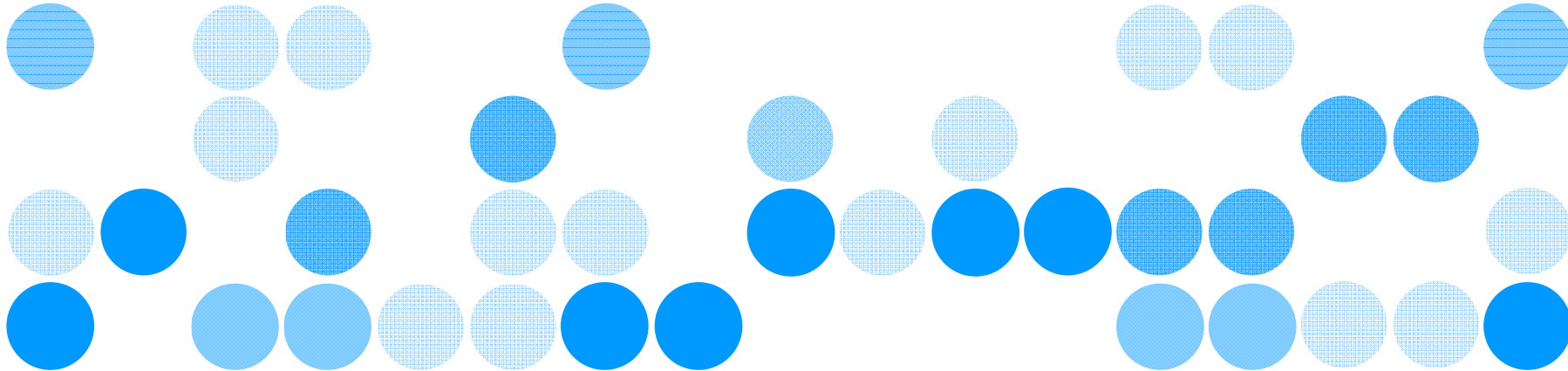

OMRON

Sensing tomorrow™

Nomura Investment Forum 2012

Generation of Corporate Value



December 6, 2012

OMRON Corporation

Yoshihito YAMADA



Yoshihito YAMADA,
President and CEO

- Apr. 1984 Joined Tateisi Electric Manufacturing Co.,
currently Omron Corporation
Worked in sales and marketing departments
- Oct. 2001 Vice-President of Omron Healthcare Inc. (USA)
- Apr. 2003 President of Omron Healthcare Europe B.V.
- June 2008 Executive Officer and President and Representative
Director of OMRON Healthcare Co., Ltd.
- Mar. 2010 Senior General Manager of Corporate Strategy
Planning HQ of OMRON Corporation
- June 2010 Managing Officer of the Company
- June 2011 President and Chief Executive Officer of the
Company (to present)

Omron is working on (1) Business growth (2) Better investment efficiency focusing on management indicators, and (3) Stronger corporate structure that can better respond to external changes.

- 1. Business Growth**
- 2. Stronger Management**
- 3. Response to Changes**

Higher Corporate Value

■ **Generation of Corporate Value**

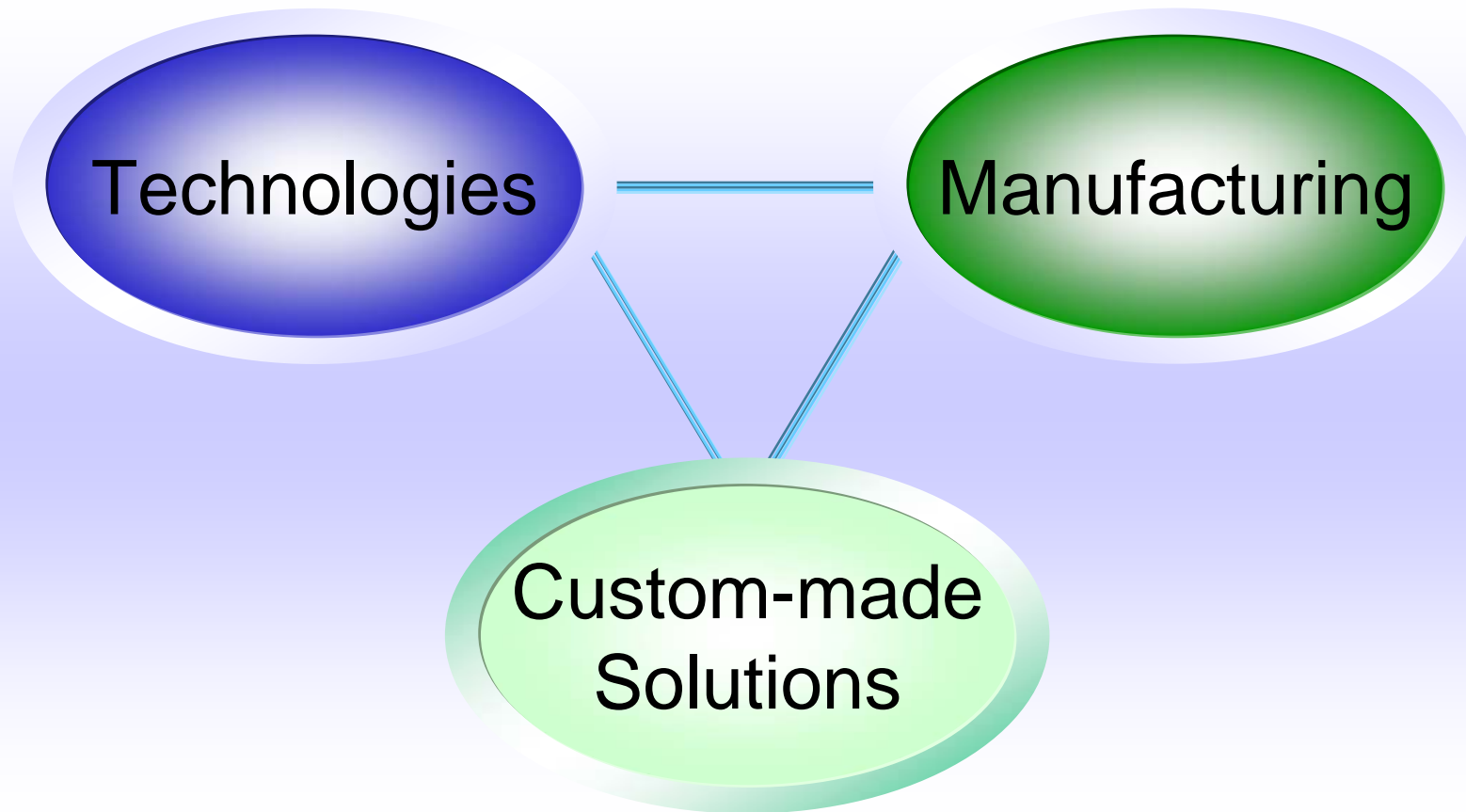
1. Business Growth

2. Stronger Management

3. Response to Changes

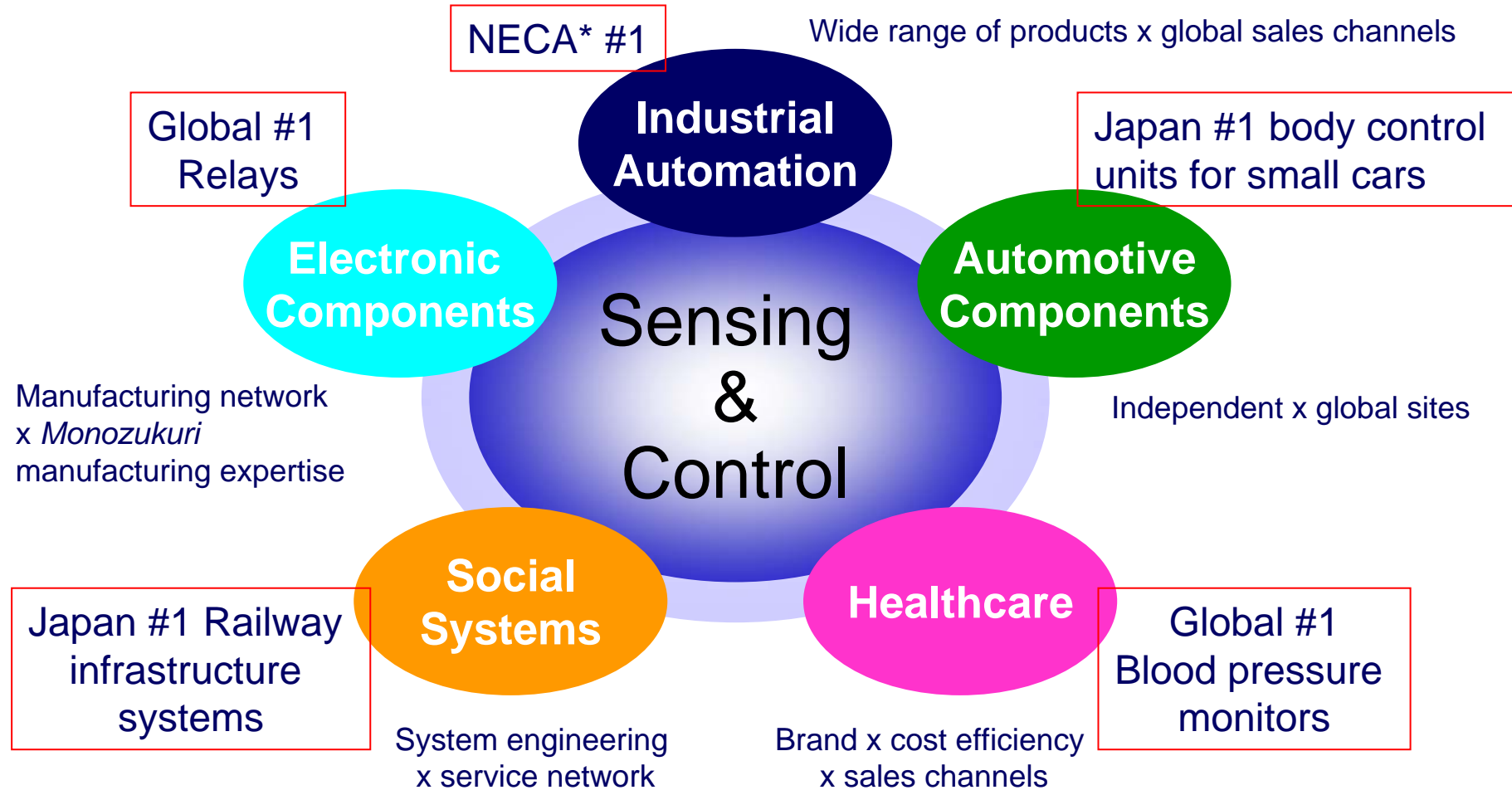
1. Business Growth: Omron's Strengths

- Technologies (Sensing & Control) & Manufacturing
- Custom-made solutions: Develops its own technologies into valuable solutions to each customer



1. Business Growth: Core Businesses' Strengths

Each business segment has unique strengths and high market share.



*NECA: Nippon Electric Control Equipment Industries Association

1. Business Growth: VG2020 GLOBE STAGE Tasks

Establishment of structures to realize profit and growth, prioritizing the core Industrial Automation business.

Policy

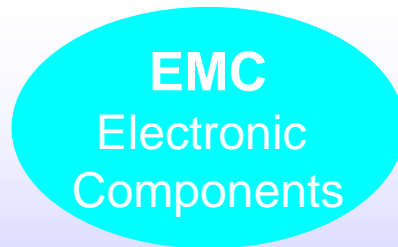
Establishment of global profit & growth structures

Tasks (unchanged)

1. Reinforcement of Industrial Automation (IA) Business (IAB & EMC)
2. Sales expansion in emerging markets
3. Focus on environmental solutions business
4. Profit structure reform
5. Strengthening global human resources

1. Business Growth: Main Business Portfolio

- Focus on IA (IAB & EMC) and Healthcare Businesses
- AEC & SSB: Profitability improvement first

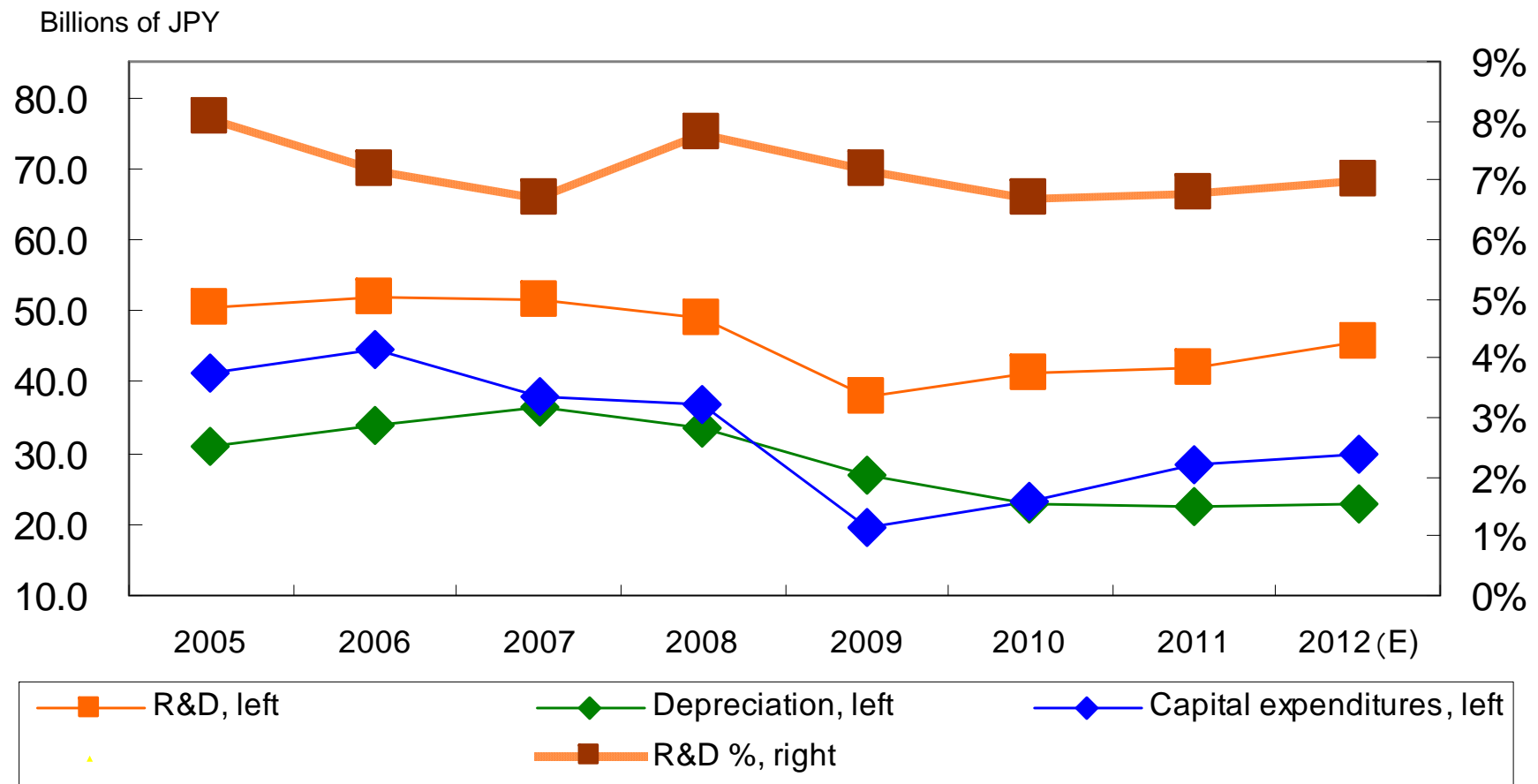


Sensing & Control 5 Core Businesses



1. Business Growth: Capital & R&D Investments

Omron will continue capital and R&D investments, which are indispensable for future growth.



■ **Generation of Corporate Value**

1. **Business Growth**

2. Stronger Management

3. **Response to Changes**

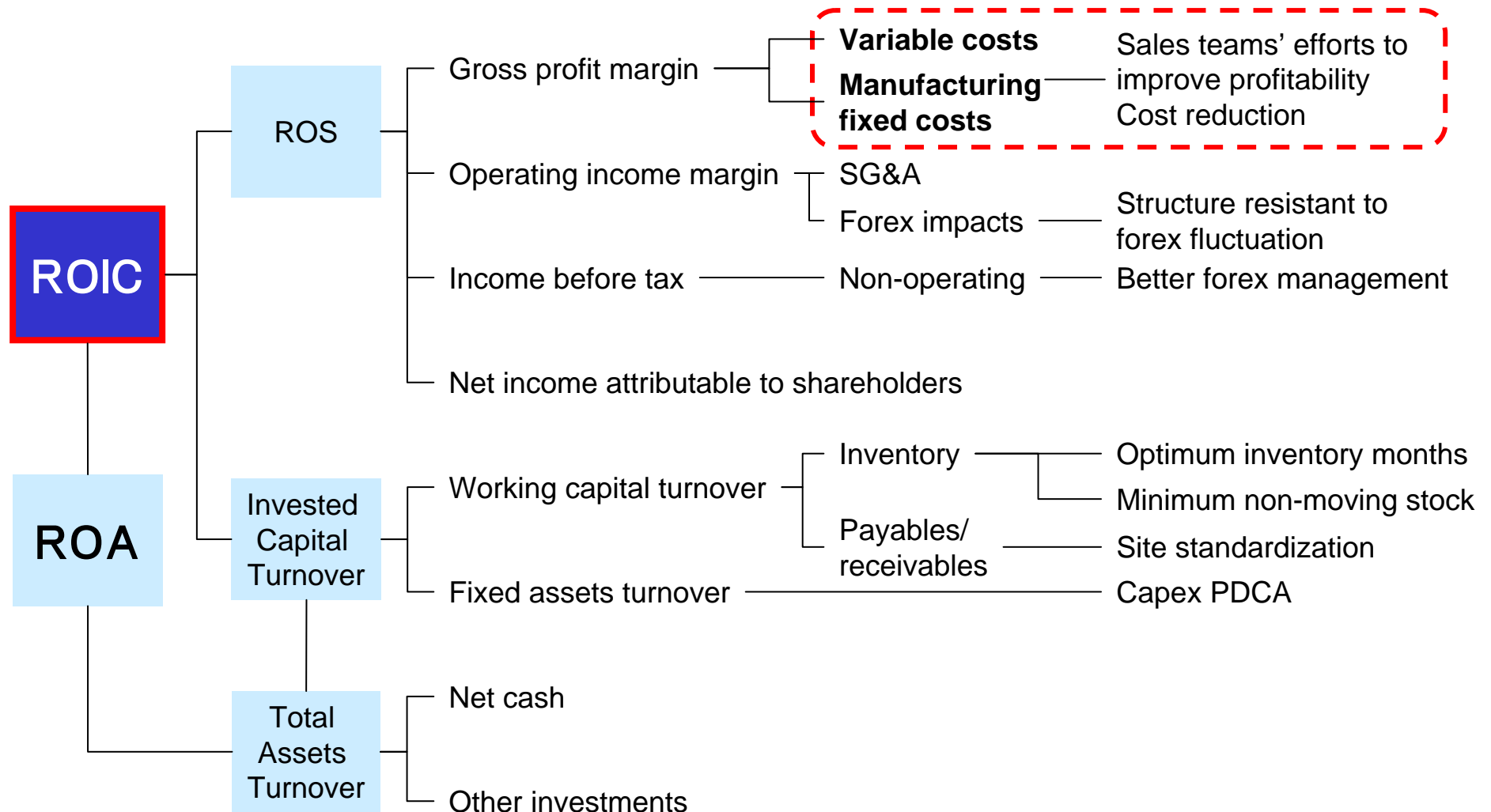
2. Management: Financial Indicators

Management with focus on ROIC and other indicators.

Major Indicators	FY11	FY12 fcst
Gross Profit Margin	36.8%	37.5%
Operating Income Margin	6.5%	7.1%
ROE	5.2%	8.5%
ROIC	6.8%	7.7%

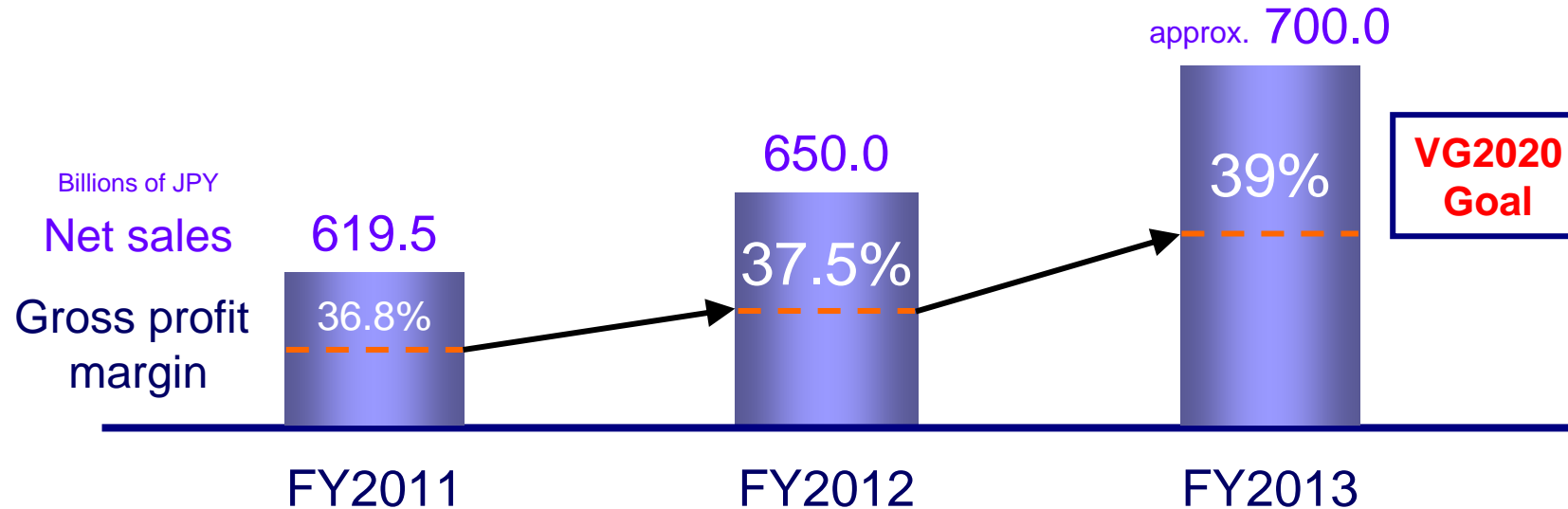
2. Management: Indicators & Structure Reform

Indicator breakdown → What to/how to improve → Stronger Omron



2. Management: Profitability

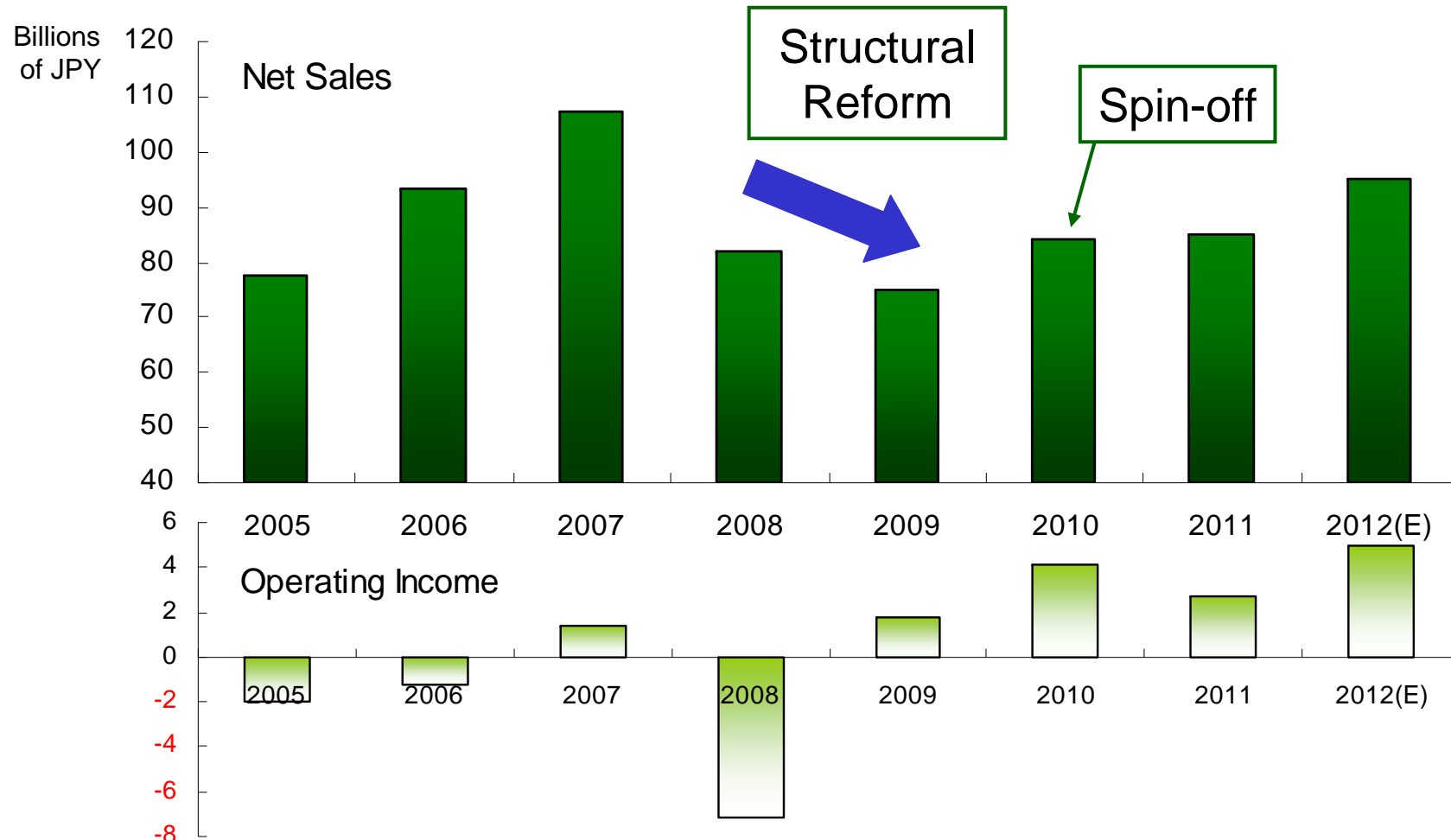
Targeting FY13 gross profit margin of 39%



- ◆ Sales staff's efforts in profit improvement
- ◆ Smaller number of components, standardized system platform
- ◆ Less use of major raw materials, such as silver, copper and resin
- ◆ Introduction of automation in China and other Asian countries (low-cost automation)

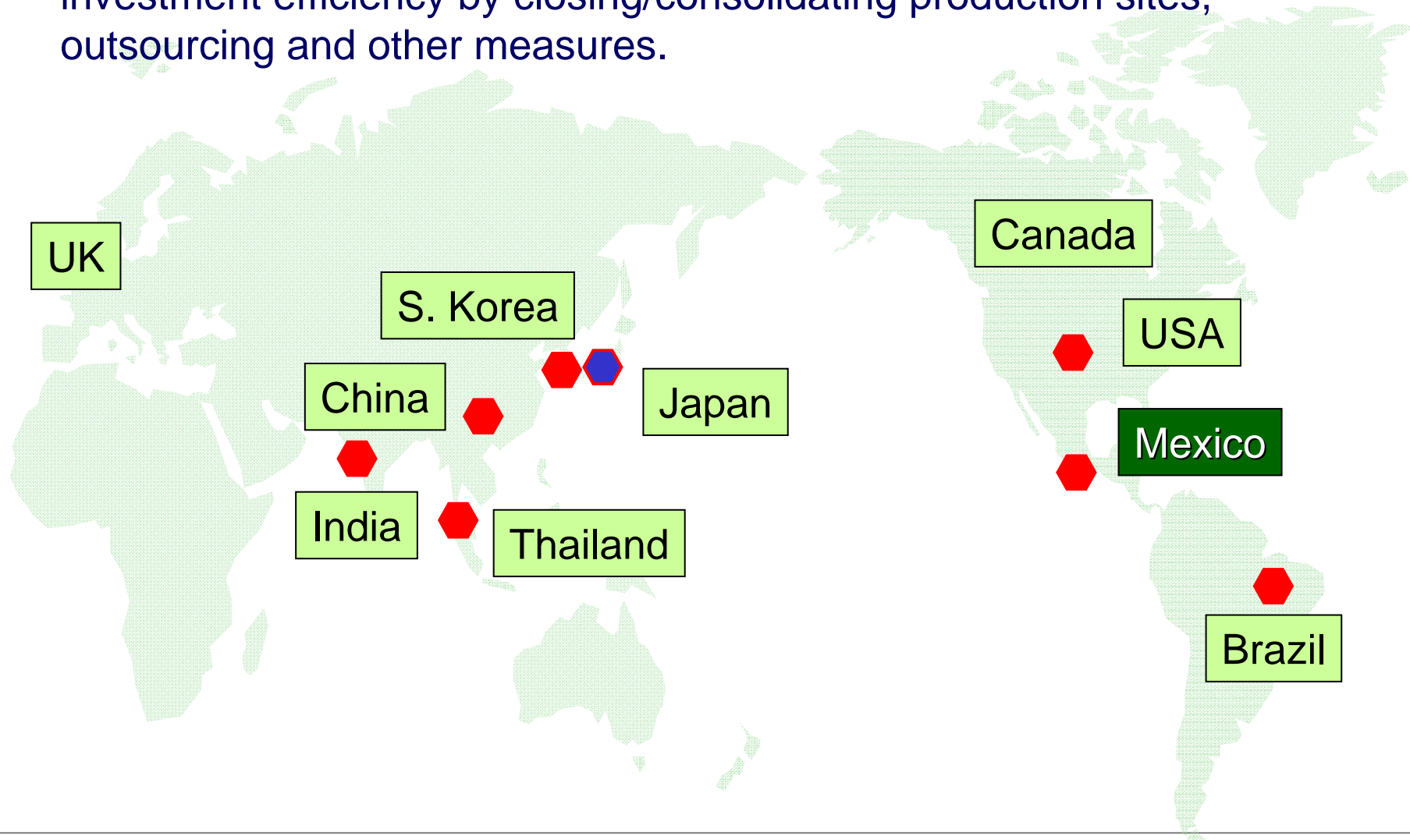
2. Management: OP Improvement, AEC

Automotive Electronic Components Business (AEC) went through structural reform and spin-off, and successfully transformed into profit-making business.



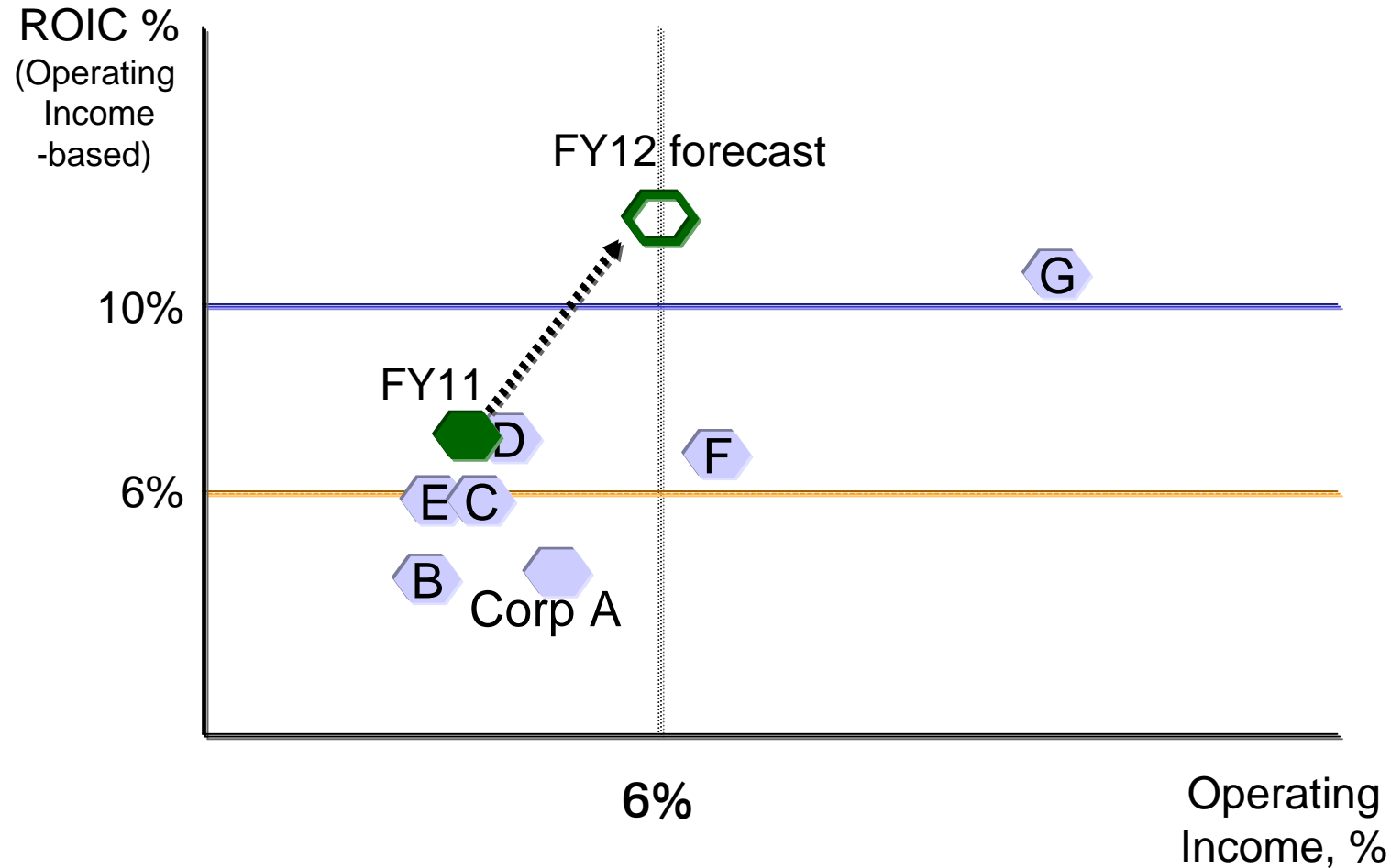
2. Management: Better Investment, AEC

In addition to profit improvement, AEC is working on higher investment efficiency by closing/consolidating production sites, outsourcing and other measures.



2. Management: Better Investment, AEC

AEC's ROIC level is high compared with competitors.



- **Generation of Corporate Value**
 1. **Business Growth**
 2. **Stronger Management**
 3. **Response to Changes**

3. Response to Changes: Emergencies

The Great East Japan Earthquake

Flooding in Thailand

3. Response to Changes: Measures Taken

- Omron fulfilled its responsibility as a supplier by parts procurement and alternative site production.
- Promoting multi-site production to avoid political and disaster risks.



3. Response to Changes: Risks as Opportunities

Omron will keep challenging itself in responding to external changes to become an even stronger company.

Risks

Natural
Disasters

Economic
Slowdown

To Dos

- Team Omron bond
- Global business process reform
- Stronger and higher profitability through structural reform
- Balanced operation with multi-business portfolio

Investments & Returns: Priority

- Omron sees investments for growth more important for now.
- For shareholder returns, ready to flexibly take measures including buyback, considering M&A and other financial conditions.

		FY	01	02	03	04	05	06	07	08	09	10	11	Total (FY01-11)
		Unit												
Net Income		bn JPY	-15.8	0.5	26.8	30.2	35.8	38.3	42.4	-29.2	3.5	26.8	16.4	175.7
Dividends	Annual, per share	JPY	13	10	20	24	30	34	42	25	17	30	28	273
	Annual, total	bn JPY	3.3	2.4	4.8	5.7	7.0	7.8	9.3	5.5	3.7	6.6	6.2	62.4
	Dividend payout ratio	%	-20.9%	475.3%	17.8%	18.9%	19.7%	20.5%	22.0%	-18.9%	106.4%	24.7%	37.6%	35.5%
Acquisition of treasury stock	Amount acquired	bn JPY	0.7	10.2	8.4	3.1	10.1	11.2	22.3	3.0	0.0	0.1	0.0	69.2
	Acquisition/net income ratio	%	-4.6%	2000.0%	31.4%	10.2%	28.2%	29.3%	52.7%	-10.3%	0.4%	0.5%	0.1%	39.4%
Total return ratio (dividends & treasury stock acquisition)		%	-25.4%	2475.3%	49.2%	29.1%	47.8%	49.7%	74.7%	-29.1%	106.7%	25.2%	37.7%	74.9%
DOE		%	1.1%	1.2%	1.1%	1.9%	1.7%	2.0%	2.2%	3.2%	1.0%	1.7%	2.1%	1.8%

Higher Corporate Value

Shareholder-Oriented Management

**Thank you for your confidence in
Omron's growth.**



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Notes

1. The consolidated statements of Omron Corporation (the Company) are prepared in accordance with U.S. GAAP.
2. Projected results and future developments are based on information available to the Company at the current time, as well as certain assumptions judged by the Company to be reasonable. Various factors could cause actual results to differ materially from these projections. Major factors influencing Omron's actual results include, but are not limited to, (i) economic conditions affecting the Company's businesses in Japan and overseas, (ii) demand trends for the Company's products and services, (iii) the ability of the Company to develop new technologies and products, (iv) major changes in the fundraising environment, (v) tie-ups or cooperative relationships with other companies, (vi) movements in currency exchange rates and stock markets, and (vii) accidents and natural disasters.