over financial reporting referred to above, which represents that the internal control over financial reporting of OMRON Corporation as of March 31, 2026, is effectively maintained, presents fairly, in all material respects, the results of the assessment of internal control over financial reporting in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

Basis for Opinion

We conducted our internal control audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Internal Control Audit section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for Report on Internal Control

Management is responsible for designing and operating effective internal control over financial reporting and for the preparation and fair presentation of its report on internal control in accordance with assessment standards for internal control over financial reporting generally accepted in Japan. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing and verifying the design and operating effectiveness of internal control over financial reporting. There is a possibility that misstatements may not be completely prevented or detected by internal control over financial reporting.

Auditor's Responsibilities for the Internal Control Audit

Our objectives are to obtain reasonable assurance about whether management's report on internal control over financial reporting is free from material misstatement and to issue an auditor's report that includes our opinion.

As part of an audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Perform audit procedures to obtain audit evidence regarding the results of the assessment of internal control over financial reporting in management's report on internal control. The procedures selected depend on the auditor's judgment, including the significance of effects on reliability of financial reporting.
- Examine representations on the scope, procedures and results of the assessment of internal control over financial reporting made by management, as well as evaluating the overall presentation of management's report on internal control.
- Plan and perform the internal control audit to obtain sufficient appropriate audit evidence regarding the results of the assessment of internal control over financial reporting. We are responsible for the direction, supervision and review of the internal control audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the internal control audit, result of the internal control audit, including any identified material weakness which should be disclosed and the result of remediation.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

<Fee-Related Information>

Fees for audit and other services for the year ended March 31, 2026, which were charged by us and our network firms to OMRON Corporation and its subsidiaries are disclosed in (3) Status of Auditing of Corporate Governance, etc, which is included in the Information about the Reporting Company of the Annual Securities Report.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Financial Instruments and Exchange Act of Japan for the conveniences of the reader.

NOTE TO READERS:

Following is an English translation of the Independent Auditor's Report filed under the Financial Instruments and Exchange Act of Japan. Readers should be aware that this report is presented merely as supplemental information.

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

June 22, 2026

To the Board of Directors of
OMRON Corporation:

Deloitte Touche Tohmatsu LLC
Kyoto office

Designated Engagement Partner,
Certified Public Accountant:

Yasuhiko Haga

Designated Engagement Partner,
Certified Public Accountant:

Takeshi Kawazoi

Designated Engagement Partner,
Certified Public Accountant:

Tomomi Tsuji

<Audit of Non-consolidated Financial Statements>

Opinion

Pursuant to the first paragraph of Article 193-2 of the Financial Instruments and Exchange Act, we have audited the non-consolidated financial statements of OMRON Corporation (the "Company") included in the Financial Section, namely, the non-consolidated balance sheet as of March 31, 2026, and the non-consolidated statement of income and non-consolidated statement of changes in net assets for the 89th fiscal year from April 1, 2025 to March 31, 2026, and a summary of significant accounting policies and other explanatory information, and the supplementary schedules.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2026, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the non-consolidated financial statements of the current period. The matter was addressed in the context of our audit of the non-consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

The Company has implemented the structural reform program "NEXT2025" since April 1, 2024. This program aims to ensure sustainable sales growth accompanied by profitability and achieve continuous enhancement of corporate value. From fiscal year 2026 onward, based on the "Medium-Term Roadmap SF 2nd Stage," the Company plans to proceed with a shift to a business portfolio that delivers growth and to further enhance corporate value through sustainable growth accompanied by profits.

In the prior fiscal year, the Company recorded an impairment loss on investments in affiliated companies of ¥110,322 million by using the market price of its subsidiary, JMDC Inc. ("JMDC"), as fair value. As a result, the relative significance of the investment valuation of the JMDC shares has decreased.

On the other hand, in the current fiscal year, taxable income for the next fiscal year and thereafter has been estimated based on the profit growth plan under the "Medium-Term Roadmap SF 2nd Stage," which will commence in fiscal year 2026. Accordingly, the relative significance of the recoverability of deferred tax assets related to future deductible temporary differences and tax loss carryforwards has increased.

The key audit matter of the non-consolidated financial statements in the current period is a matter related to the appropriateness of the judgment regarding the recoverability of deferred tax assets, taking into account changes in the relative risks and quantitative importance considering the changes in the Company's business.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Loss on valuation of subsidiaries and affiliates related to the shares of JMDC with market value	○	
Recoverability of deferred tax assets		○

Recoverability of deferred tax assets	
Key Audit Matter Description	How the Key Audit Matter Was Addressed in the Audit
Deferred tax assets recognized on the non-consolidated financial statements amount to ¥32,950 million. As described in Note "Tax Effect Accounting-related", the amount of the deferred tax assets before offsetting against deferred tax liabilities is ¥42,681 million, calculated by deducting the valuation allowance of ¥44,154 million from total deferred tax assets of ¥86,835 million related to deductible temporary differences and tax loss carryforwards. As described in Note "Significant Accounting Estimates", deferred tax assets are recognized, based on estimates of future taxable income, to the extent that deductible temporary differences are considered recoverable and are expected to reduce future income tax payments in future periods.	We performed the following audit procedures to evaluate the appropriateness of management's judgment regarding the recoverability of deferred tax assets. (1) Evaluation of internal controls We evaluated the design and operating effectiveness of internal controls related to management's assessment of the recoverability of deferred tax assets. We focused on controls over the estimation of future taxable income, including tax-planning strategy, and in particular, controls over the evaluation of the reasonableness of the underlying future business plan. (2) Evaluation of the reasonableness of the estimate of future taxable income

The future taxable income used in assessing the recoverability of the deferred tax assets is estimated based on business plans and tax-planning strategy prepared by management. In particular, the net sales growth rate and improvements in gross profit margin—key assumptions used in formulating the business plan—are subject to uncertainty regarding achievement, and the estimates involve significant management judgment. In addition, tax-planning strategy requires consideration of the effects of future asset sales and other factors, and therefore also involves management judgment. We, therefore, determined that our assessment of the appropriateness of the recoverability of deferred tax assets was of most significance in our audit of the non-consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.	i. We made inquiries of management to understand the basis for the estimate of future taxable income. ii. With respect to future taxable income used in assessing the recoverability of deferred tax assets, we confirmed its consistency with the business plan approved by the Board of Directors. iii. We performed a comparison of past business plans with actual results (a back-test) to identify the causes of variances and to evaluate the effectiveness of management’s estimation process. iv. For key assumptions underlying the estimate of future taxable income, we performed the following procedures: 【Net sales growth rate】 We made inquiries of management and inspected relevant materials to confirm the basis for the net sales growth rate. We evaluated their reasonableness by performing trend analyses based on historical results, obtaining an understanding of the Company’s most recent operating performance, and comparing the projected net sales growth rate with external information such as competitors’ performance and market outlook forecasts prepared by external organizations. 【Improvement in gross profit margin on sales】 We made inquiries of management and inspected relevant materials to confirm the basis regarding improvement in the gross profit margin on sales. To evaluate the various measures aimed at improving the gross profit margin on sales, we assessed the progress to date of the various measures to improve the gross profit margin and assessed their reasonableness. 【Effects of asset sales and other factors in tax planning】 We inquired of management regarding tax planning assumptions, including asset sales, and inspected related internal documents. Through these procedures, we evaluated whether the method for calculating the taxable income expected to arise from such transactions and the related tax treatment were appropriately reflected in the estimate. In addition, we involved our tax specialists to verify the appropriateness of the tax treatment.
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Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Annual Securities Report, but does not include the non-consolidated financial statements and our auditor's report thereon.

Our opinion on the non-consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the non-consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the non-consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Audit & Supervisory Board members and the Audit & Supervisory Board, we determine those matters that were of most significance in the audit of the non-consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

<Fee-Related Information>

Fee-related information is disclosed in independent auditor's report on the consolidated financial statements as of and for the year ended March 31, 2026.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Financial Instruments and Exchange Act of Japan for the conveniences of the reader.